PACIFIC ISLANDS TOURISM DURING COVID-19: TIME FOR A RETHINK

Ross Westoby, Johanna Loehr and Chris Fleming
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The Griffith Asia Institute (GAI) is an internationally recognised research centre in the Griffith Business School. We reflect Griffith University’s longstanding commitment and future aspirations for the study of and engagement with nations of Asia and the Pacific.

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About the Pacific Hub

The Pacific Hub was established at the Griffith Asia Institute in 2020. Led by Dr Tess Newton Cain, Adjunct Associate Professor, the Pacific Hub adds to the established profile of the Institute by providing a suite of activities, including research, events, commentary, and professional services, focused on the Pacific islands region.

Our work draws on Queensland’s very particular geographical, historical, commercial, and cultural ties with the Pacific Island countries. We contribute to local, national and international conversations and debates about how power, diplomacy, and development are playing out in the Pacific islands region.

The Pacific Hub provides a platform to promote and share the related work of academics from Griffith University and an intersection point for us to meet and learn with the wider community, including Australia’s near neighbours in the Pacific.

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Tourism is a key pillar of economic development for many Pacific island nations. The aspiration is that tourism can be a mechanism to grow the economy, provide decent work opportunities, reduce poverty, enhance social inclusion, and protect natural and cultural assets. Consistent with this aspiration, the United Nations World Tourism Organization (UNWTO) actively promotes tourism’s ability to contribute to the United Nations Sustainable Development Goals (SDGs) and the sector receives specific mention.

COVID-19 however, has brought the sector to a halt (see Figure 1) in doing so, severely disrupting progress towards these Goals. A recent analysis poignantly articulates the state of the situation for tourism-dependent Pacific island nations:

Fiji, Vanuatu, Cook Islands and other tourism-dependent countries have announced short-term fiscal bailout packages, but still have to contend with the knowledge that tourism as we know it is gone for now. It will be years before it generates the kind of revenues it did.

This has led some to question the merit of Pacific island nations being so dependent on international tourists, and more broadly, the ability of the sector to deliver genuine and lasting sustainable development. While the pandemic has brought these issues to the fore, they are not new. For many years scholars have argued that the tourism industry is unsustainable and that tourism has made little lasting impact on improving livelihoods and well-being in the Pacific. Many have called on the industry to use this opportunity to rethink the entire tourism system to ensure any new investment supports a recovery that delivers long-term benefits.
Target 8.9: By 2030, devise and implement policies to promote sustainable tourism that creates jobs and promotes local culture and products.

Target 12.B: Develop and implement tools to monitor sustainable development impacts for sustainable tourism that creates jobs and promotes local culture and products.

Target 14.7: By 2030, increase the economic benefits to small island developing states and least developed countries from the sustainable use of marine resources, including through sustainable management of fisheries, aquaculture and tourism.²

Figure 1: Visitor arrivals by destination country (% change y/y).³

Latest available official data and tracking estimate in bold.

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<th>Country/Region</th>
<th>Jan-20</th>
<th>Feb-20</th>
<th>Mar-20</th>
<th>Apr-20</th>
<th>May-20</th>
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Source: International Monetary Fund Tourism Tracker.
For context, in 2018 3.16 million tourists arrived in the Pacific islands, of which 2.14 million arrived by air (a 1.6 per cent increase from 2017) and 1.02 million by sea (predominantly on cruise ships). Across the region, US$3.8 billion or 11.1 per cent of Gross Domestic Product and more than 130,000 jobs were generated by the tourism sector. These figures firmly place the sector as a core economic activity and creator of employment for the region, although government revenue from such activity is not the huge windfall often imagined.10

This tourism activity is however not evenly distributed across the region—Fiji (33.1 per cent) and New Caledonia (18.1 per cent) account for more than 50 per cent of all (air and sea) visitor arrivals. Other major destinations, all accounting for at least 5 per cent of air arrivals, include French Polynesia (10.1 per cent), Cook Islands (7.9 per cent), Samoa (7.8 per cent), Papua New Guinea (5.7 per cent), New Caledonia (5.6 per cent), Vanuatu (5.4 per cent) and Palau (5.0 per cent).11

