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The Balearics: The Med's year-round yachting hub

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Let's be clear from the start: The Balearic Islands are nothing new in yachting. It's not like they're a hidden secret. Anyone who knows anything about yachting knows of the long boating tradition maintained in the Balearics.

However, now that the Spanish government has decided to loosen its application of the much-abhorred matriculation tax, it seems more than worthwhile to have a fresh look at this area. There is a new-found enthusiasm blowing through the Balearics like a strong northerly wind, now that most yachts are free to charter in the region.

"Spain is, effectively, a brand new chartering market," says Norma Trease, director of sales and marketing at <u>Salamanca Marine</u>, which has been leading the re-development of the <u>Marina Port Vell</u> in Barcelona. "Spain has been virtually closed to chartering because of the fact of the matriculation tax laws. Now that those have been loosened up as much as they have – and continue to be loosened – the easier it is for yachts to understand how to legally charter in Spain."

A Spanish resurgence

That means that yachting is experiencing a resurgence in Spain, as new yacht-focused businesses have begun to open offices in places like Barcelona and Palma de Mallorca. These businesses are offering the highest quality service to an area that is already steeped in boating culture.

"Many yachting businesses are opening offices in the Balearics due to the volume of yachts that we received during the year," says Xisco Notario, operations manager with Evolution Yacht Agents. "We have big facilities – the most important marinas with modern infrastructure."



Notario says the combination of high-end infrastructure and beautiful cruising makes the Balearics a veritable haven for yachting: "Europe's Caribbean," he says.

"The thing is that many of them choose the islands as a touristic destination during the summer," says Notario, "and in winter also decide to stay for longer, especially in Palma where, thanks to the good infrastructure in the shipyard, boats can go in refit while the crew still enjoys the mild weather."

That mild winter weather also makes it an incredibly attractive place to charter, given the easy access to maintenance facilities.



Not to mention that the cost of living is lower than in the South of France, says Scar Sikes, the founder of Marine Aters and a man who has been active in the development of several marinas in the Balearics. "It is an international place, with more than 100,000 foreign residents," says Sikes. "Crew finds international schools for the children, with English and German local newspapers and all sorts of European products."

The question isn't whether the loosening of the tax laws will affect the Balearics – but rather how significantly.



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Beauty to behold

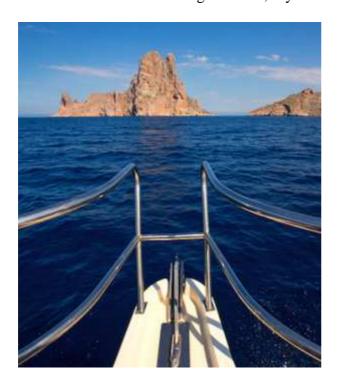
For the uninitiated, the Balearic Islands (or "Islas Baleares," as they're known in Spanish) consist of four populated islands – Mallorca, Menorca, Ibiza and Formentera. There is also the uninhabited islet of Cabrera, and nearly 150 more uninhabited islands and islets.

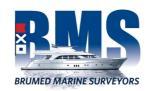
The islands are rocky with rich green fields at the interior and limestone cliffs abound, offering breathtaking scenery. Natural bays puncture the coastline every five nautical miles or so, often rimmed by white sandy beaches.

Mallorca, with a population of nearly 900,000, is the largest island in both population and landmass. Palma de Mallorca is its largest city, with a population of around 400,000. Formentera, meanwhile, is at the other end of the spectrum: a very small island to the south of Ibiza, with a population of around 10,000.

"It has the heavenly beaches, the amazing landscapes, the nightlife with the most VIP discos, and especially the weather," says Notario. He ought to know, given that Evolution Yacht Agents offers a 24-hour service dedicated to providing clients with berth arrangements, weather and trip advice, VIP entertainment, multilingual guides, and much more. The Balearics are one of their specialties.

Each island offers something different, says Notario.





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"One of the best things of the Balearics is the difference between the islands," says Notario.

Ibiza is the most active island in the summer, with a sort of sex, drugs and rock'n'roll vibe. It is full of visitors, with "the most incredible parties, fun, hippy markets and it is the ideal island to be seen," says Notario. "In my opinion, it is an obligation to be in Ibiza in the summer."

