

# A ? of Conferences

## THE COLLECTIVE

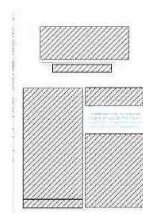
**B**LANK COULD BE THE COLLECTIVE NOUN FOR BLONDES (sorry, not really PC but I couldn't help myself), but I wonder what the collective noun of conferences is? I have just experienced two with more to come next week at MYBA followed by our own annual US industry-fest, the American Superyacht Forum. The first two are why I am sitting in Rome airport's Hilton writing this column and wondering how much of my bill contributes to Paris's boring, serial "reality" delinquency. Should you find yourself stuck at that airport I highly recommend taking a cab to the nearby town of the same name as its massive fishing fleet supplies the local restaurants with truly superb seafood.

Yesterday I returned from a Malta conference/seminar. Yachting in Malta's Superyacht Industry Seminar was hosted in an old building that was the first Hospital of Malta, set up by those crusading bad boys the Knights (Hospitalier) of St John. The conference was arranged by Wilfred Sultana and the object was to discuss where Malta must go to further tap the business possibilities that superyachting offers. The speakers were the usual suspects of Sir Tim McClement, AJ Anderson and Doug Sharp, with local Joseph Degabriele and other industry figures from the Island. I suppose one could sum the conference's conclusions up in one phrase: "Good try, strong past results, but must try ever harder."

Malta has passed into full EU membership mostly intact though the financial services industry and the suppliers of duty-free fuel suffered. As maritime lawyer Dr Ann Fench explained there are still favourable conditions for leasing. However, in view of the overall EU view of such TVA mitigation structures one has to wonder for how much longer they will be available? Their shipping registry is in great shape: number two in Europe and seven in the world, with

37 million GT flying the Maltese flag. However, the Maltese Maritime Administration will need to address the special needs of yachting. MLC 2006 is one area where a question from the floor indicated that it's not yet been considered; of course, once UK MCA finally finds a yacht-friendly and ILO-acceptable form of substantial equivalence Malta could simply adopt that. Also I learned that mutual recognition by USA of cruising permits is also needed to keep yachts flagged in and that is subject to ongoing negotiation. The Malta dry docks are in a state of limbo as the various private sector companies like Malta SuperYacht Services, who use that facility, await privatisation. Delays in that process are not causing cessation of work but some degree of uncertainty. Reflecting the dry dock's sizes, the average LOA of superyachts having work done in Malta in 2008 is large – between 57 and 59m. Camper & Nicholson's Marinas recently relocated their HQ to Malta and their Maltese marina Grand Harbour Malta is in good shape with apparently all berths sold and rising nicely in value (see issue 103 page 93). Further marina developments are supported by the new and recently elected government. The Honourable Dr Austin Gatt, Minister for Infrastructure, Transport and Communication, pointed out, however, that investment, development and operation would be only by the public sector.

Politicians often do not fully understand the complications and limitations of industry sectors. Malta has over five years in partnership with Lufthansa, who created Lufthansa Technik's – a new, state-of-the-art European overhaul base for Airbus long-haul aircrafts. This entailed an investment by the Government of Malta and Lufthansa Technik AG



in excess of 55 million Euros. This brought significant employment opportunities for the Island's youth. Dr Gatt suggested that Maltese maritime industries could do the same but that misses the fact their capital supply is significantly less than the German airline giant.

Overall, perhaps the most compelling presentation was that of Joseph Degabriele who described Malta's past yacht industry glories and successes, yet he also cautioned that the future needs to be met head on, and constant vigilance applied to ensure Maltese companies gain a greater market share and achieve ever higher quality standards. Looking backwards to the other conference, the first stop on my trip was Porto Rotondo, Sardinia. Normally I would be there for Sea and Sardinia, an annual event designed to showcase a specific part of the island, but this year political disputes caused that to be postponed until 2010.

Instead I attended a conference at the Porto Rotondo Boat Show on nautical tourism in Sardinia. The boat show was a small yacht one and on the first day a 68ft Itama was sold, an encouraging positive indicator in the smaller-yacht market.

The event offered a fine opportunity to return to the island, enjoy its gastronomic and visual delights and chat with Renato Azara. I hadn't known that he is a yacht captain turned agent and was for 12 years on the same yacht – even a few years ago a miraculous achievement. I was the only non-Italian journalist invited. The conference was all in Italian and I can, at best, understand 10% of a conversation that doesn't involve ordering a meal. Fortunately SYS supplied a Tork Whisperer. The highly competent translator spoke the translation into my left ear and that (despite a neck crick) was highly effective.

Interestingly Italy has a new department or organisation called ON whose job it is to assess and quantify nautical tourism, something other states should perhaps emulate. Unfortunately the sample is too wide and, for example, the average spend comes out at 137 Euros a head. This is low and a function of sampling that covers 10 to 150 metres. The Tasso Soru or luxury tax is dead – official confirmation came in the middle

of the MYBA show in the week following my visit. So at the conference despite the Credit Crunch the mood was optimistic.

I also heard from Renato of some rather interesting and highly valid future plans for the island. The first was well illustrated by the presence of the season's first gigayacht; *Rising Sun* was docked in Cagliari to allow Larry Ellison to participate in a small-yacht racing series. The southern part of the island, some 200km from the over-popular and over-populated North, is set to be a new cruising zone. It's widely believed that the operators of Porto Rotondo (and the charming oceanside property Hotel Sporting) will develop Cagliari as a superyacht port. Though far to the South, Cagliari – like Malta and Tunisia – is in the middle of the Med and a very logical stop for yachts of any size en route to or from the Eastern Med and Adriatic. It's also quiet and unspoiled, a big plus for those jaded by the Costa Smerelda glitterati.

Another initiative will be environmental. It's very early days but research on yachts' impact is already under way and some efforts to deal with yacht discharge will be put into place. By no means will this be a prohibitive or proscriptive regime save in one respect. That obligation targets the smaller more polluting yachts; they will be obliged to visit pump-out facilities approximately once a week.

Once pumped out they will get a discharge book stamp – the service will – and Renato insists it must – be free. Granted some will cheat and there will still be some discharge but this should minimise the harm black water causes. Another suggestion is to have mobile pump-out barges, but that requires greater investment.

I visited La Maddalena last year and they were overjoyed to be chosen to host the G8 summit. This would bring cash, a new hotel and develop a new marina.

Sadly that has fallen victim to a number of factors. Security from anti-globalisation demonstrators was always an issue and then along came the recent earthquake at L'Aquila. In the wake of that tragedy and to address security concerns (more

easily handled on the mainland and close to Rome) Berlusconi decided to relocate the summit to the badly damaged city.

It's a bitter pill for La Maddalena. No one can dispute that L'Aquila deserves all the help it can get to aid recovery – some, though, wonder how much of the move is for reasons of political kudos and votes than for true magnanimity. The La Maddalena hotel development will be completed but the superyacht marina looks to have gone the way of the Dodo.

Overall, post Tasso Soru, Sardinia looks set for a revival in popularity as a charter destination where costs can once more be predictable. Refund of already paid tax over the last year awaits a decision from the EU commissioners.

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Image: istock.com

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