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ANTIGUA AND BARBUDA
The Yachting Sector

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Contents

EXECUTIVE SUMMARY	1
1.0 BACKGROUND	9
1.1 Terms of Reference	9
1.2 Past Studies	9
1.3 Country Background	10
1.3.1 Economic and Social Aspects	10
1.3.2 Physical and Environmental Features	10
1.3.3 Overview of Tourism	11
2.0 DESCRIPTION OF YACHTING SECTOR	13
2.1 Historical Growth	13
2.2 Structure and Dynamics of the Industry	13
2.2.1 Type of Yachts	13
2.2.2 Marinas and other Services	15
2.2.3 Dynamics of the Industry	15
2.3 Yachts and Passengers Visiting the Country	17
2.3.1 Yacht Arrivals by Ports of Entry	17
2.3.2 Yacht and Passenger Arrivals at Falmouth and English Harbours	18
2.4 Events	20
2.4.1 Charter Boat Show	20
2.4.2 Antigua Sailing Week	23
2.4.3 Antigua classic regatta	25
2.4.4 Other Established Events	26
2.4.5 Using Events to Promote Antigua and Barbuda	26
2.5 Anchorages	26
3.0 YACHTING IN CONTEXT OF NATIONAL SUSTAINABLE DEVELOPMENT	29
3.1 Marina and Boat Yard Capacities	29
3.1.1 Marinas	29
3.1.2 Boat Yards	31
3.2 Ancillary Services	32
3.3 Customs, Immigration and Related Services	33
3.4 Communities Dependent on Yachting	33
3.5 Various Stakeholders and Possible User Conflicts	34
3.6 Sustainability	35
4.0 EMPLOYMENT IN THE YACHTING SECTOR	36
4.1 Direct and Indirect Employment	36
4.2 Seasonality of Employment in the Yachting Sector	37
4.3 Freelance Workers	38
4.4 Seasonal Immigrant Workers	39
4.5 Employment and Skills Training	40
4.5.1 Land Based Skilled Services	40
4.5.2 Local Training Opportunities	40
4.5.3 On Board Employment and Skills	41
4.5.4 Local Crew Placement Services	42
4.5.5 Non-Local Training Opportunities	44
5.0 SOCIO-ECONOMIC IMPORTANCE OF THE INDUSTRY	45
5.1 Direct Revenue Components	45
5.1.1 Marina and Boatyard Operations	45
5.1.2 Other Sources of Direct revenue	45
5.2 Indirect Revenue Components	47
5.2.1 Marine Trades and Related Services	47
5.2.2 Government Revenue Agencies	48
5.2.3 National Park Authority	48

5.3	Contribution to GDP and Balance of Payments.....	49
5.4	Yachting Sector Contribution to Government	54
5.5	Strengths and Weaknesses in Yachting's Contribution to the Economy	54
6.0	ENVIRONMENTAL IMPACTS AND ISSUES.....	56
6.1	Waste Management Practices	56
6.1.1	Wastewater	56
6.1.2	Solid Wastes	58
6.2	Operating Practices	58
6.2.1	Marinas	58
6.2.2	Boat Yards	60
6.2.3	Ancillary Yachting Services	61
6.3	Anchoring and Mooring	61
6.4	Water Quality Monitoring	62
6.5	Impacts on Coastal Areas and Resources	62
6.5.1	Dredging and Landfilling.....	62
7.0	GOVERNMENT AND PRIVATE SECTOR POLICIES FOR DEVELOPMENT AND MANAGEMENT OF YACHTING	63
7.1	Organizational Structure and Responsibilities	63
7.1.1	Cabinet and Ministries	64
7.1.2	Line Agencies	64
7.1.3	Major Organizational Issues	69
7.2	Customs and Immigration Procedures and Practices	69
7.2.1	Yacht Clearing Procedures	69
7.2.2	Yacht Clearing Data Management	70
7.2.3	Clearing of Goods.....	71
7.3	Private Sector Groups and Associations	79
7.3.1	Antigua Marine Trades Association (AMTA)	79
7.4	Communications Between Government and Private Sector Groups	80
7.5	Marine Insurance	80
8.0	STRUCTURAL WEAKNESSES FACING THE YACHTING SECTOR	82
8.1	Policy and Strategic Emphasis.....	82
8.2	Growing Over Dependence on Megayachts	82
8.3	Small Volume of Bareboat and Crewed Yacht Chartering in Antigua and Barbuda Waters.....	83
8.4	Marketing.....	83
8.5	Hurricane Anchorages	84
9.0	FRAMEWORK FOR YACHTING POLICY.....	86
	Annex 1: Scope of Work	89
	Annex 2: Yachting Industry Businesses/Services.....	92
	Annex 3: Antiguan Anchorages.....	95
	Annex 4: Meetings and Telephone Discussions (in order of occurrence)	97
	References	99

EXECUTIVE SUMMARY

□ **Background**

1. The text of this executive summary provides a brief description of the findings and recommendations arising from the Antigua and Barbuda Case Study on the yachting industry.
2. Reference should be made to a previous study, Antigua and Barbuda Yachting Study, done by Systems Caribbean Limited in 1995. Not much has been done to implement recommendations of that study. The lack of action resulting from the effort made in that study is of concern to us. There may be several reasons for this, foremost of which, we believe, is the absence of effective institutional mechanisms in government and the yachting business community to effect needed change.
3. In this study, we have identified attributes and opportunities available to Antigua and Barbuda that can be used for the further development and enhanced competitiveness of the yachting industry. Such attributes include the numerous protected anchorages, outstanding scenic backdrops for cruising, a highly skilled pool of freelance workers, readily available technical and other ancillary services and berthing infrastructure that can accommodate the growing number of megayachts in an expanding global market of large boats.

□ **Economic Contribution and Impact of the Yachting Industry**

4. Despite the absence of reliable data, we have determined that the contribution of the yachting industry to the economy is in excess of EC\$75 million yearly. Using estimates of average daily visitor expenditure and average length of stay obtained from the Eastern Caribbean Central Bank (ECCB), contribution from visitor expenditure (food and beverages, gifts, transportation and related services purchased on land) for yachting in 1999 was EC\$36.3 million compared to EC\$24.8 for cruise tourism. This is significant, considering that cruise tourism is more high profiled than yachting and that government's investment in the former is considerably higher.
5. Unfortunately the economic impact of yachting, in relation to its economic contribution, is reduced by leakage of money paid for imported goods and through repatriation of profits and income made by foreign-owned businesses and migrant workers, respectively.
6. We have estimated direct and indirect employment from the yachting industry to be over 800 persons, with additional employment resulting from businesses dependent on purchases by persons employed in the sector.

□ **Issues and Framework Strategic Actions**

7. As a result of broad-based discussions with persons in industry and government, a range of issues and problems affecting the yachting industry were identified. Some, like delays in the clearing of duty exempt goods for yachts, require almost immediate attention. All need to be addressed in due course because they adversely impact the development and competitiveness of Antigua and Barbuda's yachting industry in various ways and, as a result, affect the livelihoods of communities and individuals dependent on the sector. Among the major issues are:
 - A dormant Antigua Marine Trades Association (AMTA), which leaves the industry without an entity with a voice and organizational capacity to effectively represent the interest of the industry;
 - Absence of an organizational structure within the Ministry of Tourism and Environment that provides for ongoing dialogue with the business community and collaboration in research and marketing, activities usually associated with government's role in tourism;
 - Low level of public awareness nationally of the socio-economic importance of the yachting sector to Antigua and Barbuda;
 - Major difficulties in accessing data critical to planning and decision-making from relevant agencies, largely on account of data management deficiencies and perhaps also due to the lack of appreciation for the usefulness of yacht industry information;
 - Effects of customs procedures, including delays in clearing duty exempt goods consigned to yachts intransit and the inconveniences caused by the 24 hour time limit boats are allowed to leave the country after out-bound clearance;
 - Seasonality of the yachting industry;
 - Limited options for training and human resource development linked to career opportunities in the yachting industry;
 - Visitor safety and security;
 - The small size of locally based crewed and bareboat term charter yacht fleets;
 - Underdeveloped yachting infrastructure and services outside of the main areas of Falmouth/English Harbour and Jolly Harbour;
 - The perception of Antigua and Barbuda as a regional yachting center but not a destination for cruising.

□ **Competition from Neighboring Islands**

8. We found, among persons in the yachting industry, widespread concern over competition from and loss of business to neighboring islands, particularly St. Maarten. This is a valid concern, needing immediate action in some cases. However, quick fixes alone will not stop what are perceived as worrying trends in the industry. A systematic approach to development of the sector, in which informed decision-making becomes a rule and not the exception, is required to achieve and sustain desired levels of competitiveness.

□ **Objectives and Strategic Actions**

9. Specific recommendations are offered in the report to address identified issues and problems. In addition, the last chapter of the report sets out an outline for policy and strategic actions considered necessary to move the yachting industry forward.
10. This framework for policy and strategic actions is intended for discussion with stakeholder groups and subsequent adoption with any necessary adjustments. We suggest the adoption of five strategic objectives to guide the actions to be taken:
 - Promote diversity and balance in the yachting sector
 - Provide value for money
 - Promote quality service through training
 - Streamline and simplify procedures
 - Promote environmental quality.
11. These objectives should be used to guide actions in seven critical areas, determined by our assessment of issues:
 - Policy and institutional development
 - Bureaucratic procedures
 - Yachting infrastructure and services
 - Investment promotion and marketing
 - Research and data management
 - Training and human resource development (HRD)
 - Environmental practices and standards

□ **Specific Recommendations**

12. Policy and institutional development. In this area we see the need for:
 - Government to work with the business community in establishing a clear policy agenda for development of the sector and for government to provide a strong expression of support for the agreed direction to be taken by the industry;

- The revival of the AMTA to champion the interests of the industry and work with government in critical areas of research, data management, promotion and marketing. Consideration should be given to changing the name to the Antigua and Barbuda Marine Trades Association (ABMTA) to strengthen Antigua and Barbuda's image as a multi-island yachting destination;
- The ABMTA to remain viable by hiring a capable executive director and to establish collaborative links with the Ministry of Tourism and Environment, the Antigua Hotel and Tourist Association and other relevant agencies;
- A Marine Industry Taskforce (MIT) for HRD, comprising representatives from government, to help Antiguan-based workers respond to new HRD demands and competition in the industry with respect to technological, professional and service requirements. Among other things, the MIT-HRD would assist with the identification of training needs and relevant training institutions and seek to expose persons to various career development opportunities available in the yachting industry;

13. Bureaucratic Procedures. We support the suggestions made by representatives of the marine industry for changes to customs, immigration and security procedures. Some of these are included in the recommendations below:

- As recommended by representatives of the marine industry, the time consuming tasks of recording of imports at the Office of Approved Undertaking (AU) should occur after the consignee leaves the Office, as long as all other legal and trading requirements are met;
- A corresponding recommendation of the marine industry is for duty exempt goods to be released prior to the checking and verification procedures at the Tariff offices (which also are time consuming), provided that all other legal and administrative requirements are met;
- Once agreed, these changes could be implemented immediately, while measures to further streamline procedures without sacrificing objectives linked to regional or global trading obligations and the control of contraband could be considered for the near future. In this respect, we recommend:
 - That Government explores the idea of using a customs bond in Falmouth Harbour, where selected goods can be cleared, facilitated by a procedure similar to one used in Trinidad and Tobago, where goods shipped as baggage or through courier services are cleared at Piarco Airport and checked and released at a Customs Station at the Chaguaramus yachting area, all within a day. The recommendation for a customs bond has also been put forward by the NPA;
 - That in order to help offset the cost to Government for clearing duty exempt goods either a flat charge to the consignee is considered or the Customs Service Tax is reintroduced on all such goods assigned to boats.

- It is suggested that the immigration policy on the status of crew joining transient yachts in Antigua and Barbuda should be clarified and the procedure for granting extension of time be changed to allow such applications to be processed at the various ports of entry;
- A more obvious police presence and quicker response to acts of crime and improved lighting are actions required to reduce concerns over visitor safety in yachting areas;
- Additionally, there is a need to provide counseling and other forms of support to habitual drug users, many of whom have developed the habit of begging, which is viewed as harassment by visitors;
- It is suggested that the new time limit of 72 hours agreed by Cabinet for boats to leave the country after clearing out should be applied and that Barbuda is reinstated as a port of entry. Both would help to increase boat traffic in the country's territorial waters;
- Finally, procedural changes ought to be considered for GDP accounting, so as to ensure that contributions to the yachting industry are taken into account;

14. Yachting Infrastructure and Services. Actions to be considered in pursuing a strategy for further development of yachting infrastructure and services are as listed:

- There are 391 marina berths in the country, 184 being capable of accommodating megayachts. (Forty-six of the megayacht berths can also be used for smaller boats). The remaining 207 docks can only be used by smaller boats less than 70 ft. We believe that the existing number of berths available to small and larger yachts will act as a constraint to the growth of the industry and recommend the pursuit of a strategy in which berth expansion for both types of boats be considered, in cognizance of trends in the growth of regional yacht traffic;
- The country would also benefit if the maximum national haul-out capacity increased from the present 120 tons to about 300 tons;
- Decentralization of yachting infrastructure should be considered to allow development of the industry in areas other than Falmouth/English Harbour and Jolly Harbour;
- The decentralization programme should include the development and/or promotion of facilities and services in overnight anchorages to encourage an increase of yachting cruising activity in Antigua and Barbuda;
- A corresponding initiative should be improvements in navigation aids, marker buoys in particular, to allow bareboats and crewed yachts, not familiar with Antigua and

Barbuda's cruising areas, easy access into what is now considered difficult anchorages;

15. Investment Promotion and Marketing. Actions to be pursued under this strategy are as indicated:

- An initiative is required to increase the overall size of the bareboat charter fleet in the country, with the use of incentives where necessary. Given the perception of overcrowding in the British Virgin Islands (BVI), the most popular bareboat destination in the region, if not the world, Sunsail and other bareboat companies could be persuaded to consider Antigua and Barbuda as an alternative site for investment in this segment of the industry;
- A corresponding initiative is for the Ministry of Tourism and Environment and the ABMTA to develop and implement a destination marketing strategy for the yachting industry. A component of that strategy would be a Sail Antigua and Barbuda campaign designed to encourage more boats to cruise Antigua and Barbuda waters;
- Antigua Sail Week (ASW) and the annual Boat Show should be used in marketing the country as a sail destination of choice;
- Historic Nelson's Dockyard and Antigua and Barbuda's maritime history, which the country takes for granted are well known, should be aggressively promoted, along with the country's other historic and natural attractions. Attractions packaging should be linked to the Sail Antigua and Barbuda campaign;
- Strategic emphasis should be placed on the development of relationships with networks of yacht charter brokers, whose members book charters to all parts of the world. Familiarity trips, similar to those run for tour operators in the hotel industry, should be arranged for charter brokers, except that in this case, participants would be offered opportunities to cruise Antigua and Barbuda and to experience selected anchorages in the country;

16. Research and Data Management. Adequate research and data management capacities, both essential to strategic analysis of issues affecting growth and development of the sector and to guide policy decisions, are weak. Among the actions needed to have readily available and reliable data are:

- Establish research capacity at the Ministry of Tourism and Environment to monitor yachting trends in the region and worldwide and to undertake periodic visitor expenditure and visitor appreciation surveys for the yachting industry;
- Monitoring should include trends in the charter and cruising markets, yacht design and construction and technological advancements, all of which would be facilitated by the development of a library of printed material and internet based electronic searches;

- ABMTA should collaborate with the Ministry of Tourism and Environment in the execution of the visitor surveys and should by itself, with government support where necessary, undertake research in other relevant areas critical to information needs of the sector, such as a comparative evaluation of marine insurance policies and costs in various yachting destinations in the region;
- Computerization of yacht clearance procedures to allow for easy and up-to-date processing of data on yacht and passenger arrivals, yacht generated revenues at ports of entry, average length of stay, nationality of yacht passengers and crew, and critical yacht specifications (e.g., length, draught, beam);

17. Training and Human Resource Development. Apart from creating the MIT-HRD as indicated under the policy and institutional initiative, we suggest a number of other HRD actions, including:

- Expansion of training opportunities in marine trade skills at the Antigua State College, linked to a revived job placement programme to be run with members of the ABMTA;
- Promotion of the concept of improved customer care among marinas and the organization of short-term training opportunities, such as workshops, for marina and other industry staff persons;
- Promotion of training for local restaurant owners and managers;
- Promotion of skills and public relations training for freelance workers.

18. Environmental Practices and Standards. Our study found that specific statutes to regulate the treatment and disposal of wastewater, fuel storage and use, uses of other polluting substances, occupational safety and nuisance at marinas are either lacking or not applied. Among the recommendations made are:

- Encourage the use of treatment plants by marinas and the installation of wastewater pump-out facilities, providing incentives were necessary;
- Begin discussions with other regional destinations on strategies for promoting the use of proven marine sanitary device (MSD) systems in the region;
- Consider the use of realistic guidelines for wastewater management practices by yachts bearing in mind standards being used by other nations and the varying levels of treatment effectiveness achieved by MSDs and/or other onboard treatment systems;
- Create clear policies and related guidelines for removal and disposal of sludge from large yachts;

- Promote a greater degree of safety in the work place, dialogue between health authorities, businesses and representatives of workers to be started aimed at establishing a protocol to protect the health of workers at marinas, boat yards and related businesses;
- Clarification of institutional responsibilities for granting dredging and land filling permits for marinas;
- Elaboration of the dredging procedure, inclusive of application, criteria for determination of type and level of impact assessment to be done and condition of approval;
- Establishment of effective water quality testing and dredging impact monitoring capacity within responsible agencies.

□ **Reducing the Effects of Seasonality**

19. The seasonal nature of Antigua and Barbuda's yachting industry discourages the expansion of some businesses and acts as a constraint to the development of the sector. We believe that a strategy to expand bareboat and other small yacht charter and cruising activity would help to prolong the yachting season in the short term. We recommend in addition that:

- In the longer term, the aim should be to increase yachting activity in the off-season to a level comparable with that of competing yachting destinations;
- Creative strategies to achieve all year vibrancy in the yachting sector should be explored by the revived ABMTA, working with the government to achieve relevant policy support.

1.0 BACKGROUND

1.1 Terms of Reference

The study of yachting in Antigua and Barbuda forms part of a subregional project entitled “Development of a Subregional Marine-Based Tourism Strategy”. The project, which is funded by the Government of the Netherlands, is focused on sustainable yachting tourism in the Eastern Caribbean and is expected to be implemented over a two-year period.

There are three major components of the project. The first includes national case studies, such as the Antigua and Barbuda study, on the development of yachting and its socio-economic and environmental impacts. National studies are also being done for St. Maarten, St. Vincent and the Grenadines, Grenada, the British Virgin Islands and Trinidad and Tobago.

The second component will focus on subregional linkages and interdependencies of the yachting industry. The third element of the project will be the development of a subregional strategy and action plan for yachting, which will be reviewed at a regional meeting prior to implementation.

The specific scope of work for the national case studies is presented as Annex 1.

1.2 Past Studies

Past studies on the yachting industry of Antigua and Barbuda include:

- 1979 report “The Yachting Industry of Antigua” by Peat Marwick Mitchell
- 1983 study “Antigua Sailing Week – The Economic Impact” by Edward Devas for CTRC
- 1995 study “Antigua & Barbuda Yachting Study” by Systems Caribbean Limited for the Caribbean Tourism Organization
- 2001 study “Survey of the Yachting Industry in English and Falmouth Harbours, Antigua” by Dr. Reg Murphy for the Nelson’s Dockyard National Park Authority (NPA).

The issues of concern identified and addressed in the two most recent studies are still relevant and in fact have not all been addressed. These include:

- “a decrease in large crewed yachts visiting the island”;
- competition from neighboring islands, in particular, Guadeloupe, St. Lucia and St. Maarten;
- “non-collaborative private and public sector relationships”;

- “the perceived cost disadvantage of using Antigua’s marinas and other facilities”;
- inconveniences caused by immigration and customs procedures, beggars and drug dealers, along with security concerns.

In addition to these studies, two memoranda written this year by key players in the marine industry, provide critical insights into some of the issues facing the sector. One was written to executives of companies in marine trades by Mr. Geoffrey D. Pidduck, Commodore of the Antigua Yacht Club and the other by Mr. Hugh Bailey, OBE, owner of the Catamaran Marina and part owner of Falmouth Harbour Marina.

The first identifies strengths and weaknesses in the industry, along with actions to be taken, including agreement on a Mission Statement for the marine industry. The other identifies major problems and provides specific recommendations in a number of areas including actions to improve immigration and customs policy.

1.3 Country Background

1.3.1 Economic and Social Aspects

Antigua and Barbuda has a population of 75,000 in which there is a large and growing pool of migrants from the Caribbean and outside the region. The economy is heavily dependent on tourism and services. Dependence on tourism is not adequately captured in GDP accounts, which show hotels and restaurants (the only reference to tourism) contributing less than 15% to GDP. Government and other services account for about 36% of GDP (CSO/ECCB, 2001). In constant (1990) prices GDP grew from EC\$925.7 million in 1992 to EC\$1,240.45 million in 2000.

1.3.2 Physical and Environmental Features

Important physical attributes of the country include the numerous coastal indentations of Antigua and several offshore islands and cays, which combine to provide a number of protected anchorages. Small off-shore islands, cays and barrier reefs of the northeast coast of Antigua ensure protection to anchorages that would otherwise be exposed and unusable by boats for day or night anchoring. They also create a backdrop of outstanding scenic and visual value to cruising.

Barbuda, which forms part of the nation of Antigua and Barbuda, lies about 35 miles to the north. It is known for numerous historic wrecks that resulted from extensively developed reef systems around the island. Despite the reefs there are a number of safe anchorages available for visiting yachts.

