



Statement on Cruise Sector and Ports Development by the Government of Belize

Tuesday, October 19, 2021 --- The Cabinet, cognizant of the various domestic and international media reports regarding cruise port developments in the Belize District, has considered the current status of the relevant projects and the current position of pertinent approvals. Cabinet also had preliminary discussions on the Administration's broad policy posture for cruise tourism and ports development and decided:

FIRST, regarding the Stake Bank port, that project is in its construction phase, having received the requisite approvals and permits, including an Environmental Compliance Plan, and according to its developers, expects to be operational in 2022.

SECOND, permissions and approvals relating to the proposed causeway from Belize City to Northern Drowned Caye, the development of that island, and the causeway to Stake Bank are the subject of an active governmental review to determine the validity of all processes and approvals. The urgent review commenced today with an initial briefing to Cabinet by the Chief Environmental Officer Mr. Martin Alegria. Serious questions have arisen from such briefing including purported missing files. Cabinet has instructed Mr. Alegria to promptly produce a written report on the factual circumstances associated with the processes engaged to seek regulatory approvals for these development projects. Cabinet will make available to social partners and the public the report and evidence produced and if there has been non-compliance with relevant regulatory processes and approvals, appropriate action will be taken including, if necessary, the rescission of purported permits or licenses.

For context, Government considers the causeways and the Northern Drowned Caye development to be real estate-related, and therefore, unlike Stake Bank, not foundational to the cruise tourism sector. Given various on-

the-record pronouncements by Ministers of the previous UDP Administration with regard to the causeways, this Cabinet expects that the viability of the Stake Bank cruise facility, for its investors and financiers, is NOT contingent on the construction of causeways to the mainland.

THIRD, the Port of Magical Belize, envisaged for development south of Belize City, has received environmental approval, subject to a strict and detailed Environmental Compliance Plan. The compliance standards for this project are particularly sensitive to eco marine protections and to the health of the coastal environment. If the standards of this plan are met, and if the operational and financial aspects of the project take shape, actual construction, under a strict monitoring regime, is, according to its developers, expected to commence in 2022.

FOURTH, on the Port of Belize's proposed cruise terminal, the unfeasibility of the critical dredging component, is now a matter of public record. While the promoters have offered an alternative, and public consultations have taken place on this alternative, a final determination remains pending from the NEAC.

Cabinet is of the firm view, a view to be formalized as part of an imminent National Ports Policy, that a priority of this Administration is to foster the development of modern, efficient and cost-effective cargo and bulk shipping port operations, a service that is essential to the health of the macro-economy and to private sector competitiveness. This policy priority is entirely independent of and cannot be dictated by the location or viability of any cruise port.

FIFTH, Cabinet will consider, approve and publish in the coming months an updated National Cruise Tourism Policy and the National Ports Policy, both of which will be consistent with this interim Statement on Cruise Sector Development.

SIXTH, Cabinet views cruise tourism as an important sub-sector of the overall tourism product and therefore, within clear sustainability parameters, will continue to support all efforts to maximize employment and the sub-sector; however, Cabinet considers overnight tourism to be more lucrative, more sustainable, more stable and therefore worthy of foremost focus and attention.

And SEVENTH, Cabinet emphasizes that its highest priority, within the framework of the cruise industry, is adherence to Belize's commitment for ecological conservation and sustainability, both marine and terrestrial. Short-term financial gains, even at the evident peril of the planet, is the underlying cause of the global climate crisis. In Belize's case, this crisis is resulting in coastal erosion, the depletion of fish stocks, the degradation of our Barrier Reef System and the impoverishment of coastal communities. Sustainable development, including cruise tourism expansion, must not contemplate only this decade's gains, or even this generation's, but must be demonstrably sustainable for the long term.

Marine sustainability will be bolstered significantly, and in a manner without precedent, in the coming years as a result of this Administration's Blue Bonds for Conservation Agreement. Multiple Marine Conservation Milestones and Undertakings will expand marine biodiversity zones, initiate a comprehensive Marine Spatial Program, revamp coastal zone management and environmental impact assessment processes, transform alliances with conservation social partners, among many other novel initiatives.

The Blue Bonds for Conservation will generate BZD170 million for marine investments and management over the next 20 years, and thereafter yield a Marine Conservation Endowment approximating BZD200 million.

Finally, to undertake timely and efficient follow-up on all aspects of the cruise tourism sector, Cabinet has designated a sub-Committee comprised of the Ministries of Finance, Natural Resources, Tourism, Logistics, Sustainable Development and the Blue Economy.

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