

MEDCRUISE NEWS

QUARTERLY JUNE 2009

ISSUE 24

34th MedCruise General Assembly May 27th-30th, 2009

Cartagena hosts GA



Historic Cartagena hosted the Association of Mediterranean Cruise Port's 34th General Assembly event from May 27th to May 30th, 2009. Just over 100 delegates representing 48 MedCruise ports, 11 associate members and eight cruise lines congregated in Cartagena, one of the best natural harbours in the Western Mediterranean.

Delegates were welcomed by the hosts at a

cocktail party on the terrace of Cartagena's historic yacht club on May 27th, and more formally at the opening ceremony the following morning, chaired by Cartagena port authority president, Adrián Ángel Viudes.

Whilst MedCruise president, Giovanni Spadoni, and the recently-elected Board of Directors presented its work plan to the MedCruise general assembly on Thursday, May 28th, cruise line representatives spent the day touring the port

facilities and the destination.

On Friday, May 29th, MedCruise members gathered to hear presentations from the eight cruise line special guests: Luigi Pastena (MSC Cruises), Elisabetta de Nardo (Costa Cruises), Kay-Uwe Maross (Aida Cruises), Tim Moore (Fred. Olsen Cruise Lines), Tom Wolber (Disney Cruise Line), Edouard Petitson (Norwegian Cruise Line), Simon Douwes (Holland America Cruise Line) and Bruce Krumrine (Princess Cruises) (see Page 3).

After the cruise line speeches, members and cruise line representatives held one-on-one B2B meetings and convened in the afternoon for a private, roundtable discussion, which mostly focused on ways ports and cruise lines can collaborate to plan for and manage congestion at key ports.

Finally, on Saturday, May 30th, delegates and guests were shown an innovative educational excursion at a closed historic mine in the two-thousand-year-old mining district outside the city.

Cartagena was named Carthago Nova (for New Carthage) by Carthaginian general Hasdrubal in 228 BC. Since then, the Roman, Byzantine and Moorish empires have all established this port city as a base – a befitting setting for the gathering of the Association of Mediterranean Cruise Ports.

View - Giovanni Spadoni, Board President

As the 2009 summer season starts we are quietly expecting that the cruise industry will hold its position and ride out the economic crisis. In Chinese the word 'crisis' (weiji) is formed by two characters: the first 'wei' means 'danger' but the second 'ji' means 'opportunity'. Every crisis brings many risks but also many opportunities.

I believe there is an opportunity for strengthening the network of Mediterranean ports which currently extends to 75 ports in 20 countries and to profit from the recognition and reputation the association has earned. We are all facing challenges related to infrastructure,



logistics, the environment, security, passenger rights and other EU and international legislation.

By promoting the implementation of best practices, our ports can develop

and reach the level of excellence the industry is requesting from us which is witnessed by the deployment in the Med of the newest ships. The partnership we have created with the cruise lines, our clients, also involves a close co-operation on operational matters and controlling costs:

there are still sectors in the industry in which the Port Authorities can intervene to reduce and harmonize some costs. This is especially true if the lines pay for services that are not actually necessary or requested, or if at times are a result of misinterpretation of regulations.

Our next major task is to establish best practices on a range of port-related services and operational issues. All members will be requested to submit information on tariffs and structure of services on everything related to handling a cruise ship so we can create a set of benchmarks. I hope we will be able to present the results of this exercise internally to members at the May 2010 General Assembly.

