

Proposal for a Fast Ferry Service in the Southern Caribbean

This document provides only an **overview** of the proposal.

Further information is available on request.

Government of Grenada

January 2014

Proposal for the introduction of a Fast Ferry Service in the Southern Caribbean

Introduction

Grenada is seeking investors and business partners to establish a fast “door-to-door” sea-ferry service in the Southern Caribbean operating amongst the capital cities of these islands. The purpose of the service is to meet the strong demand for an improvement in transportation, business and trade amongst the islands.

Context

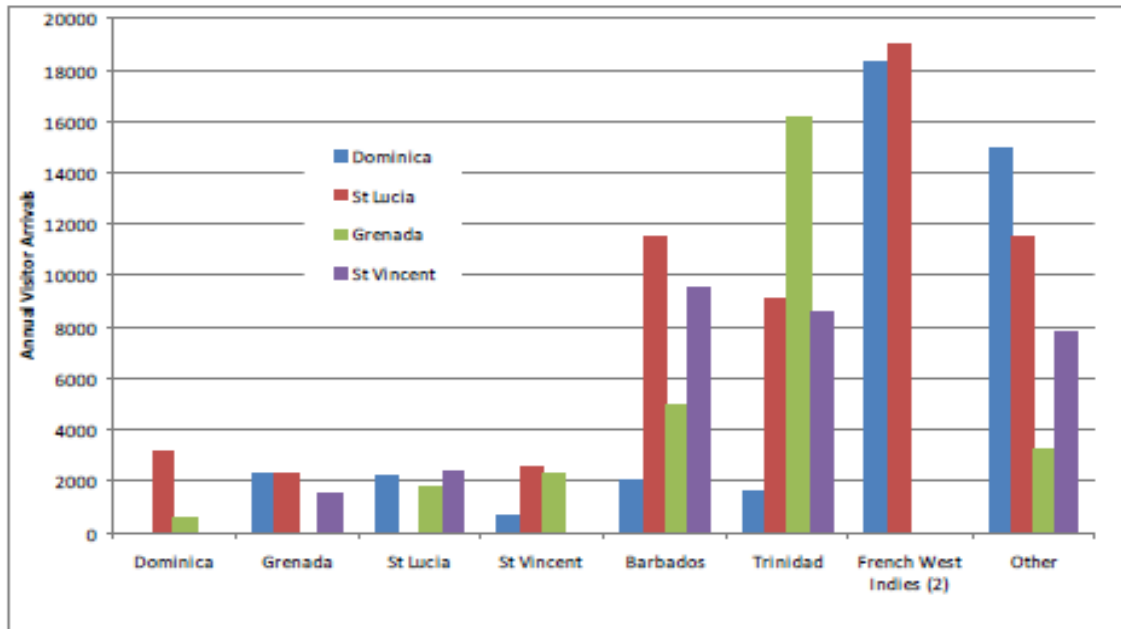
For the purposes of this proposal, the southern Caribbean is comprised of eight (8) islands spanning a distance of 621 kilometers or 386 miles and with a total population of 2.8 million people and a combined gross domestic product (GDP, PPP) of US \$60 billion. Travelling from south to north, the islands are Trinidad and Tobago (10°40'N; 61°31'W), Grenada, Barbados, St. Vincent and the Grenadines, St. Lucia, Martinique, Dominica and Guadeloupe (16°15'N; 61°35'W).



Strong Demand

The total passenger traffic between the islands on an annual basis is in excess of 115,000 passengers per year.

Figure 3-1: Visitor Arrivals to Dominica, St Lucia, Grenada and St Vincent and the Grenadines from Various Caribbean Islands



Currently, the daily travel between the territories exceed 1000 persons per day. The table below shows the current travel patterns. Studies indicate that these may be increased with the right pricing. For example, a 30% price point below air travel could attract as much as four times the existing passenger traffic. That’s an increase of 400%.

From	To						Total
	Barbados	Dominica	Grenada	St Lucia	St Vincent and the Grenadines	Trinidad	
Barbados		16	41	94	79	177	406
Dominica	14		5	9	7	46	80
Grenada	23	3		19	13	84	141
St Lucia	31	6	15		20	87	159
St Vincent and the Grenadines	44	5	19	21		68	156
Trinidad and Tobago	145	13	133	75	71		437
Total	257	44	212	218	188	461	1,379

Proposition

Two (2) fast ferries (for example, with catamaran hulls) are needed with a passenger capacity of around 200 persons each and with the capacity to carry between 5 and 15 vehicles (**passenger and-vehicle ferries**), along with some cargo for small traders. Currently, traders and travelers rely upon an expensive airline service or an inconvenient break-bulk service from small cargo vessels. International sales of second-hand fast-ferries vary in price between US \$1.2 million and US \$3.5 million. Ideally, an interested investor would be prepared to invest an initial amount of between US \$2.4 million and US \$5 million. *Extensive studies have been undertaken to demonstrate the commercial viability of such a service and these studies can be made available to interested investors.*

The government of Grenada is seeking interested investors and operators to invest-in and operate or co-operate in partnership with others such a service beginning with **Grenada serving as a hub** for operations. Grenada is ideally located between two of the most prosperous territories in the Caribbean: Trinidad and Barbados. The service could begin with one ferry and expand to two ferries with hubs in (1) Grenada, (2) St. Vincent and (3) St. Lucia. The Government of Grenada would be willing to discuss fuel bunkering service in support of the Ferry operations. The diagrams below show traffic for **Phase I** (1 ferry and **Phase II** (2 ferries).

