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## A MESSAGE FROM CLIA

Dear Valued Partners,

This week, we are delighted to be a part of Seatrade Cruise Global in Fort Lauderdale with you, our Executive Partners and Cruise Line Members. The next few days offer an exciting opportunity to network, build relationships with industry leaders and showcase the great work being delivered by our community. I look forward to personally connecting with those in attendance.

Last year, the cruise industry experienced extraordinary growth with 23 million passengers enjoying a cruise holiday. CLIA also celebrated significant milestones in our evolution as a global organization. Please take a moment to review these accomplishments highlighted in our 2015 annual report and video available online at [www.cruising.org](http://www.cruising.org).

Living into our vision of 'One Industry: One Voice,' we are committed to increasing industry collaboration and are excited to announce an expanded partnership with the Florida-Caribbean Cruise Association (FCCA). Starting this summer, you will be able to access the first truly global cruise industry publication as a result of this collaboration. Our strategic partnership with UBM will deliver new educational events around the globe in 2016, and lastly, after a long working relationship, we have formalized a partnership with The Travel Institute to complement each organization's travel agent community training and professional development efforts.

I hope you enjoy this issue of the Executive Partner Cruise News, and we greatly appreciate your continued commitment to the cruise industry. For those of you attending Seatrade, we hope to see you at the CLIA booth (#1003) in Fort Lauderdale.

Best,  
Cindy D'Aoust  
Acting CEO

# CLIA VISITS MERCY SHIPS' AFRICA MERCY IN MADGASCAR



Left to right: Mercy Ships' Bobby Baker, Seatrade Cruise Review's Anne Kalosh, CLIA's Cindy D'Aoust & Donnie Brown, Four Winds Interactive's David Levin, and Mercy Ships' Russ Holmes (Photo Credit: Mercy Ships).

In February, a CLIA delegation boarded AFRICA MERCY on field service in Toamasina, Madagascar, to see first hand the incredible work of Mercy Ships, CLIA's Charity of Choice. Cindy D'Aoust, CLIA's Acting CEO, and Donnie Brown, CLIA's Environmental and Health Director, were joined by Anne Kalosh, U.S. Editor with *Seatrade Cruise Review*, for five days of intense interaction with the AFRICA MERCY crew as they brought hope and healing to those they serve. Staffed by a crew of 450 volunteers from 40 nations, AFRICA MERCY provides surgical services tailored to the host country's needs onboard the ship and in its shore-side H.O.P.E Center. The CLIA delegation was inspired by the professionalism, compassion and selflessness of the AFRICA MERCY crew who are dedicated volunteers who pay their way for the opportunity to serve and to change the lives of those around them.



Donnie Brown, Mercy Ships' Bobby Baker, and AFRICA MERCY Motorman Osman Kamara (Photo Credit: Anne Kalosh).



AFRICA MERCY on field service in Toamasina, Madagascar (Photo Credit: Mercy Ships).

Mercy Ships' impact was most evident in the grateful smiles of the patients and their families.

In designating Mercy Ships as CLIA's Charity of Choice, CLIA seeks to increase Member and Executive Partner awareness of Mercy Ships' impact and to help identify prospective partnership opportunities to ensure Mercy Ships has the resources to help them continue their important work.

Those interested in joining CLIA as part of the next delegation to the AFRICA MERCY, please contact [dbrown@cruising.org](mailto:dbrown@cruising.org). For more on Mercy Ships visit [www.mercyships.org](http://www.mercyships.org).



Cindy D'Aoust and Jan Tuinier, Captain of AFRICA MERCY (Photo Credit: Anne Kalosh).



# CLIA AUSTRALASIA: INCREASE IN CRUISE SHIP ACTIVITY DRIVES INDUSTRY'S ECONOMIC VALUE TO NEW HIGHS

The value of cruising in Australia is continuing to surge, with a new report showing that swelling cruise passenger numbers and an increase in homeported ships helped to drive the industry's economic contribution to a record \$3.6 billion in 2014-15.

Commissioned by CLIA Australasia, the independent report reveals that the economic value of cruising has risen an impressive 11.6 percent since 2013, when CLIA's first economic report recorded an industry contribution of \$3.2 billion.

According to the *"Contribution of Cruise Tourism to the Australian Economy in 2014-15"* report, the number of calls by homeported ships increased by 8.3 percent in the 2014-15 financial year, compared to the previous year, helping to boost cruise line expenditure by 11 percent.

