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Creating and Maintaining Sustainable Cruise Destinations

ADB Cruise Seminar
26 February 2026





THE ENGINES PROPELLING THE CRUISE INDUSTRY



Shipyards

Shipyards build the essential product inventory cruise lines use. The process for a brand-new class of vessel—from design to christening—can take 4-to-7 years.

Essential To Know

Shipyards are Limited in Number, Constraining Supply.

Cruise ship building is a highly specialized industry located in Germany, France, Italy, Finland, and China. The 18- to 24-month building cycle and limited number of shipyards restricts the number of large ships delivered each year to 7 or 8 vessels. Large lines purposefully schedule building slots 4-to-7 years into the future to ensure timely ship delivery.



Ships

The cruise ship is the main event of the cruise vacation and an integral motivator in passenger/customer selection of a cruise vacation and itinerary.

Essential To Know

Ships Operate Above Capacity.

A cruise stateroom typically has two lower berths (beds) and other flexible beds to accommodate kids and other family members. Thus, ships run at occupancy rates of 105% to 115% of total lower berth supply.

Ships are Inherently Mobile.

The industry's model is adaptable, being able to move vessels to locations where market conditions are most favorable.



Passengers

Cruise lines take their guests where they want to go...and where they want to go is the Caribbean, the Mediterranean, Northern Europe, and Alaska. Cruise lines and ports have spent decades building physical and operational infrastructure in these regions.

Essential To Know

Cruisers are Loyal. Survey after survey has recorded high levels of guest satisfaction and value for money. These factors translate into a loyal, returning customer base.

Destination

Snacking/Collecting.

90% of cruisers consider cruising a good way to sample destinations. 57% have indicated they returned to a place they've visited.



Ports

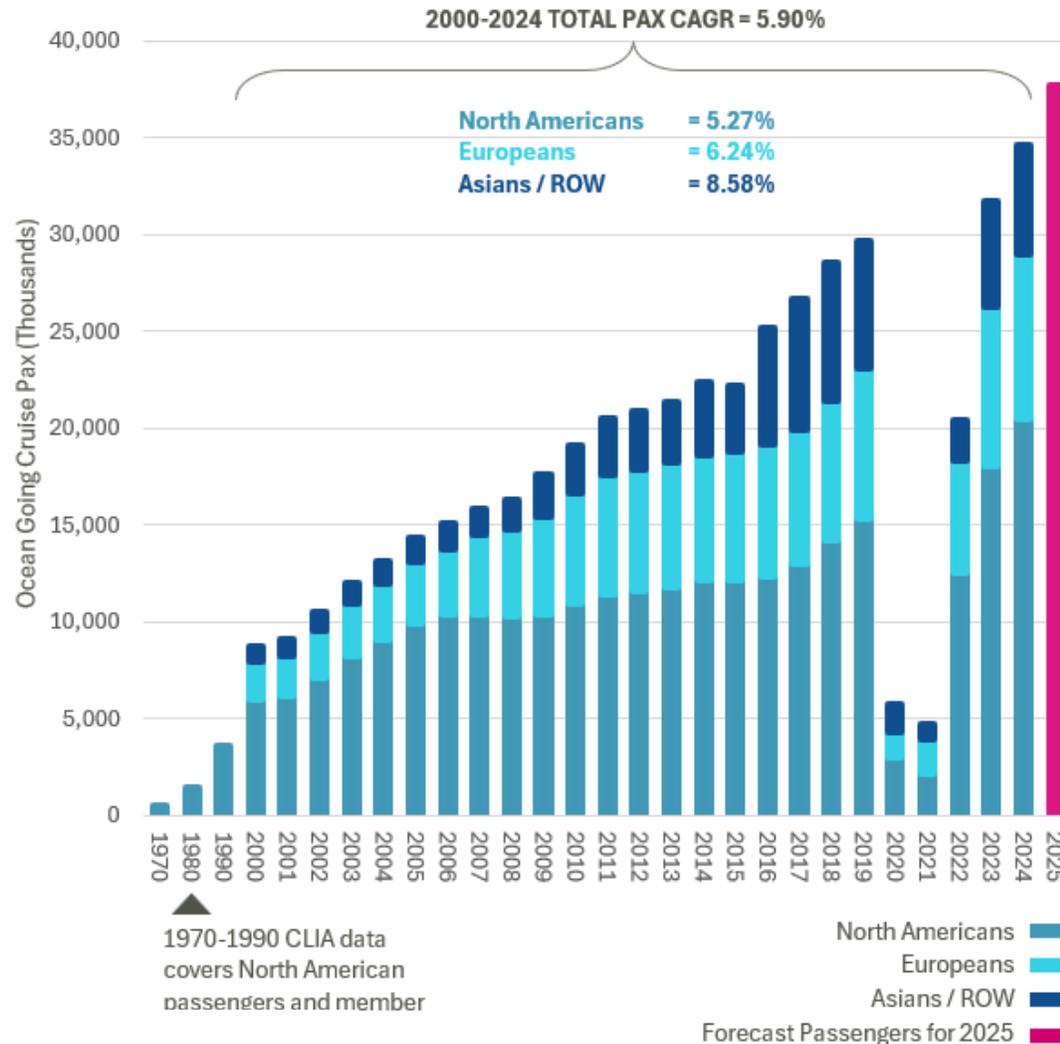
Two types of ports comprise the cruise vacation—homeports and ports-of-call. Homeports are the base of operations from which the cruise begins and/or ends. Ports-of-call are one of several destinations visited as part of the cruise itinerary.

