TOURISM RISK MANAGEMENT FOR THE ASIA PACIFIC REGION:
AN AUTHORITATIVE GUIDE FOR MANAGING CRISSES AND DISASTERS

Asia-Pacific Economic Cooperation

A Report Prepared by

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This project is an initiative of the APEC International Centre for Sustainable Tourism (AICST). Partners in the project are the Pacific Asia Travel Association (PATA) and the World Tourism Organization (WTO). The report was produced by AICST member organizations. The Academic team was led by the Cooperative Research Centre for Sustainable Tourism in Australia. Other academic team members were the University of Hawaii, the Hong Kong Polytechnic University, and James Cook University (Australia). The primary funding organization was the Department of Industry, Tourism & Resources (Australia), with additional funding provided by PATA (with the support of the Ministry of Culture and Tourism of Korea) and the WTO.

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General Disclaimer
This report mentions the activities and experience of a number of organizations and individuals whose work contributes to tourism safety and security. These activities and names are given for record and as examples, but do not entail automatic endorsement by the APEC International Centre for Sustainable Tourism or its project partners.

While all care has been taken to check and validate material presented in this report the rapid changes occurring in the tourism industry worldwide mean that readers should seek legal or other appropriate advice before making decisions based on material in this text. The project team is available to assist with advice, training and policy development.

The content of this report does not reflect the views of the Australian Government and should not be relied upon as reflecting Australian Government views. The Australian Government shall not be liable, in any way, for any loss arising from use or reliance upon material in this publication by another person. Independent professional advice should be sought before any action or decision is taken on the basis of the material contained in this report.
A series of shocks has rocked the global tourism industry in recent times. Both direct and indirect events have impacted on visitor numbers at key destinations and threatened the economic foundations of communities increasingly reliant on a stable tourism product. Governments, industry representative groups and individual businesses are all seeking to develop improved management of risks so that potential crises can be avoided. This AICST report offers a broad coverage of risks related to tourism in the Asia Pacific region and strategic approaches to managing these risks. The challenge for APEC economies is to put in place partnerships across government agencies and between industry groups – a whole of government approach – to be proactive in this area.

In times of crisis, for any tourist destination the first concern must be for visitors. Away from home, in unfamiliar surroundings, they are quickly disoriented and very reliant on their hosts and the host communities in general. Adequate planning for what has in the past been seen as the ‘unexpected’ can be the difference between a well-managed problem and a human and economic disaster.

PATA emphasises the importance of ‘reputation management’ and with the rest of the world watching through the international media, each tourist destination will be judged according to how they manage a crisis. Care of visitors, speed and efficiency in returning the destination to normal, and providing for business continuity will all be factors in whether a destination maintains its image and reputation in the international market place.

Visitors and residents alike need leadership and direction in times of crisis. They are not well served by alarmist reporting that creates fear and confusion. Developing effective relationships with the media and sharing information in a transparent way are critical issues. A full chapter of this report is dedicated to media and information management; so important are they in an age of almost instantaneous communication.

The October 2002 terrorist bombings in Bali were the catalyst for this report. As well as caring for the visitors involved, Bali demonstrated the importance of ensuring economic continuity and well being for the host community. Continuity is essential for underpinning confidence in a destination that has suffered from any type of crisis.

The prompt and urgent response of PATA and WTO to form a partnership with AICST in developing this report creates an excellent platform from which to initiate further collaborative efforts in the future. This partnership should include providing workshops and training programs for government and industry groups to take the report’s recommendations into action.

Sir Frank Moore AO
Chair
APEC International Centre for Sustainable Tourism (AICST)
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### INTRODUCTION

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Francesco Frangialli  
Secretary-General, World Tourism Organization

With the tourism industry finally beginning to emerge from the worst two-year period in its brief history, it is important to assess the lessons learned from the recent barrage of crises. For that reason the World Tourism Organization is pleased to be a key partner with PATA and the APEC International Centre for Sustainable Tourism in the publication of this report: Tourism Risk Management for the Asia Pacific Region.

Asia Pacific was certainly one of the regions hardest hit by the four primary factors that have been wreaking havoc on the international tourism industry: terrorism, war, SARS and economic weakness in the main tourism generating markets. But the crisis has not been limited to Asia Pacific, nor has it been limited to those four problems.

One of the first lessons we can draw from recent events is that the strategies for reacting in a crisis and for recovering from it are remarkably similar from one tourism destination to another and from one crisis to the next. Whether the crisis is caused by terrorism, by natural disaster or by an epidemic, tourism professionals need to be prepared and need to understand how to respond in order to retain the confidence of travellers and the travel industry. This publication makes a significant contribution to global understanding of this process by bringing together the wisdom and expertise of tourism experts from throughout the APEC region.

The second lesson we have learned is the importance of the tourism industry to economies worldwide. When firms and jobs disappear, the public and government officials at the highest level begin to realise how important the sector is and also how vulnerable it is. So there is a new awareness of the need to nurture and protect the tourism industry, which is reflected by the publication of this book.

Thirdly, a crisis has the ability to bring people together in a spirit of cooperation that is often missing in normal times. That is why WTO formed its Tourism Recovery Committee in the weeks following September 11, 2001 and that is why our committee of tourism ministers and business leaders has endorsed this joint project of WTO, PATA and AICST. Discussions by the committee resulted in the publication of WTO’s Crisis Guidelines for the Tourism Industry, which forms part of the content of this book.

While the tourism industry has proven its resilience time after time, implementation of the strategies presented here will help minimise the impact of the next crisis and shorten the recovery time.

Peter de Jong  
President and CEO, Pacific Asia Travel Association (PATA)

Out of crisis comes opportunity. This is ancient Chinese folk wisdom, as true now as it was thousands of years ago. September 11, terrorist strikes in Bali and Jakarta, wars in Afghanistan and Iraq, and severe acute respiratory syndrome (SARS) have taken a terrible toll on innocent victims, but also on the economic bottom line of travel and tourism.

However, it took SARS to drive home just how economically dependent the countries of Asia Pacific were on travel for their economic wellbeing. At the height of the SARS fear pandemic, in April 2003, financial analysts trimmed GDP forecasts for whole countries for the entire year. Share values tumbled in tandem with load factors and hotel occupancies. Millions of jobs were lost (albeit temporarily), all because people stayed home and deferred their travel. Travel is economic wellbeing.

When we began to emerge from the SARS nightmare at the end of May, even the travel and tourism industry’s most hardened critics could no longer question our industry’s socio-economic worth. Out of crisis came opportunity for the travel industry.

However, it was at a terrible price. This timely and ambitious new work, Tourism Risk Management for the Asia Pacific Region, will therefore act as a valuable tool for everyone in the travel industry who is willing to learn from the past to protect our future. It is our responsibility to never again let a crisis cause so much harm to our industry. Tourism Risk Management will help us achieve that objective.

It is with pride that I notice Tourism Risk Management for the Asia Pacific Region has been inspired by PATA’s own risk management guidelines, Crisis: It Won’t Happen to Us! This is a good example of synergy and cooperation that benefits the whole Asia Pacific travel sector.

PATA salutes the hard work put into Tourism Risk Management for the Asia Pacific Region by the APEC International Centre for Sustainable Tourism. We hope the new report reaches as wide a readership as possible and raises risk management standards throughout the travel and tourism sector.
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Two key facts emerge from this report. First, tourism is a valuable industry that is worth protecting. Across the APEC economies the importance of tourism for generating income, creating and sustaining jobs, encouraging foreign investment and facilitating trade opportunities cannot be denied. Chapter 1 clearly demonstrates the economic value of tourism. Tourism also creates friendships, understanding, and is a potential tool for peace. Given these important values, the second key fact is that protecting tourism is only possible through genuine partnerships. These partnerships need to be across nations, between and within governments, and include all groups in the global tourism industry.

