

# Memorandum of Understanding for the Sustainability of Cruise Tourism in Palma port

The Govern de les Illes Balears and the Ajuntament de Palma —hereinafter, the PUBLIC AUTHORITIES— and XXXXXX —hereinafter, the CRUISE COMPANY—, subscribe this Memorandum after consideration of the following points:

## 1. Background

The protection of destinations is a vital element of responsible tourism. The cruise industry and local authorities, ports and other organizations recognize the importance of collaboration on initiatives that help preserve the integrity, cultural heritage, and beauty of the most precious visitor destinations in the world;

The Balearic territory, as an island community, is a fragile region that needs special protection of its waters and natural environment. The cruise sector is committed to implementing the best practices for the protection of the environment and natural species in the Balearic Sea. Environmental sustainability is a priority for cruise companies, as they are catalysts for change in the maritime industry despite representing less than 1% of the fleet worldwide;

Providing a quality visitor experience is part of the essence of the cruise industry, sharing with destinations the need for local communities to benefit from the social and economic benefits of cruise tourism, while safeguarding the sustainability of destinations over the long term;

The cruise industry is committed to the destinations it visits, promoting a harmonious coexistence between tourists and residents, facilitating the development of a socially sustainable tourist environment that effectively manages congestion;

Tourism is one of the major economic drivers of the Balearic Islands as it has thousands of jobs closely linked to the touristic industry;

Highlighting the desire of the PUBLIC AUTHORITIES to define with the CRUISE COMPANY a new framework that will lay the foundations of an even more responsible tourism model to generate

prosperity for future generations, addressing the specific needs of Palma and responding to the stated demands by parts of Balearic society;

PUBLIC AUTHORITIES and CRUISE COMPANY agree that SSE (*Shore Side Electricity*) connection of vessels to the shoreside electric grid, using clean and 100% renewable energy, should be promoted together with the deployment of transition marine fuels (LNG, biodiesel and other referenced below), as effective means to reduce emissions when the cruise ships are at berth, until green non-fossil marine fuels become available at scale;

The undersigned undertake, voluntarily and in compliance with current legislation, to implement and participate in a set of actions in accordance with the following guidelines except in cases of force majeure (medical, weather, technical, etc.):

## **2. Port calls and berthing guidelines**

Given the limited capacity of the historic heart of the city of Palma, which is sometimes subject to a large influx of visitors and in order to ensure the optimal, mutual experience of cruise tourists and residents, the PUBLIC AUTHORITIES, together with the cruise companies establish the following criteria for the responsible planning of all cruise calls in the port of Palma for vessels with capacity of 500 or more lower berths:

- a) To avoid the presence of more than three cruise vessels in the port of Palma, with only one vessel with a capacity of more than 5,000 lower berths.
- b) Not to exceed the figure of 8,500 cruise lower berths daily in weekly average
- c) Promote the visit of vessels that meet the following criteria, in order of berthing priority:
  - Vessel operated by a signatory to this MOU
  - Vessel carrying out homeport operations in Palma for at least 75% of her passengers
  - "Regular ships": Those vessels calling Palma port at least 10 times on the year for which the port call is planned
  - Zero emission ships, when they become technically available
  - Vessels powered by transition fuels such as Liquefied Natural Gas (LNG), Liquefied Biogas (LBG) / Bio-LNG, Methanol (Fossil, Bio-, and E-methanol), Biofuel (HVO or FAME), Biofuels Synthetic (E-)fuels from renewable sources, etc.
  - Ships with capability for electrical connection to shore power (SSE)

Should several ships rank equally in terms of the criteria above, priority will be given to the vessel that has requested a higher number of calls for the year. If both ships have requested the same number of calls, priority will go to newest ship.

In order to allow the CRUISE COMPANY's proper planning of its operations in Palma, the PUBLIC AUTHORITIES commit to the following:

- For all ship berthing applications officially filed by June 30th of each year for the calendar year which starts 18 months later (i.e., berth request due by June 30th, 2026, for any calls in the calendar year of 2028) PUBLIC AUTHORITIES shall notify within 30 days (July 30th) if any of the berthing applications made does not fulfill the criteria a) or b) specified above, proposing alternative dates.
- For ship berthing applications officially filed after the June 30th deadline above, the PUBLIC AUTHORITIES shall notify the following month if the berthing application does not fulfill the criteria a) or b) specified above, proposing alternative dates.

In case of ship deployment changes due to technical, logistical or operational reasons, the CRUISE COMPANY will have the option to replace the ship registered in the berth reservation, provided the new vessel complies equally with guidelines and priorities above.

It is understood that the fulfillment by the PUBLIC AUTHORITIES of the aforementioned deadlines is an indispensable condition for the CRUISE COMPANY to achieve the objectives set out in this document.

### **3. Data-Driven Sustainable Management of Cruise Tourism**

The Parties, together with other Cruise Companies, agree to commission an independent study analysing the geo-spatial behaviour of cruise tourists arriving in Palma, including their share within overall visitor flows and their mobility and visitation patterns compared to the wider visitor population.

The results shall be made available within one year of the signature of this Agreement and shall support evidence-based destination management, the design of passenger flow measures and the evaluation of policy outcomes.

Based on the study's findings, the Parties undertake to cooperate in the development and application of tools and indicators to optimize passenger distribution and mobility.

All activities under this section shall be carried out in a coordinated and transparent manner, in compliance with applicable confidentiality, competition and data protection requirements.

#### **4. Optimised Geographic Distribution of Cruise Visitors**

The Parties agree to work jointly to improve the geographic distribution of cruise tourism within the island of Mallorca, with the aim of fostering a more balanced spatial spread of cruise activity.

