

Superyacht Berthing Benefits Local Economies

The beneficial economic impact of Superyacht construction sales and charter has been well documented and also demonstrated to many local and national governments on both sides of the Atlantic. The local economic impact of Marina development is connected to the benefits that Superyachts provide in relation to their operation. Most recently, industry associations have also demonstrated to governments—for example those of Italy and the Balearics—that a regime of regulation which encourages superyachts to visit will bring significant economic benefits and is worthy of consideration.

Using data gathered by the US Superyacht Association, in the course of a year of operation, spending in operation of a 'typical' Superyacht with a length of fifty-five metres will be in the order of \$5m. This is broken up into the following categories:

- Crew Salaries \$1,400k
- Maintenance & Repair \$1,000k
- Fuel \$400k
- Dockage/Port Fees \$350k
- Local Spend (Crew/Guests) \$250k
- Vessel Insurance \$240k
- Class/Management Fees \$165k
- Communications \$140k
- Provisioning \$110k
- Crew Training \$20k
- Other \$650k

From this dataset it is clear that over a third of expenditure will benefit the local economy wherever the vessel is located. A larger number than that may be envisioned if the crew salary is taken into consideration. This is likely to be banked and spent in the vessel home port for those that are long term (more than a season) crewmembers. Clearly all local and national governments would be well advised to consider what steps they can take to work with local businesses and investors to make their ports and harbours attractive destinations in order to draw in this valuable source of revenue.

Most superyachts will only dock at purpose-built facilities where a number of factors have been addressed effectively to produce an attractive transiting or home port destination. At a recent 'Future of Superyachts' conference, Gino Cutajar of the Superyacht Industry Network-Malta, highlighted the following key attributes for any superyacht 'hub':

- Having the right legislation is a prerequisite.
 - Tax incentives
 - Competitive Charter tax legislation
- Good telecommunications and International air connectivity
- Minor Repair and complete Refits facilities
- Well stocked chandleries with access to fast supply and delivery of specialised spare parts
- Good training facilities
- Other academic facilities offering educational courses that could also be beneficial to the crew
- State-of-the-art hospitals and private clinics
- Lifestyle
 - Warm hospitality
 - An engaging local culture and heritage
 - A relaxed and safe environment
 - Chic boutiques, theatre, smart bars, clubs and casinos
 - Hip and classy restaurants
 - International and Boutique hotels, Spas
- Diverse sport facilities
- Private jet park with a repair & maintenance facility
- Attractive Cruising grounds for two-day and week-long journeys

A review of the recent development of the Marina Port Vell in Barcelona by Salamanca Group shows how a well-targeted and executed programme can bring the benefits of increased superyacht traffic to an already thriving city and fits well with the list outlined above. Marina Port Vell is in the heart of Barcelona which is a great seasonal location for all yachts to stop for charter and guests' trips as well as being a safe harbour for winter downtime berthing. This marina is very close to many repair yards (including the renowned MB '92 right next door) and is especially convenient when coming to and from the Gibraltar Straits after or for an Atlantic Crossing. Barcelona has much to offer all International guests, crew and vessels; whether it's food shopping for a long trips, fuel replenishment, yard repairs, or just a wonderful playground for the Guests with all the fine art museums, night clubs, artisan history, food, wine, fashion and offering of the general lifestyle of Spain at its best.

Yachting activities of this kind, whether with guests or on downtime, will always bring wealth to any destination area, which in turn enhances and supports the local people and economy.