



Strategic Agenda for the European Cruise Industry 2024 - 2029

Decarbonisation & Competitiveness



Number of ships

303

CLIA members' ships



Ships on order

55

(delivery 2024 through 2028)



Total Orderbook Investment cost
€34 billion



Built in Europe
94.55%
of ships



Economic contribution
2022 Europe:
€56.4bn



Diversity/ Women
94%
of women seafarers work in the cruise industry



Passengers
2022 Europe:
5.7M



Jobs
2022 Europe:
370K



No of destinations in Europe
over
400
ports

The Cruise Industry at a glance

The cruise industry

The cruise industry is a vital part of the European maritime industry value-chain. As 94,55% of the world's ocean-going cruise ships are built by European shipyards, cruiseshipbuildingisacriticalcontributortothemaintenance of European know-how and in complex shipbuilding and maritime innovation.

With 55 cruise ships on order for the next five years, cruise ship building represents more than €34 billion direct investment in Europe. The cruise industry underpins the entire European industrial maritime cluster, including many SMEs across the economic ecosystem. Furthermore, with 246 ships operating in Europe and visiting over 400 European ports, the industry contributes to the economic development of many coastal regions and islands.





The total economic contribution of the EU cruise shipping community was at €56.4 billion. 2023 was a remarkably successful year of recovery, with the global demand for cruising returning to or exceeding 2019 figures – and surpassing the recovery pace of international visitation. This illustrates the resilience of cruising within the wider travel and tourism sector.

As well as offering an inclusive, multicultural environment, the cruise industry offers the most advanced opportunities for women in maritime – 94% of female seafarers work in the cruise industry. Notably, most of the office corps for cruise ships are European nationals. In 2022 cruising supported 370.000 jobs in Europe.



**370.000
jobs**



For the EU maritime industry value-chain to achieve its maritime decarbonisation objectives, while remaining competitive internationally, the cruise industry calls on the EU to initiate the following decisive actions.



1

DEFEND CONSISTENT AND SUPPORTIVE DECARBONIZATION LEGISLATION

The **roll-out of alternative fuels** to maritime transport is critical to decarbonization. The new-build order-book is dominated by alternative fuel-enabled or -ready ships, but the transition will not happen without vastly upscaling the production of alternative fuels.

There can be no effective increase in the use of alternative fuels, without a considerable build-out of the **alternative fuel infrastructure**. The most cost-effective approach would be to use the existing compatible infrastructures (i.e., Liquefied Natural Gas networks) without the need for modification or the creation of new installations.

National and EU funding mechanisms like the Innovation Fund are critical mechanisms to support decarbonization efforts and the maritime sector should have equal access.

Technological neutrality in EU rulemaking is vital to innovation and to ensuring the most efficient and effective way to decarbonize and reach net-zero emissions for maritime transport by 2050.



32 PILOT PROGRAMS

are currently underway testing sustainable fuels

ACTION NEEDED

- ⇒ Adopt measures to increase drastically the production of biofuels and RFNBOs, such as adoption of a fuel supplier mandate for all Sustainable Maritime Fuels (SMF), the introduction of a Book & Claim mechanism as a transitional measure and inclusion of SMF in national funding mechanisms, such as contracts for difference.
- ⇒ Establish an SMF-mechanism under EU ETS for the maritime sector (like the one already in place for aviation) that can support up to 100% of the cost difference between conventional and alternative fuels.
- ⇒ Ensure that the development and use of SMFs is not discriminated against under the EU Taxonomy regime and that public finance terms and conditions reflect this.
- ⇒ Ensure sufficient investment in Onshore Power Systems (OPS) infrastructure and adopt clear guidelines on OPS-usage price transparency.
- ⇒ Ensure that the deployment of other zero emission technologies is encouraged and that the definition such technologies is not more restrictive than those for OPS.
- ⇒ Reinforce and build out further the LNG-infrastructure already in place in Europe, to support the wider deployment of bio-methane and e-methane, using the same infrastructure.
- ⇒ Ensure proportionate levels of funding, with faster access, and access criteria reflecting shipping reality. Ensuring also equal treatment for cruise within the maritime sector, as well as a level-playing field with other modes of transport.



2 DEFEND THE INTERNATIONAL COMPETITIVENESS OF THE EUROPEAN MARITIME SECTOR

European shipyards are vital to the cruise sector and vice-versa as the vast majority of sea-going cruise ships are built in these yards, using highly sophisticated and innovative technology. Continued European ownership and control of these shipyards in Europe is a way of strengthening European competitiveness and resilience.