Essential To Know

Ports are Strategic. Homeports provide terminals, consumer access (via air and road), hotel rooms, provisions, and other critical features. Few locations have the right mix of all these elements and berth availability on key deployment days. Certain ports-of-call are strategic due to their position within the speed and distance covered on the itinerary.



CRUISE INDUSTRY GROWTH (1970-2025 Ocean Going Passengers)



Global Cruise Passenger Levels

In 1970, approximately 500,000 passengers embarked on an ocean-going cruise. By 2024, this number had surged to 34.6 million. Between 2000 and 2024, global cruise passenger volumes grew at a compound annual growth rate (CAGR) of 5.90%. **Projections for 2025 indicate a record-breaking 37.7 million cruise passengers globally.**

Passengers by Major Source Region

North America remained the dominant source market in 2024, accounting for nearly 60% of global cruise passengers. Europe followed with 24.4%, while Asia and the Rest of the World (including Australia/New Zealand, South and Central America, Africa, and the Middle East) contributed 16.4%.

Over the past two decades, cruise participation has grown more rapidly in Europe and Asia/ROW compared to North America. From 2000 to 2024, the CAGR was 6.24% for Europe and 8.58% for Asia/ROW. This growth reflects the cruise industry's strategic efforts to expand its global footprint through consumer education, targeted marketing, and the customization of cruise experiences to meet regional preferences.

Sources: 1970-1990, Cruise Lines International Association (CLIA); 2000-2002, CLIA & M&N estimate; 2003-2024, CLIA; 2025, CLIA & M&N estimate.

ESSENTIAL CONSIDERATIONS IN CRUISE DESTINATION PLANNING

1. Plan and Design at the Destination Level
2. Early Community Involvement
3. Assess Destination Performance Over Time



PLAN AND DESIGN AT THE DESTINATION LEVEL





PLAN AND DESIGN AT THE DESTINATION LEVEL

1

Design Day

What sizes of cruise vessels arrive to the destination? When do they arrive?

What percentage of guests leave the ship? How quickly do guests disembark? How long are they at the destination? Where do they go?

Do all guests stay at the destination? Is the destination open to non-cruise guests?

2

Port Features

What developed in-water infrastructure in support of cruise operations? What water depths are present? How can we minimize environmental impacts if improvements are needed?

Where are our main sightlines? Topography? Vegetation? Heritage and cultural zones?

3

Access

How long does it take to get guests from the ship to the port? To main venues and sights in the destination?

