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**CHTA URGES U.S. TO CONSIDER CARIBBEAN EXCEPTIONS TO PROPOSED PORT SERVICE FEES AND TARIFFS**

*Association highlights opportunities to Strengthen U.S.–Caribbean economic and tourism ties*

**MIAMI, Fla. – April 7, 2025** – Pointing to the considerable mutual benefits that tourism brings to both the Caribbean and the United States—particularly Florida—the [Caribbean Hotel and Tourism Association](#) (CHTA), the region’s leading association representing private-sector tourism interests, is recommending alternatives to the proposed U.S. port service fees and tariffs. The organization is advocating for modifications to the port-related policies currently under consideration, and is calling for a new approach to strengthen and safeguard the two-way ties in trade and travel between the region and the U.S.

CHTA cited its recent submission to the U.S. Trade Representative (USTR) and other U.S. officials in response to a call for comments regarding proposed service fees of up to \$1.5 million for each port call by a Chinese-made or flagged vessel. The organization argues that these fees, coupled with tariffs, will significantly increase the cost of imports—raising costs for both land and cruise travelers—and ultimately reduce traveler demand and spending.

While acknowledging the U.S. government’s intention to expand the use of U.S.-built cargo vessels, CHTA warned of the policy’s *unintended consequences*, particularly its timing. The association presented compelling data highlighting the value of both land- and cruise-based travel to the U.S. and the Caribbean, as well as the challenges that U.S. and Caribbean-owned shipping companies would face in quickly transitioning away from Chinese-built vessels.

CHTA President Sanovnik Destang emphasized the socio-economic benefits that tourism brings to both regions, including job creation, business opportunities, and increased tax revenue.

“The region was beginning to see light at the end of the tunnel with many tourism-related businesses recovering from the tremendous impact the pandemic had on travel and tourism,” said Destang. “Even as our industry has rebounded, we remain highly vulnerable to the high cost of operations—particularly food and beverages—driven largely by five years of inflation. One-third of our tourism-related businesses reported a net loss in 2024, according to CHTA’s annual performance study,” he added.

In its submission to the USTR, CHTA aligned with the CARICOM Private Sector Organization (CPSO) and shipping interests serving the Caribbean, calling for exemptions from the proposed fees for the region and for protection of smaller shipping companies that serve the Caribbean—often via multiple small transshipment ports.

Caribbean states within the proposed exemption would include: Anguilla, Antigua and Barbuda, Aruba, The Bahamas, Barbados, Belize, Bermuda, Bonaire, the British Virgin Islands, Guyana, Cayman Islands, Curaçao, Dominica, Dominican Republic, Grenada, Guadeloupe, Haiti, Jamaica, Sint Maarten, St. Barthélemy, St. Kitts & Nevis, St. Lucia, St. Martin, St. Vincent & the

Grenadines, Suriname, Trinidad & Tobago, and Turks & Caicos. Puerto Rico and the U.S. Virgin Islands would be included as U.S. territories.

Tourism contributed an estimated \$91.2 billion to the region's economies in 2024 and generated over 2.9 million jobs, according to the World Travel and Tourism Council. That year, the region welcomed more than 68 million visitors—half via cruise ships and half through stays in hotels and other accommodations—according to the Caribbean Tourism Organization (CTO).

The U.S. is the largest supplier of food products to the Caribbean, with food and beverages representing the highest input costs. An estimated 70–80 percent of these goods are delivered via maritime shipping from the U.S., according to the CPSO.

Florida, in particular, would feel the impact. Most cruise visitors to the Caribbean originate from the state, and cruise ships are provisioned through Florida-based suppliers and shippers—contributing significantly to U.S. businesses, employment, and local, state, and federal tax revenues.

The CPSO notes that each stayover visitor (i.e., staying in a hotel or guest accommodation) to the Caribbean contributes an estimated \$944—directly and indirectly—toward incremental U.S. imports, approximating \$6.2 billion in U.S. exports to CARICOM countries in 2023. Each cruise visitor is estimated to contribute \$23—directly and indirectly—toward incremental U.S. imports, totaling approximately \$0.3 billion in U.S. exports to CARICOM countries in 2023.

“Given the clear mutual advantages to both the U.S. and the Caribbean of a vibrant Caribbean hospitality and tourism industry, and in the spirit of mutual collaboration, longstanding benefits from trade and tourism, and our shared commitment to free enterprise and democracy, we are hopeful that our recommendations are considered and adopted for our mutual benefit,” said Destang.

For more information on CHTA, visit [www.caribbeanhotelandtourism.com](http://www.caribbeanhotelandtourism.com).

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### **About the Caribbean Hotel and Tourism Association (CHTA)**

The Caribbean Hotel and Tourism Association (CHTA) is the Caribbean's leading association representing the interests of national hotel and tourism associations. For more than 60 years, CHTA has been the backbone of the Caribbean hospitality industry. Working with some 1,000 hotel and allied members, and 32 National Hotel Associations, CHTA is shaping the Caribbean's future and helping members to grow their businesses. Whether helping to navigate critical issues in sales and marketing, sustainability, legislative issues, emerging technologies, climate change, data and intelligence or, looking for avenues and ideas to better market and manage businesses, CHTA is helping members on issues which matter most.