Figure 2 further illustrates the visitor and economic impact of the pandemic, and the vulnerability of being dependent on international visitors. In terms of economic activity, Samoa, Palau and Fiji are the most affected, with Samoa still recovering from the economic downturn caused by the measles outbreak at the end of 2019. For Fiji and Palau, nearly 40 per cent of GDP was generated through tourism pre the onset of the pandemic. The impact of this downturn across the Cook Islands, Fiji, Palau, Samoa and Vanuatu is predicted to result in no or even negative economic growth this year as a result of a decline in tourism numbers.12

At this stage it is very difficult to predict the degree to which both air and cruise travel are likely to rebound. Compounding these issues is the financial difficulty faced by national airlines. Despite large investments made in new aircraft, fuelled by pre-pandemic growth projections for visitor arrivals, national airlines throughout the Pacific are now financially vulnerable as many planes remain on the ground. This is despite cargo flights to and from Australia, New Zealand and New Caledonia and repatriation and seasonal worker flights that are continuing.14

Pacific nations have shown great agency in the response to COVID, however, the recovery of tourism depends partly on
Over-reliance on tourism and its impact factors outside their control. Pacific nations were quick to act and among the first in the world to close their borders to protect their people. As such, many countries have been largely spared of COVID-19 infections with some countries even resistant to repatriation of their citizens to remain COVID-19 free. Pacific nations thus have the ultimate say over opening their borders and when. Tests to these strict border controls are already being experienced in the Solomon Islands, where Chinese nationals are being exempted to work on infrastructure for the upcoming Pacific Games, much to the disapproval of many Solomon Islanders despite going into quarantine for fourteen days.15

For tourism to recover, however, Pacific nations rely on Australia to open their borders and ease travel restrictions for people to leave Australia in order to visit the Pacific islands because Australia make up a large proportion of tourist numbers. Outside of any legal restrictions to travel overseas such as those imposed in Australia, quarantine requirements, restricted airline capacity and the perceived health risk of travelling is likely to be a major deterrent to potential visitors for the next few years.

Figure 2: COVID-19 impacts on tourism in the Pacific islands region.13

Source: International Monetary Fund Tourism Tracker.
Government responses to the pandemic have consisted of economic support packages and tight border controls. However, bailout and economic support packages are costly, causing substantial increases in public debt for those countries that cannot fall back on existing reserves. Other countries have been able to self-fund their economic relief packages, thus providing flexibility in the design and duration of the support. Vanuatu for example has used its accumulated reserves to fund its relief package, which it has generated through selling residency and passports. While the controversial ‘citizenship-for-sale’ scheme has enabled the country to generate an economic surplus in the wake of this year’s Cyclone Harold and COVID-19 pandemic, it has not been without its critics.16

The greater the reliance on tourism and the more financial support governments commit to tourism businesses, the higher the pressure to reopen borders as quickly as possible as debt grows. This may be problematic for local communities as exposure to infection risk results. It is thus crucial to support the tourism sector to shift from its traditional focus on providing a safe experience for tourists to first and foremost safeguarding host communities.

One solution to safely and quickly reopening borders is to create “bubbles” between nations or regions with very low or no community level transmission of COVID-19. The Fijian Government has committed economic support for the tourism industry until December 2020 and is eager to restart tourism as quickly as possible. In one innovation, Fiji has recently created “Blue Lanes” to encourage tourism from crews of yachts that have had 14 continuous days quarantining at sea and are able to provide a negative COVID-19 test result.18

Another example of an intended local bubble is between the Cook Islands and New Zealand. For a brief moment, when both countries were virus free, it looked as if the bubble would be implemented. However, in August, New Zealand—despite recording 102 days of no community transmission—experienced a cluster of COVID-19 cases in the nation’s largest city, Auckland. This serves as a warning to how quickly plans can be overthrown and how difficult it will be to restart tourism in the absence of an effective and widely available vaccine. Despite this setback, the Cook Island Promise—a joint commitment between hosts and guests to protect residents and visitors—is a great example of how the nation is planning to navigate opening to visitors in the future, while maintaining a positive visitor experience, physical distancing and hygiene measures. Guidelines are not only provided to operators but also to visitors, and the responsibilities of a safe encounter are shared. Nonetheless, Cook Islands are currently not planning to open borders to any other international visitors for some time.

With less direct funding available to support those affected through the pandemic, the resilience of Pacific island peoples becomes apparent. They are at the forefront of living with the impacts of climate change but, or maybe because of that, are extremely adaptable. Anecdotally, some Pacific islander people are drawing into their resilience reserves and relying on gardening, fishing, and other subsistence practices to supplement the lost income from their jobs and livelihoods in the tourism sector. These experiences highlight the importance of access to land, and the current crisis confirms that this is a crucial factor in promoting resilience and self-sufficiency. Critics in other regions around the globe argue that this move from tourism to subsistence is driving ecosystem degradation, as tourism revenue often supports conservation and protection initiatives. Although there is no current evidence of this in Pacific nations.