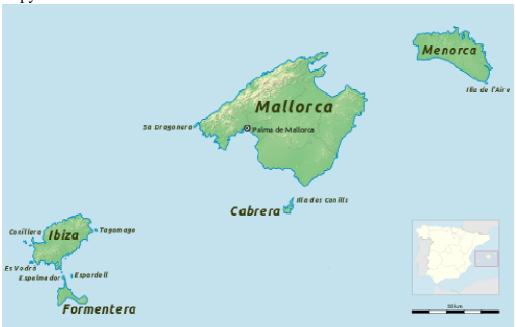
Nearby Formentera offers a bit of respite from the madness, and cruising this area can be reminiscent of the Tobago Keys.

Meanwhile, Menorca is Ibiza's opposite. "Menorca is very quiet," says Notario. "We recommend it for people who are looking for peace and tranquility and it is ideal for people who want to go unnoticed."

It is called the windy island because it has near perfect sailing conditions, and while Ibiza dies down from October through April, Menorca stays more active.

Finally, Mallorca is a bit of a mixed bag – offering both peaceful tranquility and a very active social scene. "Due to its size, it can offer a wider variety of activities, beaches and gastronomy," Notario says.

Mallorca has no low season, as it stays active throughout the winter months due to all of the work that's done in the shipyards.





The islands are well known for being spectacular sailing grounds, as they're easy to navigate and pose no major challenges. The weather is generally smooth, given that the Spanish mainland is around 120 miles away.

Not only this, but the islands have been outfitted with some of the finest marinas around.

There are 22,000 berths in various marinas and yacht clubs scattered through the four main islands. They range from 6m all the way up to 200m in Palma harbor, where there are around 400 companies specializing in yacht services.

And while 90 percent of the world's boats are less than 10m, the marinas in the Balearics have thought much bigger. That's because the average size of yacht visiting the Balearics is between 12m and 25m.

The finest shipyards

As anyone who's spent even a little time in the Caribbean knows all too well, it may be flush in natural beauty, but it is absolutely impoverished in infrastructure. So, it may actually be somewhat of an insult to say that the Balearics are "Europe's Caribbean" when you know that Palma de Mallorca boasts some of the finest shipyards in the world.

The two best boatyards are <u>Astilleros de Mallorca</u> and <u>Servicios Tecnicos Portuarios</u> (or STP), both of which are located in Palma de Mallorca.

STP has trevelifts up to 700 tons and can handle yachts up to 120m. Its facilities were renovated in 2008 in order to equip it with the most modern technologies. It offers 70,000 square meters of ground space; 35,000 square meters of mooring space; six pits for deep-draft sailboats; a 5,000 square-meter workshop; and high-flow bunkering where it can supply 300 liters of diesel per minute.

Astilleros de Mallorca refits and repairs more than 150 yachts every year, and it can work on yachts up to 70m at its yard. However, it now maintains offices and workshops at the STP site, where they can take on larger projects.

Marinas galore

The yachting infrastructure isn't spared beyond the boatyards, as the Balearics boast some of the finest marinas around. Staying in Palma for a moment, there are a variety of options.



Mallorca

<u>Club de Mar</u> was founded in June 1972 and it is not only one of the best-known marinas in the Balearics, but rather in all of Europe. It is located near the heart of Palma and it boasts a beautiful restaurant and bar, a lounge, and rooms for rent. It is surrounded by yachting businesses, banks, brokerages, a pool, and verdant gardens – along with an array of other amenities.

The marina offers 575 moorings with a maximum length of 350m and a maximum draft of 10m.



<u>Puerto Portals</u> lies just slightly to the southwest of Club de Mar, outside the main harbor of Palma. Built in 1986, it is often known as a millionaire's marina due to its heavy emphasis on luxury. It's home to a large selection of bars, restaurants and shops that stretch along the length of the promenade.

The Real Golf Bendinat course is only a brief drive from the marina.

The marina itself has a capacity of over 600 moorings, with a maximum length of 60m and a maximum draft of 4m, offering a variety of amenities.



