

COVID-19 Tourism Impact Update



Falkland Islands Tourism Sector Information and Guidance Concerning the Impact of COVID-19

No. 18

April 9th 2021

INTRODUCTION

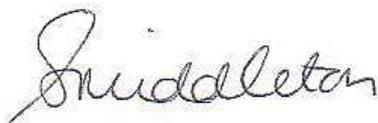
This 18th edition of *COVID-19 Tourism Impact Update* comes exactly one year and a day since the 1st edition. On the 8th April 2020 our aim was to provide a fortnightly update on this new virus that was sweeping the globe, and try to make some sense of how it would affect us here in the Falklands.

During the last year we've been tracking statistics, forecasts, trends, and opinions from tourism leaders around the world to try to keep abreast of the situation. I think that without exception every single forecast that has been produced during the last 12 months (from organisations ranging from the World Tourism Organization to leading market research firms such as AC Nielsen) has under-estimated the impact COVID-19 will have on tourism worldwide. Indeed, few of us thought that we'd still be compiling this publication a year on.

We very much hope this will not go on much longer, but for now there is still much uncertainty about the future of world tourism, and tourism here in the Falklands. There are some considerable success stories, not least the roll out of the vaccine here and in the UK. However, so many other countries, in particular in South America and Europe, are still struggling with their vaccination programmes and the cyclical waves of the virus. As many of these are important markets for us, or transit countries, barriers still remain.

It is becoming increasingly clear that the longer this situation goes on, the more impact it will have on traveller attitudes and behaviour, and the tourism sector – airlines, accommodation and other businesses in the supply chain. We've therefore taken a look at how other countries are anticipating and preparing for these changes, in particular Iceland, as a leading destination with a similar product to the Falklands. We have also taken a look at those destinations that are opening up to travellers who have had the COVID-19 vaccine, in an attempt to restart their tourism sectors.

As always, please don't hesitate to contact the Falkland Islands Tourist Board for more details or any further assistance.



Stephanie Middleton

Executive Director

9th April 2021

Next Update: Friday 7th May 2021

VACCINE HAVENS: COUNTRIES WELCOMING TRAVELLERS WITH COVID PASSPORTS

Over 500 million coronavirus vaccine doses have already been rolled out around the world. More than 32 million people in the UK have received their first dose of the vaccine, whilst the US is currently administering nearly 2.5 million shots a day. Most countries with successful vaccine programmes have seen rates of infection and deaths fall dramatically. As a result, a number of destinations are choosing to either drop border restrictions for travellers who have been fully vaccinated, or ease them significantly.

The following destinations are the leaders in opening up to vaccinated travellers without the need for quarantine, in the hope of getting their tourism industries (and economies) back on track.

Country	Requirements to Avoid Quarantine	Non-Vaccinated Traveller Requirements
Belize	Two doses of the COVID-19 vaccine at least 2 weeks before travel	Negative PCR test within 4 days of travel or tested on arrival for \$50
Cyprus	Vaccinated travellers from Israel and UK allowed to enter	14 days quarantine
Ecuador	Vaccinated travellers need a negative PCR test taken within 3 days of travel	
Estonia	Vaccinated by any of nine suppliers or recovered from COVID in the last 6 months	10 days quarantine
Georgia	Two doses of any COVID-19 vaccine	Negative PCR test within 3 days of travel and a second test on day 3 of their stay
Iceland	Vaccinated by any of AstraZenica, Pfizer or Moderna (two doses)	PCR test on arrival and 6 days quarantine
Guatemala	Two doses of the COVID-19 vaccine at least 2 weeks before travel	Negative PCR test within 3 days of travel
Madeira	Two doses of vaccine for EU countries or proof of recovery from COVID in the last 90 days	
Romania	Two doses of the COVID-19 vaccine at least 10 days before travel	PCR test no more than 3 days before arrival and 10 days quarantine
Seychelles	Two doses of any COVID-19 vaccine	Negative PCR test within 3 days of travel

And those countries expected to welcome UK visitors...

Of course restarting tourism is not just about entry requirements, it is also dependent on the restrictions placed on those wanting to travel. For our main source market, the UK, it appears that travel in 2021 will be subject to a traffic light system from May 17th. Full details have not yet been announced, but every country is expected to be rated green, amber or red depending on vaccination rollout, infection rates, and concerns about coronavirus variants.

Green	No need to self-isolate on return to the UK, but a test will be required before and after getting home	<i>Likely countries:</i> Gibraltar, Israel, Malta, Portugal, Barbados, Maldives
Amber	Need to self-isolate on return to the UK for a period of two weeks. Vaccinated travellers may be able to avoid some restrictions	<i>Likely countries:</i> Spain, Greece, Turkey, Cyprus, Croatia
Red	Need to isolate in a quarantine hotel for 11 days at a cost of around £1,750 and need to take COVID tests before and after travel	<i>Likely countries:</i> France, Italy, Poland, most of South America and the southern half of Africa (south of the Equator)



HOW ARE OTHER DESTINATIONS ADAPTING?

In a slight diversion from our usual focus, but one that is vitally important, we're turning the focus back on ourselves at FITB. The impact of COVID-19 on tourism is expected to be more significant than anyone previously thought. The longer the markets (potential travellers) are affected, the more significant the long term impacts are likely to be.