MedCruise General Assembly No 34, Cartagena

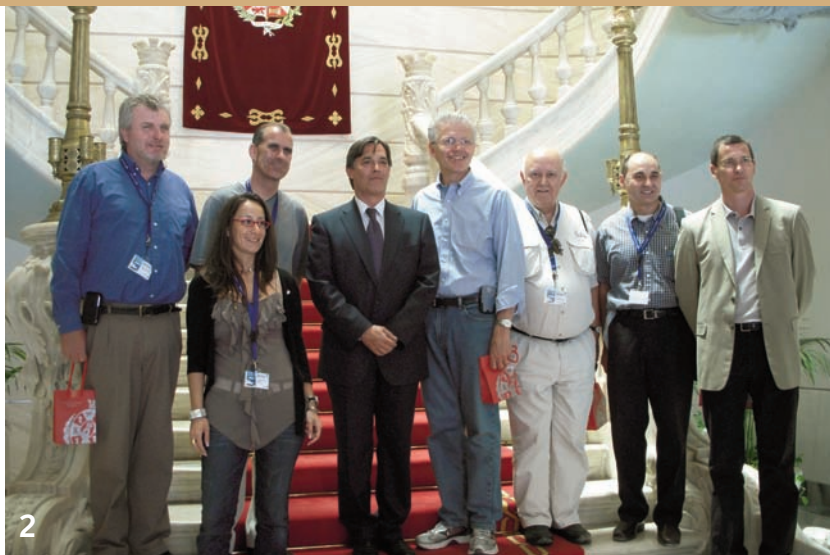


Photo captions

1. A visit to the Roman Theatre and Museum
2. Cruise line executives during Town Hall visit
3. Tom Wolber of Disney Cruise Line gets Segway training
4. Flamenco entertainment at Gala Dinner
5. Port of Cartagena's Fernando Muñoz and Hortensia Sanchez
6. Carla Salvado celebrates Barcelona FC's cup victory on opening night of GA
7. Giovanni Spadoni and Adrian Angel Viudes, President, Port of Cartagena
8. Holland America Line's Simon Douwes with Sochi representatives at B2B meetings
9. Haluk Sayman from Alanya, Lotfi El Ajmi from Tunisia and Suleiman Balouch from Lattakia
10. Bruno Freitas from Funchal, Madeira, Manuela Patricio from Lisbon and Graco Trindade from Portimao

Cruise lines challenge ports on range of issues



L-R: Luigi Pastena (MSC), Elisabetta de Nardo (Costa), Kay-Uwe Maross (AIDA), Tim Moore (Fred Olsen), Tom Wolber (Disney), Edouard Petitson (NCL), Simon Douwes (HAL), Bruce Krumrine (Princess) and Giovanni Spadoni

Friday morning at the GA was devoted to interaction with the cruise line executives first at a conference session, where views centred around current market conditions and port infrastructure, followed by a series of one-to-one meetings.

'In these challenging times where the financial crisis is reducing demand and subsequently our pricing, we have to respond by reducing our costs and be more efficient,' said Princess Cruises' Bruce Krumrine. He urged ports to do the same: 'If we support one another on cost management we will both emerge stronger when the economic situation improves,' he remarked.

A number of execs opined that ports are not growing their infrastructure in line with cruise line investment in new tonnage. Costa port operations manager Elisabetta de Nardo singled out the lack of dedicated cruise berths and limited long-term investment plans for cruise infrastructure. 'Surely the region has reached sufficient volumes that justify even more

investment?' she asked. Costa will make 2,200 calls in the extended Med basin this year. The rise in the number of calls at your ports is not an indicator of 'your quality,' de Nardo stressed before presenting photos taken from Costa ships tied alongside cargo berths on busy days. The images depicted rusty fenders, damaged bollards and uneven quays.

Referring to passenger comment cards following a disappointing port of call, MSC Cruises port captain Luigi Pastena said, 'Congestion and poor port structures accounted for 60% of negativity whilst 20% mentioned the weather.'

AIDA's Kay-Uwe Maross, senior manager port operations, expressed his dream, for MedCruise members to harmonise port cost structures and to adopt a reliable long-term berth reservation system – 'the first-come, first-served system is simply not acceptable any more,' he said.

Countering, MedCruise president Giovanni Spadoni said the association was well aware of these raw nerve issues and had agreed at

yesterday's general assembly to adopt benchmarking across the membership to establish best practices on port facilities, operations and services. Spadoni stated that the cruise lines and the ports need to improve the way they plan for calls and berth reservations so that the appropriately-fitted piers dedicated to cruise ships are available on the days the lines want to visit. He emphasised that the Mediterranean ports have made tremendous progress in retrofitting their piers and terminals over the last several years to keep up with the growing demand.

Disney Cruise Line svp Tom Wolber urged ports to focus on the uniqueness of their destination and work on re-packaging the existing core rather than creating new non-related attractions. 'Our passengers (95% North Americans) come to Europe to see history, culture and uniqueness.' He commended host port Cartagena on how it is re-discovering its history and 'bringing it to life in a modern way.'