The Green Deal Industrial Plan and the proposed Net-Zero Industry Act have put forward ambitious measures to strengthen Europe's alternative fuels resilience by fostering green technology manufacturing, green transport, just transition and open trade. The cruise industry, as part of the maritime sector, is central to this as we contribute to the value chain by **innovation in alternative fuels technologies "Made in Europe"**, thereby also contributing to European maritime supply chain security.

European private financial products available for maritime transport have decreased drastically over the last 15 years. The increasingly strict banking capital requirements made by the Bank for International Settlements' Basel Committee, in its international banking regulations Basel II and III, led to the scaling down of many European banks' ship finance activities, with shipping companies seeking finance opportunities elsewhere. Some EU public financial supports are also excluding several shipping segments like cruise (e.g. CEF).



Net-Zero Industry Act

"Made in Europe"

The Cruise industry may not deliver goods like the wider maritime sector, but it supports EU exports, connects European citizens within Europe and with the rest of the world, is the pillar of a “made in Europe” maritime value-chain and contributes to maritime peripheral regions development.

Global challenges are best addressed through coherent regulation at EU and international levels, ensuring a **level playing field with international standards**.



ACTION NEEDED

➔ Safeguard the competitiveness of cruise shipbuilding, innovation, and operation in Europe, by developing an integrated European Maritime Strategy.

➔ Ensure that Taxonomy and EU public financial institutions, such as the European Investment Bank (EIB), have a technology neutral approach, do not discriminate between decarbonization technologies, and are consistent with the Green Deal's Life Cycle Analysis (LCA) approach.

➔ Support the harmonized and global implementation to all international voyages of the IMO GHG emission reduction strategy by adapting the CII mechanism to better reflect emission reduction performance of the vessels. Secure at IMO level a Global GHG Fuel Standard and a Global GHG Pricing Mechanism. Ensure recognition of the IMO measures in the upcoming revision of EU ETS and Fuel EU Maritime.

➔ Do not introduce new conditions as a prerequisite for maritime transport to obtain access to tonnage tax, reduced rates of income tax for community seafarers on-board European ships or similar measures that would weaken European maritime transport, the economy and job opportunities.

➔ Ensure proportionate levels of taxation (such as the Energy Taxation Directive, VAT, Tour Operators Margins Scheme, etc.) are maintained to prevent Europe from losing its position as the world's leading tourism destination or its innovation capacity.

➔ Ensure that the EU's outermost regions, competing more intensively with non-EU regions, remain competitive and are not penalized by EU legislation, such as EU ETS.

➔ Support the development of European port infrastructure (marine and onshore) to ensure they are ready for the next generation of cruise ships and are more integrated with the destinations' infrastructure and tourism strategy.



3 SUPPORT THE HUMAN DIMENSION

Future **alternative fuels**, such as biofuels, hydrogen, methane, ammonia, methanol and other energy sources like fuel cells and batteries, will require **new skills, education, and operational training for seafarers**.

Highly technological ships are being built with **increased digitalization processes** and automated operations. These digital technology developments will also require new and enhanced skills in our future workforce.

The immediate need for reskilling and upskilling seafarers is therefore a priority for Europe which hosts some of the most advanced cruise and shipping academies in the world.

New skills create an opportunity to **increase diversity** in the industry, which will increase its competitiveness.



Over
200,000
people work onboard
cruise ships

ACTION NEEDED

⇒ Ensure that the EU's border control and visa policies recognize the importance of seafarer mobility and consider the specific risk profile of cruise itineraries to avoid burdensome controls. CLIA is calling for the adoption of a 'Seafarer-specific' Multi-Entry Visa that will alleviate backlogs at consulates and take into account the specific status of seafarers. Sufficient resources need to be deployed at EU ports to facilitate border clearance for crew and cruise passengers, in advance of the implementation of the Entry-Exit System.

⇒ Ensure that Digitalisation and Technological educational programmes, backed by the Social Fund and a core element of the EU Pact for Skills, allows

maritime transport digital, green, and technical skills to stay in Europe and provides adequate training to ensure they grow and are recognized as a European competence.

⇒ Collaborate with industry leaders, educational institutions, and organisations dedicated to diversity and gender equality as the key to fostering an environment that promotes the growth and success of women and under-represented groups in shipping.