What is the arrival experience and sequence? How do guests move through the site? Are districts walkable? Are transit elements provided? How do landside and in-water excursions work?

4

Amenity

What are the venues and amenities? How are natural features incorporated into delivery? What is the carrying capacity of these venues?

Where do guests eat and drink? What is the carrying capacity of these outlets?

How are these elements themed? What is the guest journey? What stories are we seeking to tell?

5

Support

What potable, wastewater, stormwater, power, communication, solid waste, maintenance, services roads, and other back-of-house elements are needed? What are their capacities?

How is the port and destination staffed to accommodate the design day? What type of destination pre-planning occurs? What benchmarking?

6

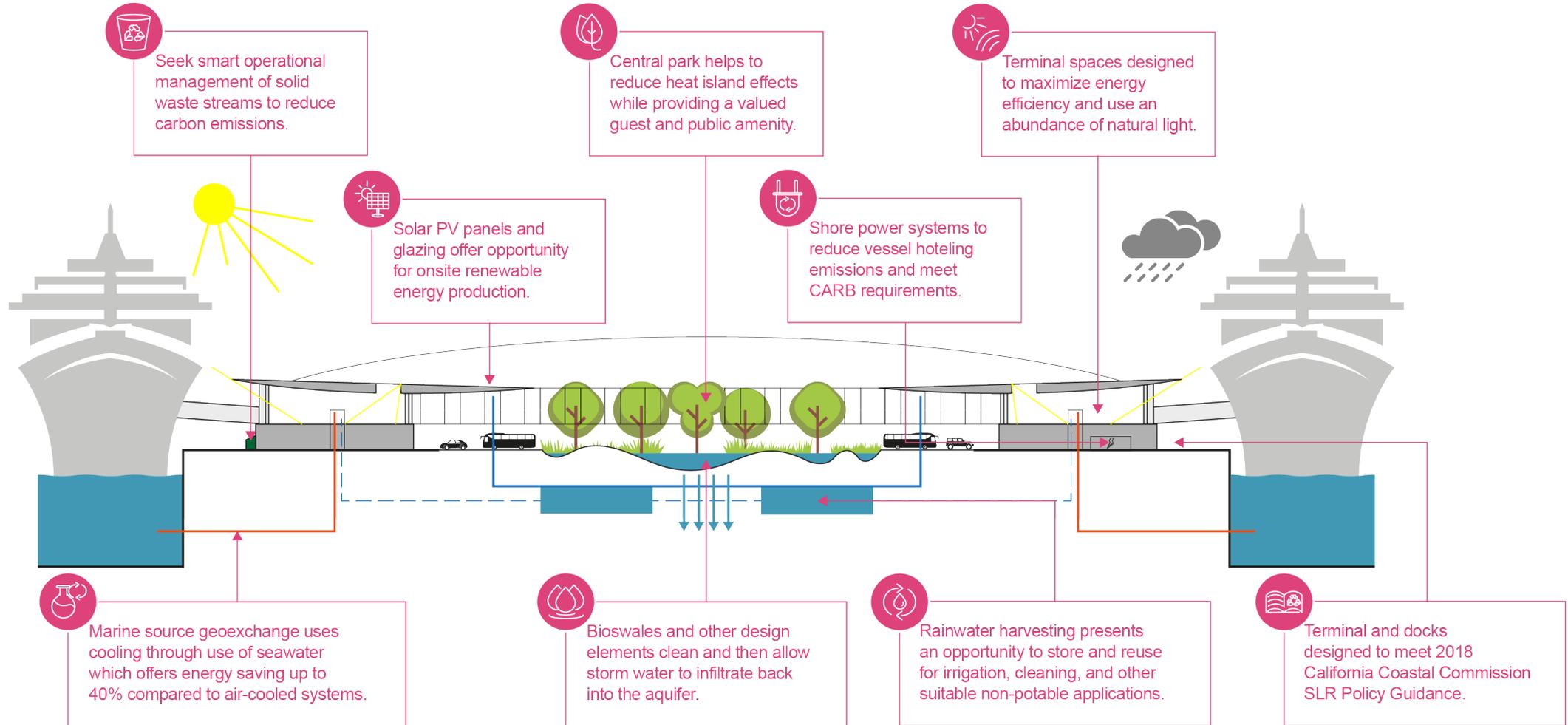
Sustainability

New ways of solving old problems can have meaningful impact to make destinations more sustainable, more resilient, and less carbon intensive.