Also fueling growth was a 10.3 percent rise in passenger capacity on homeported ships and an 8.8 percent increase in capacity on visiting ships, reflecting the increasing size of cruise ships in local waters.

In the report, CLIA also notes that capacity constraints remain a barrier to future growth, particularly in Sydney.

During 2014-15, passenger and crew visit days grew by 8.8 percent across the country. However, New South Wales experienced only 0.4 percent growth compared to almost 56 percent in Western Australia, 27.4 percent in Victoria and 16.4 percent in Queensland. New South Wales' share of the overall economic contribution slipped from 73 percent in 2013 to 68 percent in 2014-15.

Capacity constraints have limited the number of visiting international ships, prompting a 10 percent decline in international passenger visit days in 2014-15, representing a lost opportunity to the Australian economy of close to \$7 million according to the summary.

Prepared for CLIA by Business Research and Economic Advisers (BREA), the report found overall passenger expenditure grew by 12.5 percent to \$814 million, driven by the increase in passenger days as well as a 3.4 percent rise in average passenger spend per day to \$384.

International passengers spent an average of \$700 a day in a home port compared to \$181 in a transit port, while domestic passengers spent an average \$483 a day in a home port and \$151 in a transit port.

For more information and a copy of the executive summary visit [www.cruising.org.au](http://www.cruising.org.au)

	2014/15	2013	Growth
Ship Supplies, Mtce, Repair	112	97	15%
Food & Beverages	160	143	12%
Port Charges & Fees	100	98	2%
Other Water Transport	78	71	11%
Fuel	293	276	6%
Shore Excursions	68	58	17%
Travel Agent Commissions	145	121	20%
Advertising & Promotion	73	67	9%
Other Business Services	40	33	21%
<b>Total A\$m</b>	<b>1,069</b>	<b>964</b>	<b>11%</b>





## A MEMBER PERSPECTIVE

# GIORGIO ZAGAMI

Head of Corporate Procurement & Logistics  
MSC Cruises

1

### **Please describe your position and role in the cruise industry.**

Corporate Procurement is a function based out of MSC Cruises' Headquarters in Geneva, Switzerland. Over the past three years, the focus is to create a matrix organization in procurement across all the units of the MSC Cruises Group. This was made possible thanks to the commitment of the entire MSC Cruises team and is based on leadership and competence. The results are amazing both in efficiency and effectiveness of the organization. We have exploited the synergies and pursued efficiency in all the areas of Sourcing, Supply and Logistics. We have made process adaptation and achieved effective executions by sharing global best practices and knowledge as well as implementing company policies and guidelines. Furthermore, we have laid the basis for a continuous improved process.

3

### **What do you believe is the most significant advancement in the cruise industry – specifically in your area of procurement?**

Procurement must evolve into a strategic function within the cruise business. Procurement is an important interface between the company and the rest of the world, the innovation and all the new ideas. We cannot lose such opportunities, and we want to carry on transforming the procurement function into even more of a strategic asset for MSC Cruises. The old role of "need-search-buy" is replaced with an "innovation source" function. And I am not only referring to new products but also to new processes or new models. The interaction with other departments must be seen with a customer-relationship view. Procurement must be a push towards the development of the cruise product and offer, never as an obstacle.

2

### **How long have you been in the cruise industry and what other roles/positions have you held?**

Previously, I was the Director of Procurement at another global cruise line, with functional coordination with its parent company. I have therefore a long track record in the cruise industry and of procurement particularly. I have taken to MSC Cruises all my experience and found a great environment for reaching results and growing personally and professionally. MSC Cruises is a Swiss-based family-owned global company. The perspective is different and the internal processes and communication are very easy and direct. This helps a lot in all the transformation processes because the focus is always on the overall impact and not on the single activity.

4

### **What is the biggest challenge in the cruise industry as it relates to your sector and how would you address it?**

Sustainable growth. As I said, growth is an opportunity but it is also a challenge. Something good for a one-tonne ship may not be applicable for a 500 tonne ship. Therefore, we have to source in different markets or areas of the world. This is a challenge as well as an opportunity. A global business that sources from all over the world has incredible variety of products and a world of opportunities.

