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Speech On Cruise Tourism
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I would like you to note that, according to the World Tourism Organization, people visiting areas on a cruise ship are called Visitors for they do not spend more than 24 hours in an area; to be called a tourist you must spend more than 24 hours in an area.

The cruise ship industry is highly concentrated and dominated by three companies:

*Carnival, which is the largest,
Royal Caribbean,
and,
NCL North America*

Now; I must admit that when I first heard about cruise tourism coming to the south and Placencia area, I was enthused and simply thought, “Hey, this could bring more jobs for people in this area and more jobs mean more money circulating in this region.” However, I contemplated the significant effects – both negative and positive – that cruise tourism will have on everyone’s life in this area and decided to do some research ... the more I researched, the more my smile turned to a frown. It became apparent that the negative effects seem to far outweigh the benefits, and in this case, the only benefit I can see in cruise tourism, is a financial benefit and, THAT in its self, seem to be only for a handful of people who are already wealthy.

The recent fiasco that has on-folded in the media about the cruise tourism situation in the Belize City area and what has been happening to local tour guides and operators... that brings even greater concern for me, and after canvassing Placencia Villagers, from tour guides to tour operators, to residents; the sentiment is that we are all concerned about having cruise tourism in our area.

At this point we lack any concrete information, as to what we will be dealing with exactly. So far, the only information I received about the capacity of Royal Caribbean’s boats; is that they will be 1,200-passenger boats...and I did not get this information from the Ministry Of Tourism or the Cruise Company, I got this information delivered to me on behalf of the cruise company by the real estate agent who facilitated the sale of the lands at the point of Placencia...in other

words, we are being kept in the dark by the people who should have been feeding us proper information in a timely manner.

The plan that was shown to me by the head of the Century 21 real estate office in Placencia is of a Cruise Tender Arrival area or Tourist Village at the point of Placencia Village where Royal Caribbean has already purchased prime real estate!

Why would Royal Caribbean build a Tourist Village in a tourist village? Why not come into the area, approach local businesses and say, "We want your establishment to be of certain quality for our guests, and we are willing to invest in your businesses as partners so that you can upgrade to our standards"? Unfortunately, research will show you that this simply is not how cruise companies operate. They operate by buying and owning everything, so that when their cruise visitors get off the boat and into the 'tourist village' and shop; they will be inadvertently buying from the same cruise company, and the cruise visitors will think they are buying from locally-owned businesses!

I have discussed the matter of control with as much people as possible. One comment that keeps coming up is: In the Belize City area, where cruise tourism already exists, there seems to be a lack of control. Some people say; "Maybe if we can make sure we control the situation we will not run into the same problems."

Let's be realistic, it is well documented all over the world especially in the Caribbean that once a cruise line enters a particular country, and considering the way the cruise industry operates, we have no chance in controlling anything they do. How can we control a multibillion dollar a year industry? Royal Caribbean alone generated over \$13 billion dollars in 2009, during the same period the entire country of Belize only generated around \$360 Million. This gives you an idea of the disparity of strength when these two parties sit across from each other at the negotiating table. We can barely control our borders, our national parks, our fisheries, just to name a few, and we are to believe that we will be an ant that can control a speeding locomotive?

Also, I find it very odd that no cruise line has ever received a fine in Belize for pollution, even though under the MARPOL convention (For Your Information: Marpol or Marine Pollution is the International Convention for the Prevention of Pollution From Ships, 1973 as modified by the Protocol of 1978), which Belize has signed on to, strictly states that cruise ships should not dump their waste near coastlines. Right now they dump it only a few miles from the coast

of Belize City. Why no fine then? This just shows that no one is looking or proves that an ant really can't control a speeding locomotive.

Importance of Overnight Tourism industry:

There are three types of tourism in the Caribbean: Land based tourism; yachting tourism and cruise tourism. It is a known fact that land based tourism provides 90% of the tourism earnings and employment.

In addition to the high costs of building port infrastructure, the increased size of the cruise ship and the increase in the number of berths available to the Caribbean, result in unhealthy congestion. The increasing size of the cruise ship will cause overcrowding of port facilities, the urban setting and attractions - We are seeing this right now at many of the sites in Belize such as Altun Ha and Caves Branch.

Currently, Laughing Bird Caye and the Silk Cayes, which are big island attractions in the South; are over capacity during the high season from overnight tourism; how can we accommodate cruise tourists at those Cayes? Many of the land based tourist sites such as Southern Mayan Sites and the Cockscomb Jaguar Reserve simply cannot handle such large capacities.

