



Tsunami Relief for the Tourism Sector Phuket Action Plan

1 February 2005

*"We can do no great things,
only small things with great love".
Mother Teresa*

1. Introduction

In solidarity with the victims of the Asian tsunami of 26 December, the international tourism community is rallying together at one of the scenes of the disaster in Phuket, Thailand, to offer condolences to family and friends of the many victims and to launch a comprehensive regional assistance programme for recovery from this tragedy.

With most of the immediate humanitarian needs such as sanitation, food and housing now being met thanks to the massive outpouring of aid from around the world, we are turning our attention to rescuing and rebuilding the livelihoods of survivors in the tourism destinations of tsunami affected countries.

While acknowledging with great sorrow the massive loss of life throughout the region, the tourism sector is offering relief in the industry where it has the greatest influence and expertise. It is offering its assistance at the right time, the critical moment after all physical danger has passed and future threats come mainly from the lack of tourists.

Tourism destinations in four countries have been identified for assistance under this Plan of Action: Sri Lanka, the Maldives, Thailand and Indonesia. The Phuket Action Plan does not involve the rebuilding of infrastructure or hotels, which is already being covered by other agencies and insurance companies. Instead it focuses on the human element, saving tourism jobs, relaunching small tourism-related businesses, and recovering the visitor flow that makes these economies work.

The principles of sustainable tourism development underpin the entire Phuket Action Plan. Our aim is to ensure that the tourism sector in these four countries emerges from this disaster stronger and more resilient than before, with more environmentally friendly systems, more civil society involvement in the tourism industry and more revenues from tourism remaining in the local community.

2. Objectives

The main goal of the Phuket Action Plan is to speed up recovery of the tourism sector in the affected destinations, by restoring traveller confidence in the region so that visitor flows resume as quickly as possible. The plan also aims to help destinations resume normal operations by maximizing the use of existing tourism infrastructure and by helping small tourism-related businesses and employees survive the recovery period.

Secondary goals include, putting systems in place that strengthen the sustainability of the affected destinations and working with the United Nations system on disaster reduction in the region. The plan is divided into four operational areas:

- Marketing-Communications
- Community Relief
- Professional Training
- Sustainable Redevelopment
- Risk Management

Some of the activities included in the plan are regional in nature, while others are designed specifically for each country.

3. Action areas

a) Marketing-Communications

Clear, detailed and abundant information is key to recovering the confidence of the marketplace. Effective communications is needed on many different levels: government; business; tour operators; travel agents; the media; and the public. Special attention needs to be paid to travel advisories. The use of special events and development of new products is also needed to help speed the recovery process.

b) Community Relief

Small and medium-sized tourism businesses in the affected destinations, such as restaurants, handicraft producers and boat hire, have less access to recovery funds than large corporations, so assistance is urgently needed. In addition, many of these enterprises are family-based and may have lost family members in the tsunami. Technical and financial support is needed to help them resume business and increase competitiveness.

c) Professional training

The tsunami disrupted the employment of thousands of people, many of them women and young people. Retraining programmes are needed to help them find new jobs or to help update their skills while waiting for their former jobs to become available again. Likewise, new employees for the tourism industry need to be trained to replace those who perished. Building leadership capacity and counseling for those in the tourism sector are also needed.

d) Sustainable Redevelopment

Post-tsunami development offers the opportunity to correct the mistakes of the past and make the re-emerging destinations among the best in the world in terms of environmental conservation and community involvement in the planning process. It offers the chance to rethink and diversify the product offer so that destinations become more competitive in the global marketplace.

e) Risk Management

To make coastal tourism destinations safer and more secure, risk management analysis will be conducted, with special attention to beachfront construction. Crisis management plans will be reviewed to establish clear communication channels and increase cooperation between the tourism sector and public safety authorities. Training workshops will also be offered in risk and reputation management.

4. Joint regional actions

Impact on tourism in the region: As the biggest natural disaster the world has ever seen, the tsunami has had a considerable impact on tourism in the region. With unimaginable scenes of devastation, an overall death toll surpassing 280,000 and more than 3,500 international tourists dead or missing, it is still exerting a strong psychological fear of visiting the region. The countries that suffered the most impact to tourism were: Sri Lanka—although interior destinations continue to operate normally; the Maldives—with about 25% of resorts closed; and Thailand—where three famous beach destinations were hit. Without trying to diminish the huge dimension of the human tragedy, WTO estimates that tourism to the affected destinations represents only 1% of total world arrivals. Recuperating from the SARS crisis, Asia-Pacific was the world's fastest growing tourism region in 2004. Medium and long-term prospects for the region remain strong, as it has repeatedly demonstrated a resiliency following multiple crises over the past decade. In the short term, assistance is needed to get tourists coming back and to help small tourism-dependent businesses survive in the interim.