The historic and natural patrimony of the islands represents a heritage resource of considerable importance. The eighteenth century historic Nelsons’ Dockyard, with its very protected

anchorage, forms the pillar on which the yachting industry has developed in the country. Buildings have been restored and adapted to present day uses and with the use of the quay wall for berthing, Nelson's Dockyard provides for the operation of the only marina in the region set within an historic environment. The surrounding hills of Shirleigh Heights and Monks Hill, once used as military fortifications, provide an interesting backdrop to anchorages in Falmouth and English Harbours and offer scenic lookouts to outstanding vistas.

Nelson's Dockyard and the military ruins on these hills form the core of the Nelson's Dockyard National Park, attracting a high percentage of visitors to the island. Barbuda's numerous white sandy beaches, caves and colony of nesting magnificent Frigate birds are also major attractions.

1.3.3 Overview of Tourism

There are three main subsectors within tourism: hotels, yachts, and cruiseships. One of the indicators used by countries in gauging performance of these subsectors is visitor arrivals. Significant growth in cruise passenger visitor arrivals occurred between 1992 and 2000 as shown in Table 1.1.

Table 1.1
Visitor Arrivals, Antigua and Barbuda, 1990 – 2000

Year	Stay over	Cruise	Yachts
1990	184,248	227,329	33,137
1991	182,188	254,417	26,435
1992	193,589	250,187	25,046
1993	221,230	238,473	27,066
1994	234,745	235,665	30,380
1995	191,401	227,443	31,869
1996	202,433	270,461	31,502
1997	211,444	285,489	23,143
1998	203,958	336,455	32,839
1999	207,662	328,038	29,114
2000	206,871	429,020	Na

(Source: Ministry of Tourism)

Minor annual fluctuations occurred in yachting arrivals with 1990 being the best year. Notwithstanding an increase in marina berths for mega yachts around 1995, the number of annual yacht visitor arrivals has not grown beyond the 33,137 figure for 1990. Likewise, the performance in stay-over (hotel) arrivals has been mixed with a peak figure of 234,745 in 1994.

Visitor expenditure, a critical indicator of tourism's performance, is rarely used because of the lack of visitor expenditure surveys which are required to provide reliable data.

Antigua and Barbuda is highly dependent on tourism. WTTC (2001) estimates that the country's direct dependence on tourism is about 24.38% of GDP and the combined direct and indirect contribution to GDP is on the order of 78.23% in 1999.

Frequent hurricanes during the period affected the economy as a whole and had a relatively greater impact on hotel and yachting tourism, which are more vulnerable to natural disasters than cruise tourism. Future prospects for tourism are uncertain at this time with one of the country's largest markets, the United States, experiencing a recession and with international trade affected by the New York disaster of 11 September 2001.

2.0 DESCRIPTION OF YACHTING SECTOR

2.1 Historical Growth

Antigua was the pioneer in regional yacht chartering and Nelson's Dockyard was the center of charter yachting, which started in the 1950s. The start of charter yachting in Antigua was followed by similar activities in St. Thomas, Grenada and Saint Lucia in that order (H. Bailey and K. Malone pers. comm.). Records could not be obtained for yacht arrivals in the early years. In 1977, 1635 yacht entries were recorded at the Nelson's Dockyard immigration office, accounting for 7,160 visitors at an average of 4.3 persons per yacht (Desmond Nicholson, 1978). By comparison, the average number of persons per yacht entering Antigua through English/Falmouth Harbour was 9.8 in 2000.

The increase in the number of visitors per yacht is due to larger size boats calling on the country. Much has happened since the 1960s. Falmouth Harbour has joined English Harbour (Nelson's Dockyard) as a major berthing area and anchorage. Three marinas were constructed in Falmouth Harbour in the past two decades; Catamaran Marina, Yacht Club Marina and Falmouth Harbour Marina. Boatyards were also constructed at Antigua Slipway, Crabbs Marina (no longer in operation) and Jolly Harbour.

Over the years Antigua has developed a wide range of marine services, restaurants and nightlife in the Falmouth/English area that helps it to maintain a reputation as one of the premier yachting destinations of the Eastern Caribbean.

2.2 Structure and Dynamics of the Industry

2.2.1 Type of Yachts

Yachts operating in Antiguan waters include:

- Crewed term charter boats
- Crewed day charter boats
- Term charter boats without crew (bareboats)
- Private live-aboard boats
- Private cruising boats
- Recreational power boats

a) Crewed Term Charter Boats

These are yachts chartering overnight with bunk or bed capacity for up to 12 persons. Boats include sailing yachts, motor-sailers or motor yachts. Accommodations range from basic to very

sophisticated where amenities may include swimming pool, sauna or Jacuzzi and where trained cooks provide first class international cuisine. At the low end of the crewed term charter market, charter rates for a 50 ft sailing yacht could be about US\$4000 per week, while at the high end for a boat over 150 ft., rates could be as high as US\$450,000 per week.

Between the two extremes are boats of varying lengths, design, amenities, services and charter rates. No more than six crewed term charter boats are based year-round in Antigua and these are for the most part below 100 ft. The majority of crewed term charter yachts using Antigua seasonally are usually the larger and upper-end (luxury) boats. Some may choose to dock in the country while waiting for a charter but cannot be considered as based in Antigua. Others use Antigua as a stop in their regional charter itinerary.

Several years ago, a “sea, sun, sail” package arranged between Galley Bay Hotel and Nicholson’s Charters provided the opportunity for hotel guests to sail for two days and one night on 40-50 ft. vessels. This allowed for experiencing Antigua by sea.

b) Crewed Day Charter Boats

These boats are not equipped for overnight charter but are instead outfitted, in most cases, to maximize the number of persons that can be accommodated. Boats are usually large catamarans, such as Kokomo Cats, Wadadli Cats or the Excellence, licensed to carry between 70 and 100 persons, or a mono-hull, Jolly Roger, licensed to carry 200 persons. A variety of cruises are available, including trips around Antigua and between Antigua and Barbuda. Cruises are patronized mainly by hotel guests and to a lesser extent, residents. Costs vary from US\$30 to US\$100 per person, including food and drinks.

c) Bareboats

Bareboats are yachts chartered without a crew. Antigua and Barbuda has one bareboat fleet of boats operating under the label of Sunsail or Stardust. Sunsail and Stardust were once separate bareboat companies that were bought by First Choice Holdings. First Choice Holdings also owns the hotel Club Colona on the north coast of Antigua. There are seven boats between 38 ft and 50 ft in the Antigua based fleet. However, on demand, the Antigua base can recruit boats from other Sunsail-Stardust bases in St. Maarten, Guadeloupe, Martinique or BVI, whose fleets are larger.

Weekly bareboat charter rates in Antigua are between US\$3,400 and US\$6,300 in the winter season and US\$2,000 to US\$3,600 in the summer season. These rates include a flat insurance fee of US\$175 but do not include provisions and are comparable with charter rates at the other Sunsail-Stardust bases. Typically on a one-week charter, boats use anchorages around Antigua, while on charters >10 days boats may decide to sail to Barbuda or other islands depending on the sailing experience of the charterers.

d) *Private Cruising Yachts*

These are small, large or luxury boats used by owners and their friends but not available for charter. A few of the private cruising yachts (some of which are sometimes used for racing) are based in Antigua but most of the boats in this category seen in Antigua and Barbuda during the winter season are yachts-in-transit.

e) *Private Live-a-board Boats*

These are small to medium size boats, averaging less than 50ft, used by owners as their “home”. Most are owned by non-nationals and the length of time spent in Antigua and Barbuda’s waters depends on the time allowed by Immigration.

f) *Recreational Power Boats*

The term recreational power boats, as used in this report, refers to motor boats between 29ft and 48 ft used privately by owners or made available for day charters associated with recreational fishing. Charter rates are in the order of US\$780/day or US\$440 per half day (4 hours) including drinks and snacks. There are approximately 18 recreational power boats based on the island. Five to seven of these are available for regular charters. Most of the boats participate in the annual Antigua and Barbuda Sports Fishing Tournament in May or June.

2.2.2 *Marinas and other Services*

While the yachts provide the accommodation for chartering, cruising and marine recreation, marinas and boat yards and various technical, professional and social services constitute essential component parts of the overall structure of the industry. Marinas provide infrastructure for berthing, utilities and some of the ancillary services, while boatyards located within or outside marinas offer haul-out and a range of repair services. Marina and boatyard capacities are discussed in Section 3 of the report.

2.2.3 *Dynamics of the Industry*

Perhaps the most obvious feature of Antigua and Barbuda’s yachting industry is its seasonal nature. There is the yacht season starting with the first of two major events, the annual Boat Show at the beginning of December and ending with the second major event, Antigua Sail Week, at the end of April. An active season is followed by an inactive off-season where most of the businesses dependent on yachting are closed and only year-round based yachts remain active.

Estimates of yachts based year-round in the country are:

- Bareboats 7
- Day charter yachts 10
- Term charter yachts 8

• Private Cruising and Live-a-board yachts	40
• Recreational power boats (29 – 48 ft.)	18
Total	83

This means that between June and October the actual number of yachts based in Antigua is less than 100 and of this number less than 30 are available for charter. Compare this to the British Virgin Islands where over 300 bareboats, along with a relatively large number of crewed boats, are available for charter in the off-season.

Factors contributing to the seasonal nature of yachting include:

- Over-dependence on large or luxury yachts with yearly itineraries that include the Caribbean in the winter and the Mediterranean, East Coast United States or other destinations in the summer;
- Seasonal movement of owners or staff of key businesses that provide key services to large or luxury yachts between the Caribbean, Mediterranean and East Coast and hence the closing of their respective businesses in Antigua during the off-season;
- A small locally based bareboat charter fleet;
- A relatively small number of locally based boats for private use or crewed charter;

About 25 to 30 of the large or luxury boats use Antigua as a base for charters during the winter season, while most of the other seasonal yacht traffic results from other visiting boats.

In the British Virgin Islands and the United States Virgin Islands, unlike Antigua, the resident crewed term charter fleets are large enough to support the existence of Crewed Charter Boat leagues or associations. Moreover, compared to the British Virgin Islands, Saint Lucia, Grenada and St. Maarten, Antigua cannot be considered a significant bareboat charter yacht base or bareboat sailing destination, although it has anchorages and sailing waters comparable and better than most other islands in the Eastern Caribbean.

Bareboats, smaller crewed boats and privately owned yachts are more likely to provide a year round presence and hence cushion the adverse socio-economic effects associated with an inactive off-season. Luxury yachts are highly mobile and therefore contribute to the seasonality of yachting activities.

2.3 Yachts and Passengers Visiting the Country

2.3.1 Yacht Arrivals by Ports of Entry

The Tariff Book of the Antigua and Barbuda Port Authority, prepared under the provisions of the Port Authority Act, No. 9 of 1973, list the following ports:

- Port of St. John's
- High Point
- Parham Town and Crabbs
- Falmouth Harbour and English Harbour, including Nelson's Dockyard
- The River and Codrington Lagoon, Barbuda
- Mamora Bay (bay at St. James Club)

Since this list came into effect, Jolly Harbour was added as a port of entry. According to the Operations Manager at the Port, Mamora Bay is no longer used as a port of entry. He considers Barbuda a port of entry but according to the Barbuda Council this is not the case.

Data obtained from the Antigua and Barbuda Port Authority on yachts entering various ports were used to construct Table 2.1.

Table 2.1
Yacht Arrivals by Ports of Entry

Port of Entry	Y E A R S					
	1995	1996	1997	1998	1999	2000
Deep Water Harbour	107	61	89	58	74	58
Nelson's Dockyard	3734	3491	3480	3389	3524	3196
Crabbs	67	75	45	31	15	0
Jolly Harbour	437	468	494	525	512	556
Total	4347	4095	4108	4003	4125	3810

(Source: Antigua and Barbuda Port Authority)

The Authority could not provide statistics on the number of passengers arriving on the yachts although passenger information is collected from boats clearing in and out of the country. Yachts do not enter the country at High Point, which is known to be a port catering to limited commercial traffic. The closure of the Crabbs Marina essentially brought an end to yacht clearance at that port. Interestingly, no yachts are recorded as entering the port of Barbuda, although the Port Authority indicates that Codrington remains an official port of entry.

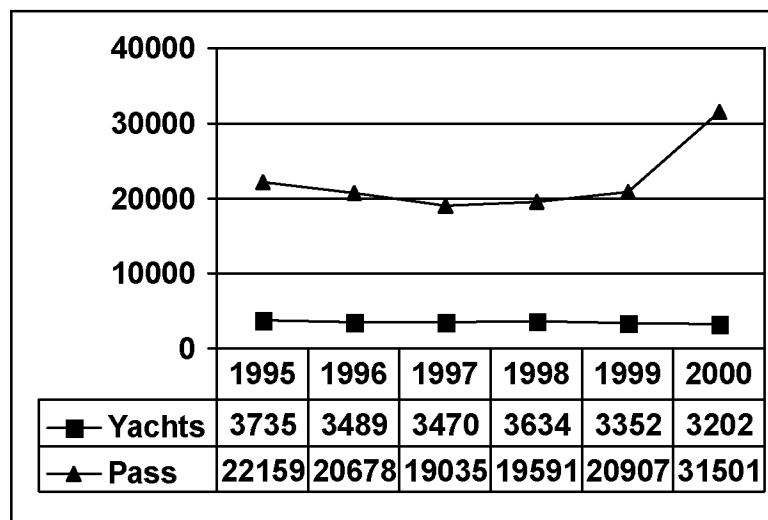
Table 2.1 confirms the importance of Nelson's Dockyard as a port of entry for yachts. It also indicates a slight but significant annual increase in yacht arrivals at Jolly Harbour, concurrent with declines in arrivals at the Deep Water Harbour and Crabbs. In 1995, 10% of yacht arrivals were recorded at Jolly Harbour while the figure for 2000 was 14.5%.

2.3.2 Yacht and Passenger Arrivals at Falmouth and English Harbours

Yachts have a choice of entering at Falmouth or English Harbour and seek clearance through the Customs Office in Nelson's Dockyard (English Harbour).

Data on yachts and passengers entering the country at English and Falmouth Harbours between 1995 and 2000 were obtained from the National Parks Authority (NPA), analyzed and presented in Figures 2.1 and 2.2. Discrepancies are noted between yacht arrival figures obtained from the Port Authority and those provided by the National Parks Authority (NPA). NPA figures show 245 more yachts arriving at Nelson's Dockyard in 1998 and 170 boats less in 1999.

Figure 2.1
Yacht and Passenger Arrivals, English and Falmouth Harbours,
1995 - 2000



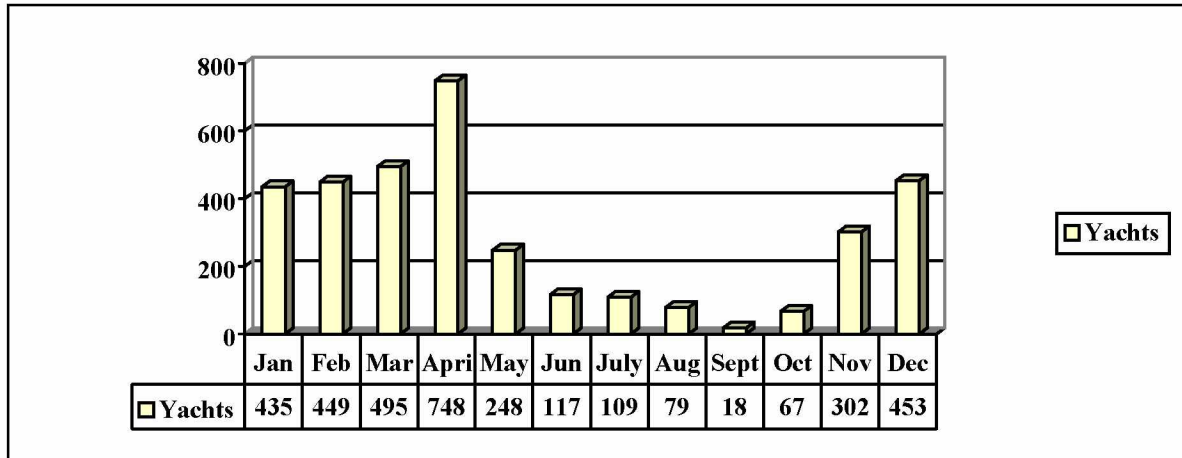
(Source: National Parks Authority, 2001)

Where such differences occur we decided to use the NPA figures, since the data were compiled by its staff. The discrepancies however point to the need for better coordination between government agencies in compiling and publishing official data.

The NPA does not differentiate between the numbers of crew and passengers entering the port. NPA data reveal only negligible changes in yacht and passenger arrivals between 1995 and 1999. Significantly, yacht arrivals in 2000 was 4.5% less than in 1999 but there was a 50% increase of yacht passengers, as recorded by NPA, over the same period. On further inquiry, it was revealed that the 2000 figure is inflated because passengers arriving on the Star Clipper and Royal Clipper, small cruiseships carrying about 190 passengers and 70 crew per trip, were treated as yacht passengers. They were categorized as yacht passengers by virtue of having paid the

landing fee of EC\$7.00 per person, charged by the NPA to all boat passengers entering the country in the Falmouth and English Harbour area of the Nelson's Dockyard National Park. Without these numbers, the yacht passenger arrival figure for Falmouth and English Harbour in 2000 would perhaps be slightly less than that of 1999.

Figure 2.2
Average Monthly Yacht Arrivals in English and Falmouth Harbours
for the Period 1995 – 2000



Yacht visitor (passenger) arrival data in the same period for all of the country were obtained from the Ministry of Tourism and Environment and shown in Table 2.2.

Table 2.2
Comparison of Yacht Passenger Arrivals in the Country with Arrivals
in English and Falmouth Harbours

Year	Total Country Arrivals	English/Falmouth Harbour Arrivals	
		#	% of Total
1995	31,869	22,159	69.5
1996	31,502	20,678	65.6
1997	23,143	19,035	82.2
1998	32,839	19,591	59.6
1999	29,114	20,907	71.8
2000	N/a	31,501	N/a

(Source: Ministry of Tourism and Environment and NPA)

The data indicate the percentage of yacht passengers arriving at English/Falmouth Harbours as being between 59.6 and 82.2% of national arrivals and averaging 69.7% of national yacht passenger arrivals over the five-year period, 1995 to 1999. These figures do not corroborate the

even higher percentage of yachts (over 80% of all yachts) entering the port according to Port Authority data.

Government agencies are advised to review their respective data on yacht and passenger arrivals with a view to resolving actual and perceived discrepancies.

Figure 2.2 graphically demonstrates the yearly pattern of yacht arrivals in Falmouth/English Harbour and emphasizes the seasonality factor. The chart reflects the result of weighted averages for the various months and thus can be read as a true reflection of monthly yacht arrival performance between 1995 and 2000. It shows May to October as being the really weak months and April, due to Sail Week, being the strongest month of the year.

2.4 Events

2.4.1 *Charter Boat Show*

The Charter Boat Show was started in 1961 and is currently considered by some as the most important charter yacht show in the industry. It is planned and executed by Nicholson's Charters and normally occurs in early December lasting from five to seven days. The primary aim of the show is to provide agents (charter brokers) the opportunity to inspect boats, meet their crew and generally to allow agents, boat owners and crew the opportunity to determine business prospects for the new season. An industry trade show (at one time run by the Antigua Marine Trades Association, now run by Nicholson's Charter) allows marine businesses in Antigua and other islands to mount displays.

The show is essentially a critical marketing and promotional event and marks the start of the season. A similar boat show, now in its 27th year, is run in St. Thomas, United States Virgin Islands by the Virgin Island's Charterboat League (VICL). This occurs at the beginning of November. The St. Thomas show kicks off the yacht charter season in the United States Virgin Islands, which then begins a month before the charter season in Antigua. This could mean that their charter season is longer, which would place them in an advantageous position.

Another significant difference between the two shows is size. The Antigua show is larger with over 120 yachts on average and the boats are generally larger. In 2000 Antigua had 285 visiting charter brokers, while for 2001 St. Thomas expected 125 brokers. The advantage in the larger number of boats and charter brokers indicates the relatively greater importance of the Antigua event currently. However, both St. Maarten and St. Thomas are placing more energy into the development of their respective shows.

Information gathered in the course of our study suggests the following areas of critical differences between the St. Thomas and Antigua shows:

- **Marketing.** The St. Thomas show appears to be better marketed by the VICL. Nicholson's Charter's indicated that no marketing is done for the Antigua show. Despite the success of

the Antigua show to date, the absence of a marketing strategy could adversely affect the show in the future;

- **Collaboration.** There appears to be much greater involvement of the tourism authorities in St. Thomas in the staging of local events for the show than is the case in Antigua. The Executive Secretary of the VICL is also Secretary to the Virgin Islands Marine Industry Association. This is a simple but effective mechanism for ongoing collaboration between both entities that helps in the planning and marketing of yachting in the territory;
- **Local events.** Information seminars, a chef's competition and parties are official events occurring as apart of the Antigua boat show. In St. Thomas, a deliberate attempt is made to impress brokers with the range of things to do and see on the island by hosting cultural performances, special cruises, and receptions at places of interest such as art galleries. Such events generate interest in and support for the yachting industry and help residents to appreciate the range of business and career opportunities available in the sector.

□ Boat show trends

In 2000 there were 138 boats and the number of boats booked for the 2001 show is 119. We undertook to analyze information provided on the list of boats that participated in the show in 2000 and on those booked for the 2001 event (Table 2.3).

There is a significant decline of boats less than 75 feet in length entering the show between 2000 and 2001, from 41% to 31% of the total. Generally boats over 75 feet increased from 59% to 69%, with a major increase in the 125-149 feet category, from 8% to 16%. This is in keeping with the general perception of the Antigua show as being primarily a luxury yacht event compared to St. Thomas which is known for smaller boats.

Table 2.3
Size of Boats in Antigua Boat Show, 2000 and Booked for 2001

Boat Length (feet)	2000 (Actual)		2001 (Booked)	
	#	%	#	%
< 49	11	8.0	3	2.52
50 – 74	46	33.33	34	28.57
75 – 99	32	23.20	32	26.89
100 – 124	29	20.01	22	18.48
125 – 149	11	8.08	19	15.96
150 – 200	9	6.52	8	6.72
Total	138	100%	119	100%

We were surprised however that only 30% (40) of the 138 boats that participated in the 2000 boat show would return for the 2001 event. This is contrary to the popular view that most boats repeat. It is significant that despite 60% of the boats that entered the show in 2000 not returning for 2001 there is only a 13.7% drop in the overall number of boats between 2000 and 2001. This suggests that there is room for expanding the size of the show through more aggressive marketing.

