



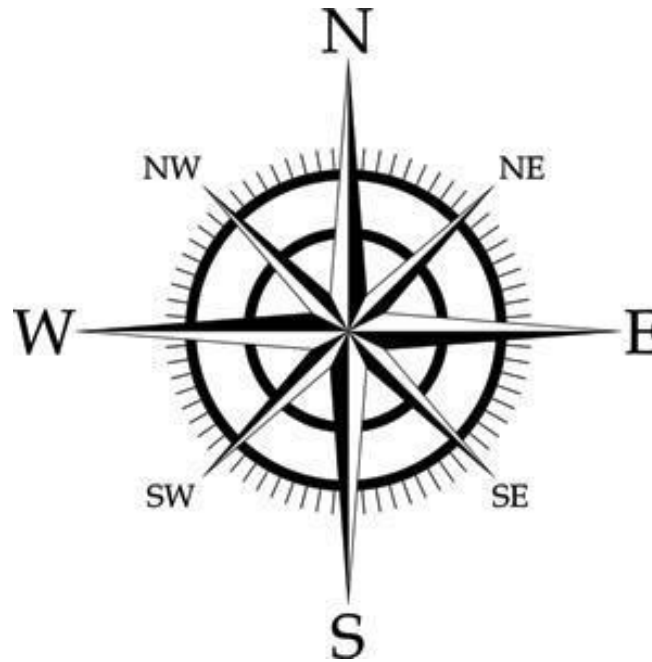
CRUISE EUROPE

Cruise Europe

- Founded 1991
- "Mother of all cruise associations"
- 115 members/associate members in Europe
- North Cape – St. Petersburg – Lisbon – Ísafjörður
- Port owned and port focused



North Cape



Ísafjörður

St. Petersburg

Lisbon



A map of Europe with four regions highlighted in light blue. The regions are labeled with white text: 'Iceland, Norway & Faroes' in the north, 'The Baltic' in the northeast, 'UK + Ireland' in the west, and 'Europe's West Coast' in the southwest.

Iceland, Norway &
Faroes

The Baltic

UK + Ireland

Europe's West Coast



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Cruise Industry Snapshot

- 23 million worldwide guests in 2015
- 7% average annual passenger growth rate since 1990
- 310 ships with approximately 440k berths in 2013
- 30+ new vessel deliveries expected 2015-2019
- Steadily increasing capacity pushes cruise lines to expand beyond their traditional markets: a “supply driven” industry





Cruise Networks

- Local cruise networks
- National bodies (Cruise Scotland, Norway, Iceland)
- Ad-hoc networks (projects), often EU-funded and shortlived
- Regional Networks like Cruise Europe or Medcruise



Local networks

- Port of arrival not the main benefactor of a cruise call
- Local networks stimulate local cooperation
- Port, local authorities, tourist agents, tourist boards
- Local networks crucial to develop good local infrastructure and excursions
- Transport infrastructure, access to port



National cruise networks

- Promote economic and social impact of cruise tourism on a national government level
- Documentation of economic impact
- Strong anti-cruise lobby in some countries
- Make the operators aware of their members facilities
- Fam trips
- Promotion of turnarounds
- Promotion of pre – post cruise stays
- Awareness of lesser known and less developed areas



Temporary networks (projects)