5

**What do you believe is the key to growth in your sector of the cruise industry? Does the cruise industry work with local or with global suppliers?**

MSC Cruises is a truly global player, and we have different areas of operation but also an incredible number of different products delivered on-board, every day to guests from over 150 countries. This means that, many times, we look for local products in order to have a real alignment of our dishes with the local expectations of our guests. MSC as a group has shipping and transportation in its DNA (how could it be different?) but loves and valorises having a local aspect as well.

7

**Looking forward, what are some predictions for the future in the procurement sector of the cruise industry?**

The cruise industry has an incredible positive impact on local economies. We increase the export of national companies and give them not only the opportunity to increase their turnover, but, with a stable relationship, we give them the opportunity to export, enter and operate in new markets and increase their visibility all over the world. The cruise industry is quite demanding in terms of consistency of the products, it requires a secured supply chain and, obviously, stable pricing. But these requirements should not be seen as an obstruction. Indeed, forcing the supplier to optimize its supply cycle and to find better and better solutions will establish a virtuous cycle for everybody. Finally, the cruise business is experiencing double-digit growth. This is very important for the suppliers which gain huge possibilities to increase their business and establish growing relations with the key players of the sector.

6

**How have the supply chain and the procurement business changed in the last years in the cruise industry? Describe how.**

Technology is helping us have leaner flows of supply and a just-in-time delivery. We have reduced our stock with better collaboration from our suppliers and improved our communication with them. Technology helps decrease the low value-added jobs, replacing them with high-value ones. The bidding process is web-based, and we are increasingly automatizing, also with our reordering cycle. We want to optimize the cycle to eliminate the costs for us and for our suppliers. Furthermore, we are extremely attentive to the environment therefore paying particular attention to packaging and our environmental impact.

8

**What are the best assets you request from a vendor offering products to your company. Quality, Price, Volume or Logistically efficient.**

This is an easy question: all!



## CLIA EVENT REPORT

# CLIA BRINGS PORT & DESTINATION FORUM BACK TO LONDON

A new edition of the CLIA Port & Destination Forum, the first event organized for the association's Port & Destination Community this year, took place in London on February 23.

The Forum took place on the same day as CLIA Europe's Port & Destination Subcommittee meeting, where cruise lines' destination and itinerary development experts discussed the common challenges and opportunities at the ports and destinations their ships reach. On this occasion, the agenda included the ongoing reform of the EU Visa Code for the Schengen Area, which could result in a dramatic increase of the number of third-country tourists visiting Europe, as well as the worrying trend for ports and destination to introduce unilateral measures negatively affecting cruise operations.

"With this event, CLIA's Port & Destination Community has had a chance to discuss topics of key importance to the cruise industry's business," said Adam Sharp, Chairman of CLIA Europe's

Port & Destination Subcommittee and Head of Port Operations & Guest Port Services, N. Europe, Middle East & Africa, for Royal Caribbean Cruises Ltd. "The ongoing feedback that we receive from them has been instrumental to craft a tailor-made programme that is in line with their interests and businesses. We hope to continue to add value to their CLIA Executive Partner membership."

The next CLIA event tailored for this community, the Port & Destination Summit, will take place in Tenerife (Spain) on September 20 to coincide with Seatrade Cruise Med.



## THREE THINGS TO KNOW ABOUT CRUISE360

As the industry's largest and only official conference and trade show dedicated to the cruising community, Cruise360 brings together more than 1,000 travel agents and 800 suppliers for six days of networking events, educational workshops and trade show exhibitions. Cruise360 will take place in Vancouver, BC, June 1-6, 2016 at the Vancouver Convention Center.

North American Travel agents depend on Cruise360 for continuing education. The more they learn about and connect with your brand, the better they can sell your products. Cruise360 offers three platforms to reach motivated, influential agents:

- **Tradeshow:** Build new contacts, renew existing relationships and deliver key information. To register, visit <https://cruise360.org/exhibitor/registration/>.
- **Workshops:** Dive deeper. Showcase your product or destination to a targeted engaged audience. Email [gcollins@cruising.org](mailto:gcollins@cruising.org) to find out how you can host a workshop.

- **Sponsorships:** Reinforce your brand with an exclusive sponsorship and create a lasting impression. Interested in sponsoring part of Cruise360? Email Marla Phaneuf at [mphaneuf@cruising.org](mailto:mphaneuf@cruising.org) for more information.