Berthing is preferred to anchoring by most boats participating in the boat show because of the ease and convenience of boarding vessels. Boats are hosted at three marinas, Dockyard Marina, Yacht Club Marina, Falmouth Harbour Marina. Catamaran Marina is not used because it is not at a convenient walking distance from the other marinas. It is however less than five minutes by taxi and could provide additional berthing if the show got larger.

Table 2.4
Berthing Arrangements for the 2000 and 2001 Boat Show

Marina	2000 (Actual)		2001 (Booked)	
	#	%	#	%
Dockyard	54	39.1	30	25.2
Falmouth Harbour Marina	42	30.4	44	37.0
Yacht Club Marina	41	29.7	44	37.0
At anchor	1	0.7	1	0.8
Total	138	100%	119	100%

Table 2.5
Type of Yachts Participating in 2000 and 2001 Boat Shows

Type Yacht	2000 (Actual)		2001 (Booked)	
	#	%	#	%
Motor Yacht	33	23.9	40	33.6
Sloop	56	40.5	33	27.7
Ketch	26	18.8	23	19.3
Schooner	7	5.1	9	7.6
Multi-hull	16	11.6	10	8.4
Other			4	3.4
Total	138	100%	119	100%

We decided to develop a profile of the yachts participating in the boat shows of 2000 and 2001 because such yachts represent vessels chartering out of or into Antigua during the season. Each type of boat has its own requirements for services and the socio-economic impacts also vary. For example, the average motor yacht of 121 ft presents considerably more income opportunities than the other boats in terms of berthing, fuel, electricity and water consumption. Being comparatively faster than other boats, it provides more options for charterers with respect to distance traveled and number of countries visited.

Table 2.5 shows a 21% increase in booked motor yachts for the 2001 boat show over the actual participating boats for 2000. Motor yachts will represent 33.6% of all boats at the show in 2001 compared to 23.9% of all boats in 2000. The average length computed for motors yachts booked for 2001 is 121 feet, while for multi-hulls the number is 70 feet, sloops 79 feet, ketch type yachts 84 feet and schooners 93 feet (Table 2.6).

Table 2.6
Average Length of Yachts Booked for 2001 Boat Show

Type Yacht	# Boats	Total length all boats (feet)	Average Length (feet)
Motor yacht	40	4,869	121
Schooner	9	840	93
Ketch	23	1,965	84
Sloop	33	2,606	79
Multi-hull	10	698	70
Other	2	111	56
Not Designated	1	Na	Na
Total	119	11,091	-

2.4.2 Antigua Sailing Week

Antigua Sailing Week (ASW) is the biggest yachting event in Antigua. It started in 1967 and has grown into a globally recognized event and perhaps the best known of the annual sail racing events on the Caribbean racing circuit. ASW is a significant tourism event now run by the Antigua Hotel and Tourist Association (AHTA), although there are no structured collaborative arrangements that exist between the hotel and yachting sectors.

The sailing regatta was initially intended to extend the yachting season. Its socio-economic impact on the country was assessed by Devas (1983). No assessment of ASW's impact has been done since and we know of no attempt to quantify how effective it has been in the development of yachting in Antigua and in promoting the country's image and perhaps that of the rest of the region globally.

According to the ASW Office, the number of yachts that raced in the ASW between 1999 and 2001 are:

1999	252
2000	256
2001	235

Along with racing yachts, support boats and “spectator” yachts add to the number of boats participating in the event. ASW’s estimate for support and spectator yachts for 2000 is about 250 based on a survey undertaken from the air. Another 100 boats of a total of 500 yachts observed during the survey in Falmouth and English Harbours were assumed to be locally based (J. Rainey, ASW Events Manager, pers. comm.).

Compared to the Boat Show, the yachts participating in the ASW are small. The average and median lengths of boats taking part in the 2001 ASW, according to racing class, are shown in Table 2.7. The average and median lengths of the support and spectator boats are not known but Rainey estimates that most of the boats are less than 70 ft with an average length size of under 50 ft.

Table 2.7
Average and Median Lengths of Boats Participating in 2001 ASW

Racing Class	Average length (ft)	Median length (ft)
Bareboats	47	45
Cruising I	51	47
Racer Cruiser I	47	45
Racer Cruiser (non- Spinnaker)	45	47
Racer Cruiser III	31	24
Racing II	43	48
Racing III	32	30
Racing Big Boat	83	70
Racing Sport Boat	30	30

(Source: List of Boats on ASW Website)

The estimated average crew size for racing boats is eight persons with perhaps the same number applicable for other participating boats.

Recognizing the importance of the event, the ASW organizers decided that more professionalism was needed in its planning and organization. An Events Manager has been appointed and a permanent office established to run the affairs of the ASW. This office is charged with activity planning and marketing.

Racing occurs over a period of a week but pre-racing events extend the stay of visiting boats to approximately 10 days. Marketing of the event is done via television, radio, print and internet. Boats book for the event six months to a year in advance.

□ **Economic Impact of Sail Week**

The economic impact of Sail Week 1983 was determined by E. Devas (1983) to be EC\$1,962,600 in expenditure. Results were obtained by a visitor survey. Devas's expenditure categories included hotels, food and beverage purchases, provisions, transportation, sundry local vendors, charter fees, chandlery/yard/sail lofts, boutiques, duty free sales and harbour charges. Except for dockyard dues (included under Harbour Charges) no reference is made to berthing fees, which now constitute a significant expenditure item during Sail Week.

Electricity and water expenditure estimates for 1983 were less than EC\$5000, which is insignificant when compared to the revenue from these items in 2001, known to be several times more.

We were not in the position to make estimates of Sail Week expenditure but know that the additional yacht berths constructed since 1983 would result in a major increase in expenditure for berths, fuel, electricity and water in 2001.

2.4.3 *Antigua Classic Regatta*

The Antigua Classic Regatta (ACR) started in 1987 to allow classic yachts to race amongst each other. Over the life of the regatta, boat sizes have varied from 18 to 175 feet. Boats book up to two years in advance; registration fee is US\$4 per ft/boat. Programs for the event are distributed globally and because it immediately precedes the ASW, it enjoys a certain degree of exposure by association with the older and better known event.

No studies have been done on its economic impact.

Events held during the week of the ACR include:

- Concours d'elegance with international prizes for the best dressed yacht
- Entertainment of various kinds
- Heritage festival
- Gig racing
- Tall ship party

The event was started by a husband and wife couple and is now run under the auspices of the Antigua Yacht Club. It is held for boats with classic designs and represents one of the few events in which so many boats of the type and history are assembled.

2.4.4 Other Established Events

Apart from the Boat Show, ASW and Classic Regatta, the only other annual and established yachting activity listed on the calendar of major events in the Antigua Marine Trades Directory is the Antigua and Barbuda Sports Fishing Tournament that occurs for two days in early June. The tournament attracts between 45 and 60 boats each year, 50% of which are foreign based. Foreign anglers and their friends number 125 to 175 persons each year, according to tournament organizers. Foreign based boats range in size from 28 ft. to 60 ft.

The economic contribution from the Fishing Tournament has not been determined. It is however considered an important event with the potential to become a major tourist attraction.

Antigua's Carnival is an annual event that attracts a large numbers of tourists arriving by air. Its potential to attract visitors arriving by yachts has not been explored. A possible yachting event to coincide with the carnival could be races planned to begin in Martinique and/or Guadeloupe to arrive in Antigua in time for participants to participate in the celebrations.

2.4.5 Using Events to Promote Antigua and Barbuda

ASW is popular and the Classic Regatta is becoming more so. As globally known events, they promote Antigua as the place to be at that time of year, so that they continue to attract good visitor participation. We believe however that the country is missing an opportunity to use these events to promote Antigua and Barbuda as a cruising destination of choice.

Images of racing in both the ASW and Classic Regatta could be used to demonstrate the quality and attractiveness of sailing in Antiguan waters. Fun races to Barbuda could also be considered as part of the racing programs to expose more visitors to that island and to promote an expanded horizon for cruising in which the Antigua and Barbuda link is exploited.

Given the relatively few constraints and difficulties in sailing around the island and to Barbuda and the outstanding scenic qualities to be enjoyed in so doing, such promotion efforts should bring desired results.

2.5 Anchorages

A review of cruising charts and the Antigua and Barbuda Marine guide, along with knowledge of the island revealed 24 anchorages around Antigua as shown in Table 2.8. A few of these have difficult approaches but such difficulties could be resolved with navigational aids.

Table 2.8
Protected Anchorages, Antigua

Area	Total anchorages	Recommended overnight anchorages	Recommended daytime anchorages
Southcoast	5	2	3
Westcoast	7	2	5
Northcoast	6	0	6
Eastcoast	6	1	5

Persons involved in term charter (crewed and bareboat) and knowledgeable about other yachting destinations in the region rank Antigua and Barbuda as one of the best areas for cruising among regional yachting destinations. Numerous day and overnight anchorages in Antigua and a number in Barbuda provide a variety of options for crewed and bareboat chartering not found in some other islands. We therefore sought to understand why Antigua and Barbuda's share of the bareboat market, which numbers over 600 boats in the region, remains inconsequential.

Reasons cited include:

- Cost of insurance due to the country's experiences with hurricanes, beginning in 1989;
- Relative high cost of operations with respect to water, electricity, fuel, labour, provisions and rental of berthing space;
- The attraction that competing destinations such as the BVI hold for inexperienced sailors;

We believe that Antigua and Barbuda's poor showing among competing bareboat destinations can also be found in:

- A general indifference in the marine industry of the country to bareboats because of the relative small size of the boats and correspondingly their relative lesser demand for marine services of all kinds;
- A misconception that bareboats could adversely affect local attempts to capture a larger share of the luxury yacht market; ironically, St. Maarten which is considered a clear and present threat to Antigua's share of the luxury yacht market does not seem bothered by this concern;
- Failure of both industry and government to fully understand the potential of the bareboat sector to sustain an appreciable level of business in the off-season, as is known to happen in the British Virgin Islands and to some extent St. Maarten;
- As a result of the above the absence of a strategy or investment promotion campaign to attract other bareboat operations.

Recommendations:

The variety and size, along with the beaches, snorkeling and hiking opportunities associated with Antigua and Barbuda's anchorages suggest that more attention should be given to maximizing demand for sailing the waters of the country.

We recommend:

- A joint effort between government and industry to promote a Sail (Cruise) Antigua and Barbuda campaign targeted at crewed and bareboats;
- Simultaneously an aggressive investment promotion programme, with the offer of appropriate incentives, to attract additional bareboat companies and for the development of marina berthing for smaller boats;
- Assessment of the requirements for additional navigation aids to remove difficulties and dangers associated with accessing northeast coast anchorages and for the development of restaurants and other services at selected anchorages to increase their attractiveness to yacht charterers.

3.0 YACHTING IN CONTEXT OF NATIONAL SUSTAINABLE DEVELOPMENT

3.1 Marina and Boat Yard Capacities

3.1.1 *Marinas*

a) *Berthing for Mega Yachts*

We reviewed marinas against what we consider to be key indicators of their capacity to accommodate mega yachts. Indicators used include berths, maximum depth, fuel storage capacity and electrical voltage. The results are shown in Table 3.1.

Table 3.1
Indicators of Marina Capacity, Antigua

Marina	Berths		Max. Depth (ft)	Fuel Storage (gals)	Electricity (volts)
	Total	Mega-yacht			
Catamaran Marina	40	35	15	5,000	
Dockyard Marina	50	40	13?	-	
Falmouth Harbour Marina	46	40	21	10,000	110-380
Jolly Harbour Marina	150	9	12*		110-380
St. James's Club Marina	34	10	12		
Yacht Club Marina	46	40	20		220-380
Antigua Slipway Boatyard & Marina	25	10	14		
Total	391	184			

* channel depth

Of the 391 total berths available to visiting boats, approximately 184 (47%) can accommodate megayachts (generally described as boats >75 feet). A major limiting factor is depth at entrance channel or berth. Falmouth Harbour Marina (FHM) and Yacht Club Marina (YCM) because of their depth at berth and deeper waters at approach can accommodate boats with 18 ft draft and length > 250 feet.

The size of boats that can be accommodated at Catamaran Marina (CM) and Jolly Harbour Marina (JHM) are limited by depth at marina approach or entrance channel and relatively small

size of turning basins, which constrains maneuverability. At Dockyard Marina, yacht size is limited by inadequate structural capacity of an historic quay wall.

Berthing for mega yachts are estimates because in most cases yachts berth stern-to, and the beam or width of boats determine the actual number that can be accommodated. The level of demand for the larger and deeper draught boats could not be determined for the months of the season. Demand by such boats during the Boat Show is barely being met and is expected to grow in the future. From observations of berth occupancy during the season, outside of Boat Show and Sail Week, the existing number of megayacht berths appears to be adequate for the present demand.

However, trends in the industry suggest that Antigua and Barbuda will need to consider increasing the national berthing capacity for megayachts in the future. Within the last five years global growth in megayachts has been significant and most of the well known luxury yacht building boatyards are fully booked for the next two years. An article by Peter Swanson in Yachting magazine (June 2001) claims that there are 400 megayachts on order worldwide. Forty of these are over 400 ft.

b) Berthing for Smaller Yachts

Recent investments at FHM, YCM and Catamaran marinas have been geared towards expanding or improving berthing capacity for megayachts. Docks have been engineered and constructed for larger boats. For the most part, the height of newly constructed docks AMSL (above mean sea level) are more convenient for large multi-level motor yachts and less so for conventional charter or cruising yachts.

This means that there are approximately 253 berthing spaces in the country that could be considered convenient for use by smaller yachts. These include 141 dedicated small to medium yacht berths at Jolly Harbour Marina, 50 berths at the quay wall at Dockyard Marina considered suitable for small and large yachts, 25 berths at Antigua Slipway docks and the rest at the shallower berths of the other marinas.

We believe that the number of berths currently dedicated to smaller yachts in the country is inadequate for the growth of a reasonably sized smaller yachts subsector. It is perhaps one of the factors affecting the country's ability to attract additional bareboat charter companies.

c) Fuel and Electricity

Fuel

Fuel sale is a major source of revenue for marinas that accommodate larger boats and availability of fuel is a critical determinant of success in attracting their business. Fuel storage capacity for marinas in Antigua range from 5,000 to 10,000 gallons. One of the larger motor yachts berthing at a marina in Antigua stores 400 tons of fuel and burns approximately one ton/hr under average cruising speeds of 15 knots.

The average storage capacity for mega yachts berthing in the country is perhaps significantly less. Nevertheless, fuel storage and consumption by this boat are indicative of the importance of having adequate fueling storage capacity at marinas and fast flow rates at fuel pumps to reduce refueling time.

Because space is a limiting factor in installing ideal levels of storage capacity, in practice marinas require large boats to give one to two day advance notice for fuel to allow for restocking their own supplies or making arrangements with the fuel company to meet the demand. Marinas have also realized the need to reduce refueling time and have in most cases moved to:

- Provide additional fueling terminals or mobile pumps;
- Have at least one fast flow pump that can reduce fueling time of large boats by hours.

Electricity

Voltage capacity adequate to the needs of mega yachts have been installed at most marinas. Voltage ranging from 110 (60hz), single phase to 380 (50hz) 3 phase is now available at marinas shown in Table 3.1.

3.1.2 Boat Yards

Antigua and Barbuda currently has two boatyards, Antigua Slipway and a boatyard at Jolly Harbour Marina and Resort. A new boatyard is being built in Falmouth Harbour. Capacity for hauling and storage of boats at the boatyards is as shown in Table 3.2.

Table 3.2
Hauling & Storage Capacity, Antigua Boatyards

Boat Yard	Hauling Capacity (Tons)		Yacht Storage on Land	
	Slip rail	Travel lift	Land area (acres)	Approx. # boats
Antigua Slipway	120	20	1.5 – 2	40
Jolly Harbour		50		130
New Boat Yard		50	6-7	100
Total				270

The average size yacht stored in both existing boatyards is between 35-40 feet. The small acreage of yacht storage space at the Antigua Slipway restricts the size of yachts than can be conveniently accommodated. Under new ownership, the future of Antigua Slipway as a boatyard is uncertain. If it remains a boatyard, Antigua and Barbuda's dry-land storage capacity for boats in the future will be 270 boats and without the Antigua Slipway, 230 boats. More critical would be the reduction in hauling capacity from 120 to 50 tons.

Given the range of services and quality of workmanship available in Antigua, we believe that there are major economic benefits to be derived from increasing hauling and storage capacity in the country. Investment in boatyard hauling and storage capacity must however find common ground with trends in investment in marinas aimed at a larger share in the mega yacht market.

The largest boat that can be hauled out in Antigua and Barbuda is 120 feet (maximum 120 tons), with maximum draught of 10.5 ft. and beam of 24 ft. This weight would be more in the line of a conventional sailing yacht with auxiliary engine and not a multi-level motor yacht, whose tonnage to length ratio is normally much higher. Knowledgeable persons in the industry are of the opinion that hauling capacity for yachts up to 300 tons is more in keeping with Antigua's immediate and future needs. Increase in storage space to complement larger hauling capacity would be an automatic requirement. Both would provide opportunities for refitting larger boats, something that happens rarely in the country, but at the same time would place demands on the management capacity at boat yards.

3.2 Ancillary Services

In this report we define ancillary services as services to boats beyond those required for berthing at marinas, hauling and repair at boatyards and chartering. Ancillary services are therefore available both within and outside the boundaries of marinas and boatyards. We have placed such services into major categories, a list of which is provided in Annex 2. Categories of services include technical trades, food and beverage, retail and supply, administrative and management, information technology and communications, along with marine surveys, appraisal and insurance.

A high percentage of ancillary services associated with the Jolly Harbour Marina and Resort is provided on site, while most of such services associated with the marinas and boatyard in Falmouth/English Harbour are located offsite. There are advantages and disadvantages to both arrangements. Onsite services provide convenient access to boaters, but use conflicts often arise between industrial type activities (spray painting, fiberglass work, welding, etc.) associated with boat yards and benign uses such as berthing or shopping.

Use conflicts occur when buffers, screens or other means are not used to ensure that a residential type ambience is maintained at berth. Jolly Harbour Marina intends to introduce a number of measures to reduce use conflicts between industrial type activities and berthing.

In Falmouth/English Harbour the potential for use conflicts is less because, apart from dockside maintenance and light repair work, industrial uses are located offsite the marinas. However, some marinas in the area lack what we consider a comprehensive range of compatible services convenient to guests. Falmouth Harbour Marina, which provides no onshore ancillary services except for mail pickup and limited internet access, is the most obvious example.

We believe that for marinas to be competitive they should provide at least the minimum of dockside services, including chandlery, convenience store, restaurants and internet services. Optional uses such as shopping, bookstore and crew placement services further increase a marina's competitiveness, revenue and job creating potential. Falmouth Harbour Marina has

been accepting applications for renting space at onshore facilities to be constructed for the 2002/2003 season.

Judging from the number of applications, the apparent demand for space and additional ancillary services in the area must be met as part of the overall strategy for continued development of the yachting sector. Because of its location, land created by Falmouth Harbour Marina (through land filling) for development of onshore facilities becomes critical not only for income and job creation but also for resolving issues linked to parking, pedestrian movement and the character of the streetscape.

Ideally, the development of onshore facilities at Falmouth Harbour Marina should occur within the context of a strategy for land use and streetscape development for the area between Chapel Street and the entrance to Nelson's Dockyard and including the shoreline between the main road and the Antigua Yacht Club. A joint venture arrangement between the NPA and Antigua Investment Group Ltd (AIG), owners of Falmouth Harbour Marina, for shoreline development of the latter area is indicative of the approach that is needed. In addition, consultations with and participation of other businesses in the area will be necessary to achieve the strategy's objectives.

3.3 Customs, Immigration and Related Services

Consensus has been reached between the NPA and other stakeholders on the need to provide immigration, customs, Port Authority, search and rescue and coast guard operations in Falmouth Harbour. This will make it considerably more convenient for yachts to clear in and out of Falmouth Harbour and reduce clearance time for yachts particularly in busy times such as Boat Show and Sail Week.

The new branch offices for immigration, customs and Port Authority are to be housed on reclaimed land earmarked for the joint venture development scheme between the NPA and AIG. Existing branch offices in Nelson's Dockyard will remain open.

The other major decision to be made in this respect is to make Barbuda an official port of entry (POE). POE status would allow boats sailing northwest to St. Maarten, St. Barths and the Virgin Islands to stop at Barbuda en-route or to do the same on trips in the other direction. It would lead eventually to the development of yacht services infrastructure and amenities in Barbuda beneficial to residents of that island and to the country as a whole.

3.4 Communities Dependent on Yachting

Yachting services in Antigua and Barbuda are concentrated in two main areas, namely:

- Falmouth/English Harbour
- Jolly Harbour

The dependence on yachting of Falmouth/English Harbour and its impact on these communities are described elsewhere in this report. It should be understood that these impacts are not confined to the areas in which most yachting services are concentrated but extend to other communities and the nation as a whole. During the season, an increase in workers taking buses to and from Falmouth/English Harbour along the St. John's-Nelson's Dockyard corridor is one indication of employment impact.

The dependency of communities adjacent to Jolly Harbour on yachting is less understood and may be significantly less than Falmouth/English Harbour because of the longer history of association of the latter with the sector. Because Jolly Harbour depends less on mega yachts, the adverse effects of seasonality appear to be less severe. Critically, while Falmouth/English Harbour may be considered over-dependent on yachting, other parts of the country with the potential to benefit from the sector remain under-developed.

