



Compensated Gross Tonnage for Superyachts

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**SYBAss thanks SEA Europe for
inviting SYBAss to this OECD Workshop**

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Content

- Who is SYBAss and what are Superyachts;
- Growth of Superyacht Fleet;
- Typical Cost levels;
- Is CGT needed for Superyachts?
- Concept of Compensated Gross Tonnage (CGT);
- Method for determining CGT for Superyachts;
- Results of CGT determination for Superyachts;
- CGT Ranking of Superyacht Sector worldwide;
- Conclusion.

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Superyacht Builders Association

SYBAss represents 23 superyacht builders worldwide (motor and sail)
Over the last 10 years their market share is about 50% of all superyachts



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Superyachts



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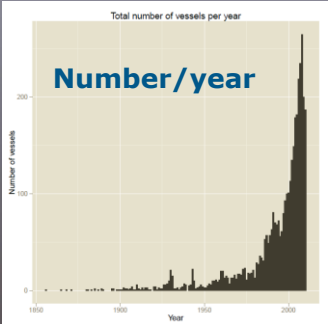


Growth of Superyacht fleet

(Courtesy Boat International Media)

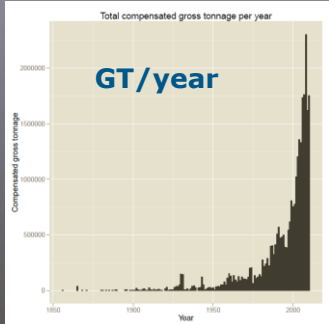
Total number of vessels per year

Number/year





Total compensated gross tonnage per year

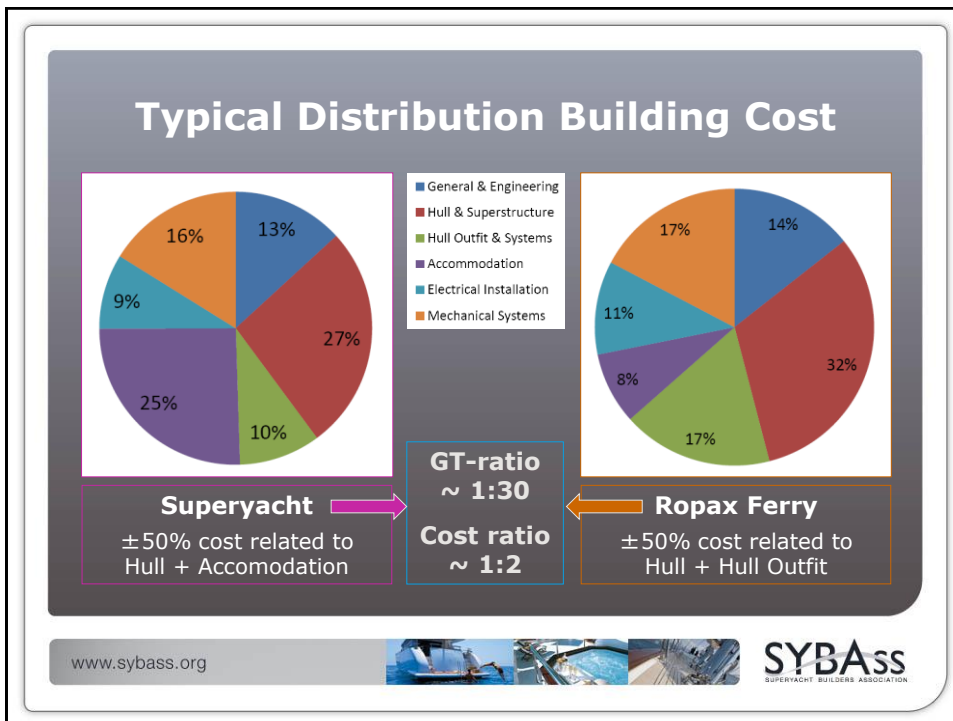
GT/year



Over 50% of Superyacht fleet is built between 2000-2010



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Economic importance of Superyachts

Is economic importance recognised considering Superyacht's:

-  ➤ Major growth since year 2000 ?
-  ➤ High Cost/GT ratio ?

This presentation will provide insight into this question

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How to assess economic importance?

- The CGT-concept is generally used to answer this question;
- For Superyachts often existing CGT-coefficients are used, for example of Passenger Ships, Ferries or NCCV;
- Does such approximation result in a proper assessment of the current economic importance of the Superyachts?
- GT-ratios compared to Cost-ratios make this doubtful;
- Delft University of Technology in The Netherlands (DUT) has determined CGT-coefficients for Superyachts.

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What is CGT?

GT: "Gross Tonnage"

Measure of the enclosed volume of a vessel

CGT: "Compensated Gross Tonnage"

Accounts for the complexity/workload of certain ship type and size

C-Factor:


CGT / GT



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OECD 2007: $CGT = A * GT^B$


A and B referred to as 'CGT-coefficients'

Ship type	A	B
Oil tankers (double hull)	48	0.57
Chemical tankers	84	0.55
Bulk carriers	29	0.61
Container carriers	33	0.62
General cargo ships	27	0.64
Reefers	27	0.68
Full container	20	0.68
Ro ro vessels	22	0.63
Car carriers	15	0.62
LPG carriers	62	0.57
LNG carriers	32	0.68
Ferries	20	0.71
Passenger ships	49	0.67
Fishing vessels	24	0.71
NCCV	46	0.62



No values for Superyachts

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CGT study for Superyachts



- OECD does not provide methodology for determining CGT;
- Therefore DUT developed a specific approach to CGT;
- Available data:
 - For 18 Control Vessels ;
 - For 36 Superyachts.

