

ASSOCIATION OF CARIBBEAN STATES

XXIII MEETING OF THE SPECIAL COMMITTEE ON SUSTAINABLE TOURISM AND 1ST PREPARATORY MEETING OF THE 3RD MEETING OF MINISTERS OF TOURISM OF THE GREATER CARIBBEAN (TMM-3)

Managua, Nicaragua, June 28-29, 2012

PROJECT BRIEF ON THE ESTABLISHMENT OF THE ASSOCIATION OF CARIBBEAN CRUISE SHIP DESTINATIONS (ACCD)

The Panama Declaration July 29th, 2005, reaffirms the commitment of Heads of State and/or Governments of the Association of Caribbean States (ACS) to sustainable tourism development; and mandates inter-alia to convene a Tourism Ministerial Meeting with High Rank Officials of the tourism sphere to "exchange experiences and analyze proposals and alternatives on tourism public policies, especially on cruise ships, in order to assess the potential for this type of tourism to better contribute to the sustainable development of the sector in the countries of the region".

At the First Tourism Ministerial Meeting of the Greater Caribbean (TMM-1), held in 2006 in Havana, Cuba, the Regional Ministers of Tourism commissioned a study on the Impact of Cruise Ship Tourism to the Greater Caribbean, within the context of the contribution of Cruise Tourism to the sustainable development of ACS Member and Associate Member States. This study was completed through joint collaboration between the ACS Directorates for Sustainable Tourism and Transport in 2010. The leaders of tourism in the region also agreed to "[consider] the possibility of establishing an Association of Caribbean Cruise ship Destinations, which contributes to exert more force in the discussions with the industry and has the potential to impact positively in terms of the accruing benefits to Member States and Associate Members of the ACS, particularly through the increase of cruise trips".

It is expected that the Association of Caribbean Cruise ship Destinations (ACCD) functions as a mechanism for Cooperation Networking, Knowledge-Exchange and Dialogue between governmental agencies and Regional and International Industry Stakeholders that operate in this important tourism sub-sector, through the leadership and co-ordination of ACS Member and Associate Member States. In this regard, it was agreed "to establish an Ad Hoc Working Group to carry out the task of establishing the Association of Caribbean Cruise ship Destinations". The Ad Hoc Working Group comprising tourism officials from the various member states was mandated to advance on the concept and framework for the institutionalization of the ACCD through preparing the legal documentation, operating plan and schedule to be followed for the creation of the Association.

The **First Meeting of the Ad Hoc Working Group for the Establishment of the Association of Caribbean Cruise ship Destinations (ACCD-WG-1)** was held in Managua, Nicaragua on December 10, 2009 at the convening of the Second Tourism Ministerial Meeting of the Greater Caribbean (TMM-2). The meeting analyzed a paper entitled *Document on the Objectives, Composition, Functions and other Institutional Aspects of the Proposed Association of Caribbean Cruise ship Destinations (ACCD)*, prepared by the Directorate of Sustainable Tourism of the ACS, which was subjected to analysis, revision and was presented for further

consultation at the 21st Meeting of the Special Committee for Sustainable Tourism (SCST), in May 2010.

The main conclusions and recommendations arising from the first meeting were as follows:

- Consideration of the Caribbean region potential regarding cruise destinations and recognition of the importance of using the large concept of the Caribbean based on the cultural and geographical diversity of the region.
- Recognition of the importance to be given, not only to the economical impact of cruise tourism, but also to its social, cultural and environmental impacts.
- Recommendation for the following aspects to be taken into account for the Work Plan of the ACCD:
 - Promotion of the acquisition of products, goods and services in ports through local providers and/or Member States of the ACS.
 - Generation of on board employment for citizens of the Greater Caribbean.
 - Organisation of familiarisation trips for travel agents on cruise ships in coordination with the destinations visited, so as to encourage the promotion of such locations as destinations.

The composition, work plan and structure of the ACCD-WG was approved, as well as team of Advisors to provide technical support for the Working Group being composed as follows:

Table 1. Ad Hoc Working Group for the Establishment of the Association of Caribbean Cruise Ship Destinations

ACCD WG- Executive Committee		
Chair	Nicaragua	
Vice Chair	Haiti and Mexico	
Alternate Vice Chair	Belize	
	Cuba	
Sub-Committees		
INTERACTION WITH CRUISE INDUSTRY	STATUTES AND INTERNAL REGULATION	STRATEGIC OPERATIONAL AND FUNDING PLAN
Chair: Mexico	Chair: Dominican Republic	Chair: Columbia
Honduras	Honduras	Honduras
Belize	Haiti	Haiti
	Venezuela	St. Kitts and Nevis
	El Salvador	Venezuela
	Guatemala	St. Lucia
	Cuba	Guatemala
	St. Kitts and Nevis	Dominica
	Dominica	CTO
	ACS Legal Adviser	SICA

