National Trust Statement on the Cruise Berthing Facility Proposal

(7 October, 2015, George Town)

The National Trust for the Cayman Islands is a non-governmental organisation whose mandate under its Law includes the preservation of the historic, natural and maritime heritage of the Islands.

Within the context of this mandate, the Trust recognises the need for the cruise passenger experience in the Cayman Islands to be a positive one for visitors and local hosts alike and for cruise ship tourism to continue to be sustainable. The Trust has noted the Government’s decision, announced on Wednesday 30 September, to move forward with plans to construct a Cruise Berthing Facility in George Town’s Hog Sty Bay pending a final decision in Cabinet.

The Trust appreciates the Government’s cautious approach to the Cruise Berthing facility challenge but is concerned about the sustainability of the proposal and the fact that so much remains unclear. There is a significant lack of research and data to support the assumptions in the Outline Business Case (OBC), particularly with respect to direct passenger surveys and research on spending increase assumptions as well as loss of business if the Cruise Berthing facility is not constructed. The September 2015 Draft Environmental Impact Assessment (EIA) concludes that “the construction of the proposed cruise berthing facility will result in ecological losses, including loss of habitat and habitat complexity, loss of ecological functionality and connectivity and the inevitable loss of biodiversity in the area.” It recommends that the Gross Value Added (GVA) to the economy of the Cayman Islands be adjusted for the loss of the value of the ecosystem goods and services, that the anticipated displacement of watersport businesses from Hogsty Bay be accounted for and that the OBC be updated accordingly.

The Trust understands that implementing environmental mitigation measures will be costly and complicated. The recent Benthic Survey undertaken by the Government confirmed the EIA’s identification of significant amounts of live coral structure in the proposed dredge area. Previous experience has shown that this coral, if translocated, has a limited chance of survival due to stress. The possible loss of this coral as well as the loss of or damage to the wreck of the Balboa, a victim of the 1932 hurricane and an irreplaceable part of Cayman’s history and heritage, is of particular concern to the Trust.

There are further areas of concern which the Trust believes should be addressed (whether in the OBC or otherwise):
1) Has the Florida Cruiseship Association definitively stated that Grand Cayman will be removed as a destination if a Cruise Berthing Facility is not constructed?

2) Are there other options which could be implemented to enhance the local cruise passenger experience that would be acceptable to stakeholders and which do not create significant environmental concerns?

3) Is the loss of a substantial extent of one of Grand Cayman’s major tourist attractions, the popular coral reef ecosystems and dive spots in and surrounding Hog Sty Bay, along with the resultant loss of the associated water sport businesses, adequately justified by the projected economic return of the Cruise Berthing Facility as proposed?

4) Does the OBC make a reasonable assumption that there will be significant increases in cruise passenger spend as a consequence of slightly more efficient disembarkation rates as assessed by the EIA?

The EIA does not address assessment of and improvements to George Town’s infrastructure in any depth and has not accounted for the associated costs of these improvements. Appropriate assessments should be undertaken and the costs of any improvements needed to Grand Cayman’s infrastructure be quantified in order to support the assumed increase in passenger numbers. Similarly, the actual visitor carrying capacity of Grand Cayman as a whole should be assessed so that a sustainable tourism product can be maintained.

The Trust believes that due consideration should be given to the reputational damage that may be caused to the Cayman Islands brand as a tourist destination. There has been a significantly negative reaction from the local residents as well as the international media to the proposed Cruise Berthing Facility and the environmental damage it will cause if implemented.

In summary, the Trust believes that there is room to question whether the investment in the Cruise Berthing Facility will yield the substantial improvement to the economy predicted by the OBC as the negative economic and environmental consequences are far reaching and in many cases irreversible. As obligated by its mandate, the Trust urges the Government to consider carefully the conservation of the submarine areas of beauty, historic and environmental importance within Hog Sty Bay and to validate and scrutinise all available data and inputs before deciding whether or not to proceed with constructing a Cruise Berthing Facility as proposed.

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