Risk management is a systematic process that supports effective decision-making and was offered in this report as a framework for understanding and responding to potential risk and crisis situations. There are other frameworks that could have been used, but reviews of the crisis management literature show that the Australian and New Zealand Standard for Risk Management (Standards Australia and Standards New Zealand, 1999) more than adequately covers the step-by-step approach required by the tourism industry. As noted by Mitroff and Pearson (1993) in their book ‘Crisis Management’:

*There is no such thing as a preformulated crisis plan or procedure that can be pulled off the shelf. Institutions - their circumstances and their problems - are far too varied and complex to use a single universal plan or procedure, especially for the most critical problems.*

Chapter 2 shows that this statement is true for tourism as there are a range of potential shocks and threats that may impact on the industry. These can be viewed as natural or Human-Made events, or as direct versus indirect shocks. While a ‘one size fits all’ approach is not possible in risk management, the five-step process outlined in this chapter does establish the foundations for an active program. In particular, the first step of Establishing the Context is often overlooked by tourism groups enthusiastic about moving quickly to develop crisis management responses. Without the support of internal and external stakeholders, especially other government departments, a risk or crisis management strategy is unlikely to succeed.

Equally important is having the tourism industry committed to any risk program, and having a sense of ownership in the program from the outset. Partnerships, and delegation of roles and responsibilities within the partnership, are highlighted in chapters 2 and 3. They are also the subjects of a key recommendation from this report.

Step 2 of the risk management process involves risk identification. This report identifies a large list of potential risks for tourism. However, each destination is unique so a systematic approach is required to capture all potential threats for each APEC economy. Having identified the potential risks, each should be analysed for their likelihood of occurring, and consequences should they occur. Decisions are then made about treatments; whether through risk reduction, avoidance, retention or transfer. While crises do not occur frequently, they nevertheless need to be anticipated. Constant monitoring also needs to be part of the equation since changes in technology, climate, politics and health mean that a previously benign situation can quickly develop into a problem. Recognising the need for constant monitoring of threats, one recommendation of this report is that APEC establish a dedicated research and monitoring capacity to deliver strategic knowledge and information on risk and threats to tourism in the Asia Pacific region.

Risk treatment is all about having comprehensive plans in place, and skilled people with authority able to respond immediately should a crisis arise. Chapter 3 describes the national responsibilities of governments to take a leadership role in risk and crisis management. Following a model recommended by WTO, the chapter describes the formation of a National Tourism Council for each APEC economy to consider. This Council would draw together key government departments and agencies, many of which may not see themselves as having a direct contribution to make in protecting tourism. However, as the terrorist attacks of September 11 showed, shocks to tourism can impact severely on a range of other industries (for example, the stock market). The SARS outbreak further reinforced the importance of a National Tourism Council since it was clear that in many destinations there was no established high-level working relationship between tourism and health authorities. The establishment of a National Safety and Security Committee as an operational arm of the Council is a key recommendation of this report.

Forming partnerships takes time. This process cannot be achieved overnight. In the course of researching this report it became obvious that many destinations said they had partnerships in place, but in actual fact these were often little more that agreements in principle. Tourism should draw on the expertise of other groups, especially emergency services, to develop the most effective plans and to put in place crisis
management teams with the right combination of skill, authority and experience. Chapter 4 describes common strengths and weaknesses in this area of planning. Conveying this information through workshops and training programs for APEC members is another recommendation of this report. Case studies describing effective partnerships are presented throughout the report. Assistance to APEC members in establishing and maintaining these partnerships is also an activity supported by PATA and WTO.

Chapter 4 also provides a general discussion of business continuity as part of the crisis recovery phase. This is not a detailed coverage as the main focus of the report is on government responsibility and leadership (recalling that governments have the legislative authority and resources to respond to a range of crises). Recognising that small businesses must also take active steps in the area of risk and crisis management, one of the recommendations of this report is that a template for small and medium sized tourism businesses should be developed as part of a training program for APEC members.

In considering the role and preparedness of tourism sectors, Chapter 5 emphasises the importance of industry representative groups. Previous research had revealed that 15 of the 21 APEC economies have a peak tourism industry body. In order to accommodate the diverse needs of tourism for risk and crisis management support, a recommendation of this report is that each APEC economy be encouraged to develop their national industry representative body. PATA would be an ideal partner in this process since the organization specialises in industry representation and has a wide membership across Asia and the Pacific.

Finally, Chapter 6 examines media and information management based on the excellent work of WTO in their Crisis Guidelines for the Tourism Industry. Media is so important in the risk and crisis management process that the topic warranted a dedicated chapter. The material is very proactive and practical, covering the three stages of Before, During and After a Crisis. Each APEC economy should have a detailed media strategy in place as part of any crisis management plan. A recommendation of this report is that specialist workshops and media training programs should be provided to key tourism staff in all APEC economies. In addition to skills development, the workshops should explore all aspects of Travel Advisories so that destination managers fully understand the implications of an adverse warning against them. As demonstrated by the Australian Charter for Safe Travel it is possible to encourage partnerships between government and industry that assist in the development of balanced travel advisories. Encouraging this dialogue is the subject of the final recommendation of this report.

Based on the findings of this report, the following recommendations are made for each APEC economy to consider:

**Recommendation 1:**
Each APEC economy undertakes to develop a whole-of-government approach to supporting and protecting tourism. This would involve a formal agreement at the highest level of government to develop a national crisis management plan for tourism that was adequately resourced and, where appropriate, supported by relevant legislative authority. A review of existing legislation may be necessary to ensure that potential risks are adequately covered.

**Recommendation 2:**
Each APEC economy should form a National Tourism Council, comprising key government and external stakeholders, especially peak tourism industry representative bodies. The Council should consider establishing a National Safety and Security Committee; designate roles and responsibilities for members in all areas of risk and crisis management, and integrate these tasks into the national crisis management plan.

**Recommendation 3:**
APEC should establish a dedicated research and monitoring group for the APEC economies, with a brief to collaborate with PATA, WTO, ASEAN and other international groups and agencies to provide up-to-date strategic knowledge and information on risk and threats to tourism in the Asia Pacific region.

**Recommendation 4:**
APEC develop formal relations with international agencies that provide expert advice and services in areas of natural disaster management, emergency services and health so that tourism gains the benefit of expertise in other specialist areas.
Recommendation 5: 
APEC should coordinate with PATA, WTO and other potential partners to deliver workshops, training programs and practical support in risk and crisis management for APEC members. This should be a program of incremental steps to ensure all key areas of need are adequately covered.

Recommendation 6: 
Based on the specific needs of APEC members for training and support in risk and crisis management, operational manuals and other resource material should be developed that build on the material in this report. In particular, a template for small and medium sized tourism businesses may be required, that links to the broader government roles and responsibilities described in this report.

Recommendation 7: 
Each APEC economy establish and work on partnership with their peak tourism industry body to develop risk management plans and policies, especially business continuity programs in the event of a crisis.

Recommendation 8: 
Each APEC economy should have a detailed media strategy in place as part of any crisis management plan. To facilitate this, specialist workshops and media training programs should be provided to key tourism staff in all APEC economies.

Recommendation 9: 
APEC members should be encouraged to discuss and form a group response to the issue of Travel Advisories, including positive steps to assist each other through safety and security measures.

Next Step 
This report has documented key issues that need to be considered in addressing risk management in each APEC economy. The development of a Crisis Management Plan can be guided by the following risk management template and by working through the four phases of risk and crisis management outlined in Chapter 4. A crisis management plan for any APEC economy must be tailored to take into account the specific characteristics and circumstances of each economy.
The objective of this report is to provide government decision-makers and tourism industry members in Asia and the Pacific with an authoritative guide to risk management. Our intention is to offer a broad coverage of the many potential threats that may affect the tourism industry, both directly and indirectly, as well as an understanding of the sources of potential problems and strategic ways to respond to them.

While each tourist destination is unique, and each will have different issues to deal with, there are some key areas of risk management and certain shared concerns that are common across destinations. The most obvious is a dramatic drop in visitor numbers, for whatever reason, such that the impact is felt across a whole economy. This report presents case studies of recent events such as Severe Acute Respiratory Syndrome (SARS) and terrorist activities that have had a global impact on tourism, as well as best practice examples of response to smaller-scale issues, so as to assist destination managers in adopting risk management principles and processes. The aim is to focus on solutions rather than merely document past difficulties. In order to move forward, the report provides checklists and recommendations that encourage destinations and tourism businesses to both adopt new ways of approaching risk management and also adapt their current methods where appropriate.