The **Second Meeting of the Ad Hoc Working Group for the Establishment of the Association of Caribbean Cruise ship Destinations (ACCD-WG-2)** was held in La Antigua Guatemala, Guatemala, 2-3 September 2009. Decisions emanating in this regard were the following:

- The time frame for the establishment of the ACCD was set for mid-December.
- Dr. Paul Ridoutt, a consultant would be contracted to produce the Statutes and by-laws of the ACCD as well as its Strategic Operational Plan including the Sustainable Funding Plan.
- Through a mechanism of sub-committees, the members of the ACCD-WG and interested ACS Members States with the involvement of CTO, and SICA would provide input to the deliverables of the consultancy. .
- The meeting also validated the input of the private sector on a country level to be incorporated in the regional approach.
- The meeting agreed to convene a meeting with the Cruise Industry in Mexico in November.

The Meeting also decided that the focus of the deliverables for the consultancy would be as follows:

- Constitution (Statutes) and Internal Regulations of the ACCD.
- Strategic and Operating Plan for the functioning of the ACCD including Sustainable Financing Plan for the ACCD.

Following the decisions emanating from the ACCD-WG-2, the Secretariat undertook to source the funds needed to comply with these decisions. In this regard, a request to the Republic of Turkey an Observer Country of the ACS, was approved for a contribution of USD50, 000.00 and the Secretariat then advanced on the coordination of hiring of the consultant.

The consultancy with Dr. Ridoutt commenced November 29th, 2010, amounted to **USD 27,482.38**, commencing and comprised of the following components.

From November 29th to December 4th, 2010 an associate, Mr. Alex Titcombe visited the ACS Secretariat on a fact finding mission, to facilitate the preparation of an Inception Report. A second mission took place from the 18th-20th January 2011, for the purposes of discussing input to finalise the drafting of the project deliverables. These missions entailed discussions with key ACS personnel and stakeholders of the Committees of the Ad Hoc Working Group and other focal points to allow the consultant to undertake the tasks and activities required within the Work Plan.

The final deliverables of this consultancy were made available on March 11th, 2011. Documents generated by the consultancy were as follows:

- The draft Statutes of the ACCD including the Objectives, Composition, Functions and other Institutional Facets of the Association;
- Draft Internal (operational, administrative and financial) regulations of the ACCD to be an integral part of the statutory documents;
- Formulation of the Strategic Operational Plan for the operation of the ACCD
- Proposed Budget and Membership fees;
- Development of a Marketing Plan and guidelines for the ACCD website.

The documents generated by the consultancy and corresponding feedback from Member States were compiled by the Secretariat to facilitate the decision-making process at the **Third Meeting of the Ad-Hoc Working Group (ACCD-WG-3)**, held in Managua, Nicaragua, June 15th - 16th, 2011, and for subsequent presentation to the 22nd Meeting of the Special Committee on Sustainable Tourism (SCST-22) for discussion and advancement. The Meeting succeeded in analysing the feedback received from Member States to the drafts, with the aim of finalizing these documents and also made decisions on the next steps to be taken in this process. Among others it was agreed to facilitate subsequent meetings to resolve critical issues related to funding, membership fees, the structure and bodies of the ACCD and other organizational aspects, in order to expedite the formal establishment of the Association. It was also agreed that the ACCD would not be established as a new regional organization, but as an initiative within the parameters of the ACS in the same manner as the Caribbean Sea Commission (CSC).

The importance of convening an informational meeting with the Cruise Industry on the proposed ACCD was reiterated as a priority. To facilitate discussions on the convening of this meeting, the Directorate prepared a draft Agenda which was approved and completed research papers on six priority issues that were identified by the working Group as areas for intervention and engagement of the industry as follows:

1. Promote the acquisition of products, goods and services through local providers and/or Member States of the ACS;
2. Generate on board employment for citizens of the Greater Caribbean;
3. Organise familiarisation trips for travel agents on cruise ships;
4. Development of programmes for the protection of the natural environment;
5. Development of a regional infrastructure plan for cruise development in all ACS countries in conjunction with the plan of Mesoamerica;
6. Development of Cruise route cooperation similar to Baltic Cruises.

The research papers were circulated as part of the set of documents to the ACCD-WG-3. The Secretariat furthermore updated the desk study it produced in 2009 on the economic, social and environmental impacts of Cruise Tourism to the Region, which was also circulated to the meeting.