According to a report by the World Tourism Organization, such overcrowding will only get worse when three to five similar sized cruise ships visit a port at a particular time, a state of affairs that is common in the more popular cruise ports such as those in St. Thomas, St. Maarten, the Bahamas or Cozumel.

The Congestion has two components that are areas of concern:

- **The first concern** - is exceeding environmental thresholds, such as infrastructure for waste disposal or sewage treatment, as well as natural areas.
- **The second component** of congestion is the perception of overcrowding by residents, tourists and cruise ship visitors. Residents and tourists may avoid visiting certain attractions and facilities because of the anticipated overcrowding by throngs of cruise ship visitors, which is already a reality in areas that cruise ship visitors travel to. Eventually this can result in stagnant or less tourist arrivals (or substitution of higher income tourists by lower income tourists) and consequently less tourism expenditures. This is a situation that may underlie the stagnant tourist arrivals in the Cayman Islands, St. Thomas and St. Maarten.

Infrastructure:

Security - we can barely handle the crime situation with the resources we have. It is an inevitable fact that we will have to deal with an increase in crime in the area such as robberies; burglaries; drug pedaling, etc..

Garbage - we have a serious garbage problem and are struggling with the equipment, man power and financial resource we have.

Traffic - we almost have gridlocks on busy days in most areas of Placencia Village due to the fact that we only have one street in and one street out; to even consider Cruise Tourism in Placencia, we would need significant road infrastructure put in place to deal with the influx of automobiles in the area; we will need designated parking areas – take a look around and you will notice that there is no land in Placencia for this.

Public facilities - we have virtually no public facilities; no beach area showers or restrooms in and around the village.

These are just a few of the immediate infrastructural problems that currently exist and if these are to be upgraded; who will pay for the installation of these infrastructures, which will run into the 10s of millions of dollars if not more?

From a recent documentary I viewed online of a project in Jamaica, similar to this one proposed by Royal Caribbean, it is the Jamaican Government picking up the tab. This gives the Dock and Sidewalk Restoration Project a fishy smell doesn't it? No pun intended.

I have asked these questions to CEO of Tourism, Mike Singh and I did not receive one single answer to any of the questions. Most of the questions should have had an answer, if even briefly and at the Dock Project Meeting held last Wednesday, September 29, 2010, Mr. Singh confirmed that he is still oblivious to what is going on. In retrospect, history has shown that we are treated like children and have often been disrespected and neglected in the South; we have always been kept in the dark until the powers that be, decide that we see the light.

Earnings & Employment:

The two major objectives of engaging in tourism are maximizing tourism revenues and employment. At times though, governments and tourism authorities seem to focus on maximizing the number of visitor arrivals and conveniently add the number of cruise ship visitors to the number of hotel tourists. This procedure does not take into consideration the large difference between the spending of a hotel tourist as compared to the cruise ship visitor.

There is a wide variety of cruise ship visitor expenditures. On the high end are destinations such as St Thomas and Cozumel with expenditures of US\$250 or higher per cruise ship visitor. On the lower end of the scale are destinations such as Trinidad and Tobago or Belize with expenditures below US\$50 per cruise ship visitor.

Therefore, if cruise ship visitors substitute hotel or yachting tourists in Belize, we may suffer a major loss in tourism revenues and direct and indirect employment.

The increased market share of the cruise ship tourism stems partly from clients who would not have visited the Caribbean if they didn't have the cheap option of climbing aboard a cruise ship. However, the market shares in the cruise industry also include some people who would have taken a land-based holiday at some point in time. Why give those people the cheap option, when they would spend more money as an overnight tourist? It is this group of people that are of concern to us, because the decision to take a cruise ship holiday implies a loss of tourism earnings and employment for the region.

Environmental impacts:

Pollution:

A considerable amount of water pollution stems from generated-waste (including unprocessed waste and plastic products), which is illegally discharged into the ocean. It has been argued that degradation of land and marine areas coastal areas of the Caribbean can have irreversible and large reaching effects.

Some of the pollution occurs because a proportion of the ship-generated waste (treated or untreated) is discharged (legally or illegally) into international waters and carried by strong currents throughout the Caribbean and the Antilles. Other pollution can be attributed to illegal discharge within harbors and coastal areas, as can be seen in Belize City.