In response to the Bali bombings of 12 October 2002, the Pacific Asia Travel Association (PATA) produced a booklet titled ‘Crisis. It Won’t Happen to Us!’ The present report draws on the PATA booklet in terms of content and structure. There are two reasons for this. First, the booklet provides a very good foundation on which to build. Second, using the PATA foundation gives some continuity to crisis management work in the Asia Pacific region.

Across the 21 APEC economies there is a wealth of experience and expertise. This report draws on best practice from wherever it can be sourced, both within and outside the APEC group. Substance and practical application are the objectives of the project, so that peak bodies (PATA, WTO) can convert material from this report into training and education programs. Recognising the critical role of national governments in supporting and protecting tourist destinations, the report also seeks to offer an authoritative guide that can be endorsed by parliaments.

In order to demonstrate the importance of tourism to the 21 APEC parliaments, Chapter 1 begins with an overview of the need to protect tourism, focusing particularly on the economic significance of the tourism industry to each of the APEC members. Selected case studies reinforce the value of tourism by showing the economic losses associated with adverse events.

Having established the importance of tourism for generating income, creating and sustaining jobs, encouraging foreign investment and facilitating trade opportunities, Chapter 2 then describes the range of possible shocks and threats to the tourism industry. Some practical distinctions are made between risk, crisis and disaster management in order to clarify common steps for taking control of adverse situations. Case studies, checklists and resources are offered to assist destination managers and decision-makers in coming to terms with the risk management process.

This report adopts the position that each national government has overall responsibility for tourist destinations in their jurisdiction. This is a practical approach, since national governments have the legislative authority and resources necessary to respond quickly and efficiently to a range of adverse events that might threaten their tourism. Chapter 3 makes recommendations about the structures, legislation, policy and procedures that need to be in place for effective risk management at a national level. The chapter then expands areas of responsibility to include the roles of regional and local authorities, and the partnerships that should be considered between government and the tourism industry at national, state/territory and local levels. Examples are presented of ‘best practice’ initiatives at the national level, especially those initiatives introduced in response to adverse situations.

In Chapter 4 the essence of Risk Crisis Management is examined using PATA’s Four R’s approach to understand distinct phases: Reduction, Readiness, Response and Recovery. Each phase is described in detail, along with case studies, checklists and recommendations for destination managers and tourism operators. The focus of this chapter is to Expect the Unexpected, and Be Prepared. The chapter draws heavily on risk management and response strategies from fields outside tourism, especially the areas of emergency services, insurance and general business. Whereas primary responsibility for the ‘big picture’ at
each destination may rest with national governments, individual tourist operators are also encouraged to
take the initiative to develop risk management practices to protect themselves.

Having described a robust framework for risk and crisis management in Chapter 4, the role and
preparation of tourism sectors is then considered in Chapter 5. While government leadership and the
provision of resources is essential to successfully managing many adverse events, also important is the way
the tourism industry responds to a crisis. Partnerships between government and industry, and between
industry sectors are critical to positive outcomes. This chapter examines the risk preparedness of key
industry sectors according to criteria of PATA’s four R’s.

Chapter 6 examines the role of the media and general information exchange (including the role of Travel
Advisories) in the management of tourism crisis situations. The fact that media and information have a
separate chapter in this report attests to our view of their importance in modern crisis management.

The report concludes with a set of Appendices that provide additional information and resources for
destination managers. A comprehensive list of websites is provided on a separate CD (Hukill, Gong, Lam,
2003); recognizing that this medium changes daily and the current list is only a sample of the material
available on the Internet.

Throughout this report the following symbols are used to assist the reader:

- Case Study: An example to illustrate a concept or activity.
- Checklist: A self-help tool to clarify points made in the text.
- Summary: Draws together points raised in the text.

A Note on Terms and Definitions
This report talks about risk management, so it is important to be clear about terms from the beginning. A
full glossary of terms is presented on the following page. According to the Australian and New Zealand
Standard (Standards Australia and Standards New Zealand, 1999), a Risk is:

The chance of something happening that will have an impact upon objectives. It is measured in terms
of consequences and likelihood (p. 3).

Risk Management is defined as:

An iterative process consisting of well-defined steps which, taken in sequence, support better decision-
making by contributing a greater insight into risks and their impacts. The risk management process can
be applied to any situation where an undesired or unexpected outcome could be significant or where
opportunities are identified (p. iii).

These terms are important because they draw our attention to proactive opportunities to take control of a
situation through early identification and prevention of risk, as well as strategies to manage risks that
emerge from time to time. There is always a chance of some undesirable event occurring, so effective risk
management aims to prevent an event escalating ‘out of control’ and becoming a crisis. According to PATA
(2003), a Crisis can be defined as:

Any situation that has the potential to affect long-term confidence in an organization or a product, or
which may interfere with its ability to continue operating normally (p.2)

When a Crisis, in turn, escalates we then have a Disaster, defined by Zamecka and Buchanan (2000) as:

A catastrophic event that severely disrupts the fabric of a community and requires the intervention of
the various levels of government to return the community to normality (p.8)

Figure 1: An Escalation of Events

Risk ----------------> ---------- Crisis ----------------> ------------ Disaster

The view of this report is that a systematic approach to risk management by both the tourism industry and
governments will in many cases prevent a crisis or disaster from occurring. However, not all adverse events
can be avoided, so risk management must be used to respond quickly and effectively to negative situations.
Government leadership is critical for the success of this process.
The following template provides a simple reference guide to the key risk management issues covered in this report. It has been designed to allow the reader to move directly to that part of the report, which addresses their area of interest. A checklist of tasks is provided to assist in understanding what actions need to be undertaken at a destination level.

**Chapter 1: Protecting Tourism**

<table>
<thead>
<tr>
<th>Risk Theme:</th>
<th>This chapter deals with scoping and understanding the value of tourism to an economy. It is focussed on the need to profile and map the economic and social contribution of tourism so that historical, current and forward looking trends of tourism industry performance can be mapped against any crisis or adverse event.</th>
</tr>
</thead>
<tbody>
<tr>
<td>Commentary:</td>
<td>The starting point for any destination wishing to protect and promote its tourism industry is having accurate facts and figures available regarding the structure of the industry and the significant contribution tourism makes to the social and economic well-being of the economy. Armed with this information it is possible to show decision makers why they should support tourism. Industry profiling is critical if tourism is to be adequately prepared for threats that might jeopardise the well-being of visitors and the communities that rely on a stable tourism industry. Chapter 1 takes the reader through the economic, social and cultural benefits that tourism brings to the APEC economies.</td>
</tr>
<tr>
<td>Tasks:</td>
<td>✑ Develop detailed profiles of tourism and its economic, social and cultural value for each destination. This includes detailed statistics on historical and current market performance and forward looking trends. Establish monitoring mechanisms to map trends in growth and any variations. Share information with government and private sector partners. Highlight the value of tourism to decision makers in government and industry. Use facts and figures on income and job creation from tourism to encourage an understanding of government business support schemes and industry initiatives.</td>
</tr>
</tbody>
</table>

**Chapter 2: Shocks And Threats To The Tourism Industry**

<table>
<thead>
<tr>
<th>Risk Theme:</th>
<th>This chapter deals with pre-event planning and concerns both reduction and readiness activities. It identifies the need to prepare risk management plans and detect early warning signals. It is focussed at the need to understand the sources of risk and describes the range of possible shocks and threats to the tourism industry.</th>
</tr>
</thead>
<tbody>
<tr>
<td>Commentary:</td>
<td>Destination managers can only be prepared when they appreciate the full range of possible threats to their tourism industry. Adopting a systematic approach to risk and crisis management is the key to addressing all possible threats. Central to this systematic process is gaining the support of key stakeholders, especially government ministers. Without their support and the leadership of government, the tourism industry will lack the resources to effectively manage risk. Chapter 2 challenges the reader to consider a range of threats and offers a standard framework for working through the risk management process.</td>
</tr>
<tr>
<td>Tasks:</td>
<td>✑ Identify and acknowledge sources of risk and their possible impact on tourism and related sectors. Separate risks into short, medium and long-term consequences and document their potential impact on individual travellers, communities, regions and countries. Adopt a systematic approach to risk and crisis management, like the one presented in the Australian/New Zealand Standard for Risk Management. Follow set steps starting with gaining the support of significant stakeholders (eg. government ministers) and peak industry groups. Implement legislation to support management decisions. Gain adequate resources for risk management programs. Identify the full range of potential risks and threats to tourism at each destination. Make decisions about which risks are most likely to occur, what their consequences will be and how to respond.</td>
</tr>
</tbody>
</table>
### Chapter 3: National Responsibilities And Leadership

**Risk Theme:** This chapter focuses on both readiness and response mechanisms. It reviews the structures, legislation policy and procedures that need to be put in place for effective risk management at a national level.