For more information on Cruise360, visit <https://cruise360.org/exhibitor/why-exhibit.asp>.



## CLIA EVENT REPORT

### UPCOMING GLOBAL EVENTS



#### CLIA Technical & Regulatory Forum 2016

May 9, 2016  
London, UK



#### CLIA Conference

May 18-20 May 2016  
Southampton, UK  
[Click Here](#)



#### Cruise360

June 1-6, 2016  
Vancouver, Canada  
[Click Here](#)



#### CLIA Congressional Cruise Caucus

June 14-15, 2016  
Mandarin Oriental  
Washington, DC  
[Click Here](#)

## TECHNICAL AND REGULATORY UPDATE

# DELEGATION REPRESENTS CLIA AT IMO SUB-COMMITTEE ON POLLUTION, PREVENTION AND RESPONSE



The 3<sup>rd</sup> session of the IMO Sub-Committee on Human Element, Training and Watchkeeping (HTW 3) was held from February 1 through February 5, 2016, in London. HTW 3 completed work on amendments to the International Convention on Standards of Training, Certification and Watchkeeping for Seafarers (STCW) and the STCW Code related to safety-related familiarization and training requirements for passenger ships. These amendments will most likely enter into force on July 1, 2018, following their expected adoption by the 97<sup>th</sup> session of the IMO Maritime Safety Committee (MSC 97) in November 2016.

The IMO Sub-Committee on Pollution, Prevention and Response (PPR 3) met for its third session from 15-19 February in London. The CLIA delegation included Donnie Brown of CLIA, Ukko Metsola and Nick Rose of RCCL, and Aubrie Brake of Carnival Corp. The Sub-Committee considered a number of matters relevant to the cruise industry, including draft revisions to an IMO manual entitled “Ballast Water Management – How to Do It,” a draft measurement reporting protocol for voluntary collection of black carbon data, draft standards for shipboard gasification waste to energy systems, guidelines for onboard sampling of the sulfur content of fuel oil, modifications to the bunker delivery note permitting the supply of fuel oil that is not in compliance with Regulation 14 of MARPOL Annex VI when intended for use in combination with an equivalent means of compliance (e.g. exhaust gas cleaning systems), draft guidelines for the discharge of Exhaust Gas Recirculation (EGR) bleed-off water, and unified interpretations related to Selective Catalytic Reduction (SCR) Systems under the NOx Technical Code 2008 and associated guidelines.



# CLIA MEMBER CRUISE LINES INNOVATING FOR THE ENVIRONMENT

Protecting and caring for the environment is fundamental to the cruise industry. We depend on healthy oceans, clean beaches and pristine destinations that meet passengers' expectations today and in the future. For years, CLIA and its Member Cruise Lines have had policies and procedures in place to reduce the industry's environmental footprint. And, today's cruise ships are history's most environmentally friendly maritime vessels.

While CLIA Members, approximately 300 oceangoing cruise ships, comprise far less than 1 percent of the global maritime community (an estimated worldwide shipping fleet of 50,000), they are at the forefront of developing responsible environmental practices and innovative technologies that lead the world's shipping sector in reducing air emissions and treating and disposing of waste. In fact, many cruise lines not only meet but exceed environmental regulatory requirements in a number of areas.

The cruise industry is constantly innovating and investing in new environmental technologies, including advanced wastewater treatment systems, exhaust gas cleaning systems, efficient lighting and solar panels. CLIA Member Cruise Lines are investing \$1 billion in environmental technology. Their commitment to the environment goes beyond cutting edge technology and collaboration with regulators such as the International Maritime Organization (IMO). They also share their best practices with other sectors of the maritime community to achieve the greatest positive impact globally.

The cruise industry is fully committed to doing its part to preserve the oceans in which it will transport 24 million travelers in 2016, as well as the destinations its ships visit. This is both the right thing to do and fundamental to the industry's future.

## WHAT'S NEW AT CLIA

### CLIA Launches Spanish Travel Agent Program

CLIA launched its award-winning cruise learning programme in Spain. For the first time, travel agents in the Spanish market who become CLIA members have access to 'Cruise Experts,' an online training and resources that offers agents the opportunity to work towards industry recognised accreditation. The programme brings together Spain's cruise community with the aim of growing the number of people taking a cruise holiday.