The Caribbean has an estimated 9 percent of total global reef reserves. These coral reefs are a primary draw for tourism, combined with the appealing crystal-clear waters and the many species of tropic coral and exotic fish.

Environmentalists have long suspected that the discharge of waste material is detrimental to marine life. It is thus alarming that the Caribbean also claims the world's **highest** density of ocean cruises and coastal tourism. Ironically, the pollution levels caused by the cruise ship industry could degrade the reef structure and undermine the sustainability of tourism in the area; and some argue that it can be irreparable.

On a related note: On June 29, 2009 -- At the ongoing 33rd World Heritage Committee meeting in Seville, Spain, the Belize Barrier Reef Reserve System has been added to the "List of World Heritage in Danger" due, in particular, to **unsustainable** tourism activities.

The Fallacy of Development:

(Note to self: fallacy or misconception resulting from incorrect reasoning in argumentation.)

We, as a country, are spending a significant amount of money on shore-side revenue plans based on tourist arrivals due to the cruise industry, for example the proposed [Big Creek Port Development Plan](#). Realistic figures show, however, that the bulk of the tourist expenditures depends on air travelers or stop over visitors; yet we are spending considerable money to attract and accommodate more and larger cruise ships. Why not invest instead in the option that yields higher returns?

It is also significant to note that employment for native people from the cruise industry is minimal, while the rate of people entering the work force is increasing. Therefore, formal employment figures are not positively enhanced by the cruise industry.

Economic Growth:

Of course Economic growth for Belize, at present, rests on the continued success of the tourism industry. However, Mass tourism can irreparably damage our country and effectively destroying the very social and environmental features that makes us attractive.

To conclude: The 3 Main Reasons Cruise ship tourism is not worth it:

1. Overnight Tourists simply spend more money and causes less impact on our natural assets.
2. The money from cruise tourism is just not there.
3. And with the environmental damage that will be inevitably caused, it is just not worth it.

What should we do then? Some may ask:

Well, the highly-touted eco-tourism industry present real opportunities to exploit a comparative advantage attract much-needed foreign investment and spur entrepreneurial development.

Eco-development, where ecological management and development are considered as mutual goals, is a more sensible approach and can provide revenue for preservation and conservation projects.

These two actions can have an immediate, positive impact on our economy:

1. We need to look at ways at allowing local tourism businesses access to cheaper money to invest in their businesses; therefore the Government need to enact the Usury Law – Usury, which is one of the oldest of reported evils in the Quran and the Bible - enacting these laws will limit the maximum interest rate at which loans can be legally issued. Most advanced countries protect their economies by enacting usury laws that prohibit high interest rates. As many of us can attest; the bank interests in Belize is ridiculous if not downright utterly insane! Banks have attempted to justify their intolerable high interest rates as necessary to offset losses from defaulted loans. Their excuse and rationalization are false. Many of the defaults are the creation of the banks resulting from unbearable interest rates.
2. Government should assist by looking at a system that will allow tour companies access to lower fuel prices. Anyone in the tourism business can tell you that when you look at your expense pie chart, a big chunk of it is fuel expenses.

In essence; we need to look at all the counter-productive practices we, as a nation are doing right now; assess these practices and then make the proper adjustments in restructuring; thus stimulating growth and allowing us to be more competitive in the region, not as a cruise ship destination, but as a prime eco-tourism destination, an overnight destination, as the historically touted slogan “Mother Nature’s Best Kept Secret.”

Interesting Facts:

At this time; I would like to take this opportunity to present some other facts that I find very interesting and as the Chairman of Placencia, I believe that the people of Placencia should be aware of these facts. The information I will present will correlate to both the **public** Dock and Sidewalk Restoration Project and the proposed **private** Cruise Ship Project.

FACT # 1: Mike Singh

By now most of us may know who Mike Singh is, he is the Chief Executive Officer of the Ministry of Tourism, and he was appointed to his position by Prime Minister Dean Barrow. Singh owns the Century 21 franchise for Belize. Century 21 was the broker for the sale of the gas station property to Royal Caribbean and the “private investment group.”

Bradley Rinehart is the local Century 21 agent and handled the transaction in Placencia. Mike Singh, as the owner of the Century 21 franchise, finally benefitted from the sale of the gas station and 3 other properties sold to Royal Caribbean and the “private investment group.” This raises a very serious issue of whom Mr. Singh is representing in the cruise ship issue – himself and Century 21, Royal Caribbean or us? And he can’t represent us and at the same time represent his own financial interests and the interests of Royal Caribbean. As a government official, he’s supposed to represent us. And, if he is not representing us, he’s guilty of breaching his duty as a government official to represent the people of Placencia, not himself.

