

**Premier, Hon. Alden McLaughlin, Statement on financial commitment of cruise lines, 30<sup>th</sup>  
November 2018**

The Ministry of Tourism will be issuing a press release this afternoon to formally announce that Royal Caribbean Cruises Ltd. and Carnival Corporation have now made the financial commitments sought from them by the Government towards financing the cruise berthing project. Those commitments, coupled with the finance to be provided by the preferred bidder on the project, effectively ensure that no public money will be required to build the new berths.

This represents a huge vote of confidence in the Cayman Islands and in the viability of this project. It is a very significant milestone on the critical path towards the delivery of the new port facilities that this country needs to secure its economic future.

Arriving at this point is important as it not only secures funding for the project, but the active involvement of the cruise companies is crucial to the ongoing sustainability and success of the project as well as to our cruise tourism business.

It is important to our many merchants, large and small; to the hundreds of people who they employ; to our taxi and tour operators; and to many many Caymanians who make a living directly or indirectly from cruise tourism.

This Government, as have many Governments before, understands well that the cruise tourism model that we have had for over 25 years is not what will sustain and build a cruise tourism product for the next 25 years and beyond. In thinking about the country's needs over the coming decades we understand, as do many Caymanians, that to protect and grow the cruise business we must invest in a modern cruise berthing facility. Just as we have invested in a new modern airport and in new airplanes for Cayman Airways.

However, we also understand and accept that there are costs associated with a modern cruise facility - monetary cost as well as environmental costs. But there are also economic benefits.

The choice is that we either do nothing or we build cruise piers.

There is no future in doing nothing – but in building the cruise piers the experts at PWC have told us that we can expect a net economic benefit of some \$245 million plus the creation of hundreds of jobs during and after construction.

I respect the views of those who argue that no economic benefit can outweigh their environmental concerns. But whilst I respect their viewpoint, this is not a position that a responsible government can take.

We acknowledge that there will be environmental impact, and while we are redesigning the project to minimise that damage there is no way that we can build a new cruise and enhanced cargo port without some impact.

In my view this comes down to a question of judgement – do the benefits outweigh the costs? In my judgement and that of my government, \$245 million of net economic benefit, 500 construction jobs and then decades of increasing employment and business opportunities for Caymanians in the tourism industry definitely outweigh the inevitable environmental costs. At a time when huge economic threats are looming, we cannot and must not turn our backs on what in our view is a clear and convincing case for the benefits the cruise berthing and cargo port will bring.

Government is committed to delivering the port project and to securing the growth and jobs it will bring. However, we are not doing so without regard to the costs. I have previously made two promises to the country, which I will repeat here.

First, that we would structure the financing of the project in such a way as to minimise any risk to the country's finances.

Secondly, that we would do all that we can to minimise or to mitigate the environmental impact of the project.

The agreement with the cruise lines that the Government is announcing today means that we have made good on the first promise. In short, what it means is that Cayman will achieve the benefits of the new facilities while all of the cost and the financial risk will fall on the private sector, principally the cruise lines themselves.

Having delivered on that first promise, we will now ensure that the second promise is kept as well.

With those promises in place it is now essential that we get on with it and deliver this critically important project.

The cruise berthing and cargo enhancement project, like the new CAL airline fleet, or the upgrading of our airports, is an important part of moving Cayman forward and preparing us for the future.

And so today I applaud the Deputy Premier for not only his leadership and vision, alongside the Board and Management of CAL, on the significant step being made to modernize the fleet of Cayman Airways with the arrival of the new Max 8's, but also for his work in modernising our cruise industry.

I am grateful for an incredibly proud of the government that I lead, every member of which has been in support of the critical decisions we have taken with regard to these crucial projects.

I await the day when both the cruise port and airport are complete, offering our residents and visitors a true CaymanKind experience.