<table>
<thead>
<tr>
<th>Commentary:</th>
</tr>
</thead>
<tbody>
<tr>
<td>It is not easy to create genuine partnerships. It takes time and effort. But genuine partnerships across government authorities and between government and industry groups are essential for effective risk and crisis management. Chapter 3 is all about putting relationships and plans in place – relationships that will provide expertise and resources in times of need and plans that will allow a destination to respond quickly and efficiently in the face of threats to its tourism industry. The chapter reviews which stakeholders and organizations should be involved in crisis management and how national roles and responsibilities should be assessed.</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Tasks:</th>
</tr>
</thead>
<tbody>
<tr>
<td>Form a National Tourism Council as this is one of the most effective mechanisms to respond to national safety and security concerns impacting on tourism.</td>
</tr>
<tr>
<td>Create a mixed-sector Council with government and industry participants as the best structure.</td>
</tr>
<tr>
<td>Work through the National Tourism Council and government to develop a National Tourism Crisis Management Plan (NTCMP).</td>
</tr>
<tr>
<td>Ensure the NTCMP provides an agreed mechanism to initiate and facilitate appropriate, management, marketing and response initiatives.</td>
</tr>
<tr>
<td>Ensure the NTCMP contains processes to review:-</td>
</tr>
<tr>
<td>- Impacts on destination image and appeal</td>
</tr>
<tr>
<td>- Impact on domestic and international travel patterns</td>
</tr>
<tr>
<td>- Impact on industry profitability</td>
</tr>
<tr>
<td>- The availability of government funding and tourism sector assistance programs</td>
</tr>
<tr>
<td>Participate in United Nations and other international collaborative crisis and disaster reduction strategies.</td>
</tr>
<tr>
<td>Use the expertise from other fields (eg. emergency services) for the benefit of tourism.</td>
</tr>
</tbody>
</table>

### Chapter 4: The Four Phases Of Risk And Crisis Management

**Risk Theme:** This chapter provides a suggested framework to take action on risk and crisis management using the Four R’s approach adopted by PATA. The chapter provides a framework to pull together other chapters into a logistical sequence of steps.

<table>
<thead>
<tr>
<th>Commentary:</th>
</tr>
</thead>
<tbody>
<tr>
<td>Any risk situation can escalate into a crisis if it is not addressed immediately. This chapter takes the reader through four standard phases of a crisis, emphasising the critical role of an integrated management plan and having skilled personnel in place. The chapter uses previous steps to highlight the different activities required in each phase of a crisis. Checklists prompt the reader to ensure that all issues have been considered.</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Tasks:</th>
</tr>
</thead>
<tbody>
<tr>
<td>Recognise the importance of an integrated Management Plan for each of the four phases of a crisis.</td>
</tr>
<tr>
<td>Identify key roles and responsibilities for Crisis Team members.</td>
</tr>
<tr>
<td>Note the different activities required during each phase of a crisis.</td>
</tr>
</tbody>
</table>
### Chapter 5: The Role And Preparedness Of Tourism Sectors

<table>
<thead>
<tr>
<th>Risk Theme:</th>
<th>This chapter focuses on the role of crisis preparedness of key tourism sectors and deals with readiness and response procedures.</th>
</tr>
</thead>
<tbody>
<tr>
<td>Commentary:</td>
<td>While government authorities, especially at a national level, may have prime responsibility for risk and crisis management of the destination overall, each sector of the tourism industry has a responsibility to take active steps to minimise risk. Chapter 5 involves taking an audit of tourism sectors and checking on their preparedness for various threats. Chapter 5 also highlights the pivotal role of a peak industry group at each destination so that various sectors can work together as partners with government. Small businesses, in particular, need an industry body to guide and assist them with risk management. Fire, crime and security of premises are core issues for small businesses.</td>
</tr>
</tbody>
</table>
| Tasks: | - Recognise the importance of having a Peak Tourism Industry Group at each destination.  
- Appreciate the leadership role of government, but that the industry must also take steps to prepare for threats to its livelihood.  
- Identify key tourism industry sectors and their contribution to risk and crisis management.  
- Set and enforce reasonable goals and expectations for small business operators in terms of managing their risks  
- Determine those areas of risk where small business operators are most likely to be exposed, and provide assistance in managing those areas. |

### Chapter 6: Media And Information Management

| Risk Theme: | The chapter focuses on the role of media and general information exchange in the management of crisis situations. It provides guidelines on specific actions to take:  
- before a crisis  
- during a crisis  
- immediately after a crisis. |
<table>
<thead>
<tr>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Commentary:</td>
<td>Chapter 6 is about taking a degree of control in the process of how the international media may portray a tourist destination in crisis. Even if earlier steps are completed well, a destination may suffer through misrepresentation if a fully functional media and communications department is not in place and operating effectively. Chapter 6 describes the key issues and tasks of media management for each of the three phases: Before, During and After a Crisis. Having ongoing input into the process through which Travel Advisories are developed further enhances this proactive stance. Again, Chapter 6 reinforces the critical importance of partnerships across government agencies and with the tourism industry, and the central role of a coordinated risk management plan.</td>
</tr>
</tbody>
</table>
| Tasks: | - Establish a fully functional media and communications department for each destination.  
- Ensure that planning and preparation for any potential threat includes establishing a positive relationship with the news media, staff training, developing a database of partners and clients, and active monitoring of regular tourist health and safety issues.  
- During a Crisis, minimise damage and provide accurate, up-to-date information that assists all stakeholders and interested parties, including any victims and their families.  
- Following a Crisis focus on returning the destination to normal, assisting victims and their families, supporting tourism businesses that may be in financial or other difficulty, and recovering tourism market confidence.  
- Work through national governments and peak industry groups at each destination to ensure that Travel Advisories issued by various countries are fair and accurate. |
Aim of this Chapter
Tourism has become one of the major generators for social and economic growth in the world and one of
the leading drivers of international trade. In order to gain the support of key decision-makers in
government and industry it is critical that the value and importance of tourism for each destination is
clearly articulated. The aim of this chapter is to highlight the importance of tourism for generating income,
creating and sustaining jobs, encouraging foreign investment and facilitating trade opportunities for each
of the 21 APEC economies within the regional trading bloc and worldwide. It is intentionally directed at
government officials who may not be aware of the economic value of tourism to their destinations, yet
whose support is crucial to a destination having resources in place to manage risks.

Profile of the Region
APEC consists of 21 members with a total population of over 2.5 billion people and a combined Gross
Domestic Product (GDP) of US$19 trillion (47% of world trade) (Asia Pacific Economic Cooperation 2003a).
APEC, along with North American Free Trade Agreement (NAFTA) and the European Union (EU) is one of
the major trading amalgamations of the world, with tourism as a major future-oriented service sector.

There is a broad range of economic performance and growth potential across the APEC economies (Table 1).

