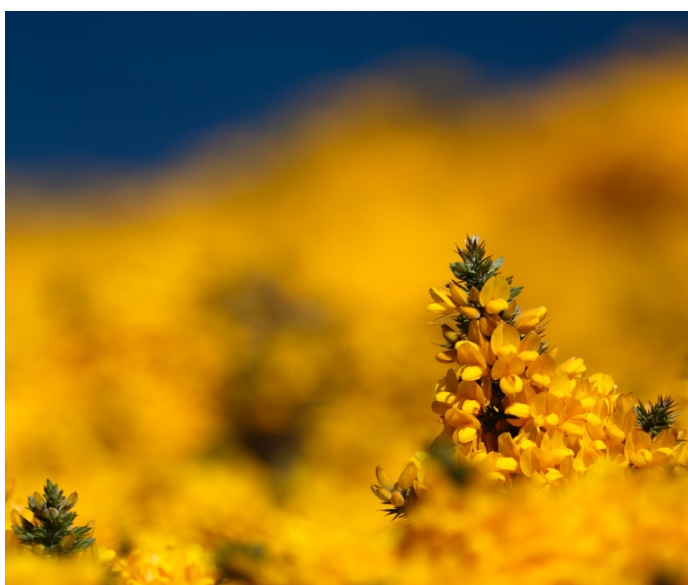


COVID-19 Tourism Impact Update



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

No. 7
July 3rd 2020

INTRODUCTION

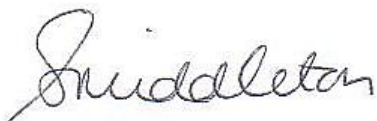
Whilst COVID-19 has impacted every country in the world, it will affect destinations differently, and they will bounce back from this pandemic at different rates. This is becoming increasingly apparent today as Europe keenly opens up to tourism, but visitors from certain countries are not welcome in many destinations. The high rate of COVID-19 cases in Sweden has singled out, and many destinations are not welcoming visitors from the USA or Brazil at the moment.

As airlines are slowly getting back into the air, although it will be a while before the number of flights gets even close to the pre-COVID-19 era, destinations are starting to put in place their entry requirements, and over the next two months it will become much clearer for consumers where they can travel and under what conditions. For many destinations that rely on the vast European market, this will be too late to enjoy a profitable tourist season, however it will at least set out the “new normal” for travel and get the industry re-started.

The cruise sector is still finding its feet with the large oceangoing vessels still parked up, however there is more hope from the activities of the expedition sector, although not all these have immediate plans to operate. Hurtigruten is one line which is leading the way in the Arctic season and hopes this will prove to destinations it can operate safely.

One thing that seems apparent, however, from virtually all the consumer surveys is the pent up demand for travel. There is a need for reassurance, and that is being assisted through schemes such as VisitEngland’s “We’re Good to Go”, but for many, they just want to get out and see the world again.