On the practical front Fred. Olsen tour manager Tim Moore requested smaller buses for city centre tours where narrow streets often inhibit big buses from entering. Regarding sourcing, Holland America Line's Simon Douwes said his company is looking to increase its non-North American passengers, currently 14% on Med sailings, by targeting the Dutch and UK markets plus China, India and Brazil.

Of the panelists three – Costa, MSC and Norwegian Cruise Line – are deploying ships in the Med during winter and this will be the status quo for the time being, all concurred. 'We plan to have Norwegian Jade year-round again until 2011 and then it depends on demand what we do next,' said NCL port captain Edouard Petitson.



Opening ceremony: Giovanni Spadoni (third left) together with local councillors, tourism chiefs and Port of Cartagena president Adrian Angel Viudes (second right)

MedCruise at Miami



L-R: Haluk Sayman, Jose Torrado, Giovanni Spadoni, Carla Salvado, Aldo Babic, Enrica Capretti, Valeria Mangiarotti and Snijezana Papes

Eight MedCruise board members attended a MedCruise press conference held during Seatrade Miami in March.

MedCruise president, Giovanni Spadoni, reported the main concern amongst members at the moment is whether the credit crunch will result in a reduction in passenger shore-side spending.

'Whilst the lines are reducing cruise prices to ensure occupancy levels remain high, the destinations fear passengers may not have the

money to spend on their stay in port,' he remarked.

On operations aspects, Spadoni called for clearer guidelines governing cold ironing before ports can start serious investment on shoreside facilities. For example, Spadoni noted, looking at ships already fitted with related equipment one had it located on the starboard side whilst another's was on the port side.

'We need the IMO or class societies to draw up a set of standard rules before ports can make the investment in shoreside facilities,' he said.



Next stop Monaco....Monaco will host the next General Assembly on October 29th-30th.



Former MedCruise board members 2006-2008, Lotfi El Ajmi from Tunisia (left) and Albert Poggio from Gibraltar have been selected as Ambassadors for the Association.

Genoa hosts Costa naming ceremony for two new ships

Seeing double

The double naming of Costa Luminosa and Costa Pacifica in Genoa on June 5 was the first in Italy's history, and Guinness officials were on hand to sanction the record event.

Because of its special nature, the occasion obtained the official patronage of the country's Department of the Prime Minister and Italy's Cabinet.

A highlight of the celebration was a performance by the Freccie Tricolori national

aerobatic team in the skies over Genoa.

Other MedCruise ports hosting ship naming events later this year include Seabourn Odyssey in Venice and MSC Splendida in Barcelona. In April AIDAluna was named in Palma de Mallorca.

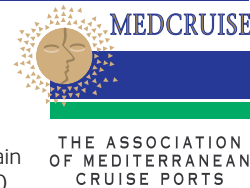


MedCruise Members

- Alanya
- Alicante
- Almeria
- Azores
- Balearic Islands
- Barcelona
- Bari
- Batumi
- Cagliari
- Cartagena
- Castellon
- Ceuta
- Civitavecchia
- Constantza
- Cypriot ports
- Dubrovnik, Korcula
- Egyptian ports
- French Riviera ports
- Genoa
- Gibraltar
- Koper
- La Spezia
- Lattakia
- Livorno
- Malaga
- Messina
- Monaco
- Moroccan ports
- Motril
- Naples
- Odessa
- Palamos
- Palermo
- Pescara
- Portoferraio
- Portuguese ports
- Ravenna
- Rijeka
- Sete
- Sevastopol
- Sibenik
- Sinop
- Sochi
- Split
- Tarragona
- Theodosia
- Toulon-Var-Provence
- Trieste
- Tunisian ports
- Valencia
- Valletta
- Venice
- Volos
- Zadar

Contacts

MedCruise
 José Campos
 Secretary General
 World Trade Center
 Edificio Est, 3a Planta
 08039 Barcelona, Spain
 Tel: +34 607 87 87 50
 Fax: +34 93 306 88 17
 secretariat@medcruise.com
 presidency@medcruise.com



MedCruise News
 Editor: Mary Bond
 Editorial Assistant: Libby Isted
 Production Editor: Fiona Hockey
 Seatrade Communications Ltd
 Tel: +44 1206 545121
 Fax: +44 1206 545190
 mary@seatrade-global.com

Seatrade

Published by Seatrade Communications Ltd