Table 1: Economic Indicators of the APEC Members

<table>
<thead>
<tr>
<th>MEMBER ECONOMY</th>
<th>AREA (’000 SQ KM)</th>
<th>POPULATION (MILLION)</th>
<th>CURRENT PRICE GDP (US$BN)</th>
<th>CURRENT GDP PER CAPITA (US$)</th>
<th>EXPORTS (US$BN)</th>
<th>IMPORTS (US$BN)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Australia (1989)</td>
<td>7,682</td>
<td>19.1</td>
<td>380</td>
<td>18,421</td>
<td>64</td>
<td>67</td>
</tr>
<tr>
<td>Brunei Darussalam (1989)</td>
<td>6</td>
<td>0.3</td>
<td>4</td>
<td>12,344</td>
<td>3</td>
<td>1</td>
</tr>
<tr>
<td>Canada (1989)</td>
<td>9,971</td>
<td>30.8</td>
<td>717</td>
<td>22,691</td>
<td>262</td>
<td>248</td>
</tr>
<tr>
<td>Chile (1994)</td>
<td>757</td>
<td>15.2</td>
<td>76</td>
<td>4,315</td>
<td>18</td>
<td>17</td>
</tr>
<tr>
<td>People’s Republic of China (1991)</td>
<td>9,561</td>
<td>1,275.1</td>
<td>1,080</td>
<td>919</td>
<td>267</td>
<td>244</td>
</tr>
<tr>
<td>Hong Kong, China (1991)</td>
<td>1</td>
<td>6.9</td>
<td>162</td>
<td>24,080</td>
<td>177</td>
<td>205</td>
</tr>
<tr>
<td>Indonesia (1989)</td>
<td>1,904</td>
<td>212.1</td>
<td>152</td>
<td>676</td>
<td>66</td>
<td>37</td>
</tr>
<tr>
<td>Japan (1989)</td>
<td>378</td>
<td>127.1</td>
<td>4,765</td>
<td>37,299</td>
<td>403</td>
<td>349</td>
</tr>
<tr>
<td>Republic of Korea (1989)</td>
<td>99</td>
<td>46.7</td>
<td>462</td>
<td>8,918</td>
<td>150</td>
<td>141</td>
</tr>
<tr>
<td>Malaysia (1989)</td>
<td>333</td>
<td>22.2</td>
<td>90</td>
<td>3,891</td>
<td>90</td>
<td>76</td>
</tr>
<tr>
<td>Mexico (1993)</td>
<td>1,973</td>
<td>98.9</td>
<td>581</td>
<td>6,072</td>
<td>158</td>
<td>168</td>
</tr>
<tr>
<td>New Zealand (1989)</td>
<td>271</td>
<td>3.8</td>
<td>51</td>
<td>13,111</td>
<td>13</td>
<td>13</td>
</tr>
<tr>
<td>Papua New Guinea (1993)</td>
<td>463</td>
<td>4.8</td>
<td>4</td>
<td>620</td>
<td>3</td>
<td>1</td>
</tr>
<tr>
<td>Peru (1998)</td>
<td>1,285</td>
<td>25.7</td>
<td>54</td>
<td>2,051</td>
<td>7</td>
<td>7</td>
</tr>
<tr>
<td>Republic of the Philippines (1989)</td>
<td>300</td>
<td>75.7</td>
<td>75</td>
<td>926</td>
<td>35</td>
<td>36</td>
</tr>
<tr>
<td>Russia (1998)</td>
<td>17,075</td>
<td>145.5</td>
<td>260</td>
<td>2,147</td>
<td>95</td>
<td>44</td>
</tr>
<tr>
<td>Singapore (1989)</td>
<td>1</td>
<td>4.0</td>
<td>93</td>
<td>20,738</td>
<td>122</td>
<td>116</td>
</tr>
<tr>
<td>Chinese Taipei (1991)</td>
<td>36</td>
<td>22.2</td>
<td>309</td>
<td>12,599</td>
<td>122</td>
<td>107</td>
</tr>
<tr>
<td>Thailand (1989)</td>
<td>513</td>
<td>62.8</td>
<td>122</td>
<td>1,825</td>
<td>65</td>
<td>62</td>
</tr>
<tr>
<td>United States of America (1989)</td>
<td>9,373</td>
<td>283.2</td>
<td>9,825</td>
<td>35,401</td>
<td>731</td>
<td>1,180</td>
</tr>
<tr>
<td>Viet Nam (1998)</td>
<td>331</td>
<td>78.1</td>
<td>31</td>
<td>418</td>
<td>14</td>
<td>17</td>
</tr>
</tbody>
</table>

ALL MEMBERS 2,560.2 19,293 10,927 2,865 3,136

Source: Asia-Pacific Economic Cooperation (2003b)

Tourism and Economic Growth in APEC Economies
The economic climate of APEC economies fluctuates in cyclic patterns consistent with the rest of the world.
Major events to influence economic and tourism growth recently include:
• September 11 terrorist attacks – resulted in an economic downturn affecting all major economies
simultaneously. Triggered business and consumer uncertainty and shifts in demand.
• Recovery in 2002 - not as immediate as first expected, more of a gradual recovery over months. 3.1%
increase in International tourist arrivals, average growth rate of 4.3% (World Tourism Organization,
2003a).
• Iraq conflict in 2003 – resulted in a weakened economy and delayed recovery due to uncertainty. State of War caused immediate fall in demand, particularly in air traffic and inter-regional travel in destinations within the conflict zone.
• SARS virus – had the effect of dampening economic growth following a heightened state of uncertainty across the region.

The Importance of Tourism
Tourism is one of the driving forces of economic development in industrialised, less-developed and developing countries. The travel and tourism industry contributes substantially to:
• strong economic growth,
• the creation of skilled and semi-skilled jobs,
• greater export returns,
• foreign investments and currencies, and
• economic well-being and social stability.

Travel and tourism (transport, accommodations, catering, recreation and services for travellers) is one of the world’s largest industries and generators of jobs. The tourism industry is labour intensive and provides a wide range of employment opportunities, especially for women and young people, helping to break the vicious cycle of poverty by enhancing human capital and creating new prospects for future generations. The development of small and medium size enterprises creates work for unskilled and skilled workers in existing centres and rural areas.

Tourism Industry Contribution to APEC Economies
The rate of growth in the last few decades and the scale of tourist movements has not only created a major industry, it has created a massive logistical framework of transport networks, gateways, infrastructure, accommodation and services capable of moving large numbers with minimum delays and great efficiency. This industry contributes significantly towards the APEC economies. For example, the World Travel and Tourism Council (2002) estimated that in the year 2003 the world travel and tourism industry would account for:
• 195 million jobs
• US$3,527 billion in GDP
• US$1,010 billion in exports
• US$686 billion in capital investments
• US$224 billion of all government expenditure.

The influence of the tourism and travel sector on each country’s economy varies across the APEC nations (Figure 2). For example in New Zealand, tourism contributes 15% to GDP, while in Chinese Taipei this sector accounts for just 4.1% of total GDP.
Another economic indicator of the contribution of tourism to a country’s economy is receipt values, which indicate revenue gained from tourism. A country may have a higher receipt value than the number of arrivals, which indicates that the tourist market of that destination accumulates significant revenue from tourism. Ten members of the APEC economies (Australia, Chinese Taipei (Taiwan), Indonesia, New Zealand, Papua New Guinea, Peru, Philippines, Republic of Korea, Singapore and the United States) generate relative higher receipts than number of arrivals (Figure 3). These economies generate about two thirds of all receipts in the APEC region by attracting only one third of tourist arrivals. This uneven distribution of receipts and arrivals illustrates why it is important to develop destinations in such a manner, which facilitates the accumulation of revenue from tourism.

Figure 3: Comparison of Receipts and Arrivals
Recent Performance of Asia and the Pacific Region
Most economies in Asia and the Pacific reported a growth in arrival rates in January and February of 2003. That trend abruptly ended after March 2003 with the emergence of SARS and the Iraq conflict. The impact of these two events on tourism in this region has been widespread. Even destinations not directly affected by SARS, such as Japan, Korea, Australia, Thailand, Indonesia and the Philippines, experienced a 10 to 50 percent decline in tourist arrivals. One reason for this decline in travel has been attributed to the fact that the majority of these countries depend on the major air travel hub in Singapore, which was one of the economies severely crippled by the SARS outbreak. For example, International visitor arrivals dropped 31.7% from 2002 to 2003 (Figure 4, source: WTO 2003b).

Figure 4: International Tourist Arrivals by Country of Destination

Since the lifting of the various travel advisories, there has been a slow economic recovery, however regaining consumer confidence will be a long-term process. The following case study outlines the economic impact of SARS in Malaysia.

