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St. Croix to Anchor New Caribbean Ferry Network, Boosting Regional Trade

Connect Caribe's maritime project will launch with St. Croix as its hub, offering affordable ferry connections across the Caribbean. The initiative emphasizes cargo transport to lower food costs, aiming to revitalize economic ties among island nations

Development / **Published On October 23, 2024 01:19 PM /**

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Governor Bryan signs MOU, flanked by Connect Caribe stakeholders at Government House, St. Croix on Wed. Oct. 23, 2024. By. V.I. CONSORTIUM

A trans-Caribbean maritime network is coming, beginning as soon as next year. That's the goal of Connect Caribe, a regional ferry service seeking to make St. Croix a major hub.

“Instead of looking at the islands as separate elements of an organism, we start looking as one – the same way every successful country in the world looked at each other,” said Raphael D’angelis, vice chair of Connect Caribe. “What we’re trying to create here is the United Countries of the Caribbean, with the leadership of the Virgin Islands and certain other regions.”

Funded by private venture capital, Connect Caribe is a collaboration between several regional firms specializing in travel, information technology, cargo and logistics. Together, they hope to leverage their collective expertise to establish a long-held dream for proponents of regional integration — a maritime trade route connecting the islands of the Caribbean.

“What we’re literally doing now, we’re building this network of passenger and cargo ferries that will connect all of the Caribbean coming from South America – Suriname up to the U.S. Virgin Islands,” said Anthony Weeks, USVI’s Special Economic Envoy, and Managing Director of SEDI-CASE.

On Wednesday, Governor Albert Bryan Jr. joined Caribbean diplomats, representatives of Connect Caribe and affiliated firms and organizations, and representatives of local shipping and logistics firms to announce the signing of a Memorandum of Understanding. Connect Caribe intends to establish a major hub on the island of St. Croix to first provide additional passenger and cargo ferry connections to and from St. Thomas, and ultimately to other countries in the Caribbean Community (CARICOM) including Guyana and Suriname.

“Too long we have governed with our backs to the water,” said Governor Bryan. “Today’s signing of this memorandum of understanding is just one more step forward in ensuring that we turn toward the water and take full advantage of the economic benefits that lie within our reach,” he declared.

Residents of the region, starved of reasonably-priced travel options when it comes to visiting their Caribbean neighbors, would be forgiven for eagerly anticipating the launch of Connect Caribe’s ferry service. While passenger travel will certainly be accommodated, the architects of the project have set their sights on a much bigger target.

“The Caribbean people need to understand that the major focus of this system – it has always been food stability,” Mr. D’angelis emphasized. “I know that everybody loves festivals and moving people around, but our biggest concern from day one on the system is how can I get a producer from Barbados to send food to another island?” An emphasis on cargo, he said, differentiates Connect Caribe from previous failed inter-Caribbean ferry projects, which prioritized the movement of passengers between islands.

Noting the region’s approximate \$17 billion annual food import bill, Mr. Angelis argued that the Connect Caribe regional maritime network will play a vital role in improving food security and lowering the cost of food, which is “a great economic distress across the region.”

To encourage trade across the new shipping routes, Mr. D’angelis said Connect Caribe is working to ensure that costs are comparable to current options at the outset. “We have

talked to shipping companies and guaranteed them of a rate between countries as low as ground rate for standard express packages,” Mr. D’angelis noted. “So that will boost an e-commerce platform across the region in a \$4 billion business estimated by CARICOM today.”

St. Croix, as the manufacturing and industrial hub of the territory, is perfectly positioned as a home for the ferry service, said Governor Bryan. “We have a refinery owner that really has a broad outlook on what we could do with the property, including refining. We have the South Shore Free Trade Zone economic policy piece that is in place,” he continued. “We have the Renaissance Group...and we’re working with them hand in glove to make sure that we facilitate in a way that promotes economic growth.”

Noting the presence of St. Croix’s several deep water ports as well as the energy resources of the refinery, three upcoming solar farms, and the Diageo power plant, Governor Bryan argued that the island is poised to lure back manufacturing that fled due to the high cost of energy. The Connect Caribe hub, Mr. Bryan said, “is just another piece of putting together the future of St. Croix and essentially the future of the Virgin Islands. The real economic growth that’s left to be seen is on the Big Island.”

In January, Barbados Today reported that Connect Caribe would launch with three vessels, had secured \$50 million USD in initial investment from Upturn Funds, the advisory group Mr. D’angelis co-founded, and was eyeing a limited launch in the last quarter of 2024. As Mr. D’angelis explained, the logistical intricacies of such a massive undertaking has led to sliding deadlines. “We are actually finalizing [a] study to see which is the first two routes that’s going to be more economically feasible,” he noted. “I do expect the maritime project to be online, at least with the first boat, within the next few months.”

The project, which is expected to require up to \$400 million worth of investment in its first five years, will be rolled out in phases, Mr. D’angelis said. Part of the reason for this is to accommodate a gradual change in mindset among Caribbean business and industry leaders. “All of a sudden, the economy in the Caribbean has to accustom [itself] to the idea that I can send my product from one island to the other at a very cheap rate,” he argued. Selection of the vessels that will be put into service is also currently underway, Mr. D’angelis indicated.

According to Mr. Weeks, “the first quarter, or the end of the first quarter, is supposed to be the anticipated launch.”

Governor Bryan was careful to note that the MOU between the Government of the Virgin Islands and Connect Caribe did not commit GVI to a financial outlay. “There’s no direct investment, but we did commit other resources, such as the South Shore Economic Trade Zone study, that determined whether or not ship building would be viable. Those are the type of resources that we commit to, and we don’t do so formally.”

Mr. D’angelis, for his part, disclosed that efforts to launch the service are being led by the private sector. However, the at-times stifling bureaucracy inherent in a cross-jurisdictional project of this scope and scale could prove a major challenge. He called on residents across the region to leverage their voices to pressure their governments into action. “It is up to the people of the Caribbean to rise up and demand their government to respond as

quickly as possible to a full integration into the system,” Mr. D'angelis declared. “This is a time for people across the region to rise up and say ‘I want this. I want to pay less for food. I want to have economic opportunity,’” he continued. “We bring the financing, but without people believing and fighting for it, you know how it is.”

Wednesday's signing ceremony will be followed in the coming days by an investor tour of the South Shore Economic Trade Zone, as well as other networking activities.

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