Two issues linked to dependency on yachting needs to be addressed:

- **Over-dependency and seasonality.** In the case of Falmouth/English Harbour over-dependence and seasonal effects are specifically tied to reliance on the mega yacht subsector and could be mitigated by diversification within the sector, development of a stronger land based tourism sector and seeking to explore benefits from the financial services sector, among other initiatives;
- **Underdevelopment of areas with yachting potential.** Here, policy and investment promotion initiatives are needed to develop a stronger small and medium size yacht sector, so as to spread the benefits of yachting to other communities and to reduce the impacts of seasonality. The strategy should seek to increase the number of locally year round based charter boats, to increase yacht cruising and charter yacht sailing in the country and promote the development of services at yacht anchorages in Antigua and Barbuda, so as to improve the yacht visitor sailing experience.

3.5 Various Stakeholders and Possible User Conflicts

a) Stakeholders

The major stakeholders in the public sector, mainly government agencies, are identified in Section 7.0. Key industry stakeholders whose participation should help to inform decisions for continued development of the industry include:

- The Nelson's Dockyard National Park Authority (NPA)
- Marina and Boat yard companies
- Antigua Marine Trades Association (AMTA), trade membership organization
- Nicholson's Yachts Worldwide, organizers of the annual Boat Show
- Antigua Hotel and Tourism Association (AHTA), organizers of the Sail Week
- Taxi Drivers of Falmouth/English Harbour, most of whom are members of the National Taxi Association

- Vendors
- Local Boat Owners
- Freelance Workers
- Jolly Harbour shop owners
- Jolly Harbour Home Owners Association

b) User Conflicts

No evidence of major user conflicts surfaced during the course of the study. The NPA and the Antigua Investment Group Ltd. (AIG) have different views over the use of shoreline lands but continue to work on resolving such differences. Proactive strategies are required to avoid potential conflict over issues linked to:

- Parking requirements for businesses along the road leading to the Antigua Yacht Club and for taxis
- Berthing for local boats
- Wastewater disposal from shoreline properties

3.6 Sustainability

Sustainability of yachting has to be viewed in relation to the competitiveness of Antigua as a yachting destination. Competitiveness in turn depends on several factors including the capacity, quality and cost of berths, general standard of marina services, diversity, quality, professionalism and cost of marine trades and other services and marketing strategies.

In this respect, we provide a brief summary of gaps to be addressed in paving the way for sustaining competitiveness in the yachting industry:

- Increase berthing capacity for small and medium sized yachts in the country and consider adding extra berths for mega yachts in the future
- Encourage the development of dockside services at presently underdeveloped marinas
- Plan and implement a programme for improving land use, shopping, pedestrian movement, parking and streetscape amenities in the area between Chapel Hill Street and entrance to Nelson's Dockyard
- Seek to increase hauling and storage capacities and ensure a corresponding improvement in marine trades services to allow refitting of larger boats up to 300 tons
- Reduce over-dependence on mega yachting and yachting generally for Falmouth/English Harbour
- Development of yachting potential in other areas of the country, including Barbuda, by an increase of services and amenities at other anchorages
- Provide additional branches of immigration, customs and Port Authority services in Falmouth Harbour and make Barbuda an official Port of Entry.

4.0 EMPLOYMENT IN THE YACHTING SECTOR

4.1 Direct and Indirect Employment

In this report, direct employment refers to jobs created by and dependent solely on the yachting industry and where the place of employment includes marinas, boatyards or charter yachts. Persons employed by marina operating companies and yacht charter companies and freelance workers are included in this category. Indirect employment refers to jobs created by support services, namely various marine trades, restaurants, government workers at ports of entry and taxi divers.

On the one hand, some support services are located at marinas but are also patronized by both yacht passengers and residents, the latter usually not associated with boats. These include boutiques, supermarkets, internet café's and travel agencies. On the other hand, there are support services not located at marinas or boat yards, but which in some cases may be fully dependent on business from yachts. In other cases, they provide services to customers not associated with yachts.

Estimates of direct and indirect employment were derived from:

- actual employment figures obtained for marinas, boatyards, taxis
- averaging employment in marine trades and related services and restaurants from sample interviews
- discussions with freelance workers
- combining the number of government workers at ports of entry and derived figures for other government workers in the Port Authority Office, St. John's and other agencies providing services to the yachting sector.

The Antigua Marine Trades Directory was used to identify marine trade and related businesses and restaurants serving the sector.

Direct employment is about 290 persons and indirect employment was estimated at over 830 persons. These figures do not include employment at businesses that benefit from spending by households, whose income are mainly linked to the yachting sector.

The employment impact of marinas includes freelance employment generated by yacht maintenance at the dock, employment created by marina related services on site and jobs made possible in most of the offsite marine services and restaurants whose businesses rely to a large extent on boats at berth.

Approximately 112 marine trades and related services businesses, with an average of three persons/business, were identified as based in Falmouth/English Harbour and Jolly Harbour or otherwise known to provide services to the sector. Given the type of businesses and/or their location we assume that >50% of total business volume is generated from demands of the sector.

Table 4.1
Estimated Employment by Segment of the Yachting Industry

Employment Segment	# Persons
<i>Direct</i>	
Marinas & boatyards	40
Freelance workers	200
Yacht Charters	50
Sub total	290
<i>Indirect</i>	
Marine trades & related services	336
Restaurants	140
Government	40
Taxis	32
Sub total	548
Total	838

We made a similar assumption for approximately 35 restaurants (average four employees per restaurant) identified for the two areas. Most of these restaurants are located in Falmouth/English Harbour and proof of their dependence on yachting is that they either close or operate at reduced schedules, staff or volume of business during the off-season.

4.2 Seasonality of Employment in the Yachting Sector

In an effort to understand the seasonality of employment within the sector a review was made of ownership patterns and proprietorships. Businesses are either:

- Locally registered and operated;
- Locally registered but with foreign counterpart operations;
- Foreign registered and foreign based.

a) Locally Based Operations

Despite the seasonality of yachting, a number of locally registered and locally based operations remain open all year round but with reduced staff for the months of May to November. Among these are charter companies, locally operated restaurants, provisioning stores, supermarkets and liquor stores. Obviously, some of these service the local community.

Reduction in staff or staff time during the off-season help to reduce operational expenditure but profits are affected by costs for basic overheads such as electricity, water, rent, insurance and mortgage.

b) Locally registered but with foreign counterpart operations (multinational operations)

Multinational operations have an advantage of being able to close during the off-season and transfer staff to summer destinations such as Maine, Newport and Europe. Major expenditure obligations during Antigua's off-season include rent but most operators are spared infrastructure costs and the risk and agony associated with owning property during the hurricane season.

c) Foreign Registered and Foreign Based

Most of the yachts based in Antigua during the winter season can be placed in this category. Employment generated by these yachts which can be considered businesses include crew, generally non-resident workers, and freelance work in yacht maintenance and light repairs done by resident freelance workers.

4.3 Freelance Workers

Of the approximately 200 freelance workers (sometimes referred to as Day Workers) in the industry, 10 working in Falmouth/English Harbour were identified as having the skills and experience to function as freelance contractors. They contract for work with yachts and in turn hire other day workers. Rarely, if ever, are contract documents involved in arrangements between yachts and contractors.

Workers include varnishers, brush and spray painters, marine woodworkers and persons involved in fibreglass applications. Wages average about US\$20 per hour for varnishers and painters, with inexperienced workers starting at US\$15/hr and the very experienced and skilled commanding US\$30 to US\$35, sometimes US\$40.

Average wages for spray painters and specialists in awlgrip, gelcoat repair, epoxy coating are about US\$25- 30/hr, although work in such areas are done on a job basis.

In our survey of freelance workers, we were able to identify 27 persons (by name and appearance), 17 of which migrate annually in the off-season to work in boat yards in Newport, Rhode Island, Savannah, Georgia, Florida and France. Wages in those areas are comparable with those paid in Antigua.

Managing the flow of freelance workers seeking work at marinas and boats is one issue raised by marina operators, with security being a major concern. Jolly Harbour Marina screens persons entering the boatyard and allows no more than 10 freelance workers in the yard on any given day. It charges US\$10 per day for a daily pass to approved sub-contractors working as welders, riggers, spray painters and specialists in fibreglass. Antigua Slipway also charges sub-contractors US\$10 for a daily pass.

An effective procedure to screen persons seeking work at docks or boatyards should be considered by all marinas to ease security concerns with respect to theft and to reduce harassment sometimes experienced by captains from unduly aggressive persons seeking work.

□ **Work Quality and Standards**

Antigua's freelance workmen are highly regarded by yachtsmen and other persons in the industry. When asked how they were able to achieve the level of skills, the response from freelance workers indicates that there is an informal system of apprenticeship in which persons wishing to learn boat varnishing and painting will first observe others at work. The next step is for such persons to be given less skilled tasks such as polishing and sanding in the first season, to be followed by assignment of small areas to be varnished or painted.

This system appears to work well, but inexperienced workers seeking wages paid to skilled workmen often misrepresent their skill and experience level to unsuspecting yachtsmen. Poor quality work by such persons tarnish the reputation of Antiguan freelance workers. This is an issue of growing concern to the industry as a whole.

There is presently no system applied, either by the marinas or freelance workers themselves, for filtering out pretenders. The formation of a freelance workers association of some type has been discussed but requires considerably more discussion and in some cases persuasion to convince persons of its benefits. These could include:

- A registration or membership system, indicated by a badge or card, which would indicate that persons have the experience or skills suitable for the work they seek;
- Agreement on a wage structure and working conditions for day workers;
- The opportunity to seek training or advice in business management, including contracting, particularly for freelance contractors;
- Joint representation on matters of common interest.
- A central aim of the association would be to ensure that Antigua maintains its reputation as having some of the best boat varnishers and painters in the world and to move towards a level of professionalism in order to stay competitive globally.

4.4 Seasonal Immigrant Workers

An important aspect of the yachting industry in Antigua is the seasonal entry of persons seeking employment in the industry on boats or land. Discussions with the Labour Commissioner confirmed that work permits are issued for such persons for a minimum of three months and the cost of the permit is prorated in accordance with a fee schedule.

Attempts to get data on the annual number of immigrant workers in the industry, type of jobs, average annual work tenure, nationality of persons and other relevant information were not successful.

4.5 Employment and Skills Training

4.5.1 Land Based Skilled Services

The range of marine skills available to yachts in Antigua is considered comparable or better than those available in most other islands of the Organisation of Eastern Caribbean States (OECS). These skills include electronics, air conditioning and refrigeration, marine wood working, fibreglass, osmosis treatment, awlgrip application, sail making and repair and metal fabrication.

Most of these are available in Falmouth/English Harbour, where they tend to be small businesses operated outside of marinas and boatyards. This is a unique characteristic of the industry in the region, where in other islands most of the skilled trades are found in marinas and boatyards. It is a feature that was not fully credited by Systems Caribbean Limited when it undertook to evaluate and rank marinas in selected islands. Most Antiguan marinas, Jolly Harbour being the exception, ranked low in this exercise. The Jolly Harbour marina provides a contrast to marinas in Falmouth/English Harbour by having a reasonable complement of skilled services on property.

4.5.2 Local Training Opportunities

a) Technical skills

Most marine trade businesses are operated by non-indigenous persons (some of whom are now nationals) who brought their skills with them. Opportunities for training in specific marine trade skills locally are limited to the Antigua State College (ASC), which provides two-year training (using the London City and Guilds syllabus) up to Technician Certification level in the following areas relevant to yachting:

- Automotive repair
- Electrical installation
- Electronics servicing
- Refrigeration and air conditioning

The possibility of providing additional training in marine wood working and other skills such as rigging and fibreglass application is constrained by resource, space and budget.

The ASC now trains 30 students per year (15 first year and 15 second year). Cost is:

- | | |
|-------------------|----------------------|
| • College fee | EC\$150/yr (EC\$300) |
| • Text books | EC\$400/2 years |
| • Laboratory fees | EC\$150/yr (EC\$300) |

It is recommended that:

- Training opportunities for residents in a wider range of technical skills appropriate to the marine industry should be available at the ASC. The type of training, length of course and number of training slots should be determined by an assessment of the demand and prospects for employment locally and regionally;
- A more logical framework and institutional structure, along with curriculum planning, is needed to facilitate skill development at the primary school level, initial development at the Technical and Vocational Schools and finishing at the ASC.

b) Management, Administrative and Related Skills

Most businesses provide on-the-job training for staff or pursue options for short-term training in computer skills and other areas as needed. Opportunities for training in secretarial and administrative skills, book keeping, computers, etc. are available from secondary and commercial schools and training institutes. The newly created Institute of Information Technology will widen the scope and depth of training in computer skills, website design and marketing and in related internet service areas, which represent one of the future growth areas to watch in the yachting industry.

Avenues for training in business management, an area of skill lacking among aspiring local businesses in the marine trades, are few. Short-term training in this area is available to small hotels, inns and guest houses participating in the Organization of American States Caribbean Small Tourism Enterprise Programme (OAS CSTEP) run through the Ministry of Tourism or from programs available to members of the AHTA. Some small yachting dependent accommodation properties in Falmouth/English Harbour benefit from such programs but many do not.

Generally, training opportunities dedicated to improving the quality of administrative, management and hospitality skills and, by extension, the quality of service across the board in the yachting industry are not available to the extent that they are in the hotel sector. We consider this a critical gap requiring prompt attention.

4.5.3 On Board Employment and Skills

In the 1960s and 1970s Antigua had a relatively large and permanently based crewed charter boat fleet. Employment of crew on these boats with the exception of captain was drawn mostly from local residents and job entry requirements were significantly less stringent than they are today.

Since the earlier days of the charter yacht industry a number of things have changed:

- The level of competition for crew positions on boats has increased with people from different nationalities seeking work as captains, first officers, mates, deckhands, chief engineers, assistant engineers, chefs/cooks, sous chefs, chief stewardesses and stewardesses. Antigua is now a seasonal rather than year round crewed charter boat base. The 20 – 25 boats that are based in the country seasonally for charter are larger, crew jobs are becoming more specialized and training and experience are now critical conditions for employment;
- The luxury charter yachts calling on Antigua during the season are faster and more mobile and thus can charter in different regions of the world in the course of a year and now have a global pool of workers from which to recruit crew;
- Crew recruitment has become a specialized and highly professional undertaking that provides an effective link between yachts seeking professional crew and crew seeking work.

We reviewed the crew placement brochure of Crew Unlimited, a crew placement company with offices in major yachting ports in the United States and Europe and a summary of average starting salaries for various crew employment categories is provided. This is summarized in Table 4.2.

4.5.4 Local Crew Placement Services

In discussions with one of the three crew placement services operating in Antigua we found that a small number of Antiguan have been placed through such services. The number was not available. Three of the placement examples given involved persons who filled the positions of engineer, assistant engineer and stewardess. The head of the crew placement operation felt that among the reasons why more Antiguan have not secured crew positions were:

- A reluctance to spend long periods away from families; this was mainly true for women;
- Fear of the sea because of not being able to swim.

Table 4.2
Starting Salary Guidelines for Yacht Crew

Position	Y A C H T S (FEET)/SALARY (US\$)					
	< 80	80-100	100-130	130-160	160-180	>180
Captain	36-50,000	48-65,000	60-90,000	72-120,000	100-140,000	>140,000
First	N/a	24-30,000	30-60,000	36-72,000	48-86,000	>60,000
Bosun/2 nd Mate	N/a	N/a	30-48,000	36-48,000	42-54,000	>42,000
Deckhand	18-30,000	22-30,000	24-36,000	24-36,000	24-36,000	>24,000
Chief Engineer	N/a	N/a	30-72,000	48-72,000	60-96,000	>72,000
Assistant	N/a	N/a	N/a	30-42,000	36-48,000	>42,000
Chef/Cook	30-48,000	32-48,000	36-54,000	42-72,000	48-78,000	>60,000
Sous Chef/Crew chef	N/a	N/a	N/a	30-42,000	36-48,000	>42,000
Chief Steward (ess) /Purser	N/a	N/a	24-48,000	36-48,000	42-54,000	>48,000
Steward (ess)	20-30,000	22-30,000	24-36,000	24-36,000	24-36,000	>24,000

(Source: Crew Unlimited)

When the issue was raised with local persons, race was one of the factors given. Some captains are said to be reluctant to hire black crew. It could not be determined if this was fact or perception. In either case, this would adversely affect the effort local persons would put out in seeking work as crew.

The fee charged crew for finding a position on a yacht is EC\$52. Yachts seeking to fill positions through the agency interviewed were required to pay the following amounts for filling various crew positions:

	EC\$
• Deckhands & Stewardesses	1203.00
• Chief Stewardesses & Bosuns	1470.00
• Cooks/chefs, Mates & Engineers	1737.00
• Captain	2270.00

Despite discouraging factors, we see crew work as an area of employment opportunities available to Antiguan and Barbudan and other persons from the region. Steps that can be taken to reverse existing trends in local and regional employment on yachts include:

- awareness building among residents of career opportunities available to yacht crew, including knowledge of skill requirements and salary levels;
- local persons experienced as chefs, sous chefs, engineers, stewardesses, deckhands should be encouraged to develop resumes and file with crew placement agencies;
- policy and curriculum adjustments at the Hotel Training School to explore training to fit employment opportunities on yachts.

4.5.5 Non-Local Training Opportunities

Inquiries into the availability of training opportunities overseas revealed the existence of training modules run through or connected with boat yards in the United States and Europe. One such scheme uses what is called the Class IV Syllabus that offers certificates of competency in yachting for about eight different areas including navigation and radar, fire fighting and business. According to one megayacht captain, courses last between five to eight days and cost between US\$600 and \$700. Such training enhances the opportunity for placement on most boats.

Training is also available at a number of well-known institutions. One is the American Yacht Institute that provides entry level and continuing education for crew. Another is the International Yachtmasters Training and Deliveries School in Fort Lauderdale, Florida, which provides training and certification for yacht captains and other crew.

Freelance workers that migrate yearly to the United States and Europe could explore possibilities for training in areas relevant to their needs if they have any interest in crew positions. It is known, for example, that local persons have been able to access short-term training in specialized applications, such as awlgrip and osmosis treatment, in recognized boatyards in Europe and the United States. With respect to the Class IV Syllabus, knowledge of the entry level requirements for training in the respective modules would be helpful to persons looking at training options.

Unfortunately, no agency in government or the non-governmental organization (NGO) community provides advice on overseas short-term training opportunities either in marine technical skills or customer service (hospitality) positions on yachts.

For Antiguan and Barbudan to compete successfully for jobs and in businesses in the global environment of yachting, support services, including advice and counseling on career choices, should be made available through appropriate government agencies such as the Antigua State College, IT Institute or Hospitality Training School (when it re-opens).

A first initiative in providing clear pathways to careers and human resource development in a globally expanding yachting sector could be the creation of a Marine Industry Task Force (MITF) on career opportunities and HRD requirements for yachting. Representatives on the MITF could include the Ministry of Tourism, Antigua State College and the Hospitality Training School. Its primary aim would be to craft a strategy for career advancement and human resource development for the yachting sector, which would require:

- understanding career opportunities and requirements in the industry
- understanding technological advancements and demands with respect to knowledge and skill requirements
- identifying resources and institutional arrangements for sustaining efforts towards achieving the goals and objectives of the strategy.

5.0 SOCIO-ECONOMIC IMPORTANCE OF THE INDUSTRY

5.1 Direct Revenue Components

5.1.1 Marina and Boatyard Operations

Despite the seasonal nature of the industry, several of the marinas operate with some level of profitability. Marinas can apply to government for import duty and income tax exemption, which in at least one case was granted for a five-year period. Such concessions are expected to assist enterprises during their initial period when profitability is difficult to attain. Although exempt from income tax during the five-year period, companies are expected to file annual income statements.

The main sources of revenue for most marinas are berthing, diesel, water and electricity. We were able to obtain relative percentages for main revenue categories for the months of February and March, 2001. These are shown in Table 5.1.

Table 5.1
Relative Percentages of Major Revenue Sources at one Marina,
February and March, 2001

Revenue Source	%	
	February	March
Berth	31.8	32.0
Water	11.0	14.8
Electricity	5.5	10.0
Diesel	50.6	40.5
Others	1.1	2.7
Total	100.0%	100.0%

The prominence of diesel revenues, between 40.5% and 50.6% for the months analyzed is an indication of the high fuel demand by megayachts, particularly the motor yachts.

Other important sources of marina revenue include rental of commercial space and revenue from commercial enterprises such as gift and restaurant sales.

5.1.2 Other Sources of Direct revenue

Other sources of direct revenue are charter operations, including term charter crewed and bareboats and day charter boats.

While we were unable to provide a summary of the socio-economic impacts of crewed boats, a case study of expenditure by a large megayacht provides a hint of the potential impact of this sub-sector of crewed charter or private cruising yachts.

The information was provided on condition that the name of the boat is not revealed. Basic statistics of the vessel are:

- Length 307 feet
- Draught 18 feet
- Crew 30 – 32
- Passengers (6 normally, maximum 20). Boat is available for owners and guests, not charterers

Box 5.1
Expenditure of Large Megayacht 6 Weeks in Antigua

	US\$
Crew expenditure	
• On board @ US\$19/person/day x 30 crew x 40 days	22,800
• On shore @ US\$40/person/day x 30 crew x 40 days	48,000
Various ancillary services	60,000
Fueling	30,000
Berthing @ US\$450/day x 40 days	18,000
Electricity (used own power because of excessive demand)	
Misc.	10,000
Total	188,880

5.2 Indirect Revenue Components

Indirect revenue components include:

- Other marine trade businesses and related services
- Government revenue agencies
- National Park Authority

5.2.1 Marine Trades and Related Services

Estimates of revenue generated from marine trades and related services were not obtained because of the reluctance of businesses to provide information on income.

5.2.2 Government Revenue Agencies

We were promised but did not obtain data on revenues earned by the Port Authority from various yacht fees. Yearly estimates from departure taxes are approximately EC\$1.25 million based on average visitation of 29,700 yacht passengers yearly between 1995 and 1999 and using an average of EC\$42 person for departure tax. Sources of revenue from other government agencies would include 40% corporate tax on profits, 2% tax on gross earnings of incorporated businesses and 8.5% government tax linked to hotel room rates.