THE ECONOMIC IMPACT OF SARS IN MALAYSIA
The first known case of Severe Acute Respiratory Syndrome (SARS) occurred in Foshan city, Guangdong Province, China on 16 November 2002. SARS is a severe and readily transmissible new disease to emerge in the 21st Century. Though much about the disease remains poorly understood, SARS has shown a clear capacity to spread along the routes of international air travel. The outbreaks of greatest concern were concentrated in transportation hubs or spreading in densely populated areas. The World Health Organization (WHO) regarded every country with an international airport as at potential risk of an outbreak. There were 8,100 cases worldwide with 916 people dying from SARS.

Despite the small number of reported cases and deaths, SARS has and is having a major economic impact in the travel industry around the world. The economic consequences for Malaysia – with only five reported cases – were significant considering heavy reliance on intra-regional trade and tourist arrivals from East Asia. Malaysia’s tourism industry, the second largest foreign exchange earner after manufacturing, was hit badly by SARS. Tourism, which contributed about 7.8% of GDP in 2002, has been affected significantly, as reflected in a sharp increase in cancellations of travel and hotel bookings. According to the Malaysia National Economic Action Council, tourism arrivals dropped 30%, and hotel occupancy countrywide fell to 30 – 50% year on year, by the end of April 2003 (Asia Recovery Information Centre, 2003). During the same period, airline bookings were reportedly down by 40% (Asia Recovery Information Centre, 2003).

On 21 May 2003, the Malaysian Government released an economic package to sustain economic growth under the title ‘New Strategies towards Stimulating the Nation’s Economic Growth’. It includes 13 measures providing assistance to the economic sectors hardest hit by SARS, such as tourism and transport. These measures are part of a more comprehensive package for
promoting private sector investment and international competitiveness and strengthening domestic demand. The package contains a federal budgetary allocation of RM7.3 billion (US$1.9 billion), or 2% of GDP, to stimulate the economy through public spending and reduced taxes. This is larger than the economic stimulation packages recently announced by Hong Kong, China (US$1.5 billion or 1% of GDP) and Singapore (US$1.29 billion or 0.1% of GDP).

Tourism Promotion is focused on markets not hit by the SARS outbreak such as the West Asian nations. The six-day tourism campaign jointly organised by the Malaysia Tourism Promotion Board (Tourism Malaysia) and Malaysia Airlines, was aimed at potential travellers from Kuwait, Bahrain, Qatar and Oman (Husain, 2003). The Culture, Arts and Tourism Ministry have allocated RM900 million (US$237 million) to revive the local tourism industry, which has been badly affected by the on-going global crisis (The Culture, Arts and Tourism Ministry, 2003). According to the Ministry, RM400 million (US$105 million) would be used for the Special Tourism Fund and RM500 million (US$132 million) would be used for the Tourism Infrastructure Fund.

Source: Based upon material provided from the University of Hawaii

Future Forecasts
The APEC economy is expected to build up growth momentum in the near future. Despite the decline in International arrivals in 2001, the WTO forecasts a continuation of a positive trend over the next 10 or even 20 years. Major forecasting institutions suggest in their projections that in the APEC economy as a whole, the recovery pace will be accelerated over the next decade.

The World Travel and Tourism Council (2002) predicts that by the year 2010 the travel and tourism industry in the APEC region will:
• equate to US$4.4trillion of total economic demand;
• create 128 million jobs;
• contribute 11.6% of direct and indirect GDP to the world economy;
• contribute towards a 4.4% per annum increase in global total demand (real terms, adjusted for inflation);
• contribute US$1,301.8billion (10.6%) to Gross Domestic Product; and
• generate US$1,035.5billion (11.1% of total) in exports.

Chapter Summary
This chapter showed the diversity of the APEC economies in terms of tourism performance and potential. Given that tourism is among the leading export sectors of goods and services in each economy, it is essential that the right conditions exist to support the future growth of this sector.

The value and importance of tourism to each of the APEC economies was illustrated through facts and figures on how tourism generates income, creates and sustains jobs, encourages foreign investment and facilitates trade opportunities. Drawing attention to tourism’s substantial contribution to APEC communities is important in order to gain the support of key government decision makers, who in turn will help ensure the industry is protected from various threats. These potential threats are discussed in the following chapter.

Although 2003 has been a difficult year for many APEC economies, the long-term outlook in travel and tourism is positive. One of the lessons from the past three years is that some destinations were much better prepared than others to respond and adapt quickly to possible shocks and threats to the tourism industry. The intention of this report is to show how all APEC economies can prepare themselves in the future.

Chapter 2 now considers the range of possible threats to tourism and offers a standard framework for working through the risk management process.
Aim of this Chapter

Tourism is very vulnerable to a wide range of events, both naturally occurring and human-made. The aim of this chapter is to describe the range of possible shocks and threats to the tourism industry. Some practical distinctions are made between risk, crisis and disaster management in order to clarify common steps for taking control of adverse situations. Case studies, checklists and resources are offered to assist destination managers and decision-makers in coming to terms with the risk management process.

Sources of Risk

The World Tourism Organization (2003c) takes the view that risks to the safety and security of tourists, host communities and tourism employees can originate from four source areas:

1. The human and institutional environment outside the tourism sector;
2. The tourism sector and related commercial sectors;
3. The individual traveller (personal risks); and
4. Physical or environmental risks (natural, climatic, epidemic).

It is worth briefly expanding these areas to show the full extent that risk is present in each sector.

The Human and Institutional Environment

The risks from the human and institutional environment exist when visitors fall victim to:

- Common delinquency (theft, pick-pocketing, assault, burglary, fraud, deception);
- Indiscriminate and targeted violence (such as rape) and harassment;
- Organised crime (extortion, the slave trade, coercion);
- Terrorism and unlawful interference (attacks against state institutions and the vital interests of the state), hijacking and hostage taking;
- Wars, social conflicts and political and religious unrest; and
- A lack of public and institutional protection services.

Tourism and Related Sectors

Through defective operation, tourism and sectors related to tourism such as transport, sports and retail trade, can endanger visitors' personal security, physical integrity and economic interests through:

- Poor safety standards in tourism establishments (fire, construction errors, lack of anti-seismic protection);
- Poor sanitation and disrespect for the environment’s sustainability;
- The absence of protection against unlawful interference, crime and delinquency at tourism facilities;
- Fraud in commercial transactions;
- Non-compliance with contracts; and
- Strikes by staff.

Individual Travellers

Travellers or visitors can endanger their own safety and security, and those of their hosts by:

- Practicing dangerous sports and leisure activities, dangerous driving, and consuming unsafe food and drink;
- Travelling when in poor health, which deteriorates during the trip;
- Causing conflict and friction with local residents, through inadequate behaviour towards the local communities or by breaking local laws;
- Carrying out illicit or criminal activities (e.g. trafficking in illicit drugs);
- Visiting dangerous areas; and
- Losing personal effects, documents, money, etc., through carelessness.

Physical and Environmental Risks

Finally, physical and environmental damage can occur if travellers:

- Are unaware of the natural characteristics of the destination, in particular its flora and fauna;
- Are not medically prepared for the trip (vaccinations, prophylaxis);
- Do not take the necessary precautions when consuming food or drink and in their hygiene; and
- Are exposed to dangerous situations arising from the physical environment (natural disasters, epidemics).

Physical and environmental risks are also largely personal risks, but are not caused deliberately. Rather, they are a result of the traveller’s ignorance or his/her disregard for potential risks. Indeed, it is now a common international finding that overseas visitors are most likely to be injured in unfamiliar environments and
while participating in unfamiliar activities (Page & Meyer, 1997; Wilks, 2003 a). Although the four source areas generate a range of threats to tourist safety and security, threats to physical safety have become the major focus and concern for travellers following the events of September 11 (World Tourism Organization, 2003c).

"SEPTEMBER 11" TERRORIST ATTACK

Terrorists struck the United States on September 11, 2001 with a suicide attack that involved the hijacking of fully fuelled passenger jets as flying bombs. Both towers of the World Trade Centre in New York and part of the Pentagon building in Washington DC collapsed after hijacked aircraft crashed into them. A large aircraft also crashed in western Pennsylvania (http://www.time.com/time/nation/article/0,8599,174502,00.html).

The following security measures were taken as response after the attack:

- All government buildings in the country were evacuated, including the White House and Congress.
- Lower Manhattan was evacuated and the National Guard brought in.
- All commercial flights to and from the US were suspended until noon on September 12.
- Air force fighters were ordered to attack any suspicious aircraft flying in US airspace.
- Seven US warships sailed towards New York, two aircraft-carriers to help in rescue efforts.