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Approach Delft University

Total Production Effort: Effort Yard + Effort External
Effort External: Effort Suppliers + Subcontractors

Assumptions

- ✓ CGT is based on Total Production Effort;
- ✓ External Costs are fair indicators for associated efforts;
- ✓ Profit margin of Yard is proxy for External profit margin;
- ✓ Ratio labour/materials cost same for Yard and External.
(for disciplines shared by Yard and External)

Method is validated against 18 Control Vessels



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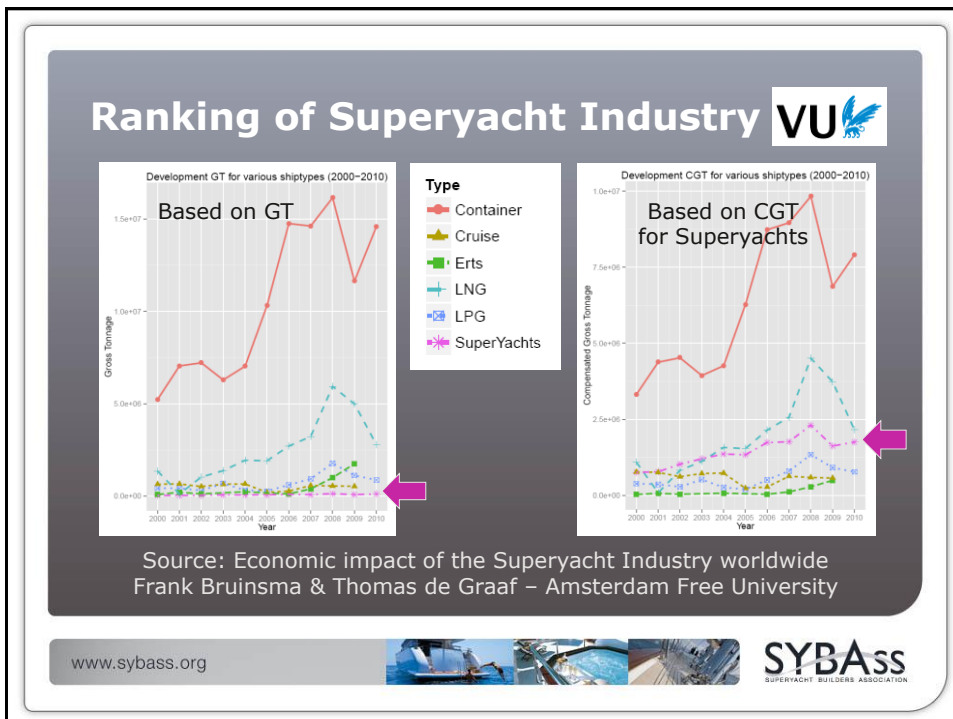
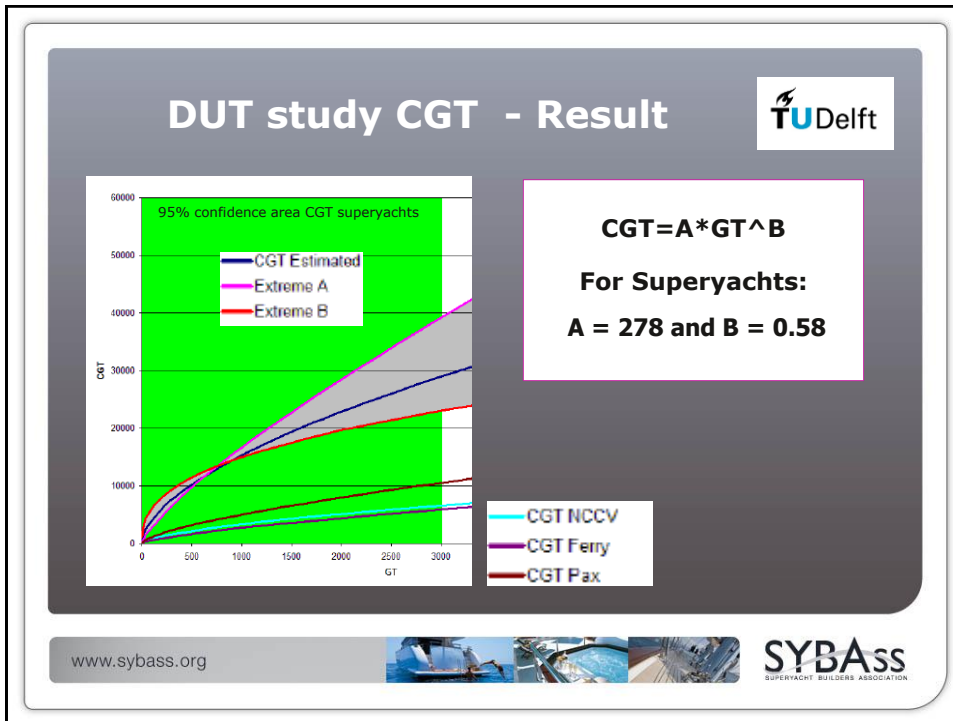
DUT study CGT - Observations

1. The DUT Method gives good results for the Control Group;
2. It is not realistic to use for Superyachts CGT-coefficients for Passenger Ships, Ferries or NCCV;
3. Specific CGT-coefficients for Superyachts are justified.

For details of the DUT study CGT refer to:

Determination of the Compensated Gross Tonnage factors for Superyachts
Jeroen F.J. Pruyn et al, International Shipbuilding Progress 57 (2010)
or:
<http://www.sybass.org/fields-of-interest/professionalism>

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In Conclusion:

SYBAss invites the OECD to consider:

CGT=A*GT^B:
For Superyachts
A = 278 and B = 0.58

Thank you

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