As it relates to next steps, future meetings of the ACCD-WG are envisaged to finalise discussions on the legal and operational framework of the ACCD, with the purpose of presenting the outcomes to the next meeting of the ACS Ministerial Council for this body's approval. The Secretariat has also commenced outreach to the representatives of Cruise Associations in efforts to advance convening of the proposed meeting with the Cruise Industry.

To promote the advances in establishing the ACCD in the tourism arena and foster interest, engagement and wide regional and international support among key stakeholders, the Secretariat in collaboration with the SCST Chair participated in various Regional events providing reports and presentations, which entailed the ACS Tourism Agenda with special emphasis on the developments in establishing the ACCD. In this regard, a presentation was made at the annual Meeting of the CTO Council of Ministers and Commissioners of Tourism which was held June 9th, 2011, within the framework of CTO's Caribbean Week in New York Expo. Similarly a presentation was made to Caricom delegates and other Tourism related

stakeholders in attendance at the XIX Inter-American Travel Congress hosted by the Organisation of American States (OAS), on September 26-28, 2011 in El Salvador. The potential of the ACCD as it relates to the promotion of multi-destination tourism was discussed at the annual International Tourism Fair in Venezuela (FITVEN) 2011, held in Margarita Island, Venezuela on October 21-24. Similarly, the ACCD and its relationship to Cruise Port/Destination Management was profiled at the Seventh Meeting of the Inter-American Committee on Ports, held in Lima Peru, March 15th -16th, 2012.

The project to establish the ACCD has been an intensive, detailed and comprehensive process spanning almost 3 years of concentrated efforts and interventions by the ACS Secretariat, since its inception in 2009. Considering the overall management and execution of the project, important and significant strides have been made as it relates to fulfilling project objectives. The importance of the formative work done as a means of laying the foundation for the future functioning and sustainability of the ACCD and enhancing co-operation among Member States in that regard is most noteworthy.

Execution of this project succeeded in 'Cruise Tourism' being placed at the forefront of regional policy discussions which resulted in the ACCD receiving the attention of the Region's Policy Makers both in terms of feedback to the project documents and participation in ACCD Meetings. Outreach activities further contributed to the ACS being commended for its efforts in attempting to address this issue, with the ACCD receiving recognition and endorsement as a **practical and feasible solution** from regional stakeholder groups including the Caribbean Community (CARICOM) and the Central American Integration System (SICA).

In the wider geo-political context, that lack of a unified Regional position or platform for co-operation in the area of cruise tourism has resulted in inconsistencies in product and service quality as it relates to the cruise experience at individual destinations. Cruise Tourism is synonymous with multi-destination tourism and in view of the increasing competition from emerging destinations in Asia and elsewhere, and the marked decline in the regions comparative share of the industry, there is need to for a regional approach with innovative strategies to enhance the competitiveness and appeal of the region and so secure the future of the industry. In support of this methodology, the World Travel and Tourism Council (WTTC) 2004 report stated that regional authorities should undertake to develop and agree on a regional cruise tourism policy. Earlier Dunlop in his discussion of tourism negotiation issues for the ongoing General Agreement on the Trade in Services (GATS) recommended that cooperation in this regard, would *"increase the collective bargaining power of destinations in the negotiations with cruise ships... and increase the benefits of cruise activities to national economies"* (Dunlop, 2003).

The ACCD was conceived for this purpose, and to this extent, the support, commitment and clear directives of ACS Member and Associate States continue to warranted for its successful establishment and future sustainability.

ANNEX I

Overview of Budget Execution

The following financial breakdown and schematic details the expenditures associated with the execution of the ACCD project for the period May 5, 2010 when the contribution from the Republic of Turkey was first received to current date. The information is presented in accordance with the nature/type of activity and actual cost as it relates to the execution of the budget.