As we continue southwest along the coastline, and round the Illa del Toro, <u>Port Adriano</u> comes into view. It was built in 1992, just to the southwest of Palma. It underwent a major renovation and enlargement in 2012, led by French designer Philipe Starck, and has since been much admired for its luxurious design.

On site, there are luxury shops, yachting businesses, and a variety of areas to lounge in the sun. It has, perhaps, stolen some of the allure from Puerto Portal since its renovation has been completed.

Nearby, the Club de Golf de Poniente's course offers the option of a fine 18 holes.

The marina offers 480 moorings, with a maximum length of 80m and a maximum draft of 7m. In addition, it has two travel lifts – of 75-ton and 250-ton capacities – and dry dock facilities.

Meanwhile, back near Club de Mar, in the heart of Palma's port, also lies the <u>Marina Port de Mallorca</u>, with a somewhat more subdued atmosphere. However, its facilities are top-notch and it's one of the most secure marinas around, with 24-hour security and guards, surveillance cameras and identity checkpoints.

It offers 150 moorings for yachts up to 50m in length and with drafts of up to 7m.

Ibiza

As we move southwest now, to Ibiza, there are two marinas of real import.

The <u>Marina Ibiza</u> is a beautifully maintained facility on the south coast of the island, and only 11 miles from Formentera. It rests in the beauty of the old town of the city of Ibiza, looking out on the hillsides dotted in whitewashed homes.

The marina was remodeled with luxury and exclusivity in mind, with the south marina being the most exclusive of the two – and the marina where most of the megayachts are moored. Between the north and south docks is a "boulevard" filled with shops and restaurants, and bars.

The marina offers moorings for boats up to 60m in length, and it can accommodate megayachts of greater length.

Not too far away is located <u>Ibiza Magna</u> – another exclusive marina which is owned by Grupo Ocibar, the same company that owns Porto Adriano.

It offers 85 moorings for yachts up to 60m in length and up to 10m in draft.



Menorca

Finally, we go to the quiet island, which is also called "Blue and White," due to the striking contrasts between the blue of the sea and the white of the homes on Menorca. The main port on Menorca is in the city of Mahon, and it's the second-deepest natural harbor in the world, at 5km long and 900m wide.

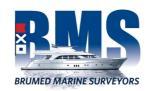


It is here that you find the <u>Marina Mahon</u>, which is only a short drive from the historic old town. The marina is set amongst white apartment complexes, with restaurants and shops lining the street.

The marina offers 165 moorings for boats up to 50m in length.

A "new" charter market

For all intents and purposes, the Balearics have just been opened for charter. Under the 1992 law that established the matriculation tax, the only yachts that were allowed any relief were commercial yachts under 15m, says Alex Chumillas, an expert with <u>Tax</u> Marine.



For over 20 years, this law essentially kept Spain's charter market nonexistent. Or, any charter which went through Spanish waters had to depart from and return to non-Spanish ports.

In October 2013, however, the Spanish government finally heeded the call of the yachting industry and afforded the tax relief to all commercial yachts, regardless of length.

"There are no limits," says Chumillas. "Nowadays any yacht engaged in commercial activities can apply for this relief."

There is fine print: The yacht must carry out exclusively charters and it can't be chartered to the same individual for more than 90 days in a year.

"This is a dramatic change in terms of opening the charter market," says Chumillas.

Originally, in an attempt to protect local yachts, the government of the Balearics would not grant charter permits to non-E.U.-flagged ships. However, that too has now changed, though the new wording is a little unclear, so Chumillas contacted the local authorities for clarification.

"They basically said that, as long as the yacht owner submits a letter stating that the yacht owner was not an owner of another yacht that's registered in the E.U., then they would accept the registration of a non-E.U. vessel," he says.

And while others believes there is any reliable data yet upon which to draw conclusions regarding any changes due to the loosening of the matriculation tax, Chumillas says he has learned that in 2014, around 60 yachts exceeding 24m applied for and obtained the tax relief, along with necessary charter permits to operate in Spanish waters.

It seems likely that this trend will continue, and the Balearics are poised to benefit substantially.