5.2.3 National Park Authority

The NPA has a specific mandate to manage the Nelson's Dockyard National Park to achieve environmental, historic and economic objectives. Nelson's Dockyard National Park boundaries include English and Falmouth Harbours, Mamora Bay (the location of St. James Club Marina) and all the communities in the Falmouth/English Harbour area. One of the objective statements of the management plan is the development of the harbours of the park as a "world class yachting destination".

In the park development programme NPA has become a major corporate entity and employer. The authority generated EC\$5.5 million in revenues in its fiscal year 2000 (September 1999 – August 2000) and EC\$6.1million in fiscal year 2001. Revenue categories are shown in Table 5.2.

Income under the category of yachts includes direct revenues for berthing, anchoring, electricity and water sales, locker rentals, laundry and shower service, all of which are linked to the operation of Dockyard Marina. Revenue from these sources generated 65.5% of revenues under the Yachts category in 2000 and 69% in 2001. The indirect revenue sources included port dues and garbage fees, which jointly accounted for 33.5% and 31% of revenues in the yachting revenue category in 2000 and 2001 respectively.

Enterprises included gift shops, restaurants and a small hotel run by the NPA, all of which owe a significant percentage of their revenues to yachting activity. The same is true of lease rentals.

Table 5.2
Revenue Generated by NPA Fiscal Years 2000 and 2001

Income Source	Income (EC\$)	
	Fiscal 2000	Fiscal 2001
Yachts	1,191,824	1,306,927
Visitor fees	1,460,741	1,550,050
Enterprises	1,984,229	1,894,765
Lease rents	879,988	929,802
Total	5,534,782	5,681,544

Yacht entrance fees accounted for 9.6% of visitor fees in 2000 and 20.6% in 2001. All other fees are associated with hotel and cruiseship tourists visiting the National Park. We however consider these revenues as having an indirect link to yachting, which is a central attraction of Nelson's Dockyard.

NPA expenditure is further testimony to the yacht industry's socio-economic impact on the community. Expenditure was EC\$5.6 million in 2000 and EC\$5.7 million in 2001. Salaries, wages and security contracts accounted for EC\$1.74 million (32.1% of expenditure) in 2000 and EC\$1.87 million (32.4% of expenditure) in 2001. Salaries and wages paid for direct employment in yachting (marina related operations) totaled EC\$179,202 in 2000 (10% of total salaries) and EC\$211,722 (11.3% of total salaries) for 2001. Again, we would like to emphasize that the Nelson's Dockyard National Park owes its attraction and hence revenue generation capacity largely to the adapted use of the historic naval dockyard as a center for yachting.

5.3 Contribution to GDP and Balance of Payments

a) GDP

No specific accounting is done to value the contribution of the yachting sector to GDP. Official GDP accounting is done by economic sector (also termed economic activity). The sectors reported on include agriculture, construction, manufacturing, government services, hotels and restaurants, wholesale and retail trades, transport, communications and other services. GDP accounting provides an overview and an indication of trends in economic sector performance. Failure to account for yachting as a subsector of tourism denies the opportunity to gauge its national economic value or to monitor its performance.

In 1992 GDP at current prices was EC\$973.59 million and in 2000 EC\$1,546.16 million. Hotels and restaurants, accounted for as one sector, contributed EC\$136.77 million (14%) in 1992 and EC\$178.61 million (11.6%) in 2000.

Estimates provided by Systems Caribbean Limited in its Antigua and Barbuda Yachting Study 1995, placed the gross contribution of yachting to the economy at close to US\$25 million per year. This figure includes US\$19 million attributed to yacht visitor expenditure. Systems Caribbean did not provide a summary of the remaining US\$7 million. The study assumed that the average length of stay by yacht visitors was 14 days and the average visitor expenditure was US\$50/day (EC134).

Table 5.3
Comparison of Expenditure Between Stayover, Cruiseship
and Yachting Visitors for 1999

Type Visitor	# Visitors, 1999	Ave. length of Stay (days)	Average Daily Expenditure (EC\$)	Total Expenditure	
				EC\$ (million)	%
Stayover	207,662	7.8	458.58	742.79	92.4
Cruiseship	328,038	1	75.58	24.79	3.1
Yacht	29,114	10.8	115.42	36.29	4.5
Total	564,814			803.87	100

(Source: Ministry of Tourism for visitors and ECCB for average length of stay and average daily expenditure)

A comparative summary of visitor expenditure for stayover, cruiseship and yacht visitors for 1999 is provided in Table 5.3. We used visitor arrival figures from the Ministry of Tourism, along with daily average expenditure figures and average length of stay by visitors from the ECCB to construct the table. The average length of stay for yachts was confirmed by the NPA. It should be noted that these figures are lower than those used by Systems Caribbean Ltd. and should be considered conservative.

It is of interest that annual yacht visitor expenditure exceeds that for cruiseship visitors by EC\$12 million for the year, even with the use of conservative estimates. This ought to be a critical factor in building public awareness on the importance of yachting to the country.

It is also obvious from Table 5.3 that stayover tourists are by far the biggest contributors to visitor expenditure.

Visitor expenditure is however not the only contributor to GDP from the yachting sector. Key components of the yachting sector's contribution to GDP include:

- Expenditure by yacht passengers and crew, estimated by ECCB to be EC\$115.42 per person/day;
- Berthing, fuel and electricity and haul-out payments to marinas and boat yards;
- Income to ancillary businesses (repair, maintenance, sales, etc., but not including food and beverage) and day workers;
- Provisioning;
- Charter fees paid to yachts for charters starting out of Antigua;
- Rental of on-shore accommodations by migrant workers;
- Income from tourist accommodation during special events such as the Boat Show and Sail Week;
- Government revenue (port dues, harbour dues, landing fees, cruising permits).

Table 5.4
Estimates of Contributions to GDP by
Selected Yachting Sector Components, 1999

Component Activity	ECS million
Passenger expenditure	36.3
Marina and boat yard charges	11.2
Income to ancillary businesses and day workers	n/a
Charter fees (bareboats only)	0.6
Provisioning	12.0
Rental of onshore accommodation, migrant workers	0.3
Accommodation rental, Boat Show & Sail Week	2.2
Government Revenue (Landing fees, Port dues, Harbour dues, Cruising permits and departure tax)	1.7*
Total	64.3

Note: * Does not include berthing revenue from Dockyard Marina

Estimates for contributions to GDP by various yachting sector components were constructed where possible as shown in Table 5.4. An explanation of how estimates were derived is provided:

- a) Estimated passenger expenditure for 1999 is derived by using the ECCB estimates of EC\$115.42 per person/day x 10.8 days (average length of stay) x 29,114 passengers. Average daily expenditure is assumed to cover expenditure on dining on shore, entertainment, transportation (including rented cars) and communication.
- b) Marina charges are derived from NPA records and/or estimates provided by marina companies.
- c) Repair, maintenance and related charges could not be estimated.
- d) Charter fees are based solely on estimates of fees paid to locally based term charter bareboats and not foreign flag or intransit boats whose earnings are not accounted for locally. Estimates on fees paid to day charter boats could not be made because of the lack of information. Yacht charterers entering Antigua and Barbuda by air are not accounted for in yacht passenger statistics and must therefore be assessed for impact on GDP separately.
- e) Provisioning corresponds to purchases made in Antigua for food and beverages used for persons officially recorded as yacht passengers. We used an actual cost of US\$19/crew/day for a large yacht staying in Antigua for several weeks as the basis for our estimates because, although per capita provisioning costs for charterers are higher

than those for crew, a considerable amount of dining by the former occurs on land. We also assumed that boats arrive partly stocked with food and beverages and attributed 75% of the estimated daily cost to purchases in Antigua. Thus for 1999, the estimated expenditure on local provisions is derived from US\$19 (EC\$51) per passenger/day x 0.75 (75% of total) x 10.8 days x 29,114 passengers = EC\$12,026,993 million.

- f) Rental of onshore accommodation by seasonal migrant workers is estimated at EC\$252,000 from about 30 apartments and houses in the Falmouth and English Harbour area calculated at an average of EC\$1200/month for seven months.
- g) For the Boat show it is estimated that about 500 persons, including brokers, representatives from boats, magazines, and marine related businesses spend an average of EC\$458.58 per person day x 5 days for a total of EC\$1,146,450. These persons are statistically not yacht passengers but visit only in connection with the boat show. The average daily expenditure is the figure used by the ECCB for hotel tourist. It is more difficult to estimate the number of persons involved with yachts who stay at hotels during Sail Week. We assume that 50% of 298 hotel rooms in the Falmouth English Harbour area would be occupied by persons visiting for ASW and that another 100 rooms from villas, cottages and apartments would also be taken by such persons. Thus, 249 rooms x 1.5 persons/room x 6 days (average length of stay) x EC\$458.58 (average daily expenditure) = EC\$1,027,677.
- h) The figure for government revenue was derived from information provided NPA and the Port Authority.

GDP contribution from the categories listed amounts to EC\$64.3 million for 1999. It does not include income to the numerous ancillary marine trade businesses and day workers not based at marinas or boatyards and in some cases businesses leasing space from marinas. Such businesses include technical trades and sales of equipment and parts, yacht management services, internet and communication services, marine surveys, appraisal and insurance for which estimates could not be made. The figure also does not include income to locally based charter boats, because the information was not available to make even crude estimates.

The income to ancillary businesses and day charter boats would make an important difference to the overall GDP contribution by the yachting sector. In fact, given the conservative nature of our estimates, the yachting sector's contribution to GDP when all component activities are considered could well be in excess of EC\$75 million per year.

The unreliability of current estimates on visitor expenditure, along with difficulties faced in trying to obtain estimates on gross revenue from businesses, makes the calculation of meaningful estimates of the yachting sector's contribution to GDP extremely difficult.

Apart from the estimates provided above, our approach in this report has been to use case examples as indicators of the socio-economic impacts of the sector, realizing however the need to fill the gaps in national accounting procedures so as to monitor the performance of yachting.

It is in the interest of government and industry that policy and management decisions are based on reliable economic data.

It is recommended that:

- The procedure used in accounting for GDP contributions by sector be adjusted to include yachting as a possible sub-set of tourism activities
- Yacht visitor expenditure surveys be designed and executed on a yearly basis
- Data management capacity within relevant agencies is improved to provide pertinent and current national data on employment, expenditure and other indicators of economic performance of the sector.

b) Balance of Payments

The yachting sector's contribution to balance of payment is not disaggregated for the overall tourism and travel accounts. It is assumed that the net balance is positive in line with the tourist trade. A key item providing credit to the current account would be yacht passenger expenditure less the outflow resulting from the purchase of items imported to supply goods and services to such persons. Here, the contribution would be positive as it would be for other goods and services purchased by boats. Items in this latter category would include fuel, electricity, water, parts and provisions.

In 1999 the overall credit on current accounts was EC\$1.3 billion against a debit of EC\$1.5 billion, for a negative balance of approximately EC\$0.2 billion. The negative balance on current account can be explained by the high level of importation of goods. The services balance, consisting mainly of tourism's contribution, is positive. Yachting's share, though relatively small compared to that of hotel tourism, is significant in helping to offset the negative balance of trade. However, there is need to increase the contribution of the sector to the balance of payments by augmenting earnings and reducing leakages.

c) Economic Impact

It is our view that the yachting sector makes important contributions to the country generally but more specifically to communities such as Falmouth and English Harbour. However, high leakages due to a critical dependence on imported goods and, in some cases, services means that the economic impact is less than it otherwise would be. This is true of the tourism sector generally, where the income multiplier was estimated as far back as 1973 to be 0.88 for Antigua (Mathieson & Wall, 1982).

A distinction must therefore be made between the fairly high level of business activity generated by the yachting sector and its economic impact, which is reduced by leakages from the system. In addition to the reduced economic impact due to high imports, leakage also occurs where profits are repatriated from businesses that are foreign owned. This is also a feature of the hotel

and cruise tourism sectors, where like the yachting sector, it is difficult to measure the effects of leakage.

Such effects can only be quantified and an accurate multiplier for the yachting sector determined through the use of surveys to establish the precise input/output relationships. Critically, accounting data should be compiled to capture the sector's contribution to GDP. Additionally, the conceptualization and development of a methodology to accurately measure the contribution of tourism generally to GDP is needed.

5.4 Yachting Sector Contribution to Government

a) Direct Revenue Sources

Sources of direct revenue contribution to government agencies include port dues, cruising permits, anchoring fees, landing permits, departure taxes, along with docking and storage fees to the NPA. Actual or estimated revenue for 1999 from available sources are:

- NPA berthing, anchorage and landing (yacht entrance) fees EC\$0.7 million
- Departure tax EC\$1.2 million
- Port dues and cruising permits EC\$ 0.3 million
- Other EC\$ n/a

b) Indirect Revenue Sources

Indirect sources of revenue include import duties, consumption tax, customs services tax, hotel and restaurant taxes, business and corporate taxes, electricity and water revenue, telephone and travel taxes and tax on fuel. Revenue values from these sources are not readily available. Duty and tax exemption allowed by law for goods imported for use by transient yachts and a Cabinet decision to allow similar exemptions on goods imported by marine trades businesses for use on transient yachts combine to produce a small source of revenue to government.

5.5 Strengths and Weaknesses in Yachting's Contribution to the Economy

The current and potential revenue generation in the private sector is one of the major strengths of the yachting sector. A corresponding element of its contribution is the opportunities available to small businesses. The participation of Antiguan in some of the critical marine trades has been weak, so that there is scope for improving their competitiveness by providing opportunities for the development of management and technical skills through training.

Development of management skills should be an ongoing goal for most businesses, one reason being the need to ensure that the quality of goods and services provided to visitors are commensurate with prices charged. This is critical because Antigua and Barbuda is generally considered a high priced destination, as confirmed in the survey on yachting done by Dr. Murphy

(2001). In the survey, the high cost of services coupled with a “lack of services” were identified among the concerns raised by yacht captains.

This is a structural weakness of the tourism sector generally which could adversely impact the contribution of yachting particularly if the country fails to provide value for money. Ensuring that the visitor gets value for money is perhaps more important as a strategy than seeking just to cut prices to compete with other destinations. Attention to prices should however not be ignored by government and the businesses sector.

6.0 ENVIRONMENTAL IMPACTS AND ISSUES

6.1 Waste Management Practices

6.1.1 Wastewater

With the exception of Jolly Harbour, none of the marinas have access to a sewage treatment plant. Jolly Harbour in fact has two pump-out terminals linked to an activated sludge treatment plant that accommodates wastewater from Jolly Harbour Resort and Marina and Jolly Beach Hotel. We were unable to determine the extent to which the pump-out terminals reduce black water (sewage) disposal in the marina basin.

Sources of wastewater from yachts are heads (toilets) for sewage (black water) and showers, faucets and galley (kitchen) for gray water. Conventionally, gray water is drained to the boat's bilge (which could be considered temporary storage) and pumped by a bilge pump to sea. Black water was pumped directly to sea from toilets. Marine Sanitary Devices (MSD's) are now available to boats and a number of jurisdictions, e.g., the United States requires the use of approved MSDs.

Devices meeting United States Coast Guard (USCG) regulations and applicable to some other jurisdictions around the world include:

<u>Type 1</u>	Coliform bacteria 1000/100 ml; physical/chemical treatment, ie, maceration/chlorination
<u>Type 2</u>	200/100 ml coliform count; SS 150 mg/l; biological (aerobic digestion)
<u>Type 3</u>	Discharge prevented

Some boats can now combine treatment of both black and gray using type 2 systems to achieve desired coliform and suspended solids (SS) standards. Preventing discharge from boats at berth for several days has proven to be impractical where pump-out and related onshore treatment facilities are lacking. Thus, to limit potential impacts at marina basins from wastewater disposal authorities should:

- Encourage the use of treatment plants by marinas and the installation of wastewater pump-out facilities, providing incentives, where necessary;
- Begin discussion with other regional destinations on strategies for promoting the use of proven Type 1 and 2 systems in the region.

A study of the effectiveness of typical MSDs is needed to inform waste management policies. We investigated the treatment system of two mega yachts, one of which had the following treatment profile:

- Capacity 12 tons waste/day
- Type treatment Activated sludge and chlorine disinfection
- Waste treated Black and gray water from all sources on board
- Pumpout practices At sea mainly

Waste from this boat is treated through a five stage process, which is capable of producing effluent of the quality to allow discharge at sea at the dock. The owner is a member of an international Sea Keepers Society and equipment on board allows for monitoring of water quality at anchorages. “Green” practices are common, including restrictions on the use of phosphate containing detergents.

The other yacht used a system that relied mainly on maceration of solids and disinfection by chlorine. Our findings in this respect suggest two things. One is that there are major differences in effectiveness and quality of treatment systems on mega yachts. The other is that state-of-the-art waste treatment technologies are being used on some boats and the practice is likely to become more widespread in the future. One of the critical requirements of activated sludge and similar treatment systems is the periodic removal of sludge from the plant. We understand that this has been done for a mega yacht at least once in Antigua by truck but the final disposal site of the sludge could not be determined.

The potential impact from sewage and other wastewater is increased when phosphates containing detergents and various other chemicals, used in cleaning, enter the wastewater stream. Type of impacts and their effects include:

Type	Effects
Bacteriological (Coliform and streptococci)	Health
Nutrient Enrichment (phosphates and nitrates)	Damage to marine life
Suspended Solids (SS)	Water quality effects

To avoid such impacts, health authorities in Antigua and Barbuda use effluent discharge standards for BOD(5) and suspended solids (SS) recommended by CEHI for land based sewage treatment plants:

Limits used to monitor for bacteria levels in coastal waters are:

Faecal coliform	200 per 100ml
Faecal streptococci	26 per 100ml

(Source: L. Michael, CBH)

Effluent discharge limits are not being applied to yachts, whose practices are not monitored.

We recommend that the Public Board of Health and the Ministry of Environment:

- Consider the use of realistic guidelines for wastewater management practices by yachts, bearing in mind standards being used by other nations and the varying levels of treatment effectiveness achieved by MSDs and /or other onboard treatment systems;
- Create clear policies and related guidelines for removal and disposal of sludge from large yachts.

6.1.2 Solid Wastes

Marinas have their own garbage disposal facilities and collection and disposal at the official government dump (soon to be landfill) occur daily or every other day. In Falmouth/English Harbour, marinas take their garbage to an NPA holding facility for daily removal by a contractor. NPA charges a garbage fee of EC\$2/day to yachts for this service.

Comparatively limited spaces on yachts result in frequent disposal of items that can be used, e.g, chairs, lamps, rope, etc., which are recovered from the dock or garbage facilities by a small number of persons benefiting from this. The only adverse effect reported from this practice is that occasionally articles left on the dock, not intended for disposal, are taken by the garbage recovery persons.

It is important to note that some classes of mega yachts are being designed with incinerators, glass crushers and metal compactors and that trends are likely to lead to varying degrees of material recycling. The captain of one of the mega yachts interviewed said that self-imposed practices forbid the running of incinerators at the dock and the dumping of crushed glass < 12 miles from land (dumping is not allowed in the Caribbean, which is considered a Special Area)! Compacted metal is disposed at shore at appropriate locations.

6.2 Operating Practices

6.2.1 Marinas

Of the six marinas in Antigua, only Jolly Harbour Marina provides a full range of boat maintenance and repair services. Those in the Falmouth and English Harbour area rely on marine services available at the Antigua Slipway and numerous small conveniently located businesses. We therefore decided to separate our review of practices of marinas, whose uses are for the most part residential in character, from that of boat yards, which are essentially industrial in nature.

Marina practices with the potential for environmental impacts are:

- Fueling
- Waste disposal (already addressed)
- Maintenance work
- Maintenance dredging (addressed previously in the report)

a) Fueling

All marinas have at least one fuel terminal served by onshore fuel storage tanks. Tanks are installed, displayed and labeled in accordance with specifications of the supplying fuel company and with the approval of the DCA. We could not determine if standards are applied for the sizing of fuel lines and muzzles, which determine fuel flow rates and potential volume of spill in case of accidents when boats are being fueled. We are not aware of any special measures being taken to avoid spill except that pump operators are expected to use necessary caution.

b) Maintenance Work

Marinas allow boats to perform maintenance and some repair work that can be carried out without creating excessive inconvenience to crew. These include sanding, scraping, paint removal, brush and spray painting, wood work and engine repairs. Oil and grease from marinas in Falmouth/English Harbour are taken to containers at the NPA waste holding facility for eventual disposal. Sanding, scraping, paint removal and painting can pose occupational hazards in the absence of safety precautions and can also degrade water quality.

We are not aware that anti-fouling paint containing environmentally dangerous tin is used at marina docks, although this is possible. Concerns have been raised during our interviews about practices involving the use of paint removers, oil and grease and various other hazardous substances and the handling of batteries. Claims have been made that chemicals from solvents, acids from batteries and toxic metals have affected areas in which they have been used but this is largely speculative.

Such claims are however reasons for concern by marina owners, yacht owners and crew and should provide the basis for action by regulatory authorities.

We recommend such actions should include:

- A study on uses and substances at marinas aimed at setting guidelines and where necessary standards seeking to promote more environmentally-friendly practices at marinas and reduce impacts as a result.

6.2.2 Boat Yards

Uses at marina boat yards are industrial in nature but are hardly given the attention they deserve. Based on our knowledge of boat yard operations and discussions with persons during this study, we suggest that authorities begin to focus on the following critical areas:

- Environmental polluting uses and substances
- Occupational Safety
- Aesthetic and nuisance factors

a) Environmental Polluting Uses and Substances

Just about any industrial use within a boatyard has the potential for environmental damage. Critical among these are uses involved with engine repair, battery replacement and storage, paint applications (particularly anti-fouling paints, whose demand is linked to their longer lasting ability to withstand marine growth and hence save the boat owner money) and removal of paint and varnish. Fuel, engine oils, grease, acids, solvents and various other toxic and hazardous substances are involved.