To this end, the Parties shall identify, assess, and promote alternative ports, harbors and destinations in Mallorca Island, and review the range of shore excursions offered, in order to complement the role of Palma and encourage a more diversified cruise offering across the island.

This approach seeks to enhance the experience of both visitors and residents, while contributing to a wider and more equitable distribution of economic value across the island. This cooperation shall focus on raising awareness among cruise operators and passengers, facilitating the development of suitable shore-side experiences and supporting destination management initiatives at local level.

#### **5. Deseasonalization of Cruise Tourism**

The Parties recall that the previous Memorandum of Understanding set specific commitments to reduce the concentration of cruise passenger movements during the peak tourism season and acknowledge that these objectives have largely been met.

To consolidate the deseasonalisation achieved, the Parties agree to adopt a new targeted and time-bound measure: for the 2027, 2028, and 2029 high tourism seasons (June to September), the criterion set out in Section 2.b shall be set to 7,500 cruise lower-berths per day, calculated as a weekly average. Its implementation and effects shall be monitored through the governance and reporting framework established under this Memorandum of Understanding.

#### **6. Environmental stewardship**

The Balearic territory, as an island community, is a fragile region that needs special protection of its waters and natural environment. The cruise sector is committed to implementing the best practices for the protection of the environment and natural species in the Balearic Sea. For these reasons, the CRUISE LINE shall:

##### **A. FRESH WATER BUNKERING DURING A DROUGHT EMERGENCY**

The cruise industry is constantly making progress in water efficiency, with most vessels now self-sufficient in meeting their freshwater needs.

To further protect local water resources when PUBLIC AUTHORITIES formally declare a

State of Drought Emergency in Palma imposing water restrictions on residents, the CRUISE COMPANY shall refrain from bunkering freshwater in the Port of Palma—except in emergencies (e.g. technical or medical). This voluntary self-limitation shall remain in effect until the Drought Emergency is lifted.

#### B. AIR EMISSIONS

The CRUISE COMPANY will adhere to the requirements set forth under the Mediterranean Emission Control Area (ECA) for sulphur oxides (SO<sub>x</sub>) as outlined in MARPOL Annex VI, Regulation 14, which includes the Balearic Sea. The sulphur content of the fuel used on board shall not exceed 0.10%. Alternatively, the CRUISE COMPANY may utilize other approved abatement methods, such as Exhaust Gas Cleaning Systems as allowed by regulation.

#### C. SOLID WASTE MANAGEMENT

Through joint efforts of all cruise operators and Port Reception Facilities (PRF) in Palma, segregated solid waste (to be recycled or reused) exceeded, at the time of signing this MOU, 45% of the total volume discharged ashore by the sector.

The CRUISE COMPANY commits to continue monitoring waste generation and reduction, by striving to meet its publicly disclosed environmental goals. Where environmental sustainability reporting is not yet established or publicly disclosed, the CRUISE COMPANY commits to:

- Monitor annual waste production by category
- Establish a mechanism to quantify the proportion of recyclable waste by category (as established by EU law)
- Establish measurable reduction targets
- Implement actions to reduce single-use plastics

All waste discharged ashore in Palma shall be processed through a Port Authority certified PRF, at the CRUISE COMPANY's expense, for maximum recycling and reuse. For the duration of this agreement, the PUBLIC AUTHORITIES shall ensure the availability of a PRF with performance standards equal to or exceeding current levels.

#### D. SEAGRASS POSIDONIA

The CRUISE COMPANY shall follow all instructions issued by the Harbor Master to avoid anchoring or navigating over Posidonia seagrass meadows when sailing to or from the Port of Palma.

## **7. Governance, Information and Transparency**

The Parties agree to establish a Joint Governance Commission, which shall also act as the Steering Committee of this Memorandum of Understanding, responsible for the oversight, monitoring, coordination and interpretation of its implementation.

The Commission shall be composed of representatives of the signatory Parties, as well as representatives of the local cruise ecosystem, including, where appropriate, port authorities, destination management bodies and other relevant public or private stakeholders.

The Commission shall be chaired by the Minister of Tourism (Conseller de Turisme) of the Government of the Balearic Islands and shall meet at least twice per year, with meetings scheduled before and after the cruise season. In addition, the Commission shall meet at least once annually in its capacity as Steering Committee to review the overall implementation of the Memorandum.

With regard to transparency and information, the PUBLIC AUTHORITIES undertake to:

- Publish, before the seventh day of each month, a report detailing the cruise calls that took place during the previous month, including the information necessary to verify compliance with the agreed Port Calls and Berthing Guidelines.
- Publish, during the first quarter of each year, a detailed and aggregated report summarizing the progress achieved under this Memorandum of Understanding.

All reporting under this section shall be carried out in a collective, aggregated and transparent manner, in compliance with applicable confidentiality, competition and data protection requirements.

## **8. MoU Term, Review and Oversight**

This Memorandum of Understanding shall be valid for a period of five (5) years, covering the 2027 to 2031 cruise seasons.

The Parties agree to review this Memorandum prior to its expiration in order to assess its possible renewal and to update its provisions in line with technological developments, evolving regulatory frameworks and changes in the fleets of the signatory entities. No formal review of this Memorandum shall take place before 1 January 2029.

Any amendments or updates agreed by the Parties shall be subject to a minimum implementation period of two (2) years prior to becoming effective.

The Joint Governance Commission, acting as Steering Committee, shall ensure the proper implementation, interpretation and follow-up of this Memorandum throughout its duration.

In Palma, February 27, 2026

Ms. Margalida Prohens Rigo  
President  
Government of the Balearic Islands

Mr. Jaime Martínez Llabrés  
Mayor  
Palma