We are also receiving information that tourism dependent organisations are adapting in the current crisis, using use their resources to provide recovery support after Cyclone Harold and seeing this time as an opportunity for recovery and reset (see Box 1).
Businesses creatively using the time to reset

In Vanuatu, ACTIV Association is a non-profit organisation that contributes to sustainable development by facilitating fair trade of local products and helping producers generate a sustainable income. ACTIV Association’s demand was over 90 per cent from tourism and has been devastated by COVID-19.22 Thinking creatively, ACTIV have started a farmers’ market to distribute local produce throughout Port Vila, thus supporting farmer incomes and improving food security. To support the farmers’ market, they have started a campaign to encourage Ni-Vanuatu to purchase local, rather than imported, produce and, for example, have simplified the packaging of their chocolate to tap into the local market. These initiatives not only provide income security to (particularly) women during the economic downturn, they also diversify income streams and increase the resilience of the Association to future shocks.

In Fiji, Vatuvara Foundation is a charitable organisation connected to Vatuvara Private Island Resort.23 The Foundation is committed to protecting Fiji’s ocean, empowering local communities and inspiring young ocean advocates. During the enforced pause in tourism brought about by COVID-19, the Foundation embarked on a program of coral restoration in the Northern Lau group. The program provided an opportunity for the resort and surrounding communities that depend on the reef system to address the devastation caused by Cyclone Winston in 2016.

In the Cook Islands, Te Ipukarea Society is an environmental NGO that works closely with the tourism sector.24 The Society views the reduction in tourists due to COVID-19 as an opportunity for the Rarotonga Lagoon to have a break from sustained tourist-related water pollution, as well as an opportunity for the Cook Islands to determine a future beyond the relentless expansion of mass-market tourism.
Prior to COVID-19, the growth model of tourism that several Pacific island nations pursued was questionable. According to the Secretariat of the Pacific Regional Environmental Programme (SPREP), significant social and environmental issues have emerged from the tourism sector, including pressures on coral reef systems, strains on energy and waste systems, competition for land, displacement of people, significant land-based and marine pollution, and increased greenhouse gas emissions. A growth-centred approach to tourism development ultimately resulted in a less sustainable industry in absolute terms.

The impact of the pandemic and associated travel restrictions raises the question of how resilient tourism is and whether tourism can be a path towards truly sustainable development. Many have called on the sector to use COVID-19 to rethink the entire tourism system, to ensure that any new investment supports a recovery that delivers long-term benefits to local people and local environments. Too often the tourism sector has pursued financial returns, while ignoring carbon emissions, environmental degradation, unfair pay and poor working conditions, and cultural misappropriation. The outcome is that society and the environment suffer. A case can be made for a new model of tourism that can balance financial returns with broader social and environmental objectives, improving outcomes for people and places, particularly in regions where tourism is a vital local industry, such as the Pacific islands. That is, post-COVID, tourism needs to not only be sustainable (balancing economic, social and environmental needs), but also regenerative (restoring ecological and societal harms) and conscious (encouraging a deeper understanding of people and place).

Regional tourism hubs, or more localised tourism, has been put forward as an option that may deliver more sustainable outcomes. While Australia and New Zealand have dominated tourist arrivals to Pacific islands region, accounting for over 50 per cent of all arrivals in 2018, significant numbers from Australia were short (less than one day) visits through cruise arrivals that some argue add minimal benefit to local communities or to intercultural understanding. While the debate about creating a “Pacific bubble” as an opportunity for reopening tourism in the region is ongoing, the more important and long-lasting discussion may centre on the type of tourism and tourist that Pacific island nations want to foster in the future.

Post-COVID, tourism needs a more regional focus, where in a world of excess mobility, people choose to localise their travel aspirations and experience regions in more depth.

Examples of this is to travel less often but for longer and with more purpose. Example of more conscious tourism experiences in the Pacific islands region are readily available for the astute tourist (see Box 2) and we would encourage the sector to promote such experiences.