FACT # 2: Carlo Arguelles

Carlo Arguelles is the brother of the Speaker of the House, Emil Arguelles. Carlo Arguelles is also the brother of Daniel Arguelles, and together they own the architectural company, IE or International Environments Ltd. (www.belize-architect.com), that received the contract from the InterAmerican Development Bank to come up with the plans for the dock development that were presented to the Village on Wednesday, 29 September 2010. (Daniel Arguelles was the Belizean who presented the plans at the meeting.) Carlo Arguelles is also partners of Karim Berges in Crimson Development, which are the developers of the Village lots near the Placencia airstrip.

FACT # 3: The Dock and Sidewalk Restoration Project

After consulting with some developers on this peninsula and doing my own research, I can tell you one thing right now - the current plan for the Dock and Sidewalk Restoration Project - unless the budget allows for a ten year maintenance budget set aside for the Village Council to maintain and repair and secure this project - it is a waste of money and will be a nightmare for the Village Council to try and keep maintained.

Here is an example of the short sightedness of the project at its current stage as it was presented - in the industry they have what are called temporary open areas and buildings; such as the proposed Wind Station, Wave Station and Sail Station; in reality and actuality these temporary open areas will last for one hurricane if lucky and they are long gone and Placencia is left with a messy looking project that makes no sense. I do not believe an architecture company should overlook such a very important factor.

More and more tour operators are going elsewhere and/or picking up their guests at the big resorts out of the Village proper area and I don't believe that they all want to be standing beside each other competing even more than they have to now. Tourists that come here and, even more important, return here, want to be picked up in different spots, see different things and do different things and most of it is out of the Village. This is fine as the Village serves its born Belizeans well and it should remain that way. You take away the quaint Village atmosphere you take away what 90% of the people come here for. They want to go and swim with the whale sharks at a great expense and then they want to hang in the Village just as it is.

A new pier is needed and certainly not just "hurricane resistant". The main attraction should be a refurbished fishing co-op where people can go and see all the different varieties that come in on any given day and how clean it is run and to talk with the local fishermen as they sit on their boats on the sand – this is what Placencia is famous for and this is what we should keep in mind.

I want to stress that we need to tell the Government and IE that we want a team of people from Placencia to sit on their planning board and help them design this properly; we HAVE to demand this; once it is built and completed we cannot go back and say THEY should have done this or that; lets make sure that when it is finished WE can look at it and say; this is what we wanted.

In closing; we must remember that Placencia is known for its quaint and gentle atmosphere – take that away and we are just another generic tourist destination, which will be easily forgotten the minute a tourist gets back on a plane to fly out and probably never come back because it is way cheaper to fly to other generic tourist destinations located in Mexico, Bahamas and elsewhere.

On a personal note; I would like to remind people that the system of globalization led by corporations is bigger than me, you and Placencia. Don't let anyone try to fool you or lie to you; Placencia is the Maui of Belize and we must realize how valuable it is; because others out there do and many don't have our best interest at heart; they will try to get it for as little as they can, make their money and then move on to the next destination and we will be left with the mess to clean up. We have already sold plenty of our heritage for a little of nothing; lets hold on to what we have left and fight for it or our grandchildren will only hear about stories of Placencia and how great it was when their ancestors use to live here.

At this time I would like to inform people that the Placencia Village Council will be taking comments, suggestions, questions – we want this to be in writing and will collect them tonight if possible; we will also have a Box setup at the Placencia Village Council office located in the Placencia Water Board Building and one will also be located at the Placencia Tourism Center – so please make use of these boxes, inform people who did not make it to the meeting tonight to please bring in or send in their comments and questions.

Also, please note that under instructions from Cabinet, BTB and the Ministry Of Tourism must engage in a full-blown, properly documented, consultation process. This process will include the hiring of a private consultant to visit communities in Southern Belize to determine what the attitude of residents is towards cruise tourism. It will also include two public consultations, one in Placencia on 22 October 2010 and one in Punta Gorda on 23 October 2010. Representatives from Royal Caribbean and the private investment group will be at these public consultations.

Thank you ladies and gentlemen for coming out tonight; I now open the floor for constructive discussions.