Some ideas to choose from, or add to, the marketing campaign:

a) Global advertising campaign

The primary idea would be to target the residual fears of potential tourists (disease, clean water, clean food, attraction closures, ghosts) with an upbeat TV advertising campaign in the region's main generating markets. The campaign would use current images that show tourism as usual (safe, fun, relaxing, happy, delicious) in affected beach resorts, using simple thumbs-up slogans delivered by volunteer cinema, sports and other icons, and also demonstrate regional solidarity. Television stations would be encouraged to run the series of spots free-of-charge or at a discount in solidarity with the tsunami victims.

b) Big ticket giveaway

Expanding on Thai Airways “Lucky Draw” campaign—which is giving away 20,000 free tickets to Thai destinations in areas affected by the tsunami—the idea would be to organize the airlines in the region’s main generating markets to participate in a “Solidarity Day”. One passenger on every flight in that country on the designated day would be selected to receive two free air tickets to visit one of the affected destinations, within the next three months. This would have a two-fold effect: boosting visitor numbers and sales of hotel rooms, while at the same time creating publicity about traveling to the region. Similar giveaways can also be organized with hotels/resorts and tour operators.

c) Ticket contest or raffle

A collaboration between airlines, tour operators and a key newspaper in each major generating markets could offer as prizes a holiday in one of the tsunami affected destinations. Winners would be selected from among those who made a small contribution to a tsunami relief fund. The message communicated would be the need to continue traveling to the region as a way of helping the victims.

d) Free participation in tourism fairs

A variety of promotional tools will be needed for tourism recovery. For this reason, the FITUR trade fair in Madrid last week, ITB-Berlin (11-15 March) and SATTE-New Delhi (19-22 April) are waiving participation fees for destinations affected by the tsunami. Other tourism fairs are encouraged to follow their lead.

e) Tourism Leaders’ Forum

WTO, PATA, ITB and the International Council of Tourism Partners are collaborating to organize a special event dedicated to tsunami recovery on the day before ITB-Berlin, 10 March. In addition to focusing tourism industry and media attention on the recovery, the Leader’s Forum will draw together global support for the region, explore the challenges remaining and mobilize a sustained worldwide response from the tourism sector—both public and private—and civil society. Results of the forum will be fed into wider United Nations initiatives.

f) Sponsored road shows in main generating markets

The tourism ministries or private sector tourism associations are requested to sponsor road shows for the affected countries, by paying air tickets, providing hotel and meeting facilities, organizing meetings with tour operators, travel agents and the media, etc.

g) Campaign for Responsible Travel Advisories

WTO is calling on tourism generating countries to respect Article 6 of the Global Code of Ethics for Tourism regarding the issuance of travel advisories, especially taking into consideration that the tsunami only affected parts of each country. Close attention should be paid to the currently improving health situation and advisories should be lifted without one extra day of delay, as soon as the situation permits.

h) Coordination of websites

This project would link together all of the excellent information available on Internet, regarding the extent of damage and the recovery process. A certified “official” list of the operational status of hotels in the affected destinations would be posted on all sites. A centralized Recovery Info weblink to the information could be promoted in television ads and in other communication materials. Some of the websites are listed in Appendix A

i) Joint regional press trip

WTO’s Press and Communications Department will organize a press trip for 10 international journalists to Thailand, Sri Lanka and Maldives to see for themselves and report on recovery operations.

j) Regional Tourcom conference on 19-20 May

As part of the series of regional conferences on tourism communications being organized by WTO in 2005 and 2006, the proposal is to move the conference planned for South Asia forward to assist with the recovery. Tourcom will bring together journalists and tourism communicators from the region, giving them a chance to update their knowledge about tourism and the tsunami recovery process, crisis management, internet, branding, promotion and the basic tools of communications.

5. Special activities for Sri Lanka

Impact on tourism to Sri Lanka: The tsunami battered 1,126 km of Sri Lanka's coastline and left 30,725 people dead (107 tourists), 6,000 missing (65 tourists) and 422,000 homeless. Tourism, which is the fourth largest contributor to Sri Lanka's GDP, came to an immediate halt. Most of the 14,500 foreign visitors on the island at the time of the disaster left. Of the country’s 246 hotels, 25 were still closed on 26 January. Five of those suffered structural damage and will not reopen. Heaviest damage to the tourism industry was sustained along the coast southwards from Colombo, especially in Bentota and Galle. Restoration of the tourism resorts is expected to cost about \$195 million. Tourism Minister Anura Bandaranaike has launched a two-pronged recovery strategy that combines fast-track restoration of tourism facilities in beachside areas with a international marketing campaign called "Bounce Back Sri Lanka". Of major concern are travel advisories issued by countries such as Australia, the United States, Germany and France, which are stifling tourist arrivals. The World Health Organization said no outbreaks of communicable diseases or epidemics have been reported. Since the end of its civil war, Sri Lanka has experienced boom in tourism, with arrivals last December hitting a 37-year high of 66,159—an increase of 14.6% over the same month the previous year. Tourism contributed \$430 million to the Sri Lankan economy in 2004 with an estimated 566,000 international arrivals, up 13% on 2003.

