

TOURISM

Fact Sheet

BACKGROUND

Tourism industry contributes about 40 percent (both directly and indirectly) to Fiji's GDP and has emerged as one of the key sectors, and a significant contributor to economic growth. Apart from job creation and income generation, the sector has also contributed to infrastructure development. The externalities from the sector has also helped to build the country's brand value, reputation and position globally. The economic recovery post pandemic and recent economic growth has been primarily driven by the tourism industry. As a result, this industry is expected to play a key role in driving growth in the short to medium term.

CURRENT STATUS

Tourism contributes significantly to the Fiji economy through employment, economic activity, taxation and as a multiplier for other sectors that benefit from tourism workers' disposable incomes. In 2023, Fiji's tourism sector thrived, hosting 929,740 travellers, surpassing pre-pandemic levels by 4%, and contributing \$3.3 billion to the economy. Direct tourism has added value to the Fijian economy in 2023 of \$1499.3 million. Tourism Revenues has shown significant growth. From April to December 2022, 587,406 visitors arrived and contributed 2.098B FJD to the economy. This industry reduces poverty, promotes citizen wellbeing and social welfare development. Approximately 120,000 jobs is supported in this sector. As of 2022, 36.5 percent of the total employment has been supported in this sector.

CHALLENGES

1. *External Shocks:* Fiji's economic is affected due to pandemics, geopolitical conflicts, weather.
2. *Labour Market Challenges:* significant number of tourism employees moving overseas to take up opportunities in the hospitality sector.
3. *Climate Resilient Infrastructures:* Cyclones, flood and sea level rise are the major impacts on the economic loss and infrastructure damage.
4. *Tourism Infrastructure Development:* proper maintenance and developments required in

improving tourism infrastructure such as roads, bridges, electricity, waste management and hotel accommodations.

5. *Building Climate Resilience:* meeting the targets in the transition to a greener, sustainable and resilient pathways.

OPPORTUNITIES

1. *Increased Connectivity:* increase in airline services with expected growth and expansion of airline connectivity allows increase in tourists from all over the world.
2. *New Markets:* Emerging of markets will allow increase in earnings and job creations.
3. *Increased investment in accommodation:* Ensuring to have right incentives to attract domestic and foreign investments in accommodation.
4. *Affordable, Green Transport:* Ensuing Fiji's tourism industry is environmentally friendly.
5. *Labour:* Improving and reviewing Immigration regulations.
6. *Strengthening Fiji's Tourism Sector-* strengthening tourism sector on compliance such as introducing minimum standards, MSAF licensing authority.

FUTURE POLICIES AND STRATEGIES

- **Increasing visitor arrival:**
 - ✓ Establish strong online presence of Fiji's tourism.
 - ✓ Promote sports tourism in conjunction with Ministry of Youth and Sports and Ministry of Tourism and Civil Aviation.
 - ✓ Strengthen participation of resource owners through the development of heritage places and monuments for tourism purposes. Develop tourism-focused incubation programmes that support rural and community-based operators to acquire and maintain the skills needed to develop and manage tourism products and experience.

- ✓ Review data collection system at airports and ports.
- ✓ Establish financing support for Tourism Fiji to enable marketing reach for new destinations.
- **Reviewing of legislations and policies:**
 - ✓ Review Tourism Fiji Act, Employment Relations Act (ERA), Land Transport Authority (LTA), Maritime Safety Authority of Fiji (MSAF), Tourism Regulations on Hotel & Licensing, Liquor, Tobacco sales, NFA, Health, MSAF Safety Certificate, OHS, Tax Compliance, FNPF Compliance, Tax Regulations Certificate, ROC, Police Clearance, Investor Certificate, and Waste Certificate.
 - ✓ Adoption & recognition/awareness of the National Sustainable Tourism Review Framework (NSTF).
 - ✓ Employment Relations Act (ERA).
- **Labour Market and Skilled Migration:**
 - ✓ Establish a Human Resource Plan.
 - ✓ Identify the skill shortage in the country and monitor the skill gaps. Work with partners to ensure future training is reoriented towards hospitality training and up-skilling as a trade.
 - ✓ Encourage and incentivize in-house training programmes.
 - ✓ Enhances collaboration between employers, academic and training institutions, for industry-led professional development programmes.
 - ✓ Promote mentoring opportunities between larger and smaller operators will be encouraged.
 - ✓ Review Immigration Act to enable global skills access & simplify citizenship process.
 - ✓ Review educational programs to focus on TVET output in direct relations to industry expectations (tourism, construction, BPO, manufacturing, mining).
- **Lowering the impact of Climate and Disaster Risks:**
 - ✓ Formulate, streamline and integrate climate change and natural disasters policy in the Tourism Sector.
 - ✓ Develop and initiate mechanisms of green transportation services.
 - ✓ Incentivize retrofit.
 - ✓ Strengthen public private partnerships on improving infrastructures.
 - ✓ Strengthen and support risk management practices.

- ✓ Identify and develop infrastructures initiatives impacted by climate change and natural disaster.
- ✓ Strengthen on the usage of the renewable energy.
- ✓ Promote and incentivize climate resilient infrastructure.
- ✓ Include Climate Change regulations & awareness in educational programs.
- **Increasing Fiji's Tourism Infrastructure:**
 - ✓ Improve and increase Fiji's Tourism Infrastructure.
 - ✓ Encourage and incentivize investment in accommodations to accommodate tourists.
 - ✓ Reforming hotel related licensing requirements such as Hotel and Guests Act to establish a separate category for homestays, short-term rentals and small accommodation providers.
 - ✓ Accelerate policy reforms to overcome barriers to entry for small and community-led businesses to promote tourism diversification and strong tourism value chains.
 - ✓ Improve Fiji's road infrastructure.
 - ✓ Identify alternative, affordable transportation services.
 - ✓ Upgrade sewerage treatment and waste management systems in tourism hotspots.
 - ✓ Modernize and expand points of entry into Fiji – airports and seaports.
 - ✓ Upgrades wharves and jetties.
 - ✓ Supporting municipal councils to expand reach, increase rates & provide better services.
 - ✓ Sustainable practices recognised through proactive policies.
 - ✓ Investment support for infrastructure, renewable energy, recycling and waste management.
 - ✓ Internet connections & expansions.
 - ✓ M&E to manage funding & resources.
 - ✓ Plan for city, town & industry expansion now. Investment policies in place to attract Foreign Direct Investment (FDI).
 - ✓ Public Private Partnership (PPP) initiatives to reduce burden on Government.
- **Increasing Tourists safety and security when onshore:**
 - ✓ Increase capacity and visibility of tourist's police.
 - ✓ Training and upskilling tourist police on handling tourist related complaints and investigation.