

The Svalbard Issue -> Response from POLAR-SAILS (S/Y LEATSA)

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This contribution is part of a joint response coordinated by AECO to the following regulatory proposals:

1. Proposal for amendment of Svalbard Environmental Protection Act and regulations/orders given with authority in this Act from the Norwegian Environmental Agency, with reference 2021/9496; and
2. Proposal for substitution of “Regulations related to tourism” with “Regulations related to field safety” and the proposal to apply the Package travel Act in Svalbard, from the Norwegian Ministry of Justice and the Ministry of trade and industry, with reference 21/4952 – MAKO

Response issued on 20th April 2022 by Georges Duffau, owner/operator of French company POLAR-SAILS, operating in Norway and Svalbard since 2018 for cruises with the yacht LEATSA (23 meters, 7 passengers + 3 crew members).

This response is largely inspired by our communication with AECO and all of our colleagues.

Statement of position:

The above referenced regulations pose a fatal threat to our small company, which has worked diligently for over 5 years to introduce the Svalbard environment to very small groups of tourists who we educate and inspire with a responsible sense of the fragility and beauty of this special ecosystem.

Since there are already strict and clear regulations in place, it seems to us that the objectives pursued through these new regulations could be achieved without jeopardizing the activity of small boats, notably through:

- The online availability of training and self-testing tools for better training of guides,
- Reinforced controls and penalties to ensure compliance with regulations when sailing near ice or walking on land,
- A “tourism” tax per passenger, simpler and more effective than the complex tax scheme under study.

Introduction to our Company:

POLAR-SAILS is a French company, founded in 2014, that organizes sailing cruises in the polar environment. We operate the sailboat LEATSA, (23 meters aluminium sloop) with capacity of 7 passengers + 3 professional sailors/guides. We target a clientele that prefers travelling on small boats for the warm, supportive atmosphere and who seek an authentic experience that respects the Arctic environment and ecosystem.

POLAR-SAILS is a small business, which I manage as owner/operator.

Our annual season runs from February to October, on a route that takes us from France to Svalbard, following the Norwegian coast. This 9-month programme bundles some journeys,

of which 8 take place in Svalbard between May and August. We welcome minus than 60 passengers in Svalbard. We fly the French commercial flag (RIF), and our crews are all qualified professional sailors who are passionate about the polar environment.

Our sailboat has been selected according to precise specifications drawn up, Notably:

- Our maximum capacity is 7 passengers + 3 crew and guide members, in order to limit our environmental impact and to be able to share with our passengers our passion and create awareness of and concern for this fragile environment.
- A solid aluminium sailboat with 4 watertight compartments and a powerful engine for safety.
- A large medical endowment
- A panoramic deck saloon and an interior command post provide shelter and warmth.
- Large storage capacity for trash and wastewater.
- An experienced crew

Our cruises are operated with a spirit of responsible tourism and awareness of local history, flora, and fauna at their core. We make every effort to ensure the safety of the boat and passengers, and to have a minimal impact on the environment. We prioritize safety over sensationalism and don't take unnecessary risks. We actively participate in the Svalbard Clean Up.

Our economic model is based on the full participation of both passengers and crew in manoeuvres and life on board. This allows us to stay within a price range our customers can afford. This model is very different from that of cruises on vessels with 50 passengers or more offering a high level of comfort and service, with commensurate pricing.

➔ ***The impact of the measures under study in draft regulations 2021/9496 and 21/4952 would be far more severe for a boat of our size as compared to much larger cruise operators. In fact, we would lose our ability to operate under these burdens.***

New regulations under consideration constitute a vital threat to our business:

Through our 5 years of operation in Svalbard, we have demonstrated to the authorities our full commitment to the protection of the Svalbard archipelago, its fauna, flora, and wilderness. Very clear regulations are already in place. We supplement these by integrating advice from the Norwegian Polar Institute and follow this very clear framework to the letter.