In a survey of European tourism offices (similar to FITB in their remit), respondents were asked about the outcome of COVID-19 for their destination's prospects, and to state in positive terms the changes they hoped to see in their destinations in five years' time. Their six aspirations are summarised as follows:



- A long-term increase in the appeal for domestic vacations among the resident population.
- Digital processes (such as online sales and marketing) improved, resulting in better productivity and competitiveness.
- Transition of the tourism industry to being more green and low-carbon.
- Improved safety and hygiene standards among tourism businesses.
- An improved brand image for smaller, less known countries that are perceived to have managed the COVID-19 crisis well.
- Improved satisfaction among local residents about tourism as well as increased awareness among residents about the role that tourism plays in economic prosperity.

Many of these resonate for the Falklands and FITB. The TRIP scheme has been a considerable success and we are starting work on measuring its social and economic impact through surveys and the analysis of data. The shift towards online booking and digital marketing continues and we are making efforts to accelerate that. There is without doubt increasing focus on tourism destinations having green accreditation, so we are working on achieving the globally respected Green Destinations award. Hygiene is also on our agenda as both a COVID-19 requirement for businesses but also a longer term part of our inspection criteria.



However, these cannot all be led entirely from the tourist board - businesses also need to adapt. This is why the survey also showed that tourist boards, more than anything else, stated that they needed to more closely monitor visitor demand and behaviour in order to help businesses to provide for the changing needs of their customers. This was strongly reflected in an interview with the Director General of the Icelandic Tourism Board, the key points of which are presented overleaf.

Thoughts and comments from Skarphéðinn Berg Steinarsson, Director General, Icelandic Tourism Board



What are the factors that will have the strongest influence on your strategic decision making over the next 6 months?

COVID-19 has revealed how dependent the Icelandic tourism sector is on external demand. We believe that COVID-19 will fundamentally change some aspects of consumer behaviour but we still have a long way to go in understanding exactly what these changes will mean for us. Much of these issues will be out of our control, but it is essential to understand them in order to adapt our products accordingly.

How has the COVID-19 epidemic changed the demands on your organisation?

Our status as an organisation has increased because both the government and the business community are now looking to us on a constant basis for support, information, guidance... essentially we are in an extended period of crisis management.

What internal changes have you made within your organisation to react to COVID-19?

Our day to day work has intensified...communications with the industry that were previously done once per month or week are now carried out on a daily basis, with more staff involved in feeding insights and data into these communications.

It is already clear that COVID-19 will force permanent changes on consumer demand...it is important that we plan for recovery...it may be that some trends, such as desire for fresh air and open space will benefit us, and we shall have to understand the precise dynamics behind this too...however much work has still to be done on how we can benefit from these.

Do you think that the COVID-19 epidemic presents a real opportunity to shift to a more responsible model of tourism in Iceland?

COVID-19 has to lead to a more responsible model of tourism in Iceland. Some changes may occur organically, if as we expect, tourism in the off-peak season is reduced, thereby leading to a lower impact on the natural environment.

What three simple pieces of advice would you give to your peers in other tourism offices?

1. Take advantage of the current situation in order to make changes, especially in reinventing our roles [as tourist boards] and in making change to our day-to-day activities in order to better serve our strategic goals.
2. We must increase our understanding of and engagement with the industry; supporting it where they need it most with intelligence and insights.
3. We need to take this opportunity to boost our research and development to ensure that we are more efficient and competitive when demand returns.

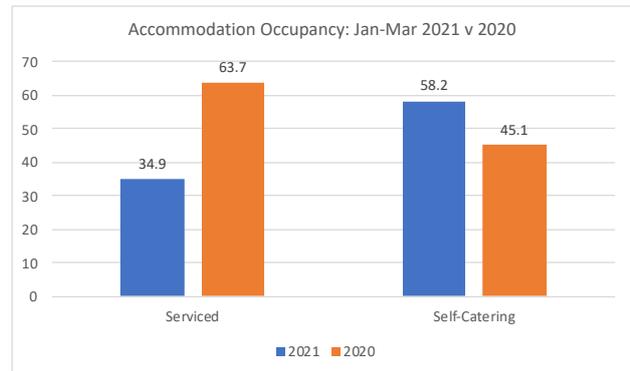
Key take-aways for the Falkland Islands...

- *Need to continue to measure the sector and to keep abreast of the rapidly changing global tourism sector.*
- *Need to focus on the impact of tourism on the Islands, and move this to a more central part of our tourism strategy.*
- *Working closely with tourism businesses is more important than ever before.*

UPDATE ON THIS SEASON

The FITB Accommodation Occupancy survey showed that for the period January to March 2021, serviced accommodation room occupancy was well down on that achieved over the same period last year, at just 34.9%.

However, self-catering accommodation has performed better than usual, with an occupancy rate of 58.2%, compared to just 45.1% over the same period last year – almost certainly boosted by the TRIP scheme.



Flights Update

There has been no change on the last update on South America flight resumption. Both LATAM flights, from Punta Arenas and Sao Paulo, remain suspended until **at least** 29th June 2021.

FURTHER INFORMATION

Tourism Recovery Incentive Programme

TRIP is a domestic tourism stimulus scheme that is open to everyone who is ordinarily resident in the Falkland Islands and will run from 1st October 2020 until 31st May 2021. More details can be found at:

<https://www.fig.gov.fk/covid-19/tourismscheme/trip-scheme>

FIG Guidance and Information

For guidance and information for individual businesses operating in a COVID-19 environment, including restaurants, public houses and retail, as well as frequently asked questions see:

<https://fig.gov.fk/covid-19/>

<https://fig.gov.fk/covid-19/information/general-information>

<https://fig.gov.fk/covid-19/faq>