The impact was huge around the world, across the United States and particularly in New York City. Numerous investment firms housed in the World Trade Centre lost hundreds of employees; stock exchanges all over the world plummeted; travel and entertainment stocks fell, online travel agencies particularly suffered, as they cater to leisure travel. Similarly, share prices of airlines and airplane manufacturers plummeted after the attacks. Several airlines were threatened with bankruptcy. Tens of thousands of layoffs were announced in the following week.

Tourism in New York City declined precipitously, causing massive losses in a sector, which employed 280,000 people and generated $25 billion per year. In the week following the attack, hotel occupancy fell to below 40 percent, and 3000 employees were laid off. Tourism and hotel occupancy also fell drastically across the nation (http://www.cnn.com/2001/US/09/21/vic.victims.facts/).

Due to the terrorist attack in 2001, global international arrivals declined by 0.6 per cent, the first year of negative growth for international tourism since 1982. According to the World Tourism Organization (http://www.world-tourism.org/market_research/facts&figures/articles/articles.htm), tourism recovery and development may follow characteristics below:

- There was a contraction in international tourism caused by a decline in long-haul flows. This contraction seems to be easing gradually as the months pass.
- The recovery in terms of number of trips was not associated with a proportionate increase in revenues. Corporate earnings grew at a slower rate.
- Prices played a key role in purchase decisions.
- Delays in bookings and last-minute purchases were common.
- There was a clear trend towards an active policy of alliances, mergers and acquisitions as a way to reduce costs and ensure positive results.
- Travellers stayed for a shorter period of time but required more customised products.
- Cooperation between governments and the public and the private sector was enhanced due to the necessity of finding solutions to the crisis.

Source: Based upon material provided from the University of Hawaii

<table>
<thead>
<tr>
<th>Natural and Human-Made Events</th>
</tr>
</thead>
<tbody>
<tr>
<td>Natural</td>
</tr>
<tr>
<td>Avalanche</td>
</tr>
<tr>
<td>Earthquake</td>
</tr>
<tr>
<td>Flood</td>
</tr>
<tr>
<td>Medical epidemic</td>
</tr>
<tr>
<td>Hurricane</td>
</tr>
<tr>
<td>Mudslide</td>
</tr>
<tr>
<td>Violent storm</td>
</tr>
</tbody>
</table>
On March 20, 1995, a cult group called Aum Shinrikyo, or Aum Supreme Truth attacked the Tokyo subway system using sarin nerve gas. Sarin was placed on five different subway trains, and the attacks took place around Kasumigaseki, where many Japanese government buildings are located (Okumura et al, 2000). Twelve heavily exposed commuters died, and around 980 were mildly to moderately affected with about 500 requiring hospital admission (Tu, 2000). More than 5,000 people sought medical assistance.

The impact of the sarin terrorist attack is reflected in the casualty figures of the respective trains (Tu, 2000):
2. Hibiya Line to East Zoo Park: 1 death, 532 injured.
5. Marunouchi Line to Ikebukuro: no deaths, 200 injured.

Domestic travel from January to March 1995 decreased 6% from the previous year, reflecting the negative impacts of the Great Hanshin Earthquake, which occurred in January 1996, and the Tokyo sarin incidents in March of the same year. Both incidents generated social safety concerns and delayed recovery of the economy. Tokyo's hotel occupancy declined due to the Sarin incident, but the discounting of room rates since October 1995, caused occupancy rates to reach 70.7% for July to September 1997 ("Unyu Keizai," 1996).

The negative effects of the attacks could have been reduced if proper decontamination and prompt implementation of preventive measures had been implemented. The delay in halting train service and evacuation passengers had several root courses:
• this type of attack was virtually unprecedented;
• the coordinated multi-site attack was unknown to train operators and other first respondents;
• no contingency plans on chemical weapon attacks existed outside of the military; and
• bureaucratic barriers hindered the immediate recognition and response (Pangi, 2002).

As a result, the incident suggested several improvements such as the identification and decontamination ability of the cause materials, the availability of protective equipment for initial responders and hospital staff, the communication process, and the availability of medical capacity.

The incident also made officials aware of terrorism and increased global concern over the dangers of chemical weapons use by terrorists. Less than a month after the attack, the Japanese Parliament passed a law related to the Prevention of Bodily Harm Caused by Sarin and Similar Substances, prohibiting the manufacture, possession and use of such (Pangi, 2002). On October 30, 1995, the Tokyo District Courts removed the recognition of Aum Shinrikyo as an authorised religious corporation. This did not prevent Aum members from practicing their beliefs. The laws guaranteeing religious freedom were also modified on December 8, 1995: the Diet passed revisions to the Religious Corporations Law that granted authorities powers to monitor potentially dangerous religious organizations.

In 1999, the Japanese government approved a bill entitled “Anti-subversive Activities Law” allowing the state to legally monitor the activity of cults deemed dangerous to public welfare (Non-conventional Terrorism, 1999). Under the provisions of the bill, a group engaged in “subversive activity,” or activities that endanger the public security may be subject to the following restrictions (Non-conventional Terrorism, 1999):
1) The group’s members may be placed under the surveillance of the Public Security Investigation Agency for up to three years.
2) Public security officials or local police may inspect the group’s facilities at any time without prior warning.
3) The group can be required to report on its activities every three months.
The World Tourism Organization reports that after the sarin attack, several countries increased their state of alert for the intentional use of biological or chemical agents. Some countries have developed:
1. increased preparedness within the national public health system, including identifying the location – and even stockpiling – of critical medicines and other commodities,
2. extra training to handle large numbers of potential threats (Rohanasathira et al., 2003).

In 1997, the organization for the Prohibition of Chemical Weapons (OPCW) was established by the countries that have joined the Chemical Weapons Convention (CWC) to make sure that the Convention works effectively and achieves its purpose. The CWC was opened for signature on 13 January 1993. As of 28 June, 2003, 153 countries are State Parties to the Chemical Weapons Convention. OPCW provides assistance to the international community by mobilising a response team consisting of an Advanced Coordination and Assessment Team (ACAT), arriving within hours to assess requirement and mobilise international assistance measures.

Source: Based upon material provided from the University of Hawaii

Direct and Indirect Shocks
A third way of looking at risk, or specifically at potential shocks to the tourism industry, is to divide them into direct and indirect events with short, medium or long-term consequences for individuals, communities, regions and countries. This is the approach adopted by the government in Queensland, Australia (Tourism Queensland, 2003) and presented graphically in Figure 5. They note that certain shocks may be triggered or magnified by others; for example, increases in public liability insurance as a result of the September 11 terrorist attacks. However, the common factor in this categorisation is that a potential tourism shock will have either a direct or indirect impact upon the industry.

The advantage of this approach is that it places more emphasis on indirect shocks that may not be as obvious for their effects on tourism. Examples of indirect shocks include currency fluctuations, exotic animal diseases (such as the outbreak of Foot and Mouth Disease in the United Kingdom during 2001) and economic downturns (such as the Asian financial crisis of 1997). The Tourism Queensland approach distinguishes between Pre-Shock (involving Prevention and Preparation) and Post-Shock (Response and Recovery) phases. Apart from slight differences in terminology, these categories are the same as those used in the PATA approach.

In describing potential shocks and threats to the tourism industry it is important to again make a practical distinction between risk, crisis and disaster management. A Risk is ‘the chance of something happening that will have an impact upon objectives’. All risks have the potential of escalating ‘out of control’ and becoming a Crisis (recall Figure 1); but most of them will not escalate if they are dealt with in a systematic manner.

An Escalation of Events

Risk ————> Crisis ————> Disaster

While PATA and WTO recognise that it is impossible to develop a comprehensive list of all incidents that have the potential to develop into crises, it is possible for business and destination managers to identify areas of risk that are most likely to threaten them. The following sections describe a systematic approach to risk management based on the Australian and New Zealand Standard (Standards Australia and Standards New Zealand, 1999).