For a small organization like ours, with limited economies of scale, the addition of new taxes or regulatory obligations that require costly investments will jeopardize our ability to continue our activities, as Svalbard represents 60% of our annual turnover.

A distinction must be made between large boats - whose number is constantly growing - and boats smaller than 24 meters with capacity under 12 passengers.

Critical points of the proposed regulations that would dramatically endanger our ability to remain in business:

- *Guide certification system:*

How do we operate:

We agree with the principle that supervision of visitors disembarking on Svalbard must be provided by people well informed on the rules and best practices in terms of behaviour on land. To address this, we have in place a training program for our sailors/guides with a reading list of Norwegian Polar Institute and AECO guidelines, as well as hands-on training on the handling of rifles and flare guns in France and at the Longyearbyen shooting range. This demanding procedure, validated by internal questionnaires and AECO tests, seems to us to well correspond to the scale of our small boat since our approaches to the sites and the animals are cautious, and we put respect for safety and the integrity of the sites that we visit above all else.

Why the guide certification procedure under consideration is not feasible for a small operator like us:

- Our model is based on 2 crew members for 7 passengers + 1 guide. The crew ensure both safety and manoeuvres on board, as well as accompany passengers on shore. The crew are professional sailors with Arctic experience, trained to guide our passengers.
- It would be impossible to release our sailors/guides for periods of 23 days for training courses, and even less feasible to cover the extremely high estimated costs of training courses (over 20 000 euros per crew). This sum far exceeds our annual operational result.

Having said that, we are of course very open to work together with the Svalbard authorities on an economically viable solution to improve the level of qualifications of our guides, e.g., integrating online training or skills validation tools into our existing internal training program.

- *Reinforcement of the ban on searching for polar bears and obligation to keep a distance of at least 500 meters*

As cruise tourism increases, it is essential to protect the species, but this current proposal eliminates any chance for our passengers to experience a bear sighting. Many come for exactly that opportunity. When a bear approaches the ship at anchor or adrift, it is out of curiosity. Tracking is never initiated. We follow the Norwegian Polar Institute recommendations, and we consider these current regulations sufficient.

- *Stay at least 300 meters from walrus haul outs*

The walrus population in Svalbard is increasing rapidly, and we may one day be lucky enough to see this species become as abundant as it was before it was hunted. Many years of

research show no negative tourism impact on walrus. The proposal states that the 300-meter distance is part of the Norwegian Polar Institute guidelines. This is an error (the guidelines do advise *landing* at least 300 meters from a colony). Walrus are another large mammal tourists dream of seeing when they visit Svalbard. Prohibiting observation of them within 300m is, in effect, a prohibition of observing them at all. This benefits no one.

- *Obligation to report transactions to the Svalbard tax office if transactions exceed 30 consecutive days in Svalbard or Svalbard waters.*

This proposal is not in line with the principle of equality of the Treaty of Svalbard as Norwegian tax regulations guarantee companies registered in Norway will not be subject to double taxation. Furthermore, there is no tax exchange agreement between Svalbard and other countries. Foreign operators would be subject to double taxation. If local tax revenue is the objective, it would be best to consider a local tax per passenger. This would require far less administration and yield more net income.

Conclusion

We understand increased tourism is of concern. To that end, we need to strengthen our collaboration with the authorities in order to ensure sustainable tourism operations and development. We commit to working with organizations such as AECO and Visit Svalbard to conceive of and to apply appropriate and responsible measures

As regulations are already in place, wouldn't it be better to start by ensuring they are strictly respected by bolstering controls, rather than penalizing operators such as ourselves who scrupulously observe and respect both the regulations and the environment?

Were the measure under consideration to be enacted, it would be impossible for us to continue activities in the region. We could not bring our very small groups of clients into this special environment. It is, after all, small-scale cruises like ours that brought Svalbard and its ecosystem into the global consciousness in innumerable films, books, and articles.

Nice, 20th April 2022

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