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No: 20/2020

Memorandum for Economic Development Committee

SUBJECT

St Helena Tourism Covid-19 Recovery Strategy

Memorandum by Director of Enterprise / Director of Tourism

ADVICE SOUGHT Economic Development Committee (EDC) are requested to endorse the St Helena Tourism Covid-19 Recovery Strategy.

BACKGROUND & CONSIDERATIONS

1. Prior to the Covid-19 pandemic, the Tourist Office was drafting the St Helena Tourism Strategy 2020/21. It was intended for the Tourism Strategy 2020/21 to be a refresh document. The current Enterprise St Helena (ESH) Phase 2 project will come to an end at 31 March 2021, and the forward plan for economic development has not yet been decided. Therefore, rather than introducing new initiatives, the strategy would have addressed what developments needed concluding before the end of the project.
2. In March 2020, the World Health Organisation declared Covid-19 a pandemic. The world was required to shut, and international travel was restricted. Soon after this announcement, South Africa closed its international borders. St Helena followed suit, out of preservation for its small, ageing, and vulnerable population and due to its dependency on South Africa for air access.
3. In the Air Service Strategy Group in April 2020, the Governor charged the Tourist Office with creating a post Covid-19 Tourism Strategy. The post Covid-19 Strategy is intended to address how St Helena will recover from the pandemic.
4. Since first announced, the pandemic has continued to wreak havoc and both the aviation industry and international tourism industry have been heavily impacted. International economies have continued to destabilise and no one could (and still can) predict the outcome of the pandemic, other than a 'new normal' is required. As such ascertaining assumptions to underpin St Helena's Recovery Strategy have proven difficult.
5. To put together the Tourism Recovery Strategy, the Tourist Office consulted with a variety of stakeholders; Air Access, SHG's Aviation Advisor, the UK and French Public Relations Agencies, Elected Members, DFID, Tourism Sub-Committee and most importantly St Helena's private sector.
6. The Tourist Office also used the advice from the United Nations World Tourism Organisation (UNWTO) and the

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international travel trade. Data was gained through surveys such as the Times, The Sun, Wanderlust etc.

7. The proposed St Helena Tourism Recovery Strategy aims to address how St Helena will recover from the Covid-19 pandemic.
8. The Recovery Strategy sets out assumptions on:
 - Air access; assuming the gateway will remain South Africa. St Helena Government (SHG) will establish a contingency plan with data being gathered on direct flights to UK.
 - Covid-19 measures; majority of people will not travel to St Helena whilst quarantine measures are in place.
 - There are a few insurance companies that will provide cancellation policies and emergency medical cover as a result of Covid-19.
9. The Recovery Strategy will focus on building on the traction made pre-Covid-19 as advised by the UNWTO to recover tourism. The island will need to focus on:
 - Promotion; to continue encouraging potential and actual customers to travel to St Helena (when it is safe to do so).
 - Product; to continue creating and enhancing St Helena's tourism product sustainably.
 - Experience; to continue developing and enhancing the quality of services and activities to create unforgettable (positive) experiences for customers.
10. Predicting a timetable for when the island would reopen for tourism remains difficult and depends very much on how the world and St Helena is responding to Covid-19. The Recovery Strategy therefore, includes a phased approach, operating as; Immediate to Short Term and Medium to Long Term.
11. Immediate to Short Term:
 - The here and now whilst the world is responding to Covid-19. The short term is estimated to March 2021.
 - The Recovery Strategy focuses on the Promotion, Product and Experience for the Immediate to Short Term. The Strategy aims to use digital platforms to keep St Helena in the forefront of people's minds whilst they are unable to travel internationally or in particularly, long haul. The Product and Experience will ensure island readiness for when travel starts again. This includes upskilling, best practice development, product maintenance and infrastructure enhancement.