### Sponsorship Opportunity: cruisExcellence

Do you want to get in front of CLIA's travel agent community? As CLIA Executive Partners, you have the opportunity to sponsor cruisExcellence, CLIA's regional training program featuring live, instructor-led training, virtual ship inspections and informative workshops. When sponsoring a cruisExcellence event, partners can receive: 90 minute speaking opportunity to CLIA Certified Travel Agent attendees, logo and name on event signage, printed materials and electronic mailings, and the ability to give gifts to attendees with your company logo. For more information on how you can sponsor the next cruisExcellence training opportunity, email [lwest@cruising.org](mailto:lwest@cruising.org).

### Introducing Lane West

Lane West transitioned into a new position within CLIA by joining the Strategic Partnerships team as Manager of Strategic Partnerships, North America. He is responsible for sponsorship fulfillment as well as engaging with partners to expand the North American Executive Partner Program. In his new role, Lane will also partner with both Marketing and Events to establish business communications and materials for the Executive Partner Program along with ensuring customer satisfaction in all areas of exhibits, advertising and sponsorships.





# MEMBER SPOTLIGHT

## The Marshall Islands Registry

International Registries, Inc. and its affiliates (IRI) provide administrative and technical support to the Republic of the Marshall Islands (RMI) Maritime and Corporate Registries. IRI has been administering maritime and corporate programs and involved in flag State administration since 1948. The RMI Registry is fully committed to the safety and security of personnel ashore and afloat, the Registry's vessels and the marine environment. IRI has an excellent reputation within the international business community and will continue to be at the forefront of vessel and corporate registration.



The Marshall Islands Registry  
[www.register-iri.com](http://www.register-iri.com)

## Samsung Electronics Co.

Samsung Electronics Co., Ltd. inspires the world and shapes the future with transformative ideas and technologies that redefine the worlds of Hospitality TVs, mobile and wearable devices, printers, medical equipment, network systems and LED solutions. We are also leading in the Internet of Things space with the open platform SmartThings, our broad range of smart devices, and through proactive cross-industry collaboration. Employing 319,000 people across 84 countries with annual sales of US \$196 billion. To discover more and for the latest news, please visit the Samsung Newsroom at [news.samsung.com](http://news.samsung.com) or <http://displaysolutions.samsung.com>.

# SAMSUNG

## Special Needs Group

Special Needs Group/Special Needs at Sea is focused on providing special needs travelers with the appropriate equipment and accessibility to explore the world. With agents positioned in 150 cities throughout 35 countries across the globe, Special Needs Group is in a prime position to serve travelers needing additional assistance. From wheelchairs, mobility scooters, oxygen units, audio aides and visual aides, Special Needs Group is equipped to assist with almost any traveler's special needs.

**SPECIAL  
NEEDS  
GROUP**



*Delivering an Accessible World®*

## Port of Baltimore

The Port of Baltimore, located in the prominent port state of Maryland, offers a strategic location for both cargo and cruise operations on the Atlantic Ocean. As one of the nation's leading sea cargo centers, the port deals with a large tonnage of cargo of a number of varieties. The port also offers year round cruising opportunities to the Bahamas, Bermuda, Canada & New England and the Caribbean aboard Carnival Cruise Line, Royal Caribbean International and a number of visiting cruise lines over the year.

**Cruise Maryland™**  
*from the Port of Baltimore*  
Gateway to your Getaway!

# PARTNER NEWS

## **DP World UAE**

DP World and The Russian Direct Investment Fund form joint venture.

## **Port of Dover**

Port of Dover Community Regatta & Dover Music Festival Launch Dover Festival 2016

## **Amadeus North America**

Amadeus launches virtual wallet for travel agencies.

## **Port of San Diego**

Port of San Diego seeks proposals for waterfront development.

## **Port Everglades**

Port Everglades Harbor Improvement Plan sent to Congress.

## **Port of San Francisco**

Elaine Forbes appointed as interim Director of the Port of San Francisco.

## **Port of Venice**

Port of Venice affirms relationship with Vung Tau, Vietnam.

## **The Bahamas Maritime Authority**

Bahamian officials attend special IMO session led by UN Secretary General.

## **Massport - Cruiseport Boston**

Conley Container Terminal breaks record.

## **Abu Dhabi Ports**

Abu Dhabi Cruise terminal at Zayed Port

## **Lufthansa Systems**

Lufthansa Systems signs new North American customer.