⇒ Recognise the International Labour Organization (ILO) standards on seafarers as the appropriate rules for managing seafarer employment conditions, welfare, and well-being.



4

SUPPORT SUSTAINABLE TOURISM GROWTH

The tourism sector is an important contributor to the European economy. **Coastal tourism is particularly key for remote coastal regions.**

The cruise industry is a responsible partner with local communities where ships call, as we take full account of current and future economic, social, and environmental impacts of our presence in destinations and address the needs of visitors, the travel and tourism industry, the environment, and host communities.

Cruise tourism is **one of the best examples of managed tourism.** Calls at destinations are often planned more than two years in advance, which should allow operators, ports, and local authorities to work together to anticipate potential bottlenecks.

As the cruise industry we consider our sustainability impact not only of our ships but also on the destinations we visit, and we have a robust response to the concerns of both our passengers and destination stakeholders.

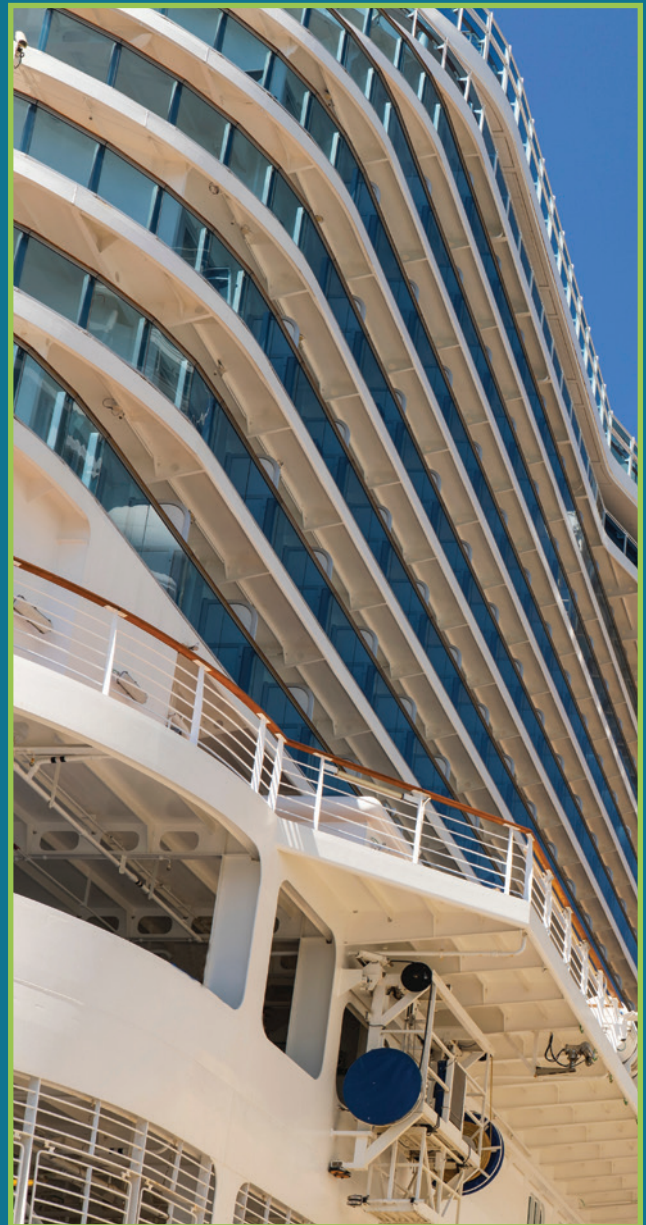


Coastal Tourism

Best practices of
joint cruise lines/
port-cities projects
in tourism

ACTION NEEDED

- ➡ Develop a coastal tourism Port/City of the year scheme to showcase best practices of joint cruise lines/port-cities projects in tourism.
- ➡ Ensure proposed changes to border facilitation measures for passengers and crew (EES and ETIAS) do not negatively impact ease of movement and therefore the reputation of Europe as an easy-to-visit continent.
- ➡ Ensure that the Passenger Rights Directive and the Package Travel Directive maintain the use of pre-payments and vouchers which are fundamental pillars of the operating models not only of the cruise industry but of the wider travel sector.



Conclusion

While a high level of coordination among the Commission, Parliament and Council services is essential to avoid over-regulation and legal uncertainty, we call on the EU institutions also to work closely with the cruise industry to ensure consistency and help the European maritime industry value-chain to deliver on Europe's climate goals and Europe to remain competitive.





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