Project Budget Total: **USD 50,000**

Summary of Expenditures to date: **USD 49,319.81**

Remaining balance project funds: **USD 680.19**

Figure 1. Overview of Income and Expenditures for ACCD Project Budget

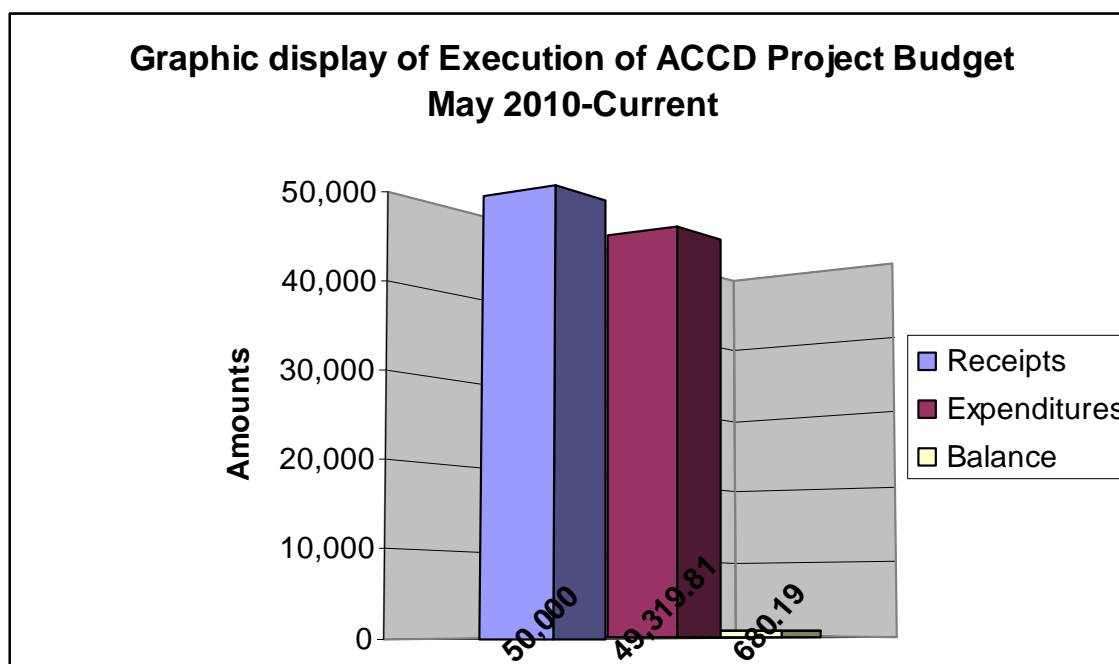
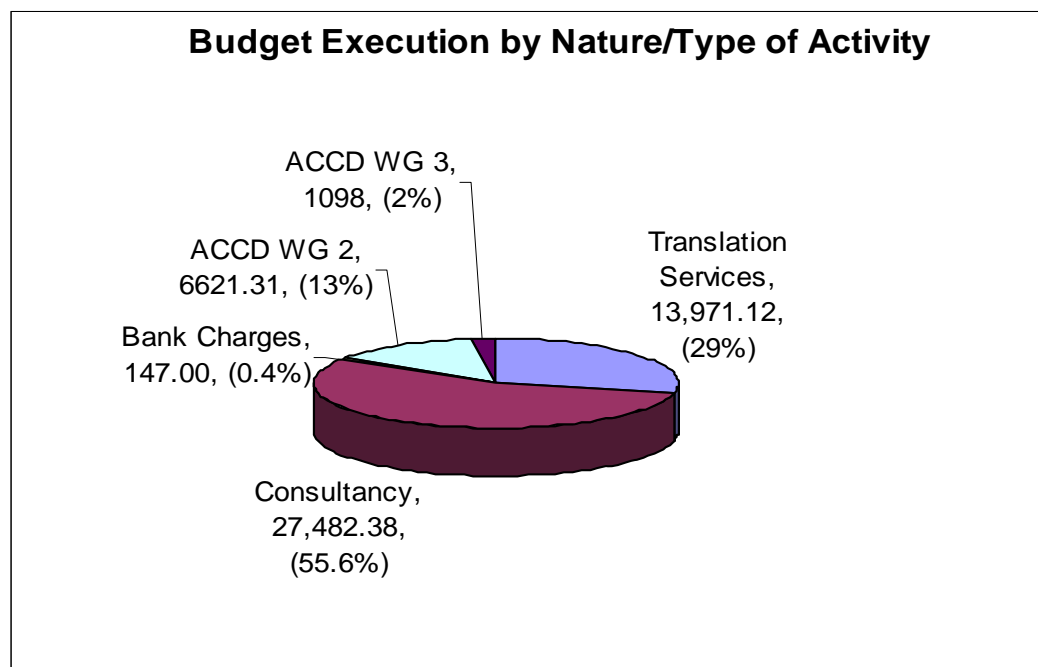


Figure 2. ACCD Project Budget Execution by Nature/Type of Activity



ACCD Project- Execution by Nature/Type of Activity	
Activity	Cost
Translation Services	13,971.12
ACCD Consultancy	27,482.38
Bank Charges	147.00
ACCD WG 2 Meeting Airfare and Per diem	6,621.31
ACCD WG 3 Meeting Partial Per diem	1,098.00
Total	49,319.81