The benefit of this type of tourism is twofold. First, climate impacts and the overall tourism footprint are reduced. This will have lasting benefits for our planet and people. Second, we, as travellers, learn about, engage with and appreciate our close neighbours, and the wealth, breadth and depth of what the Pacific islands have to offer. Remote and rural destinations are expected to increase...
in popularity as natural areas are deemed more attractive than urban destinations following COVID-19, at least in the short to medium term.32 As recently argued by global consulting firm McKinsey & Company, meaningful and authentic tourism experiences that are also safe will be required to attract customers to destinations in the post-COVID era.33

As Australians, we need to encourage each other to learn about our neighbours, explore the cultural diversity and what’s on offer in the Pacific islands region. This requires engagement with Pasifika peoples and the establishment of curriculum in Australian schools and universities to learn about our neighbours so that we can reinvigorate our relationship with them.34

Through tourism that is meaningful and authentic, we can connect with our neighbours and learn what they have to offer through authentic hospitality, something the Pacific islands are renowned for.

When borders reopen and some level of international travel resumes, we hope that people will want a lighter and more authentic, localised experience, and we are sure our neighbours will be willing to provide it. Until that time, the economies of our neighbours have been decimated. This is a real opportunity for Australia to ‘Step Up’ and mutually support each other to weather the storm and work together to support a tourism sector that is more sustainable, regenerative and resilient.

Examples of conscious tourism in the Pacific

There are a host of conscious and regenerative tourism experiences available in the Pacific islands that allow for people to authentically connect with Pacific island communities, have a cultural experience and tread lightly on the planet. These experiences offer the hope of tourism supporting ‘people, planet and prosperity’—the goals of the SDGs—and counter the “fly-and-flop” and cruise tourism that dominated the pre-COVID market.

One example is Talanoa Treks, a responsible tourism venture in Fiji that takes visitors on overnight to four-day treks in the highlands of the island of Viti Levu.30 The word talanoa translates to “talking” or “conversations”. Talanoa Treks work in partnership with communities, employing local residents as guides, accommodation hosts and food providers. The partnership between the trek operator and host communities acknowledges that a conscious trekking adventurers’ experience is enhanced through this collaboration, and that the benefits received by the host community are equally reliant on the conscious tourist. According to Talanoa Treks’ vision, the organisation wants to avoid being overly ‘touristy’ and aims to share the rural experience of Fiji, which is often overlooked.

Another example is a day trip run by Storytellers Eco Cycle Tours in Rarotonga, the Cook Islands.31 Storytellers aim to get people away from the resorts and usual tourism hotspots to participate in an activity that minimises the visitor’s impact on the environment, while learning about local people, culture, history, environment, contemporary issues, and plants and wildlife. Storytellers give 10 per cent of their profits back to the community for development projects.
Dr Ross Westoby is a Research Fellow with Griffith Institute for Tourism at Griffith University, Queensland specialising in the intersection between tourism, livelihoods and climate change, particularly in Pacific island nations. Ross is a social scientist whose research focus is grounded in placing ‘locals’ at the centre of climate change adaptation and sustainable tourism destinations. Central to his work is understanding the complex cultural, social, political and economic forces at play in the adaptation and tourism spaces.

Dr Johanna Loehr is a recent graduate whose doctorate focused on destination wide climate change risk reduction in the South Pacific, including how climate risk reduction initiatives in tourism can create wider benefits to the host communities. She has a keen research interest in tourism and climate change, systems thinking, and regenerative tourism. Dr Loehr works as a sustainability professional, is involved in consulting and research projects for the Griffith Institute for Tourism and is part of the ACTNetwork, a group of global experts on tourism and climate change.

Professor Christopher Fleming is a Professor of Economic and is the current Director of the Griffith Institute for Tourism. Formerly the Director of Griffith University’s MBA program, he teaches, researches, consults and provide public policy advice on the economic determinants of well-being and the sustainable management of the world around us. In collaboration with the Griffith Climate Change Response Program, Professor Fleming is involved in several ongoing research projects with a Pacific Island focus with particular interest in sustainable development pathways for Small Island Developing States in the Pacific and beyond.
Notes and references


11. SPTO, *Tourism Tracker*.


31. Story Tellers Eco Cycling and Walking Tours, https://www.storytellers.co.uk/.


34. Tess Newton Cain, James Cox and Geir Henning, *Presterutduetstuen, Pacific perspectives of the world: Listening to Australia’s Island neighbours in order to build strong, respectful and sustainable relationships* (University of Western Sydney: Whitlam Institute, 2020).