We chose not to deal with the potential or actual impacts from these uses and substances. The former is generally known to relevant authorities and the latter cannot be documented without adequate investigation. Rather, we sought to understand management practices at the boatyards that help to mitigate potential impacts.

Both Antigua boatyards, Jolly Harbour and Antigua Slipway, are located in very protected areas, the former, a man-made basin, the latter, a natural harbour that was last modified in the eighteenth century. Because of its comparatively small land base, the Antigua Slipway's operation is cramped for space and repairs and maintenance work on most boats occurs close to the water. Jolly Harbour has more land space but, like most boatyards, finds that it is convenient to store boats as close as possible to the water.

In our observations of the marinas, we looked for site design, site layout, land use and management practices that help to mitigate impacts, such as:

- Attenuation of storm water runoff and channeling of storm water flow away from critical uses, including oil and fuel depots, engineering and mechanical repair areas, oil sumps, battery storage areas;
- Storage of hazardous substances;
- Evidence of areas specially designated for engine repairs and fibreglass work; facilities that help to attenuate the effects of dust (screens) and practices to remove dust (vacuuming).

We found that generally marinas were deficient in the use of facilities and practices for screening against dust and other nuisance type uses.

b) Occupational Safety

We were told that safety equipment is available to workers but that negligence in their use is common. There are cases where illnesses have been linked to prolonged exposure to glass fibre and other material used in fibreglass work. Time did not allow the substantiation of such claims, assuming that medical records exist to allow this.

We recommend:

- Such claims be looked into and the commencement of dialogue between health authorities, businesses and representatives of workers to establish a protocol aimed at protecting health in the industrial environments of boat yards.

c) Aesthetic and Nuisance Factors

Several examples of nuisance due mainly to conflicting uses were reported and in some cases observed.

6.2.3 Ancillary Yachting Services

Problems with wastewater disposal from some businesses near the shoreline in Falmouth Harbour are generally known. Grey water flowing through an open drain into the sea is one example. Urbanization will further exacerbate wastewater problems so that the long-term solution is likely to be a municipal system for collection and treatment of wastes. The timing of this should be guided by adequate investigations and monitoring of trends.

6.3 Anchoring and Mooring

There are no restrictions on anchoring in Falmouth Harbour and English Harbour but levels of use suggest the need for water use guidelines and plans to reduce damage to the seabed in some cases and to avoid use conflicts associated with the random anchoring of boats.

Permanent moorings are less used in Antigua than they are in other yacht destinations such as the British Virgin Islands, the United States Virgin Islands and Saint Lucia. Moorings are used for environmental and economic reasons, optimal use of space and for convenience. Application is relevant to ports of entry and busy harbours as well as in overnight or day anchorages.

The relevance of a permanent moorings policy for Antigua and Barbuda should be given full consideration informed by discussions between the NPA, Port Authority, Ministry of Tourism and Environment and the business community.

6.4 Water Quality Monitoring

Water quality monitoring has been done by the Central Board of Health (CBH) for selected bays in Antigua. Monitoring to determine impacts associated with yacht anchoring and waste disposal practices, except in the case of Jolly Harbour, has not been done. A monitoring programme in which marina and boatyard owners are key participants should be considered. The objectives, water quality parameters and limits for the programme should be decided by the PHB and the Ministry of Tourism and Environment with the agreement of participating businesses.

6.5 Impacts on Coastal Areas and Resources

6.5.1 *Dredging and Landfilling*

Jolly Harbour Resort and Marina was created from dredging and filling of the Jolly Harbour Salt Pond, which drained one of the major watersheds of Antigua. It was a controversial project that impacted mangroves, degraded water quality modified the sub-surface hydrology of the site and displaced fishermen. The impacts were never really quantified and their severity as determined by qualitative analysis have been lost to the public at large because of the socio-economic impact of Jolly Harbour Resort and Marina. However, dredging in the country is being subjected to a level of public scrutiny that did not exist at the time of the Jolly Harbour project. Nevertheless, the institutional responsibility and procedure for approving and monitoring dredging projects still needs to be clarified, as evidenced from the following examples:

- The Fisheries Division collaborated with the Development Control Authority (DCA) in granting approval to Falmouth Harbour Marina to dispose of small quantities of dredge material at sea in 2000.
- The Department of Environment was the key agency involved in the decision to allow dredged material from the St. John cruise ship basin deepening and expansion project to be dumped at sea in 2001.
- Approval was given by the Fisheries Division to FHM to dump additional material on land and to Catamaran Marina for dumping at sea in 2001.

Apart from the Jolly Harbour project, coastal impact from marina development has been negligible and without vocal public objection. Nevertheless, **we recommend**:

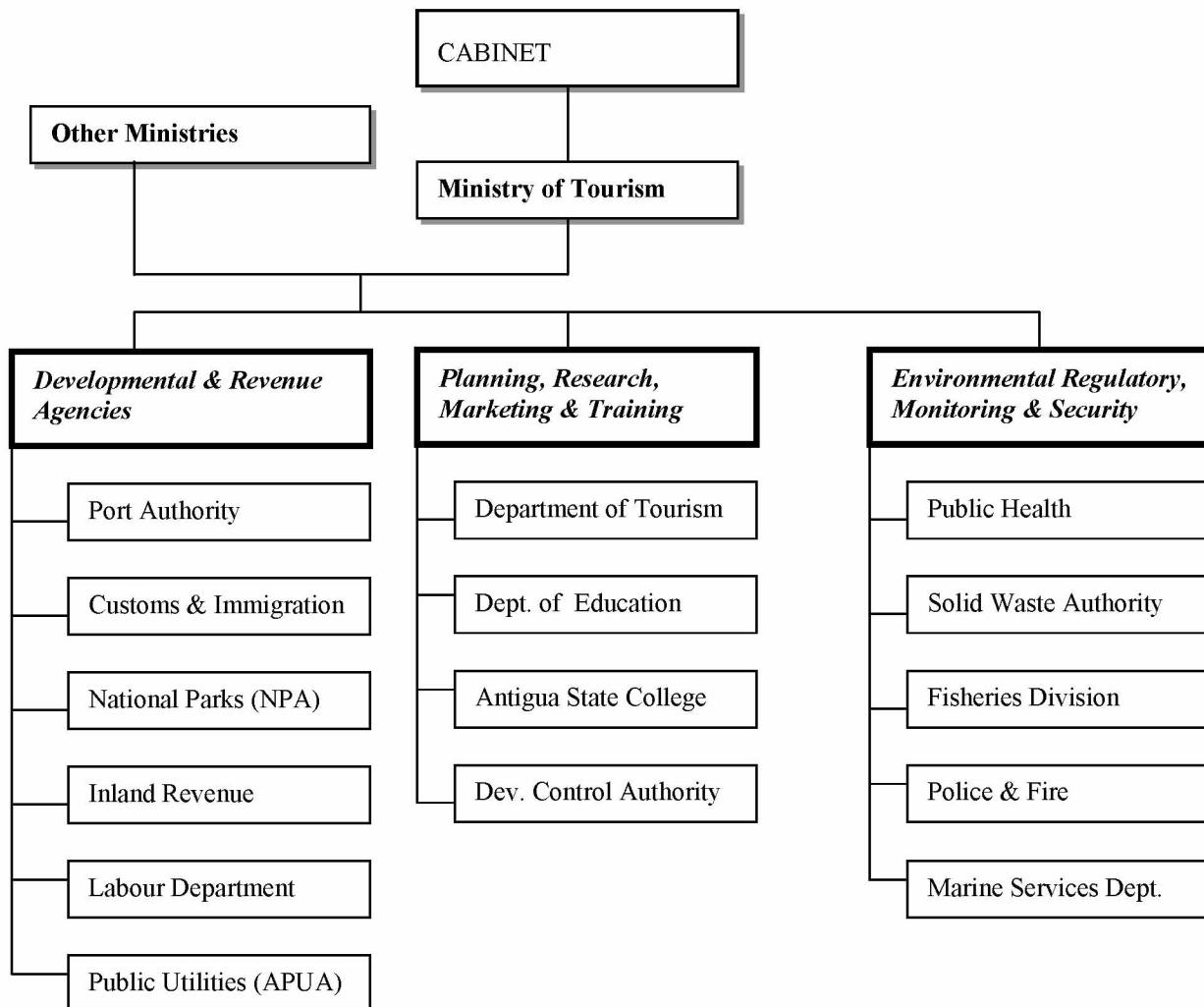
- Clarification of institutional responsibilities for granting dredging permits;
- Elaboration of the dredging procedure, inclusive of application, criteria for determination of type and level of impact assessment to be done and condition of approval;
- Establishment of effective water quality testing and dredging impact monitoring capacity within responsible agencies.

7.0 GOVERNMENT AND PRIVATE SECTOR POLICIES FOR DEVELOPMENT AND MANAGEMENT OF YACHTING

7.1 Organizational Structure and Responsibilities

As with any other country, the public sector responsibility for regulating and providing oversight to the yachting sector is spread over several agencies and government statutory authorities. In Exhibit 7.1 we provide an overview of the organizational framework through which this happens.

Exhibit 7.1
Organizational Framework for Managing Yachting Affairs by Government Agencies



7.1.1 Cabinet and Ministries

On all development and regulatory matters policy is ultimately made at the Cabinet level on the advice of various ministries. In the case of yachting, ministerial responsibility lies with the Ministry of Tourism and Environment. Unfortunately, an effective institutional structure for expediting responsibilities for tourism is lacking at the level of the Ministry and its Department. This is a crucial institutional weakness that requires attention. We provide recommendations for this later in the report.

7.1.2 Line Agencies

We group line agencies with various responsibilities for yachting into three groups, namely:

- Developmental and Revenue Collection Agencies
- Planning, Research, Marketing and Training
- Environmental Regulatory, Monitoring and Security

The categories include agencies that actually provide services to the industry or those we consider should be given responsibility for developmental, planning, research or other relevant functions.

7.1.2.1 Developmental and Revenue Agencies

These include:

A. Port Authority, responsible for:

- Approval for marina development at ports of entry or areas under its control;
- Approval of dredging in ports of entry;
- Marine survey inspection;
- Collection of Port Entry Fees (Port Dues) and Cruising Permits;
- Collection of fees from maritime trades and services
- Licensing of “Small Crafts”.

□ Fee schedules

Fees schedules are as indicated:

Port Dues

Port dues are based on boat length as shown:

<40 ft.	EC\$10
41 – 80 ft.	EC\$15
81 – 120 ft.	EC\$20
121 – 180 ft.	EC\$30

- >181 and less than 200 gross tons EC\$40
- >200 gross tons EC\$520 for Port Dues and Cruising Permit Fee combined.

Cruising Permits

Cruising permits are based on boat length as shown:

< 20 ft.	EC\$15
21 – 40 ft.	EC\$20
41 – 80 ft.	EC\$25
81 – 120ft.	EC\$30
121 – 180 ft.	EC\$40
>181 ft.	EC\$50

The permit is valid for one month and must be paid by all foreign registered boats entering the country. Renewal of the permit is required if the boat stays longer than a month.

□ **Fee Collection**

Port Dues and Cruising Permit fees are collected by an officer of the Port Authority at ports of entry except at Nelson's Dockyard. The Port Authority delegated the function for the collection of these fees for boats entering Falmouth and English Harbour to the NPA. A recent agreement between both entities allows the NPA to keep the revenue collected to service a loan obtained by NPA to repair the historic quay wall in Nelson's Dockyard.

The Port Authority is also authorized under Schedule III of its Tariff (established under the provisions of the Port Authority Act, No. 9 of 1973) to issue licenses and charge fees to:

- a) Established companies and businesses in marine trades, services and supply, including small yacht construction (EC\$100), slipway, drydock and boat hoist operations (EC\$500 - \$1000), yacht maintenance repairs and related but unspecified activities (EC\$250);
- b) Established businesses and professional maritime trade activities, such as sail making, electronics and electrical equipment, marine carpentry and joining, marine engines, ships chandlers and related trades and services at a cost of EC\$750;
- c) Various other marine related or ancillary businesses, including brokerage and yacht sales, marine surveying, yacht charter agents, bars and restaurants. Fees range from EC\$50 to \$1000.
- d) Self employed dockworkers, crew and maintenance trades at the cost of EC\$5.

□ **Licensing of Small Crafts**

The Small Craft Office within the Port Authority implements the provisions for licensing of small craft as set out in Schedule III of the Tariff Book of the Antigua and Barbuda Port Authority. These provisions are made under the Port Authority Act, No. 9 of 1973. The term small craft as used in the Tariff includes yachts. License requirements are as indicated:

1. Term charter boats visiting or based in the country:

Craft <80ft.	EC\$400
Craft >80ft.	EC\$600
2. Day charter and sportfishing boats:

Craft carrying <20 passengers	EC\$200
Craft carrying 21 – 75 passengers	EC\$500
Craft carrying >75 passengers	EC\$1,000
3. Self-drive or bareboat charter boats:

Craft <20ft.	EC\$200
Craft 21 – 40ft.	EC\$300
Craft >41ft.	EC\$400

As indicated in (a), visiting yachts are subject to the payment of a license fee, which applies to “small craft used for pleasure purposes”, to quote the text of the Tariff.

B. Customs and Immigration

- Inward and outward clearance of yachts
- Clearing of goods and implementation of duty free concessions to foreign flag boats
- Collection of departure tax (EC\$25, resident, EC\$30 Caribbean national and EC\$50, other nationalities).

C. National Parks Authority (NPA)

- Development and management of Historic Nelson’s Dockyard National Park
- Garbage disposal and collection of garbage fees of EC\$2/yacht passenger
- Collection of Port and Harbour (Anchorage) Dues in Falmouth and English Harbours and Fort James for the Port Authority
- Collection of Harbour (Anchorage) Dues and Landing Fees

□ **Harbour (Anchorage) Dues**

Mono-hulls, EC\$0.13 (US\$0.05) per ft/day
 Multi-hulls, EC\$0.27 (US\$0.10) per ft/day

During the off-season, May to November, the anchorage fee is reduced to EC\$0.08 (US\$0.03).

Anchorage Dues are only collected in areas under the jurisdiction of the NPA and these include English Harbour, Falmouth Harbour and the harbour at St. James Club. The revenue is used by the NPA to assist with restoration work in Nelson's Dockyard.

□ **Landing Fees**

Charged at EC\$7 per person on board the yachts and cruiseships entering Falmouth and English Harbours and collected. Like the Anchorage Dues, the Landing Fee is specific NPA charge to boats entering and/or anchoring within the jurisdiction of the Nelson's Dockyard National Park. Revenue from Landing Fees are also used for restoration work.

D. Inland Revenue

Collection of corporate taxes from incorporated businesses and the 2% tax on non-incorporated businesses.

E. Labour Department

Issuing of work permits to non-nationals

F. Antigua Public Utilities Authority (APUA)

Provision of water, electricity and telephone services

7.1.2.2 Planning, Research, Marketing and Training Agencies

These include:

A. Department of Tourism

- Tourism planning and research
- Tourism marketing

B. Department of Education

- Education planning
- Skills needs assessment

C. Antigua State College

- Skills training in marine trades up to technician certification levels

D. Development Control Authority (DCA)

- Granting planning permission for marina and yachting related development

7.1.2.3 Environmental Regulatory, Monitoring & Security Agencies

These include:

A. Public Health

- Monitoring of water quality in harbours
- Monitoring of chemical use in boat yards
- Inspection of health and food handling practices at restaurants
- Collection and disposal of solid waste

B. Solid Waste Management Authority

Development of desirable waste management practices by households and businesses through public education and awareness

C. Fisheries Department

Management of marine areas

D. Marine Services and Merchant Shipping (MSMS)

- Ship and yacht registration. Antiguan flag vessels > 24 meters must be registered under the Antigua and Barbuda Merchant Shipping Act, CAP 28. Antiguan Vessels < 24 meters are not required to register but must obtain a certificate of registration if travelling to another country.
- Survey of ships. All vessels, including yachts, engaged in commercial trade, such as chartering and operating as water taxis, are required to be surveyed for safety and seaworthiness generally by officers of the MSMS. "Condition surveys" are done by licensed marine surveyors for insurance and financing purposes.

E. Police and Fire Departments

- Security patrols
- Advise on fire preparedness. The Fire Department however has no legal authority for the regulation of fire safety standards.

7.1.3 Major Organizational Issues

Major organizational issues to be resolved in the management of yachting include:

- **Organizational capacity for planning, research and marketing.** An appropriate organizational structure to carry out relevant functions in these areas does not exist and should be provided either as a special division in the Ministry of Tourism and Environment or assigned to existing staff in the ministry.
- **Security arrangements for critical areas.** Incidents of robbery, in one case rape, ongoing harassment by drug addicts and beggars led to calls for improved security in Falmouth/English Harbour within or adjacent to the yachting district or adjacent to marinas. A more obvious police presence and quicker response to acts of crime and improved lighting are some of the recommendations that have been made by industry. Additionally, there is a need to provide counseling and other forms of support to habitual drug users, who are the major source of begging and hence harassment.
- **Other organizational issues,** such as data management and environmental standards are addressed in the following sections of this report.

7.2 Customs and Immigration Procedures and Practices

7.2.1 Yacht Clearing Procedures

Clearance procedures are outlined in the Antigua and Barbuda Marine Guide. Procedures are fairly straight forward, although delays are often experienced particularly in busy periods such as Agent's Week (Boat Show) and Sailing Week. On arrival, yachts must fly a yellow "Q" (quarantine) flag until cleared. Clearance of all passengers and crew is done by the Master of the boat, while others must remain on board. Yachts intending to cruise in Antiguan waters must obtain a valid cruising permit from the Port Authority.

Passengers and crew wishing to leave a yacht in Antigua and Barbuda are required to have a valid airline ticket that would allow travel to a country which they can legally enter. Yachts wishing to exchange crews must get permission from Immigration. Crew members arriving to join a vessel leaving for a foreign destination can produce a signed copy of a letter from the boat's captain in lieu of an exit airline ticket.

Yachts wishing to clear out of Antigua must depart within 24 hours of clearing. This makes it inconvenient for boats wishing to visit Green Island or Barbuda as the last stops in the country. In fact, the closing of the Port of Entry in Barbuda represents a major flaw in customs and immigration policy for the twin-island State. Comparable twin or multi-island destinations provide for ports of entry in sister islands, e.g. Carriacou in Grenada, Bequia and Union Island in Saint Vincent and the Grenadines and Nevis in St. Kitts/Nevis.

Immigration and customs policies and procedures were two of nine common concerns and problems identified in a "Survey of the Yachting Industry in English and Falmouth Harbours,

Antigua” by Dr. Reg. Murphy (2001). Among complaints raised by boat captains responding to questions in a survey are the inconsistency in operating hours of immigration officers and “rude or surly” attitudes, slowness of immigration procedures, tedious paper work and long waits during days when cruise ships visit Falmouth Harbour.

Another immigration related issue identified during the course of our study is time allowed crew flying into Antigua and Barbuda to join transient yachts. Our understanding is that the status of a person joining a boat as crew remains that of a “visitor” without permission to work until the vessel departs. If the person receives less time from immigration than the planned time of departure of the boat, then an extension of time is required. Time extension must be obtained in St. John’s and not from the nearest port of entry. This is time consuming.

Unless a person is unable to provide adequate proof of legitimate crew status on a transient yacht it would seem unfair to deny him or her the privileges given to crew members. In this case it would seem reasonable to allow the joining crew the time allowed the captain and other crew of the boat.

Recommendations:

- Construct a new Customs, Immigration and Port Authority office in Falmouth Harbour as proposed by industry representatives and agreed by the NPA;
- Allow 72 hours for departure after clearance for boats wishing to leave the country from Green Island and other off-shore anchorages. This was proposed by industry representatives and agreed by Cabinet but is yet to be implemented;
- Reinstate Barbuda as a port of entry;
- Streamline immigration policy to remove any perception of unfair treatment to legitimate crew joining boats in the country and to allow application for extended time to be handled at ports of entry.

7.2.2 Yacht Clearing Data Management

An examination of the Customs Entry Form used for clearing yachts was done to determine the type of information requested on the form and further to determine what data can be extracted from the information to guide decision-making and policy. Entry forms are filled out in copies of six, with two copies going to the Port Authority and one each to Immigration, NPA, Customs and the captain of the boat.

There are four main categories of information, namely:

- Details on the vessel, including name and class of yacht, net and gross tonnage, overall length, nationality, last port of call, intended next port of call, time of arrival and intended date of departure;

- List of persons on board, including occupation on board, date of birth, nationality, travel document (passport) number;
- Customs declaration of items on board such as animals, wines, explosives, dangerous drugs, fire arms, etc;
- Health declaration, that is, notification of “reputable cases of sickness” or death occurring during the voyage.

These represent fairly detailed information and while we are reluctant to suggest additional details, we believe that information of the width (beam) and draught of boats would provide authorities with useful data on the size of boats leading an understanding of trends in berthing requirements.

A review of the Customs register in which data is entered revealed that the information on length of boats is not noted. The NPA records data on length of boats taken from its copy of the Customs Form and we assume that the Port Authority does the same, considering that most fees charged by government agencies and marinas (the latter for berthing) are based on the length of the boat.

In view of the importance of data in the analysis of trends and impacts in yachting, it is suggested that:

- The various agencies having a stake in information secured from the Customs Entry Form undertake a joint review of how the data is used as the basis for obtaining critical information on the draught and width of yachts without placing additional burden on the clearance procedure;
- Consensus is reached on parameters for data storage purposes;
- Computerization of yacht clearance procedures already being considered be given priority, with appropriate training provided to Officers administering the clearance procedure.

7.2.3 Clearing of Goods

Customs duty, consumption taxes, customs service tax and environmental tax are levied on goods imported by Antiguan registered vessels. Foreign flag boats are exempted, by law, from all relevant taxes as long as valid documentation are provided. The Government cabinet also made it possible for marine trade businesses to import goods free of customs duty and consumption tax as long as these are used in trade with foreign flag vessels.