What types of renewable power systems can we support? How do we approach carbon neutrality? Carbon zero? How do we contemplate sea level rise in destination planning? How do we add resiliency elements in our overall planning?



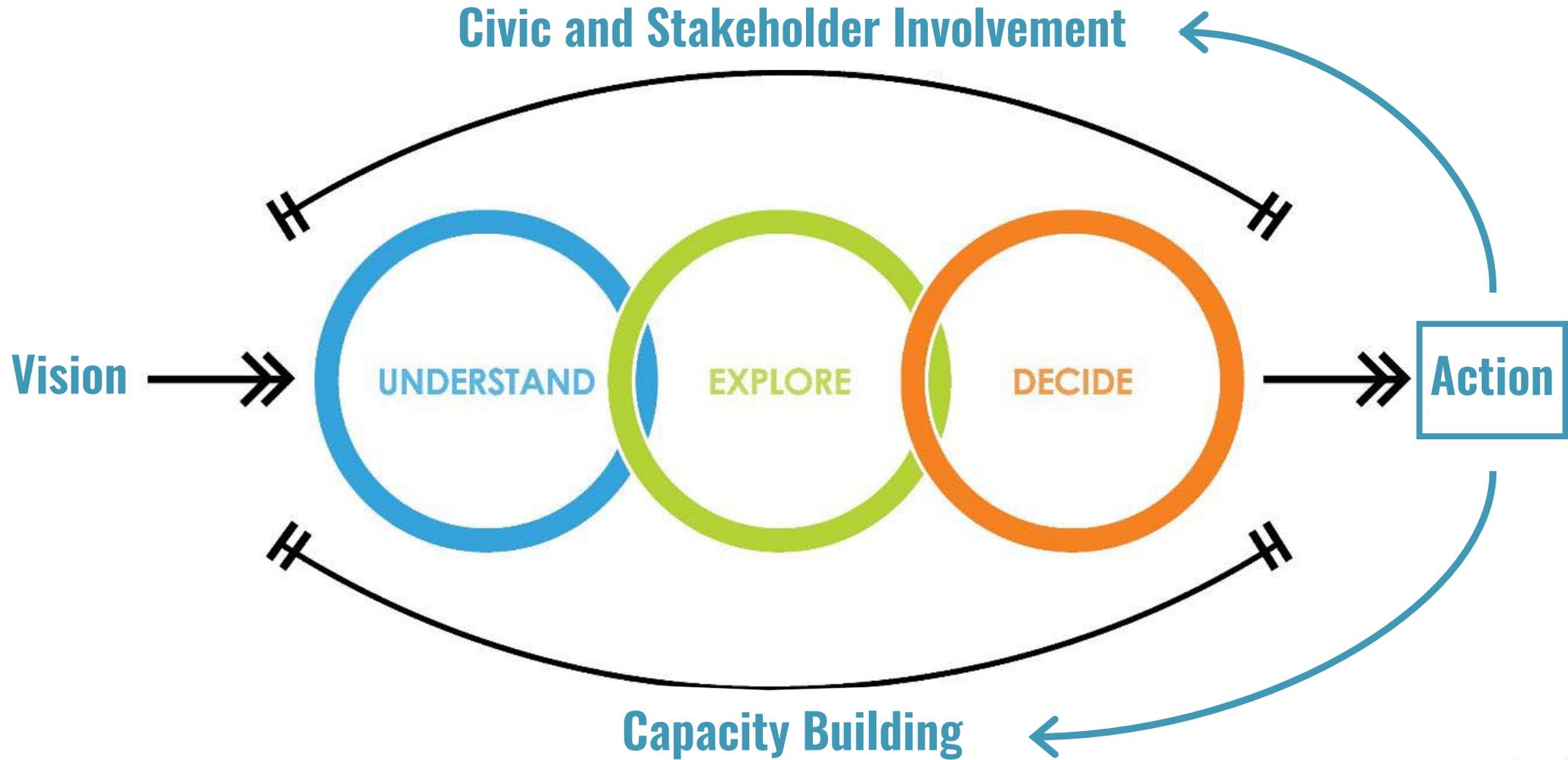
PLAN AND DESIGN AT THE DESTINATION LEVEL