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



Stephanie Middleton

Executive Director

3rd July 2020

Next Update: Friday 17th July 2020

CURRENT SITUATION

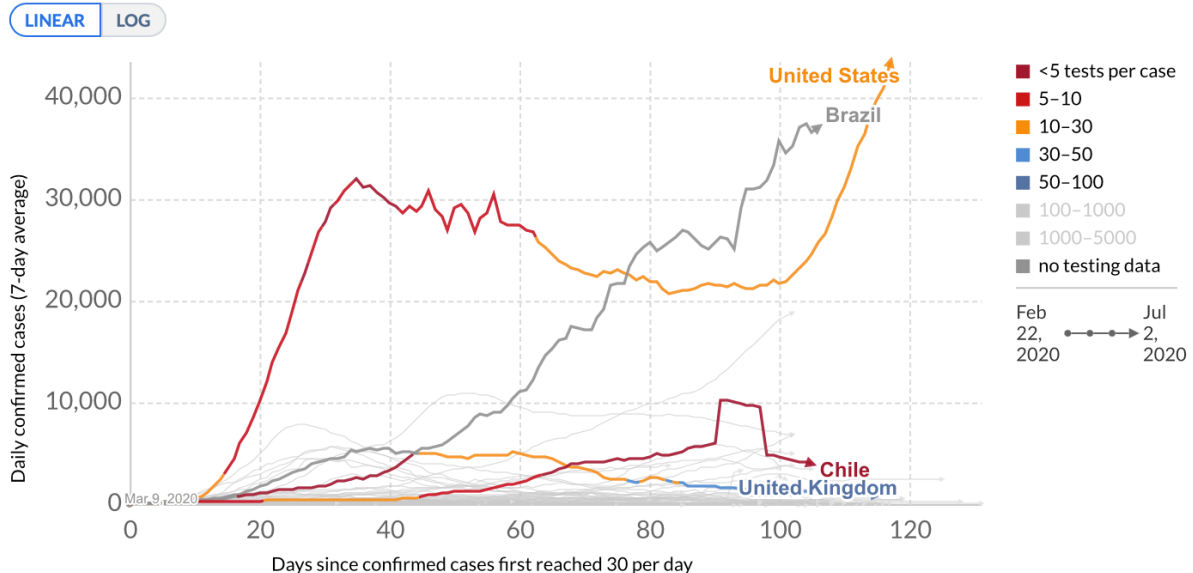
Spread of COVID-19

The COVID-19 pandemic continues to spread around the world and is well documented (arguably overly documented) in news websites and other media. However, strategically, in terms of travel to and from the Falklands and the key markets the tourism sector attracts, there's a stark split between the UK and Europe, where the pandemic is largely under control, daily cases are dropping significantly and lockdown restrictions are being lifted, and the United States and Brazil where new cases are still rapidly growing.

Daily new confirmed cases of COVID-19

The line is blue when a country performs many tests relative to the size of the outbreak. Red indicates a low number of tests per case. This suggests that the true number of infections may be far higher than the number of confirmed cases.

Our World
in Data



Source: European CDC – Situation Update Worldwide – Last updated 2nd July, 11:00 (London time), Official data collated by Our World in Data

Note: Only countries for which testing data is available are included. Details about this data can be found at OurWorldInData.org/coronavirus-testing.
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▶ Feb 22, 2020 Jul 2, 2020

There appears to be some fresh hope in Chile that new cases are on the decline, although it might take another week or so to confirm this. Nevertheless, the total number of cases in Chile is a fraction of those being reported in Brazil and the United States.

Travel in Europe and Beyond

As expected, there has been a change of direction in the UK with regards to self-isolation and travel. In the next 24 hours (by the time this report is released) a list of 75+ countries will be published from which it will be possible to travel, and self-isolation will not be required in the UK on arrival. Most of these countries will have reciprocal arrangements, meaning that outbound travel from the UK will also be possible without self-isolation on arrival.

This signals the recommencement of travel in Europe on a large scale. Travel corridors, airbridges or bubbles (whatever they are being called by different countries) will not be discarded completely, but are only likely to exist in certain parts of the world for the time being (potentially Australia and New Zealand amongst others).

It appears that the UK Government is using the number of new cases per 100,000 of the population as the indicator of which countries will be included in the list of (at least) 75. This is expected to spark a sharp spike in bookings and travel from the UK as a level of certainty is provided and the FCO advice of “essential travel only” is lifted for the first time in over three months.

Safe Travel Policies

In the last issue (Number 6) of COVID-19 Tourism Impact Update we included a more detailed review of how other destinations were opening up to tourism in a safe and responsible way. A review of 30 major island tourism destinations shows increasing use of pre- and on-arrival testing of tourists as a way of restarting their tourism industries. These most typically require arrivals to:

- Complete a pre-departure registration form to provide information for contact tracing purposes.
- Self-isolate for 14 days on arrival or:
 - a) On arrival, present approved documentary evidence of a negative Polymerase Chain Reaction (PCR) COVID-19 test conducted less than 72 hours prior to departure.
 - b) Undergo a PCR test on arrival (around 75% of countries are currently charging for this option, whilst the remainder are picking up the cost themselves).
- Follow public health guidance for the duration of their stay (which includes downloading a tracing app in destinations where one is available).

Gaining Consumer Confidence

This week VisitEngland launched its “We’re Good to Go” scheme, which is a self-assessment scheme to provide a “ring of confidence” for all sectors of the tourism industry as it opens up. Over £3.5 billion is expected to be spent by UK residents in the hospitality sector in the first week of opening, after the 4th July. This scheme is a self-assessment, online, and follows similar schemes launched in other countries aimed at boosting consumer confidence .