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- The Strategy will also develop a new safety and hygiene best practice as guided by the World Tourism and Travel Council to reduce the risk of Covid-19 and provide reassurance to both the island and potential visitors.
12. Medium to Long Term:
- This is estimated as from 2021, with visitor numbers starting to show confidence during St Helena's peak season of December 2021 to March 2022.
 - To start the flow of visitors the Strategy will focus on the promotion of the products that had drawn the visitors before the pandemic. The tourism industry will implement the best practices and their refreshed skills.
 - Products will continue to be enhanced to provide the best possible experience.
13. The development of the Recovery Strategy recognizes the ESH Phase 2 is coming to an end and that the future delivery of economic development activity is likely to be restructured. The Strategy also recognizes the financial constraints that St Helena is currently experiencing. The Strategy in its simplicity will allow any and all stakeholders to select specific products to promote or develop, depending on their aims and objectives.
14. The Recovery Strategy was presented to the ESH Board on 30 September 2020. The Board unanimously approved the Strategy.
15. The Tourist Office and Marketing and Communications Team have revised their limited budget and resources to prioritise the Immediate to Short Term actions that can be delivered.
16. The ESH Board has agreed in principle the revision of the FCDO budget and the SHG recurrent budget.
17. Whilst it is acknowledged that the return on investment made is medium to long term, St Helena needs to remain in the forefront of people's mind. People that are eager to travel again.
18. In 2019, St Helena received between £4.8 million to £6 million from tourism. Whilst it will take time to rebuild the economy to reach this baseline, St Helena benefits from tourism trade.
19. In the Immediate to Short term, the island will continue to experience negative economic impacts as a result of limited monies being available for the industry to keep their businesses afloat whilst trying to remain positive and preplan for re-opening of the island and the world.
20. Positive economic benefits should materialise in the Medium to Long term, when there is a flow of new monies to the island

FINANCIAL IMPLICATIONS

ECONOMIC IMPLICATIONS

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through tourism.

CONSISTENCY WITH INVESTMENT POLICY PRINCIPLES

21. This paper is linked to the following principles laid out in the Investment Policy:
- 1) Make St Helena a desirable and competitive destination to do business by removing barriers to investment.
 - 2) Encourage growth through import substitution, export promotion and domestic production.
 - 3) Support an economy which is accessible to all potential investors and promote investments across the economy
 - 4) Support the local based private sector to compete in an open economy but, where possible, avoid being overly protective.

PUBLIC / SOCIAL IMPACT

22. There is expected to be no impact to the public from the strategy itself. The Immediate to Short term measures provide the public with a sense of direction with regards to tourism recovery.

ENVIRONMENTAL IMPACT

23. There is expected to be no environmental impact. Individual projects will be assessed to ensure the product enhances the environment.

PREVIOUS CONSULTATION / COMMITTEE INPUT

24. The framework of the Recovery Strategy was presented to Elected Members. Elected Members were invited to participate in the Private Sector Engagement Meeting.

PUBLIC REACTION

25. Most of the reaction received from the public should be positive. The private sector has had sight of the Recovery Strategy and had the opportunity to comment and/or contribute to it.

PUBLICITY

26. The Recovery Strategy has achieved ESH Board endorsement and will be launched publically once it has also secured political endorsement.
27. The Recovery Strategy will be made available to the Private Sector and public.
28. Further operational planning sessions will be held with the Private Sector to deliver the Recovery Strategy.

SUPPORT TO STRATEGIC OBJECTIVES

29. This paper supports the following National Priority:
- Sustainable and ethical economic development

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**LINK TO
SUSTAINABLE
ECONOMIC
DEVELOPMENT
PLAN GOALS**

30. This paper is linked to the following SEDP Goals:

- 1) Increase Exports
- 2) Substitute Imports
- 3) Attract Visitors and Increase Tourism
- 5) Improve Land Productivity
- 6) Sustain and improve our Natural Capital
- 7) Develop, Maintain and Attract a Skilled Workforce
- 8) Develop the Digital Economy

**OPEN /CLOSED
AGENDA ITEM**

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St Helena Tourism
Enterprise St Helena

DATE OF MEMO

07 October 2020

RM/HB

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