CONTINUAL COMMUNITY INVOLVEMENT



CONTINUAL COMMUNITY INVOLVEMENT





EARLY COMMUNITY INVOLVEMENT

Example in Action. Crown Bay Port Renewal in St. Thomas, USVI.



Memorable Connections

Residents KEY FEATURES

- 29% Create a network of interlinked walkways, recreational corridors and open space linked to surrounding areas.
- 23% Support continued waterborne transit options from Crown Bay to points along East and West Gregerle Channels and

“I'd love to see increased walkability, green space, and aesthetic improvements.”



Economic and Social Activation

Residents KEY FEATURES

- 33% Increase shade and softscape features throughout Crown Bay to create cooler, more pleasant walking areas.
- 27% Invest in the adaptive reuse of historically significant buildings to better convey the area's Sub Base

“I'd like to see more local restaurants and variety of shops.”



Heritage Preservation

Residents KEY FEATURES

- 31% Renew large stretches of the area to create a more distinctive blend of uses and activities with broad appeal to visitors and residents.
- 26% Support Crown Bay's primary maritime activities, encouraging new investment to leverage existing assets to generate greater economic benefit.
- 25% Build authentic community around Crown Bay, inclusive of places for people to live, work and play.
- 10% Develop new attractions to increase area vitality and the length of stay of visitors.
- 5% Build a strong brand associated with the Crown Bay and Sub Base area.
- 3% None of the above.

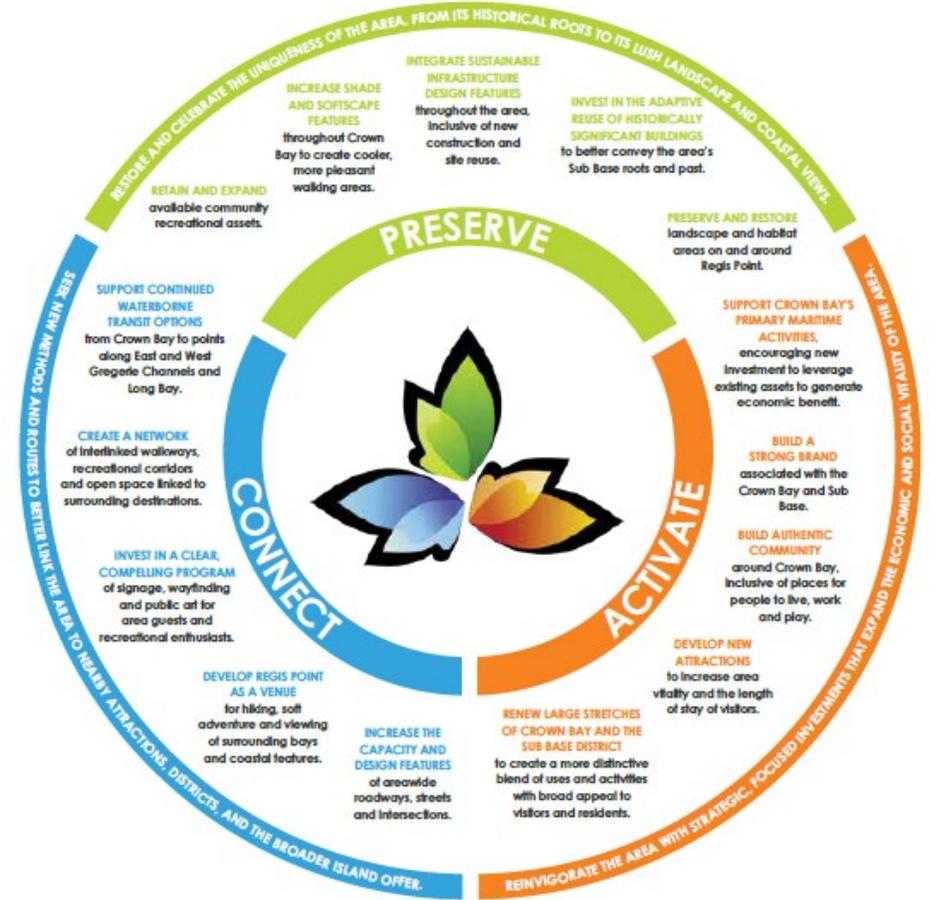
“Full renovation on various buildings or complete transformation will enhance the experience.”