7.2.3.1 Procedure for Clearance for Foreign Flag Boats

Long delays in clearing goods for boats have been a source of inconvenience to brokers, crew and others involved with the marine trades. Section S 900 of the Customs Regulations, Statutory Instruments No. 21, 1995, states that no duty or taxes are to be charged on “ships and aircraft”.

This is interpreted to include yachts but only those flying a foreign flag. A decision was also made by Antigua's Cabinet to allow businesses in the marine trades to import items duty and consumption tax free if used on boats intransit.

The Systems Caribbean Limited yachting study for Antigua and Barbuda outlined the procedures for obtaining clearance of goods. Steps in the procedure for clearing goods at the airport and at the Deepwater Harbour are outlined below. These are as they were in 1995 at the time of the Systems study until 2 November 2001 when a new system was introduced to facilitate the computerization of declaration processing procedures of Customs. The system being used is the Automated System for Customs Data (ASYCUDA) installed with the assistance of the United Nations Conference on Trade and Development (UNCTAD) and so far implemented in 16 countries of the Caribbean.

This system, along with a harmonized system for classifying imported items by a classification code introduced by the World Trade Organization (WTO), and the move towards the adoption of the Common External Tariff (CET) published by the Caribbean Community (CARICOM) are part of the overall move towards compliance with global and regional mandates.

So, in addition to the steps outlined, warrants must now be taken to the desk of an Attesting Officer, where additional delays in the processing of documents are now being experienced.

The procedure is as follows:

A. Personal Baggage

1. Invoice of value of goods must be presented for verification by Customs Inspector at airport;
2. Goods are placed in Detention Room and a Detention Slip is issued to the importer or his/her agent;
3. Certified invoice and copy of yacht entry document must be taken to Controller of Customs in St. John's;
4. Importer buys five copies of duty free forms and goes to Approved Undertaking Office in same building with completed forms to request duty free approval and then to Tariff Office for verification of tariff codes;
5. Approved forms are taken to Cashier's Office in Controller's Building;
6. Importer takes processed documents to Baggage Section at Airport to obtain goods.

B. Courier, such as DHL, UPS

Same as (a)

C. Air freight

1. Importer/agent goes to airline or airline agent handling shipment and gets copy of airway bill and invoices; pays any charges and gets release from agent;

2. Prepares five copies of duty free documents, attaches invoice and gets invoice inspected and certified at Air Cargo Shed near airport terminal;
3. Follows steps 3, 4 and 5 as in (a);
4. Has shipment checked off airline manifest at Cargo Shed and obtain goods.

D. Ocean Freight

1. Importer/agent collects bills of lading from steamship company, along with stamped freight release;
2. Goes to Deep Water Harbour in St. John's to have duty free warrants and invoices certified;
3. Follows steps 3, 4 and 5 as in (a);
4. Gets stamp from Port Authority for goods release;
5. Goes back to Cargo Shed Customs office to get documents stamped;
6. Go back to Dock area to get pass from Port Authority and depart with goods.

E. Parcel Post

1. Importer/agent takes parcel post notification to Postal Customs Officer at Main Post office; along with five copies of duty free forms;
2. Completes forms with values assigned by Customs Officer and has duty warrants signed;
3. Follows steps 3, 4 and 5 as in (a);
4. Goes with stamp paid receipts to Post office to collect package (an EC\$0.20 fee is payable for all postal clearances).

□ Cause of Delays

a) Delays Linked to Compliance with Legal and International Trade Requirements

A policy was introduced on 2 November 2001 allowing customs to accept a copy of an invoice showing the value of goods to be cleared. Prior to this the original invoice, which normally arrived with the goods, was required. The new policy allows brokers to prepare warrants in advance of the arrival of the goods. This saves considerable time, particularly for containerized shipments often done by large yachts spending the season in Antigua, and inconvenient delays to boats can be avoided if much of the paper work is done before the shipment arrives.

Unfortunately, compliance with the law and ASYCUDA requirements still causes delays in processing documents through the Office of Approved Undertaking (AU) at Custom's Head Office and the various Tariff offices, where Attesting Officers are located. A document, "A Guide to Declaration Processing" dated September 2001, sets out the new procedures and explains the responsibility of the Attesting Officer. The primary function of such a person is to ensure that warrants are completed and accurately filed to facilitate the new computerized system.

Brokers and others clearing goods must submit their warrants to the Tariff/Attesting Office and then must often call to determine when the checking is complete.

It is understood that containers now take an average of three days to clear. The reasons determined for delays in clearing goods in all forms of shipment are:

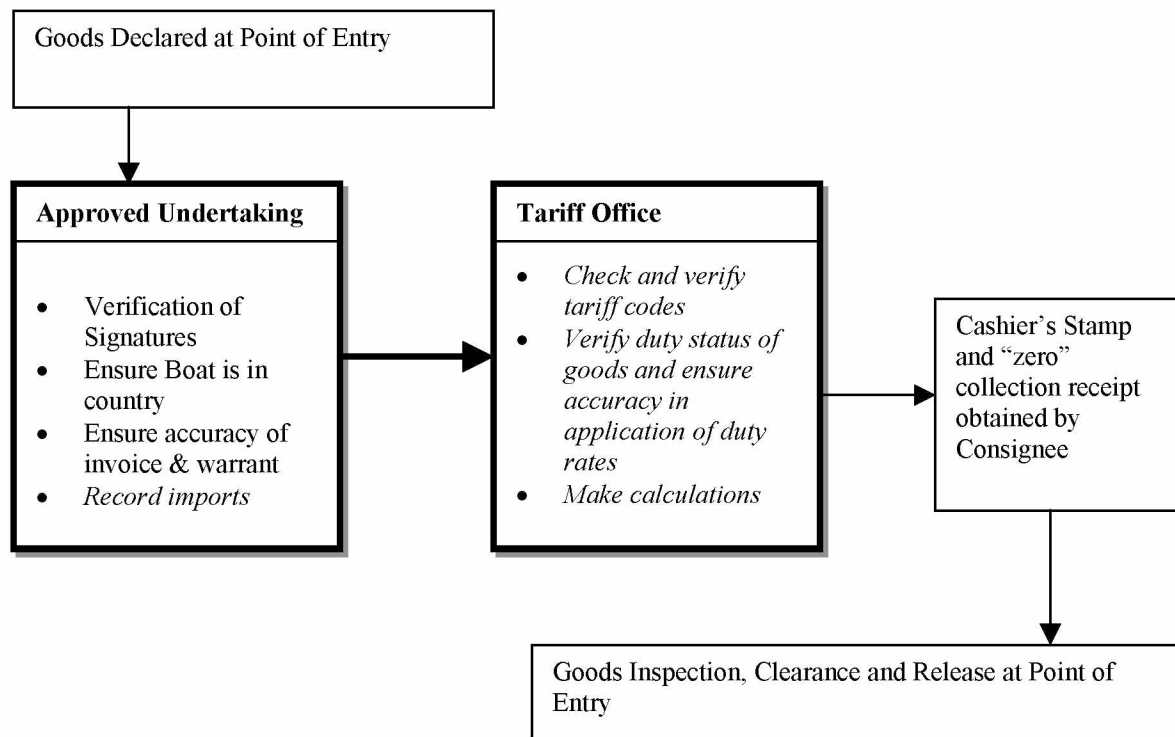
Steps in the clearance procedure requiring persons to travel between St. John's and the airport to access various offices;

A complex tariff structure in which various goods are assessed at different duty and tax rates; for a container of goods containing yacht spares (engine parts, electrical fittings, sails, cutlery, tools, linen, etc.) for the season in Antigua. This required considerable time in filling warrants particularly for brokers whose businesses are not computerized;

The large volume of warrants to be processed daily manually, since the installation of the computerized system has not been completed.

Figure 7.1 shows a simple graphic that lists the functions of the AU and Tariff offices and highlights the critical areas causing delays in clearance procedures.

Figure 7.1
Critical Areas in Customs Procedure



(Note: Steps in the procedures causing delays are shown in italic)

AU seeks to ensure compliance with the law by checking the signature on the warrants (normally the Captain of the Boat) with the signature on the boat's entry documents and by checking entry/exit data to ensure the boat is still in the country. What causes the major delay in the AU's procedure is the time taken to record all imported items which can be very time consuming for a container shipment, for example.

A simple suggestion made by marine industry representatives is for signatures, the presence of the boat in the country and accuracy of the warrants to be verified in the presence of the Consignee and for the recording of imports done afterwards. The copy of the warrants and related documents would be left with the Recording Officer in AU, allowing the Consignee to proceed to Tariff.

The marine industry has also suggested that goods could be released before detailed checking by the Tariff Office so long as documents are in order. Essentially, the time consuming tasks of verifying tariff codes, checking the application of appropriate duty rates and making revenue calculations (the latter required even for duty exempt goods) would be done after the goods are released.

These are fairly simple measures that, like the policy on the use of photocopies of invoices, could be achieved while maintaining compliance with applicable laws, regional and international trade requirements. The benefit of these procedural adjustments would be a significant reduction of time in clearing goods.

b) Issue of non-revenue

Customs brokers are of the opinion that priority is given to the processing of duty paid goods because of the critical importance of customs revenues to Government. Because parts and stores for foreign flag boats (boats in transit) are exempt from import duty and related taxes, except for a negligible environmental tax, there is no incentive to speed the process in clearing non-dutiable goods.

Environmental tax is only charged on selected items and the revenue generated is unlikely to cover the costs to Government for processing documents. A revenue measure to recover the cost to government for customs service to the consignee could be considered as a practical and fair response. The measure could be in the form of a special charge or alternatively the application of the Customs Service Tax (10% of CIF) on yacht goods.

□ Balancing Revenue Considerations Against the Competitiveness of the Marine Industry

In addition to meeting WTO and CARICOM requirements the ASYCUDA system is perhaps expected to improve the effectiveness of revenue collection and to close loopholes in procedures leading to revenue loss. This objective is appreciated, given the financial difficulties being experienced by government. However in consideration of the duty and tax exemption policy provided to sustain competitiveness in yachting,

simplification of the new ASYCUDA aided procedure is required to reduce delays and subsequent inconveniences being experienced.

□ **Impact on Antigua and Barbuda's image**

It is unfortunate that the negative effects from customs procedures are having an adverse impact on the image of Antigua as a yachting destination, when the duty and tax exemption policy on goods for yachts is very competitive. St. Maarten, which is invariably cited as Antigua's chief competitor with respect to the ease it offers in the importation of goods for yachts, enjoys the advantage it does partly because of the problems with clearance procedures in Antigua.

It is very unfortunate that delays caused by customs procedures tarnish the image of Antigua when, in fact, the country's policy allows yachts to enjoy considerable savings from duty and tax exemptions. Examples of savings on engine parts and a sail are provided as examples:

Engine parts valued @ US\$1000.

Customs tax @ 5%

Consumption tax @ 20%

Customs service tax @ 10%

(Customs duty and the Customs Service Tax are assessed on CIF (cost, insurance and freight) and Consumption tax is calculated on CIF, plus the value of the assessed Customs Service Tax).

Tax saving EC\$988.68 (US\$366) or 37% of value of goods.

Sail valued @ US\$15000

Customs tax @ 15%

Consumption tax @ 15%

Customs service tax @ 10%.

Tax saving EC\$17,648.81 (US\$6,536) or 43% of value of goods.

Antigua's import duty and tax exemption policy also makes it convenient for yachts to import goods and stores into the country and ship back out items not used, without having to pay import duty and taxes. This is important because it allows yachts to have an inventory of such stores as spare parts, linen and cutlery that they may need during the charter season without having to pay the customs tariffs.

Savings or duties avoided by one yacht, planning to spend the season in Antigua, from a container of supplies valued at approximately US\$241,000, is about US\$84,000. While duty and tax exemption may appear as a loss in revenue to the country, boats have a

choice of winter bases, St. Maarten with its duty free port being a prime contender. If boats are discouraged by customs tariffs or procedural delays, they will choose to go elsewhere. In this case Antigua loses the income that local businesses would earn if the boats are based in the country.

As an example of the importance of the duty and tax exemption policy, a luxury yacht spent US\$20,000 on metal fabrication work alone in Antigua during the last season.

While Antigua has a very competitive duty and tax exemption policy, time consuming customs clearance procedures are having a negative effect on its image. The time factor in clearing goods is particularly critical when spare parts must be flown in as an emergency and delays in obtaining the part can affect charter schedules and incomes.

□ **Trends**

We have deliberately spent time on the issue of customs procedures because trends suggest that if such procedures are not simplified and made more time efficient, Antigua and Barbuda will lose market share in the luxury yacht sector. It is convenient for larger boats to ship and store containers of parts and other stores at their seasonal bases.

In Antigua, these containers are inspected by customs at the storage site on entry and at exit. They are sealed after exit checks prior to departure to their next destination, usually a summer base. Last year about 10 such containers were stored in the Falmouth Harbour area and we believe that this is a growing trend that should be encouraged as part of the strategy to increase the country's share of the luxury or mega yacht market.

One of the critical factors influencing decisions by luxury yachts on a choice of seasonal bases is convenience of access to parts and supplies. The container of stored supplies is therefore an element of convenience for the yacht and a source of income for businesses involved in its clearing, transportation and storage. A 20 or 40 feet container provides the following income opportunities to local businesses:

Customs Broker	US\$500 – 700
Crane	US\$500 – 600
Towing rig	US\$450 – 500
Road tax	US\$112 (40 ft container), US\$74 (20 ft container)
Storage	US\$50 – 100 per month
Total	US\$1612 – 2012

The costs for clearing and transporting goods to the area of storage are believed by persons in the industry to be higher in Antigua than in St. Maarten. Such persons view this as an issue affecting the decision of captains about which of the two islands they should choose as their yacht's seasonal base. We were unable to determine the comparable costs for handling containers in St. Maarten and could not confirm that such cost was a critical issue in the choice of location by yachts. These costs are such a small

fraction of the seasonal expenditure of yachts shipping containers that they are unlikely to be a major factor in where a luxury yacht decides to base.

More critical to such decisions is the difficulty associated with getting ready or quick access to parts and other items. Yachts expect to be able to source ship supplies that are needed beyond what is available in their containers with little inconvenience. St. Maarten is considered more attractive for restocking supplies because of cheaper prices and convenient clearance procedures. As a result, boats make decisions to provision in St. Maarten even when they are based temporarily in Antigua and for reasons of convenience some may contemplate or actually decide to use St. Maarten as a future winter base.

There is considerable speculation on how the luxury yacht market is going to be shared among Caribbean destinations in the immediate future. We believe that the potential for growth in the market is significant and that the region is behind in its planning for infrastructure and amenities to meet the demands of such boats. Antigua's challenge is therefore not only to become more competitive with respect to other regional destinations but to understand and monitor the trends affecting the industry globally.

Recommendations

We support the suggestions made by representatives of the marine industry for changes to customs procedures. These include:

- Providing for the time consuming tasks of recording of imports at the AU to occur after the departure of the consignee as long as all other legal and trading requirements are met;
- Allowing for goods to be released prior to the time consuming checking and verification procedures at the Tariff offices, provided that all other legal and administrative requirements are met.

Once agreed, these changes could be implemented immediately, while measures to further streamline procedures without sacrificing objectives linked to regional or global trading obligations and the control of contraband could be considered for the near future. In this respect, we recommend:

- That Government explore the idea of using a customs bond in Falmouth Harbour, where selected goods can be cleared, facilitated by a procedure similar to one used in Trinidad, where goods shipped as baggage or through courier services are cleared at Piarco Airport and checked and released at a Customs Station at the Chaguaramus yachting area, all within a day;
- That in order to help offset the cost to Government for clearing duty exempt goods either a flat charge to the consignee is considered or the Customs Service Tax is levied on all such goods assigned to boats.

7.3 Private Sector Groups and Associations

7.3.1 *Antigua Marine Trades Association (AMTA)*

AMTA is the only trade association linked with yachting. The Association is inactive except for the annual publication of the Marine Trades Directory of businesses. This is a very useful publication. Nonetheless, the inactivity of AMTA means that the industry lacks an entity through which representation can be made on matters of critical interest to marine businesses.

We believe the objectives for which the association was established are as relevant as they ever were particularly in a time of slow economic growth and uncertainty over the future of tourism. These objectives are to:

- “Promote the growth of all phases of the marine industry in the country of Antigua and Barbuda;
- Promote mutual confidence and cooperation among persons engaged in the marine industry;
- Share experience, ideas, information and improve communication among persons engaged in the industry;
- Press for advantageous legislation and tax measures that will most benefit the industry and people of Antigua and Barbuda;
- Encourage conservation of natural resources, and work towards the use of a fair share of those resources by the marine industry;
- Offer guidance, instruction, and assistance to the boat owner, particularly the visitors to our waters.”

The association has two categories of members, namely:

Regular Members: individuals, firms or corporation primarily engaged in the marine industry and

Affiliate Members: individuals, firms or corporations not primarily involved in, but providing goods and/or services to, the marine industry.

There is considerable support among marine businesses for the revitalization of the association. Based on our discussions with persons who were referred to as caretakers of the association, conditions required to revive and sustain the AMTA include:

- Involvement of the marinas
- Active participation of board members
- New energies at the board level
- Support at the executive level in order to accomplish its objectives

We believe, in addition, that the association should consider reviewing the structure of its operations by relying less on the voluntary support expected from board members and more on paid help that would carry out the wishes of the board and membership. Currently, it engages

the part-time services of a paid secretary but it is generally acknowledged that this may not be enough to sustain its mandate.

Other considerations for the AMTA are:

- Building collaborative relationships with the Ministry of Tourism, the Antigua Hotel and Tourist Association and other relevant groups;
- Development of a strategic plan for promoting and marketing yachting in association with the Ministry of Tourism, Nicholson's Yachts Worldwide in its promotion of Agents Week (Antigua Boat Show) and the organizers of Sailing Week
- Creation of a website on which an electronic version of the Marine Trades Directory can be lodged; this would allow ongoing updates of the directory and global access by persons interested in marine services in Antigua and Barbuda
- Agreement on a membership fee structure to provide financial support for an office of the association.

7.4 Communications Between Government and Private Sector Groups

Communications between government and the marine industry is fractionalized due mainly to a non-functioning AMTA and the absence of an organizational structure for policy review, planning, research and marketing within government. Without an effective AMTA, the industry lacks a coordinating mechanism for representing the interests of the business community in a continuing dialogue with government on issues of mutual importance. Organizational weaknesses within government agencies means that yachting is not being given the ongoing support critical to sustaining its competitiveness regionally and globally.

7.5 Marine Insurance

Cost of marine insurance has become an issue beginning with damages resulting from Hurricane Hugo in 1989. Several other hurricanes since then add to the difficulties and cost foreign registered boats face in obtaining hurricane coverage for the regional "hurricane belt" (an area roughly between Puerto Rico and Bequia) from insurance companies based in Europe and North America. At least one local insurance company, Anjo Insurance, provides hurricane coverage, the cost of which is only determined on the assessment of detailed information on the specifications and use of the boat, along with the extent of liability coverage sought by the owner.

Anjo's insurance policies are underwritten by United Insurance out of Barbados and includes accidental risk, material damage, third party and passenger liability. While it is difficult to obtain a quotation on the cost of a marine insurance policy without providing detailed

information, we were able to determine the approximate cost for a marine insurance premium for an average size bareboat charter yacht 40 ft. long and costing about US\$150,000.

Insured to carry six persons, with liability of EC\$1 to 1.5 million on a 2% deductible policy, the cost to this boat is between EC\$5000 and EC\$6500 per year. A 25% reduction on the prorated cost for August to December is allowed for boats stored out of the water during this period. Anjo Insurance considers its rates competitive with those offered by companies insuring boats in the British Virgin Islands, St. Maarten and other countries within the hurricane belt.

Recommendations:

Marine insurance policies and practice require the level of evaluation that was not possible in this study due to time and budget. We recommend:

- That the revived Antigua and Barbuda Marine Trades Association (ABMTA) undertake a full evaluation of marine insurance policies available in Antigua, along with a comparison of insurance costs with selected countries in the region;
- That in order to clear any existing misconceptions in relation to the availability of hurricane insurance coverage and cost seek to make public its findings;
- That figures on the number of insured local yachts, along with the number of claims and cost of such claims made in relation to hurricane damages within the past 12 years be compiled as part of the evaluation.

8.0 STRUCTURAL WEAKNESSES FACING THE YACHTING SECTOR

8.1 Policy and Strategic Emphasis

“.. without strategy, there is only drift”

Thomas Friedman, The Lexus and the Olive tree, 2000

During our consultations we heard comments, made quite frequently, about government's indifference to the yachting industry and the lack of knowledge by government officials about the sector. On reflection, policy makers and tourism planners are likely to agree that while there have been numerous public statements made on policy and strategy for hotel and cruise ship tourism very little has been said publicly indicating government's support to the direction in which yachting is heading.

The absence of a clear policy and strategic emphasis should be considered a structural weakness having implications for management of the sector. Without clear guidance, yachting is moving along a narrow path where the primary and oftentimes only emphasis is on the seasonal growth in megayacht visits. The sector seems to lack diversity at the time when other destinations are moving towards more inclusive strategies in which megayachts, smaller crewed and private boats, bareboats and day charter or excursion boats are considered integral parts of the overall yachting product.

8.2 Growing Over-Dependence on Megayachts

We believe that Antigua and Barbuda should continue pursuing a strategy for the development of the mega yachts subsector, but not at the expense of other forms of yacht chartering or cruising activity. Over-dependence on mega yachts will in the long run stifle development of yachting services that require year round patronage for survival. Development in marina infrastructure since 1995 (at Falmouth Harbour Marina, Catamaran Marina and Yacht Club Marina) have all been geared towards accommodating larger boats, understandable because of their income earning potential.

Interestingly, development of the capacity to accommodate megayachts coincides with recent hurricane disasters and related setbacks to the sector. Megayachts capitalize on their speed and mobility to avoid hurricane vulnerable areas and in so doing perpetuate what has become an inactive off-season for Antigua even when other hurricane vulnerable destinations (St. Maarten, the British Virgin Islands, Martinique, Guadeloupe and Saint Lucia) all have active off-seasons. A common characteristic of these destinations is a relatively large locally based fleet of small to average size yachts available for charter or private cruising during the off-season.