TOP PRIORITIES:

- Adherence to the principles of sustainable development in reconstruction
- Training of new staff
- Assistance to small tourism-related business

Marketing-Communications

- a) Provide communications expert to help look for and disseminate positive news throughout the recovery period
- b) Provide financing to enhance tourism website and email newsletter
- c) Assistance with organization of fam trips for tour operators and travel agents
- d) Sponsorship of annual trade fair in Colombo on 6-9 June
- e) Provide expert in product development to advise on new products during coastal redevelopment phase
- f) Review marketing strategy
- g) Strengthen brand Sri Lanka
- h) Adapt promotion for each key market

Community Relief

- i) Identification and assistance to small enterprises damaged by tsunami through grants and micro-financing

Professional Training

- j) Courses for retraining of tourism employees to raise service standards
- k) Courses for training of new tourism employees
- l) Management training courses
- m) Training in the redesign of tourism operations to make them more efficient and competitive

Sustainable Redevelopment

- n) Provide expert in sustainable development to advise on zoning and planning for rebuilding
- o) Strengthening of community groups to stimulate involvement in planning process

6. Special activities for the Maldives

Impact on tourism to the Maldives: The tsunami flooded the low-lying Maldives, but hit with less force than in places closer to the epicenter of the Sumatra earthquake and because of the protection afforded by its coral reefs. Eighty-one people were killed, 26 are missing and 100,000 were left homeless. Three British tourists were killed. Tourism Minister Mustafa Lutfi reported that out of 87 resorts in the islands, 24 were damaged by the tsunami, six of those were severely damaged and will not reopen. Seventy resorts are currently in operation, with the others expected to open by the end of March. The estimated cost of rebuilding is \$100 million. Occupancy rates at the resorts remaining open has dropped to between 20 and 30% at a time of year when they are usually operating at 100% capacity. It is estimated that the tourism sector will suffer a loss of at least \$250 million from the closures and lack of visitors. No outbreaks of communicable diseases or epidemics reported, although there have been some cases of acute diarrhoea and viral fever. Tourism accounts for 30% of the Maldives GDP and an estimated 616,000 international tourists visited the islands in 2004.

TOP PRIORITIES:

- Communication of current operational status of most resorts
- Increasing visitor numbers
- Disaster management

Marketing-Communications

- a) Provide communications expert to help look for and disseminate positive news and human-interest stories throughout the recovery period
- b) Assistance with organization of fam trips for tour operators and travel agents
- c) Provide marketing expert to advise on new market development and strengthen brand Maldives
- d) Redraft and update national tourism strategy

Community Relief

- e) Identification and assistance to secondary enterprises indirectly damaged by loss of tourists through grants and micro-financing

Sustainable Redevelopment

- f) Assessment of damage to coral reefs
- g) Establish Tourism Satellite Account
- h) Assistance in creation and implementation of national disaster management plan

7. Special activities for Thailand

Impact on tourism to Thailand: The tsunami struck southern Thailand's west coast with great force, especially the provinces of Phuket, Krabi, Phang-nga, Trang, Satun and Ranong. 5,303 people were killed (2,510 tourists), 4,499 are still missing (1,076 tourists) and about 8,500 were left homeless. Major international tourism resorts in Khao Lak, Phuket and Phi Phi Island were severely affected by the tsunami, resulting in a tremendous amount of news coverage by international media. Structural damage to tourism infrastructure is estimated at \$1 billion. Damage to Khao Lak and Phi Phi Island is the most severe. As of 20 January, only three hotels in Khao Lak and four in Phi Phi remain open. More than 75% of Phuket's hotels are operating normally, although the number of visitors is sharply lower. Occupancy rates have slid as low as 10%. Reflecting the lack of demand, several air carriers have suspended or reduced service to Phuket. No cluster of disease outbreak has been identified, however there are concerns about possible outbreak of dengue fever and, unrelated to the tsunami, fears about a new outbreak of avian flu in northern Thailand. Tourism accounts for 5.1% of Thailand's GDP. The country received 10.8 million international tourists in 2003 and recorded an increase of 21.8% in the first nine months of 2004.

TOP PRIORITIES:

- Assistance to small tourism-related businesses
- Diversification of tourism offer of southern Thailand beyond sun and sand, to include more nature and cultural-based products
- Training of new staff and retraining of existing staff
- Communication of current operational status of most tourism destinations and complementary offer—such as restaurants, shops and excursions.