“It'd be great to have heritage and cultural attractions at Crown Bay.”

“Any plans for the Sub Base area should capitalize on the World War II history of the area, while developing new buildings on vacant land that reflects a neo-industrial naval design style.”

Island Guests KEY FEATURES

- 29% Develop new attractions to increase area vitality and the length of stay of visitors.
- 23% Renew large stretches of the area to create a more distinctive blend of uses and activities with broad appeal to visitors and residents.
- 21% Support Crown Bay's primary maritime activities, encouraging new investment to leverage existing assets to generate greater economic benefit.
- 14% Build authentic community around Crown Bay, inclusive of places for people to live, work and play.
- 8% Build a strong brand associated with the Crown Bay.
- 5% None of the above.





ASSESS DESTINATION PERFORMANCE OVER TIME



Destination Assessment Tool Developed by Moffatt & Nichol.

M&N developed and uses a destination assessment tool which generates a 'sustainability rating' across six criteria categories: planning and design; natural world; climate and resilience; construction; operation; and points of innovation.

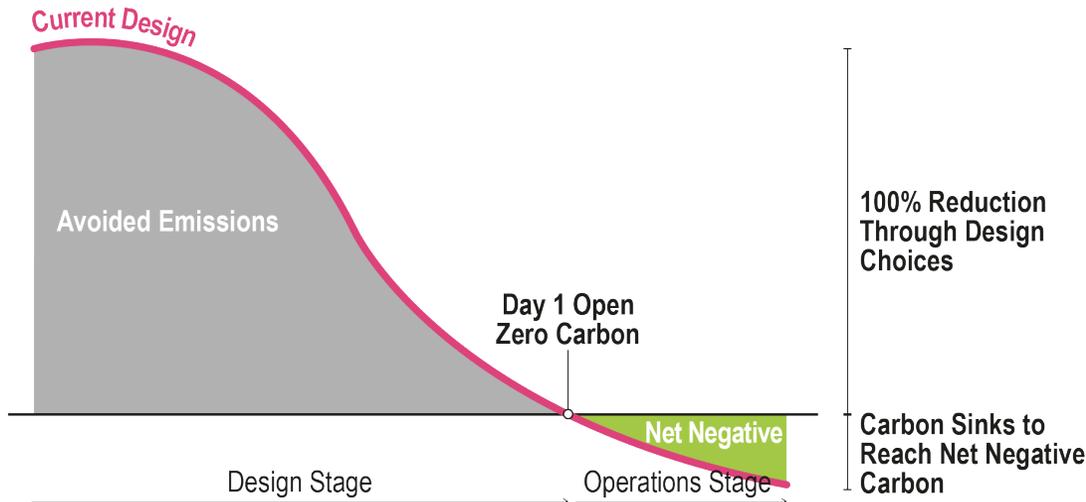


ASSESS DESTINATION PERFORMANCE OVER TIME

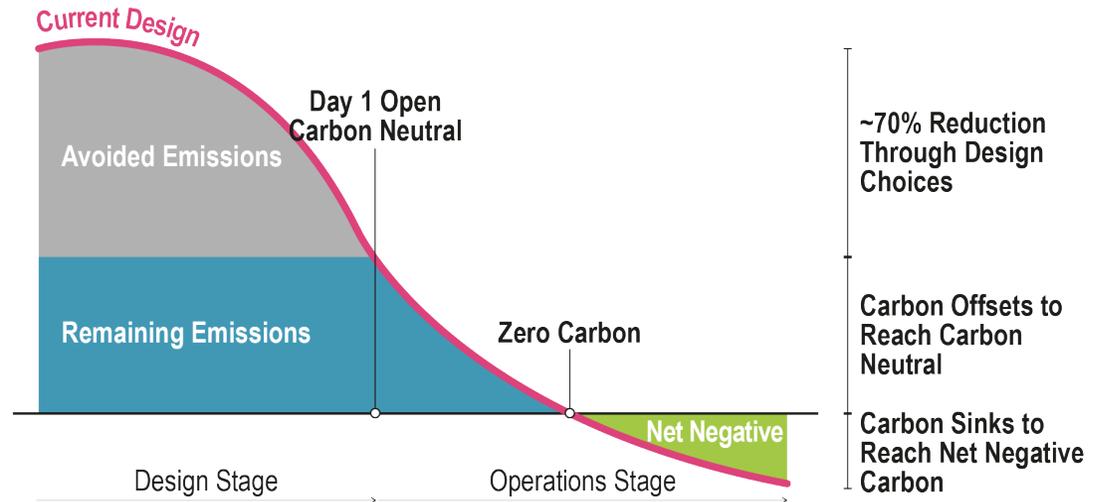
Moving the Cruise Destination to and Beyond Carbon Zero.

Early planning and scenario assessment help destinations avoid GHG emissions and advance—at project opening or incrementally over time—toward zero carbon. Continual effort and dialogue required to maintain these levels and seek net negative outcomes during the operations stage.

Scenario 1: Carbon Zero at Project Opening



Scenario 2: Carbon Zero Achieved Incrementally After Project Opening



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ABOUT MOFFATT & NICHOL

Moffatt & Nichol is a multidisciplinary, full-service professional services firm with expertise in structural, marine, and waterfront facilities; civil, coastal, mechanical, and electrical design; marine construction cost engineering; and inspection and rehabilitation. Moffatt & Nichol provides creative and practical solutions in the field