CRUISE SECTOR

Large Cruise Lines

As we reported two weeks ago (Issue 6) there seems to be a growing disparity between the fortunes of the large cruise operators and those carrying smaller numbers (what we know as the expedition vessels) that are able to be more flexible with their itineraries.

From the perspective of the large cruise lines, there have been further cancellations with Royal Caribbean joining a growing list of cruise lines abandoning the idea of a return to service this (northern hemisphere) summer. Royal Caribbean, its sister brand Azamara and Celebrity Cruises, have all cancelled voyages through to 15th September 2020 (previously 1st August). These cancellations came after the Cruise Lines International Association (CLIA) announced its members operating oceangoing ships would extend their suspension of cruises in US waters until 15th September.

Carnival Cruise Lines has said that its ships will not sail again until at least the first week in October, Norwegian Cruise Line and its various sister brands have also cancelled nearly all sailings until “the fall at the earliest”.



Expedition Operators

However, whilst the major ocean cruise lines that market to the vast American market have now cancelled all sailings through to mid-September, many of the expedition operators are still planning to operate in the southern-hemisphere season, and some are already back in action. There’s a growing consensus in the cruise industry that smaller vessels will be able to resume much more quickly than the bigger ships as they offer a small-group travel that is easier to manage in an era of social distancing.

Hurtigruten, for example, are already operating Arctic cruises, and being inventive with itineraries whilst there are restrictions on the ports they can visit. This week the Fridtjof Nansen set off from Hamburg on a 14-day sailing to Norway which will include no calls at ports, but will visit coastal fjords and glaciers with passengers exploring on Zodiac boats, kayaks and paddle boards, as well as swimming directly off the ship. Whilst this itinerary is due to Norway currently not allowing cruise ships sailing from foreign countries to stop at its ports, should this change Hurtigruten can quickly alter the itinerary to include stops on land – this could even happen mid-cruise.



In an attempt to kick-start sales, Hurtigruten is offering a special “Freedom Flash Sale” from 1st - 8th July offering discounts of up to 50% on selected 2020 and 2021 itineraries. These include the *Great Explorers and Wildlife* cruise which includes the Falklands in the 2020-2021 season. Hurtigruten state that they hope the operations they are conducting in the northern hemisphere will give confidence to gateway ports that safe operations can be run from both sides: the ship and the gateway. With regards to the Antarctic season their Director of Expedition Operations states that “we are keen to operate and make the season happen, but 100% dependant on the gateways opening and giving assurances of safe passage”.

It is clear, however, that not all expedition cruise lines will operate in 2020-2021. Polar Latitudes (Hebridean Sky and Island Sky) have decided not to operate their 2020-2021 season as they are not confident they are able to put in place the procedures that would allow them to offer their clients the “fully immersive experience we expect of ourselves”. Travellers booked on these cruises can transfer to 2021-2022 cruises at no additional cost, or receive a 120% voucher for bookings on a 2022-2023 cruise.

FURTHER INFORMATION

Entry Requirements for the Falklands

The Executive Council extended restrictions on non-essential visitors to the Falklands for a further 30 days from 11th June. The policy will be reviewed again on 8th July 2020.

Flights to the Falklands

LATAM resumed its 21.10 direct departure from London Heathrow to Saõ Paulo on Sunday 21st June. However, the suspension of flights to the Falklands from Chile and Brazil will continue throughout July; a review of this and news on possible resumption of one (or both) of these services is expected soon.

Economic Support Packages

FIG and FIDC are now ready to take applications for the Job Retention Scheme, Self-Employed Income Supplement Scheme, and the Business Grant Scheme. FIDC is administering the latter. More details can be found at:

<https://www.fig.gov.fk/covid-19/information/support-package-applications>

<http://www.fidc.co.fk/library/covid-19>.

A new unemployment subsidy scheme has also been announced, targeted at workers who have lost their jobs as a result of the crisis. The websites provide clear advice regarding the eligibility of each.

FIG Guidance

For guidance for individual businesses operating in a COVID-19 environment, including restaurants, public houses and retail, see:

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