Marketing-Communications

- a) Provide communications expert to help look for and disseminate positive news throughout the recovery period
- b) Co-sponsorship of fam trips for tour operators, travel agents and journalists

Community Relief

- d) Identification and assistance to small enterprises damaged by tsunami through grants and micro-financing

Professional Training

- e) Courses for retraining of tourism employees who are idle during the recovery phase
- f) Courses for training of new tourism employees
- g) Management training courses

Sustainable Redevelopment

- h) Provide expert in product development to advise on diversification of tourism offer and development of new ecotourism products
- i) Drafting of regional master plan
- j) Strengthening of community groups to stimulate involvement in planning process

8. Special activities for Indonesia

Impact on tourism to Indonesia:: In contrast to other countries designated for assistance under the Phuket Action Plan, the tourism resorts of Indonesia suffered no damage. There was virtually no tourism in the devastated Aceh province, but nonetheless there has been a residual falloff in visitors to Indonesia due to the tsunami and continuing media coverage of relief operations. The destination most affected by this residual effect is Bali, which has experienced a big decrease in MICE and cruise tourism since the terrorist bombing in 2003.

TOP PRIORITIES:

- Communication of current operational status of most resorts
- Building the communications capacity of tourism organizations

Marketing-Communications

- a) Within the scope of the National Recovery Plan, provide communications assistance to help improve image, looking for and disseminating positive news and human-interest stories about tourism sector throughout the recovery period
- b) Capacity building in tourism communications in tourism ministry
- c) Provide financial assistance to enhance tourism website and create email newsletter
- d) Assistance with fam trips for media and travel agents

9. Disaster preparedness

WTO and the International Civil Aviation Organization (ICAO) will collaborate with the UN International Strategy for Disaster Reduction (ISDR) to create an early warning system for tsunamis in the Indian Ocean. The UN estimates such a warning system will cost about \$30 million. About \$8 million, enough to get the programme started, has already been pledged by Japan, Sweden, the European Union and others.

Development of an advanced technology information network for crises and disasters in collaboration with partners throughout the tourism sector.

Looking towards the long-term, training and new communication systems to ensure public safety in tourism destinations needs to be developed using a partnership approach between the public and private sectors. It is a good moment to conduct risk assessments of destinations affected by the tsunami, evaluate the effectiveness of crisis management procedures and make improvements where needed.

10. Monitoring and evaluation

A coordination group will be set up to monitor and direct implementation of the Phuket Action Plan. The coordination group will hold regular meetings to evaluate progress and report back to the Executive Council of the World Tourism Organization. The next meeting will be held as part of the Tourism Leaders' Forum on 10 March at ITB-Berlin.

11. Financing and cooperation

The Phuket Action Plan is intended to be a catalyst for cooperation among the Member States of the World Tourism Organization and PATA, as well as all varieties of organizations, private businesses and academic institutions. Both internal and external partners are encouraged to sponsor and implement projects selected from the plan, which correspond to their capabilities and financial resources.

Generous allocations of assistance to the tourism sector have already been pledged by:

SNV – Netherlands Development Organization	to be determined
VISA International	to be determined
Republic of Korea	\$ 400,000
UNDP – United Nations Development Programme	to be determined
IFC	up to \$ 2,500,000

The International Finance Corporation (IFC) is offering a credit line of up to \$2.5 million to help rebuild small businesses destroyed by the tsunami in Sri Lanka, Thailand and the Maldives. In addition, the Resort Condominium International (RCI) has also pledged its support.

The Republic of Korea has offered the technical assistance of experts at the headquarters of the ST-EP foundation in Seoul, although ST-EP foundation funds will not be used for tsunami relief. Those funds are earmarked for long-term development assistance to the world's least developed countries (LDCs).

Pledges of cooperation have also been received from the Asian Development Bank (ADB) and the United Nations Economic and Social Commission for Asia and the Pacific (ESCAP).

Members of the Emergency Task Force and the WTO Executive Council appeal to the entire donor community, both public and private, to contribute to this Plan of Action in the way they see fit: through financial donations; contribution of materials; or the loan of expert staff.

By joining together in the face of this terrible tragedy, those in the tourism industry can throw a lifeline to their unfortunate colleagues in Asia and perhaps even set a precedent for responding collectively to future disasters or problems in other parts of the world.

Appendix

List of websites offering daily updates on tsunami recovery and tourism

www.world-tourism.org - comprehensive information from WTO

www.pata.org - comprehensive information from PATA

www.tatnews.org - from Tourism Authority of Thailand

www.phuket.com - from Phuket Tourism Promotion Board

www.sawadee.com/tsunami/hotels.htm - hotel status in Thailand

www.visitmaldives.com.mv.mu - from Maldives Tourism Promotion Board

www.bouncebacksrilanka.org - special tourism recovery site of Sri Lanka

www.reliefweb.int - UN sponsored information on relief efforts

www.tourismpartners.org/relief/index.htm - news and relief fund info