of port engineering. Moffatt & Nichol, a recognized leader for over 75 years in the planning, design, and operations of ports and maritime infrastructure, has played a vital role in developing terminal and waterfront facilities worldwide. The firm currently has more than 1,050 employees across 50 offices throughout North, Central, and South Americas; Europe; and the Pacific Rim. Moffatt & Nichol is a recognized leader in the planning and design of waterfront infrastructure and facilities for rivers, harbors, and coastlines throughout the world. The firm is currently ranked No. 1 in Marine and Port Facilities design in ENR's 2023 Top 500 list of design firms, which speaks to the company's share of resources in the global marine and waterfront market.

From the advent of containerization to today's complex goods movement trends, environmental regulations, and sophisticated technologies, Moffatt & Nichol has built an international reputation for providing innovative solutions to support virtually any port, maritime, or freight transportation assignment. Our projects include container terminals; liquid bulk terminals; dry bulk terminals; oil and gas facilities; intermodal terminals; waterfront structures, such as piers, wharves, and quays; and cruise and ferry infrastructure. For these projects, Moffatt & Nichol offers port and transportation planning; transportation economics and finance; environmental planning, mitigation, and restoration; coastal and water resources engineering; and construction management, supervision, and inspection.

Cruise destination planning and facility engineering is a unique subset of our Ports practice. Cruise destinations are an integrated system of waterside and landside components, each reliant on the other to ensure marine and logistical demands of the industry are met. Vessel arrival and departure. Guest disembarkation and boarding. Ground transportation and provisioning. Cruise operations follow certain metrics, and planners and engineers at Moffatt & Nichol have decades of demonstrated expertise in the metrics and needs of the industry and incorporating these into cruise harbor, berth, terminal and ground transportation facility design.