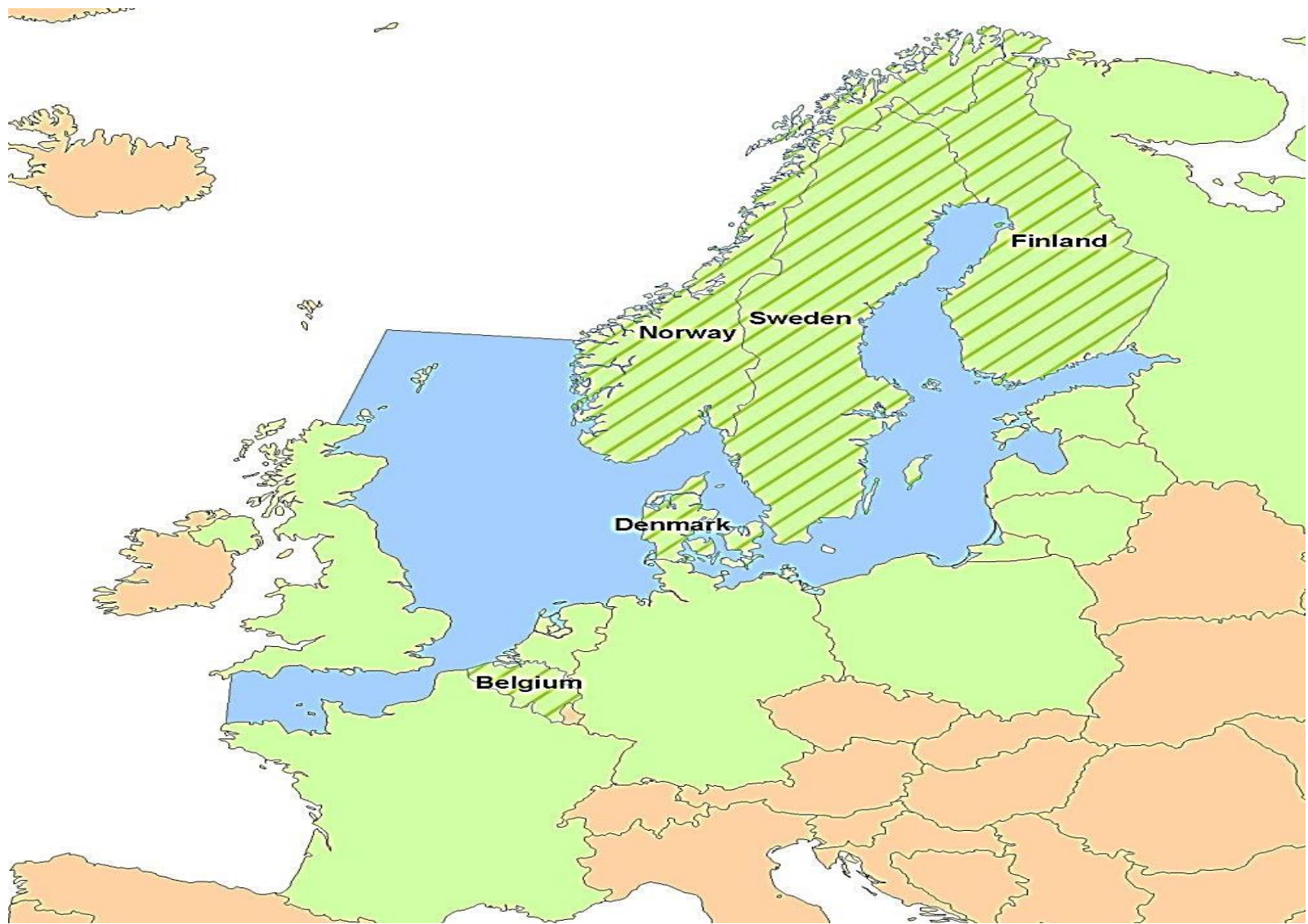
- Temporary cruise networks come and go
- Celtic Wave
- Cruise Atlantic Europe
- Cruise Gateway North Sea basin
- Cruise Baltic – from temporary to permanent
- Cruise Baltic – a good example of a successful project funded by EU
- EU should use existing structures/networks for new projects



Regional networks

- Cover a wider geographical area
- Extended opportunities for exposure to the industry
- Benchmarking – learn from each other
- Big networks with lots of knowhow and experience
- Member of ESPO CFPN
- Most CE members are members of local, national and regional networks





Challenges

- Seasonality
- Long sailing distances
- Price of marine fuel
- Main source markets not close
- SECA (Sulphur Emission Control Area)
- Ships are steadily getting bigger, increasing the requirements on port infrastructure to adequately support calls
- Secure funds to deliver competitive infrastructure
- Massive investments
- Difficult to make robust business case on cruise calls only



Opportunities

- A growing expedition market
 - Small ships, emphasis on exploration and adventure, flexible
- Mainstream market also growing
- Orderbook
- Location outside SECA
 - For some areas such as W. Scotland, Iceland, Faroes, N.Norway
- Winter cruises increasingly popular
 - Aurora Borealis, Solar Eclipse,
- Undiscovered destinations
- The industry needs port infrastructure: new ports, upgrades and expansion of existing ports.
- Large number of ports close to each other in some areas of the region
 - Operators can create exciting itineraries



Summary

- Port of arrival not the main benefactor of the cruise call
- Networks play a vital role in organizing of cruise sector
- Cruise must be accepted in national tourism strategies
- EU should use existing networks for projects
- Infrastructure must be competitive
- Funding for infrastructure to accommodate megaships can be challenging





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Thank you for your attention