8.3 Small Volume of Bareboat and Crewed Yacht Chartering in Antigua and Barbuda Waters

The number of locally-based charterboats and the volume of yachts chartering in Antigua and Barbuda is small compared to other regional yachting destinations. Given what we know of the ability of bareboat chartering to stimulate demand for taxis, provisioning, restaurant services and nightlife, we view this as one of the critical weaknesses of Antigua and Barbuda's yachting sector.

In the context of existing conditions there seem to be two options to be considered:

- a) Pursuit of a policy and strategy whose primary focus is on the development of megayachts;
- b) Pursuit of policies and strategies to continue the development of the megayacht subsector, while also encouraging development in bareboat chartering and a year round locally based crewed yacht business.

We view the latter as being comparatively more advantageous to the country by combining the relatively larger income generating capacity of larger yachts in marina charges, marine trades and other services with the potential of bareboats, day charter boats and other recreational craft to provide year round boating activity and job opportunities.

8.4 Marketing

In the past, yachting destinations depended mainly on cruising guides and occasional coverage in yachting magazines for exposure. The growing competitive nature of the yachting industry requires a more aggressive approach to marketing. No effort seems to have been made to strategically analyze marketing issues and needs and to systematically market and promote the country as a premier yachting destination. The Antigua Marine Guide (magazine and electronic website versions) and the AMTA's Marine Trades Directory are good informative directories of marine services and supplies, along with things to see and do. In addition, ASW and the Boat Show are events, which help to provide good exposure to the country. However, we believe that much more is needed to increase yacht visitor arrivals and persons arriving by air to charter locally based boats.

We recommend:

- Design and execution of a realistic and affordable destination marketing strategy in which the ABMTA and the Government will collaborate. Historic Nelson's Dockyard, other heritage resources, ASW and the Boat Show should be fully used in designing the imagery and text of marketing material;
- As part of the destination marketing strategy, development of relationships with yacht broker associations and their members in the Mediterranean and USA using familiarity trips similar to those used for tour operators and travel agents in the hotel industry;
- A greater advertising presence of marine industry businesses in regional publications such as Compass and All-at-Sea, both of which are widely circulated;
- Design and management of a website for the ABMTA.

8.5 Hurricane Anchorages

Antigua and Barbuda has one of the better compliments of hurricane anchorages among yachting destinations in the OECS. Anchorages used for shelter during storms and hurricanes and considered "safe" by the yachting industry are:

- English Harbour (Nelson's Dockyard)
- Anchorages in the Sound near Seatons village
- Nonsuch Bay
- Parham
- Jolly Harbour

Falmouth Harbour is considered a marginal shelter.

Good hurricane anchorages provide a degree of comfort to boat owners and should carry some weight in negotiations for insurance coverage and more reasonable premiums during the hurricane season. It would help if selected areas were designated as official hurricane anchorages and managed accordingly. In the British Virgin Islands, for example, Paraquita Bay is an officially designated hurricane anchorage in which moorings are installed to allow boats to be rafted together. This maximizes the use of available space.

Assignment of space in the anchorage allows bareboat companies to effectively plan strategies for protecting boats during a storm. This is perhaps a factor contributing to the relatively active off-season enjoyed by charter boats in the British Virgin Islands.

As part of a strategy to expand the bareboat activities and diversify the yachting sector in Antigua and Barbuda, **it is recommended that:**

- Official designation and status be given to hurricane anchorages;
- Management plans or guidelines for use (including assignment of rights to use) be drafted and implemented.

9.0 FRAMEWORK FOR YACHTING POLICY

Previous sections of the report provide an understanding of the yachting industry and identifies issues, areas for action and opportunities to be pursued. The level of analysis done for each section varies, depending on the level of concern expressed during our consultations, available data and generally on the time budgeted for the study. Areas identified for action are implied or recommended.

This section of the report provides a framework for a policy and strategy for yachting intended to drive activities on several fronts in contrast to an approach that focuses energy on selected issues only.

Challenges facing the industry extend beyond the obvious problems associated with clearing goods from customs, inconveniences caused by yacht clearing procedures or the cost of services in Antigua and Barbuda. It would therefore benefit public, private and community interests to adopt a wholesome rather than piecemeal approach and to look at long-term needs while seeking to apply remedies for quick fixes to the most apparent ailments.

A major concern is that a number of the actions presented here were identified in the yachting study done by Systems Caribbean Limited in 1995 but failed to achieve the changes intended. Failure to take action is therefore a critical issue to be resolved.

The industry needs a vision to guide decisions by government, businesses and the community at large. Vision requires consultation with and participation of key stakeholders of the magnitude that was not possible in this study, but is planned as one of the follow-up actions in the ECLAC regional yachting project.

We therefore could not outline the vision for development and management of the sector. Instead, we have identified preliminary objectives to facilitate discussions leading to the vision, along with strategies and actions to be considered.

These are provided in Exhibit 9.1, which is essentially a framework for policy and actions to be pursued following discussions and agreement by stakeholders and interest groups. The objectives, strategies and actions provided in the framework can be modified based on consensus achieved in the consultations. An national obligation to commit to the strategies and actions should follow logically from the consensus.

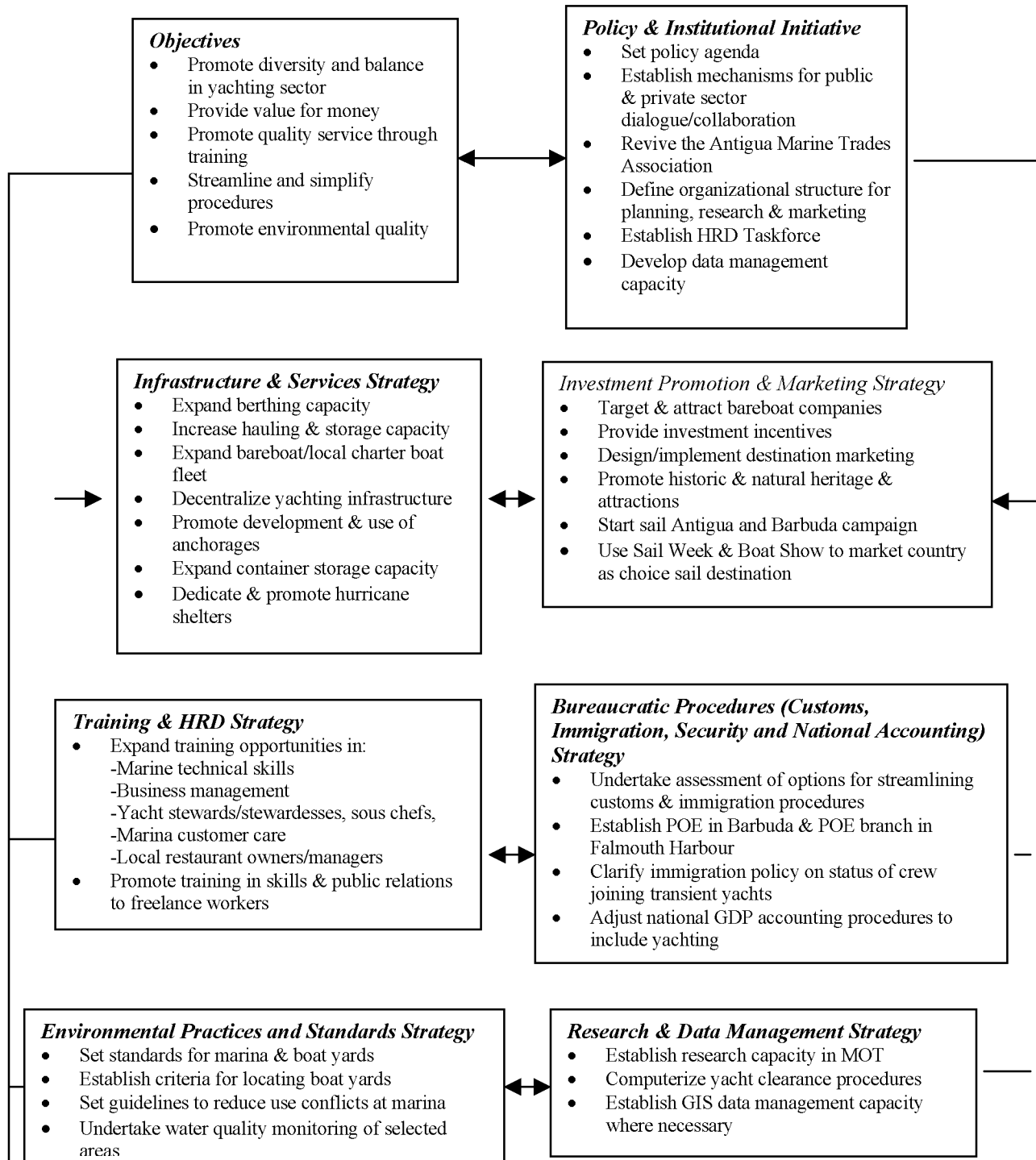
Critical objectives to which stakeholders should commit include:

- Promoting diversity and balance in the yachting sector
- Providing value for money
- Promoting quality service through training
- Streamlining and simplifying procedures
- Promoting environmental quality

These objectives will guide actions to be taken under an agreed policy and institutional initiative and six strategic areas, namely:

- Yachting infrastructure and services
- Investment promotion and marketing
- Training and Human Resources Development (HRD)
- Bureaucratic procedures (Customs, Immigration, National Accounting)
- Environmental practices and standards
- Research and data management

Exhibit 9.1 Overview of Yachting Policy and Strategy



Annex 1**Scope of Work**

1. Country Background
 - Describe the main economic, social, physical and environmental features of the country
 - Prepare an overview of the tourism sector
2. Description of the yachting sector
 - Historical growth of the sector
 - Examine the structure and dynamics of the industry, including types of yachts and fleet size based in the country
 - Identify the number of yachts, yachting passengers and crew visiting the country
 - Identify companies directly involved in yachting
 - Identify major events and pull factors that support yachting
 - Identify and describe anchorages and harbours
 - Identify use patterns and levels of use
3. Evaluate yachting within the national sustainable development framework
 - Identify related on-shore developments, e.g., marinas, provisioning and yacht repair and supply facilities, and identify capacities and levels of use
 - Identify ancillary services, such as hotels, restaurants, taxis, supermarkets and the availability of other infrastructure like water power and liquid and solid waste management systems
 - Identify gaps
 - Identify those communities that are highly dependent on yachting, and identify the nature of this dependence
 - Identify the various stake holders and possible user conflicts
4. Assess employment aspects of the yachting sector
 - Identify direct and indirect employment generated
 - Estimate direct and indirect income, wages and salaries
 - Assess employment practices
 - Evaluate seasonal aspects
 - Identify required and available skills
 - Evaluate existing training facilities
 - Identify measures to increase the participation of Caribbean nationals in the industry

5. Assess the socio-economic importance of the industry
 - Identify the direct revenue components of yachting (tourism expenditures, charter fees, proceeds from boat sales, etc.
 - Identify the direct and indirect socio-economic impacts of the yachting industry
 - Evaluate the contribution of the industry to GDP and Balance of Payments
 - Assess the sector's contribution to government – including that of major parastatal bodies – revenue and expenditure
 - Identify strengths and weaknesses in the sub-sector's contribution to the economy

6. Assess environmental implications of yachting (Evaluate the following and others, if applicable)
 - Liquid and solid waste management practices
 - Operating practices of marinas and ancillary yacht services
 - Anchoring and mooring in harbours, particularly with respect mega-yachts and cruiseships
 - Water quality
 - Changes to the coastal zone and coastal habitats
 - Other damages to the marine environment

7. Assess and evaluate government and private sector policies regarding the management and development of the yachting sector
 - Identify interest groups and associations
 - Identify explicit tourism and yachting policies
 - Describe government institutional arrangements to manage the industry
 - Identify incentives, such as duty free supplies, other tax incentives, etc.
 - Identify relevant ordinances and regulations and enforcement policies
 - Evaluate customs and immigration procedures and practices
 - Assess the existence and efficacy of regular and clear channels of communications between government and the yachting sector

8. Identify problems and structural weaknesses facing the industry
 - Perception of overcrowding and gradual slide down market
 - Composition of the yachting sector and the implications on seasonality
 - Level of yachting skills by visitors
 - Liquid and solid waste management and linking yacht/marina systems with the national waste management systems
 - Cruise ship tourism vis-à-vis terrestrial and marine tourism
 - Work permits
 - Different custom regulations in different islands and clearing procedures
 - Boating safety
 - Seasonality and its impacts on communities and employment

- Impact of major events
- Harassment
- Maintenance of competitiveness as a yachting destination
- Data deficiencies
- Inadequacies in organizational and personnel arrangements
- Planning issues and shoreline alterations
- Management of anchorages and mooring policies

9. Recommendations
10. Framework for a Yachting Policy

Annex 2

Yachting Industry Businesses/Services

MARINAS

- ☐ Berthing
- ☐ Fuel and ice
- ☐ Water, electricity, telephone, CTV service
- ☐ Internet services
- ☐ Mail pick-up
- ☐ Maintenance (painting, varnishing, woodwork)
- ☐ Chandlery
- ☐ Shops
- ☐ Storage lockers

BOAT YARDS

- ☐ dry docking
- ☐ mast replacement/installment
- ☐ technical services
- ☐ land storage for boats
- ☐ chandlery
- ☐ fuel
- ☐ limited berthing (in the case of Antigua Slipway)
- ☐ café-bar-restaurant
- ☐ Laundromat

YACHT CHARTERING

- ☐ Boatboat companies
- ☐ Term charter (crewed charter boats)
- ☐ Day Chartering

TECHNICAL TRADES & SERVICES (REPAIRS, MAINTENANCE, SALES)

- ☐ Diesel engine repairs and service
- ☐ Outboard engine sales, repairs, service
- ☐ Marine engineering
- ☐ Electronic equipment supplies and repairs
- ☐ Electric services
- ☐ Refrigeration and air conditioning sales, repairs and service
- ☐ Water makers sales service
- ☐ Generators sales and service

- ☐ Fabrication, stainless steel and aluminum
- ☐ Welding and fabrication
- ☐ Hydraulic systems repairs and service
- ☐ Fibreglass/gelcoat repairs
- ☐ Paint spraying and osmosis repairs
- ☐ Marine woodworking and supplies
- ☐ Sail making and repairs and awning services
- ☐ Rigging services
- ☐ Marine upholstery
- ☐ Embroidery
- ☐ Marine Salvage and towing
- ☐ Inflatable and life-raft sales and service
- ☐ Boat bottom scrubbing

FOOD AND BEVERAGE SERVICES

- ☐ Supermarkets
- ☐ Provisioning outlets
- ☐ Wholesalers
- ☐ Ice making
- ☐ Liquor stores
- ☐ Wine and gourmet specialty shops
- ☐ Restaurants

RETAIL AND SUPPLY SERVICES

- ☐ Chandleries
- ☐ Diving equipment
- ☐ Books and charts
- ☐ Propane refills
- ☐ Laundries
- ☐ Solar panels
- ☐ Massage

ADMINISTRATIVE AND MANAGEMENT SERVICES

- ☐ Crew placement
- ☐ Yacht delivery
- ☐ Absentee yacht management
- ☐ Customs brokerage
- ☐ Material and Equipment sourcing and special deliveries
- ☐ Office services
- ☐ General yacht services, e.g, mail box
- ☐ Boat cleaning

INFORMATION TECHNOLOGY AND COMMUNICATIONS

- ☐ Internet services
- ☐ VHF and 2 way radio sales and service
- ☐ Boat phone
- ☐ Website creation

MARKETING, BOOKING AND SALES

- ☐ Yacht brochures
- ☐ Yacht charter booking
- ☐ Yacht and power boat sales
- ☐ Signage

MARINE SURVEYS, APPRAISAL AND INSURANCE

- ☐ Marine Surveying and appraisals
- ☐ Marine insurance

Annex 3**Antiguan Anchorages****(3a)**

Anchorage	Day/night	Depth (ft)	Dinghy Landing	Beach	Snorkeling	Restaurant	Hotel
<i>Southcoast</i>							
English Harbour	Night	> 9	Y	Y	N	Y	Y
Falmouth Harbour	Night	>12	Y	Y	Y	Y	Y
Carlisle Bay	Day	>12	N	Y	Y	Y?	Y
Morris Bay	Day	>24	N	Y	N	Y	Y
Cades Bay	Day	>9	N	Y	N?	N	N

(3b)

Anchorage	Day/night	Depth (ft)	Dinghy Landing	Beach	Snorkeling	Restaurant	Hotel
<i>Westcoast</i>							
Crabb Hill Bay	Day	> 15	N	Y	Y?	N	N
Ffryes Bay/Picarts Bay	Day	>12	N	Y	Y	Y	N
Morris Bay, Jolly Beach	Night	>7	Y	Y	N	Y	Y
Five Islands Bay	Night	>7	N	Y	Y	N	N
Deep Bay	Night	>8	N	Y	Y	N	Y
St. John's Harbour	Night	>10	Y	N	N	Y	Y
Dickenson Bay	Night	>9	N	Y	N	Y	Y

(3c)

Anchorage	Day/night	Depth (ft)	Dinghy Landing	Beach	Snorkeling	Restaurant	Hotel
<i>Northcoast</i>							
Jumby Bay	Night	> 10	N	Y	Y?	N	Y
Maid Island	Night	>10	N	N?	Y?	N	N
Parham Harbour	Night	>7	N	N	N	Y	N
Great Bird Island	Night	>9	N	Y	N	N	N
Guiana Bay*	Night	>9	N	Y	Y	N	N
Mercers Creek Bay*	Night	>12	N	Y	Y	N	N

*Difficult approach to anchorage; not recommended for bareboats

(3d)

Anchorage	Day/night	Depth (ft)	Dinghy Landing	Beach	Snorkeling	Restaurant	Hotel
<i>Eastcoast</i>							
Nonsuch Bay	Night	> 12	N	Y	Y	Y	N
Green Island (northwest)	Night	>7	N	Y	Y	N	N
Green Island (south)	Day	>30	N	Y	Y	N	N
Willoughby Bay	Night	>10	N	N	Y	N	N
Mamora Bay	Night	>10	Y	Y	N	N	N
Indian Creek	Night	>12	N	N	Y?	N	N

Annex 4**Meetings and Telephone Discussions (in order of occurrence)**

1. Mr. Cecil Pigott, Head of Engineering and Construction, Antigua State College.
2. Mr. George Clarke, Former Head, Sunsail-Stardust, Antigua
3. Senator Lewellyn Smith, Chairman, Antigua and Barbuda Port Authority
4. Mr. Winston Gomes, Head of the Small Craft Division, Antigua and Barbuda Port Authority
5. Mr. Kenneth Malone, Member Board of Directors, Antigua Investment Group and Falmouth Harbour Marina
6. Mr. Hugh Bailey, OBE, Managing Director, Falmouth Harbour Marina and Oener Catamaran Marina
7. Mr. Edward Jackson, Freelance Worker
8. Mr. Melvin Harrigan, Freelance Worker
9. Mr. Graham Knight, Caretaker Chairman, Antigua Marine Trades Association (ATMA)
10. Mrs. Anne Ayers, Caretaker Treasurer, ATMA
11. Mr. Vere Lake, Customs Officer, Nelson's Dockyard
12. Ms. Lynette Richardson, Cashier, NPA Yacht Services (Port) Office, Nelson's Dockyard
13. Mr. Nick Swanwick, private boat owner, former Sunsail-Stardust employee
14. Mr. Darius Smith, Manager, Dockyard Marina
15. Mrs. Anne-Marie Martin, Parks Commissioner, NPA
16. Mr. Harold Scott, Mr. Rufus Comacho, Mr. C. Donawa and other Taxi Drivers, Nelson's Dockyard
17. Mr. Dwight Gardener, Department of Marine Services & Merchant Shipping
18. Mr. Arthur Thomas, Customs Broker, Outfitters International
19. Mr. Josiah, Labour Commissioner, Labour Department
20. Mr. David Bromme, Megayacht Captain
21. Mr. Vanroy Isaac, Manager, Budget Marine Antigua
22. Mr. Karl Belizaire, Manager Jolly Harbour Marina
23. Mr. David Kelly, D.N. Kelly & Son Inc (Boatyard Operator), Massachusetts, USA
24. Ms. Rebecca Pattison, Ocean Cruise Agency, member of Mediterranean Yacht Brokers Association (MYBA)
25. Mr. Carlo Falcone, Owner, Yacht Club Marina
26. Ms. Liz Marlow, part time employee, ATMA
27. Mr. Geoffrey Piddock, Commodore, Antigua Yacht Club
28. Mr. Juan Gardner, Statistics Division, Ministry of Planning
29. Mrs. Janice Adams, Falmouth Harbour Marina
30. Mr. Carl Anderson, Megayacht Captain
31. Mr. Irwin Romeo, Businessman, Heritage Quay
32. Mrs. Sara Sebastian, Nicholson's Charters Worldwide
33. Mr. Stan Pearson, Wayfarer Marine Corporation, Antigua and USA
34. Mr. Jay Rainey, Tropical Studios
35. Mrs. Shirlene Nibbs, Director General of Tourism

- 36. Mr. George Bailey, Recreational Fishing Boat Captain
- 37. Mr. Jol Byerley, Yacht Sales Broker and Yacht Owner
- 38. Mr. Hugh Mack, Operations Manager, Antigua and Barbuda Ports authority
- 39. Ms. George, Jolly Harbour Office, Antigua and Barbuda Port Authority
- 40. Mr. Dion Hector, Customer Service Manager, Antigua Slipway and Marina
- 41. Mrs. Nolika Josiah, Marine Division, Anjo Insurance
- 42. Mr. Winston Bailey, Customs Head Office
- 43. Ms. Charmaine Potter-George, Company Administrator, Sunsail-Stardust Antigua
- 44. Mr. Frankie Nunes, Antigua and Barbuda Sport Fishing Tournament

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