

Brussels, 24 July 2024

**Cruise Lines International Association: Statement on the Government proposal to Parliament for an act amending the Act on Fairway Dues [Case Number: VN/12577/2024]**

The Cruise Lines International Association (CLIA) is the world's largest cruise industry trade association, providing a unified voice and leading authority of the global cruise community. CLIA supports policies and practices that foster a safe, secure, healthy and sustainable cruise ship environment and is dedicated to promoting the cruise travel experience.

Finland is a valued destination for the international cruise industry and a country that receives considerable economic benefit from cruise tourism, serving as a key component in Baltic Sea itineraries. According to published itineraries for 2024, Finland will receive c. 172,300 cruise passengers.

**Overall, CLIA would like to express our serious concerns regarding the abrupt interruption of the extension of the low fairway dues regime, agreed in 2023. We request that the Government reconsiders their proposal in order to:**

- a) Uphold the agreed extension until 2027; or,
- b) Uphold the agreed extension in 2025 and phase-in increases in the fairway dues from 2026 to 2030.

Cruise itineraries are designed 2 to 3 years in advance, while marketing and sales of cruises takes place 1 to 2 years in advance. Cruise companies relied on the safeguards provided in the current provision (1122/2023) to plan their itineraries in the Baltic Sea touching in Finland, for the years up to 2027, calculating operational costs and performing cost-benefit analyses.

Furthermore, CLIA would like to stress the importance of the recovery of cruise traffic in the Baltic Sea and in Finland, following the COVID-19 pandemic and the Russian invasion in Ukraine. Based on the below figures from published itineraries, cruise in Finland remains particularly weak, meaning that the revenue for Finnish cruise ports is plummeting. The Baltic

Sea is losing around 30% of cruise passengers and port calls, while Finland is losing 70% of cruise passengers and almost 65% of port calls in 2025.

In the current climate, the Government’s proposal to abruptly increase the fairway dues by 75% as of 2025 severely undermines the recovery efforts in Finland.

	FINLAND				BALTIC SEA			
	Passengers	% change	Port Calls	% change	Passengers	% change	Port Calls	% change
2019	595,000		323		3,440,000		2000	
2024	172,300	-71%	162	-50%	2,230,000	-35%	1400	-30%
2025	180,200	-70%	148	-64%	2,320,000	-33%	1400	-30%

**CLIA would like to explicitly comment the below statements in the Government’s proposal.**

- *“The main argument has been to maintain Finland’s international competitiveness. The economic challenges faced by the livelihoods of people during COVID-19 and the recovery from it have also been taken into account. The current extension of the halving of the fairway dues has been enacted as of 18.12.2023 and until the end of 2027.”*

CLIA comment: The above table provides for a grim summary of cruise in Finland, which has by no means recovered since the COVID-19 pandemic and the war in Ukraine. It is evident that the government did not take into account the particular situation of the cruise business ecosystem in Finland and their struggle to return to 2019 figures.

It is also evident in the last part of the statement that the cruise business ecosystem acted in good faith to the Government’s decision in 2023 not to increase the fairway dues until 2027, when investing in future business in the country. It is only natural to expect a Government to adhere to the principles of continuity and good governance; to abide by its own laws; and, to cater for long-term strategic planning.

Thus, in order to support the recovery of cruise in Finland and to protect the livelihoods of people engaged in the cruise business ecosystem, CLIA maintains its proposal for maintaining the current provision until 2025 or introducing a phased-in approach from 2026 to 2030.

- *“Shipping companies would pass on the fee increase to transport customers and passengers.”*

CLIA comment: Although this might be true for certain types of passenger shipping, it is certainly not true for the cruise sector.

As explained earlier, cruise fares are sold to passengers 1 to 2 years in advance. Cruise being international maritime passenger transport, the selling of transportation titles is subject to the EU Consumer Rights Directive and the EU Package Travel Directive. According to those, charges must be known and applied at the time of purchase and should not be added at a later date.

- *“Shipping companies should take the increase in fairway dues into account in their current and negotiated transport contracts and in liner traffic service pricing fairly quickly.”*

CLIA comment: The assumption in this statement, to the part that concerns cruise shipping companies, does not take into account the cruise business model as explained above. The abrupt increase in fairway dues can be taken into account only with regards to transport titles that have not been sold yet; i.e. most possible from 2026 onwards.

Thus, CLIA maintains its proposal for upholding the current provision until 2025 or introducing a phased-in approach from 2026 to 2030.

- *“The increase in fairway dues would be implemented simultaneously with other EU measures that gradually increase the costs of maritime transport. These include emissions trading in shipping that began in 2024 and guidance to reduce the greenhouse gas intensity of maritime energy in 2025.”*

CLIA comment: This statement correctly depicts the increase in costs for the maritime sector as a result of legislation enacted at EU level. In addition, inflationary increases in products and energy, as well as additional increases due to the war in Ukraine, take their toll on the shipping industry and the cruise sector within it.

It hence comes as a surprise that the Finnish Government is inflicting yet another increase – and at the obscene level of 75% - upon the dues paid by the cruise shipping industry. Particularly, as the latter struggles to recover in Finland and the Baltic Sea in general.

- *“Travel demand for cruise ships and car and passenger ferries plummeted during COVID-19, reducing traffic. The recovery has been slowed down by weak economic development and political uncertainty in the Baltic Sea region.”*

CLIA comment: As demonstrated above, the recovery of cruise in Finland is particularly weak compared to the rest of the Baltic Sea. We thus question the timing and forcefulness by which the Finnish Government has decided to revert the 2023 decision to maintain the halving of the fairway dues.

This very decision will hinder economic development and create political uncertainty around the Government’s ability to maintain political continuity and provide long-term stability and certainty to the business ecosystems.

CLIA and its member cruise lines remain at your disposal for further discussions on the subject, in hope that the final decision to increase the fairway dues will take into account the cruise sector’s effort to recover the business in Finland.

Yours sincerely,



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Cruise Lines International Association

**[Charting the future of sustainable cruise travel](#)**

CLIA member lines have set inspiring sustainability goals and each year the CLIA member fleet becomes more efficient as our member lines embrace new technologies, innovations and, as available, the uptake of sustainable alternative fuels.