The choice of this Risk Management Model for the present report reflects its widespread use and acceptance by national (Emergency Management Australia, 2000) and international crisis and disaster response agencies (International Strategy for Disaster Reduction, 2002). Indeed, many of the traditional crisis and emergency classification frameworks are now being challenged and replaced by the risk management approach presented here (see Crondstedt, 2002).
Figure 5: Queensland Crisis Management Plan Framework

Direct eg:
- tourism related industrial dispute/business collapse (e.g., Ansett Airlines)
- natural disasters in tourism areas (e.g., cyclones, flooding, bushfires)
- tourist deaths/injuries (e.g., murders, Irukandji, drownings, Childers Hostel fire)

Indirect eg:
- terrorist/military activities (e.g., September 11, Gulf War)
- Public Liability Insurance (PLI)
- economic downturn (e.g., Asian financial crisis)
- currency fluctuations
- exotic animal diseases (e.g., Foot & Mouth Disease)

Short-term:
- disruption to holidays
- disruption to future plans
- financial inconvenience to operators and visitors
- negative publicity
- reduction in visitor numbers
- decreased revenue for operators/suppliers
- staff redundancies

Medium/Long-term:
- aversion to travel to a destination or in general
- long-term reduction in visitor numbers
- decreased revenue and increased costs (e.g., PLI)
- financial uncertainty for operators/suppliers/investors
- long-term unemployment
- loss of skilled workers/need to upskill
- business failure

Pre-shock:
(Prevention/Preparedness)
- across-Govt preparations
- diversify portfolio of markets
- establish information conduits
- promote benefits of preparedness to operators
- research potential impacts of shocks – e.g., Queensland General Equilibrium Model of Tourism (QGEM-T).

Post shock:
(Response/Recovery)
- utilise TQ Communication Crisis Management Plan
- establish TQ response group (key managers)
  - assess impacts
  - determine response/s
  - resource requirements
  - across-Govt collaboration
- reconvene across-Govt Tourism & Related Industries Immediate Response Group (TRIIRG) if required

Communication:
(short-term)
- utilise TQ Communication Crisis Management Plan
- network of websites accessible to industry & consumers
- establish hotline if necessary
- transport access restrictions
- utilise TRIIRG network

Research:
(short/medium-term)
- QGEM-T dynamic modelling
- utilise TQ o/s office network & Regional Tourism Activity Monitor (R-TAM) to monitor effects & gather market intelligence
- domestic intentions research

Marketing:
(short/medium-term)
- Collect info/market intel
- Interpret info/market intel
- Communicate proposed response to industry
- Implement response strategies

Business/Industry Development/Assistance:
(medium/long-term)
- monitoring (hotline & industry consultation)
- vocational education & training
- concessional loans

**Australian and New Zealand Standard for Risk Management**

The Standard provides a step-by-step framework for taking control of risks and their impacts. The basic framework is presented in Figure 6, and is well suited to managing the risks associated with the tourism industry.

**Figure 6: Risk Management Overview**

The important thing to remember about effective risk management is that the five central steps need to be implemented in sequence and then continually evaluated through monitoring/review and communication/consultation. Having a documented plan that sits on the shelf is often more dangerous than not having a plan at all. So how can these risk management steps be applied to tourism? The following brief descriptions of each step are adapted from the Australian/New Zealand Standard and the Queensland (Australia) government website on risk management (www.riskmanagement.qld.gov.au) with tourism examples provided to illustrate the main points.

**Step 1 – Establish the Context**

The first step in the risk management process is focused on the environment in which any tourism organization or destination operates. This is the point where basic parameters or boundaries are set within which risks must be managed. This step requires an understanding of crucial elements that will support or impair the risk management process. Among the crucial elements are internal and external stakeholders. In the case of tourism, without the support of senior government officials there is little point in continuing the process. Chapter 3 describes the essential activities that should be undertaken by national governments to support tourism in the risk management process. In addition to the national government, the following stakeholder groups should be involved in the risk management process at this early stage:

- Politicians (at all levels of government) who may have an electoral or portfolio interest;
- Union groups;
- Financial institutions;
- Insurance organizations;
- Tourism businesses and related commercial interests at each destination;
- Regulators and other government organizations that have authority over activities (e.g., police, emergency services);
- Non-government organizations such as environmental and public interest groups; and
- The media, who are potential stakeholders as well as conduits of information to other stakeholders.

A critical decision at this first stage is which group or agency should be given the lead role in risk management/crisis or disaster response. This is where an understanding of definitions is important. Traditionally, risk planning and low-level problems are retained by tourism authorities (e.g., educational campaigns for tourists about sun protection). A crisis response is traditionally coordinated by police (e.g., a
hotel fire), whereas a disaster (e.g., a major flood) is managed by emergency services. In establishing the risk management context for any tourism destination the roles and responsibilities of various stakeholders must be made clear at the outset. This should be documented as part of national policy, and linked to any wider government disaster management plan.

The view of this report is that, where possible and appropriate, the police should be given the lead coordinating role in all levels of risk response, since they have legal authority to act on behalf of the government in a range of situations. Tourism has a major responsibility to ensure that policy, plans and partnerships are in place across the tourism sector to support the active role of the police in the event of a crisis situation. Chapter 3 outlines a method for achieving these aims through the formation of a National Tourism Safety and Security Committee.

The final element of Step 1 – Establishing the Context – is the development of some risk evaluation criteria. Decisions need to be made about what risks are considered acceptable and will be tolerated, and what risks are unacceptable and therefore require treatment. These decisions are based on various operational, technical, financial, legal, social, humanitarian and other criteria. For example, it is primarily a national responsibility to provide the legal, regulatory and judicial framework that underpins tourism safety and security. A useful approach employed by a number of countries to evaluate their legal situation regarding tourism safety and security is to organise a systematic review of tourism safety and security problems and contrast them with the legal remedies and procedures available to deal with them.

Tourism officials should make certain that stakeholders such as judges, law enforcement officials, legislators, lawyers, and other government officials, as well as the tourism operational sectors are invited to participate in this systematic review. The objectives are to identify gaps in the laws or regulations and possible corrective measures for dealing with tourism safety and security issues. In some cases the identified risk and its consequences will be considered unacceptable for a destination. A very good example of change being made to a legal framework to address a tourist issue is that of Thailand’s laws on prostitution.

At a national government level tourist destinations can also support each other in legal initiatives. For example, in its work to prevent child sex tourism, the international organization ECPAT collaborates with the travel and tourism industry, and provides information to travellers and advocates for extra-territorial laws and law enforcement. ECPAT (www.ecpat.org) has representation in over 50 countries across Africa, Asia, Europe, North, Central and South America, and the Pacific.

Step 2 – Risk Identification
The second step in the risk management process is identifying the risks to be managed. According to the Australian/New Zealand Standard, comprehensive identification using a well-structured systematic process is critical, because a potential risk not identified at this stage is excluded from further analysis. Identification should include all risks, whether or not they are under the control of the tourist destination or national government. A look back at the potential indirect shocks to the tourism industry identified in the Queensland Tourism Crisis Management Plan (Figure 5) shows that risks such as currency fluctuations and economic downturns are largely beyond the ability of any one government to control. However, a fairly comprehensive general list of possible risks can be developed based on WTO and PATA frameworks, and then expanded using checklists, judgments based on experience and records, flow charts, brainstorming and industry publications.

The use of industry publications is worth highlighting because for a destination they can be very influential, even if they are not specifically directed at tourism. A good example is the annual RiskMap published by Control Risks Group in London (www.crg.com). RiskMap is described as a guide to conducting business in an uncertain world. Countries are rated according to two types of risk – Political and Security – on a five level scale (insignificant, low, medium, high and extreme) with accompanying commentary. For potential investors and global companies involved in tourism-related activities these risk assessments can have far-reaching consequences.
### RiskMap 2003 Ratings for APEC Economies

<table>
<thead>
<tr>
<th>Australia</th>
<th>Insignificant</th>
<th>Low</th>
</tr>
</thead>
<tbody>
<tr>
<td>Brunei Darussalam</td>
<td>Low</td>
<td>Low</td>
</tr>
<tr>
<td>Canada</td>
<td>Low</td>
<td>Low</td>
</tr>
<tr>
<td>Chile</td>
<td>Low</td>
<td>Low</td>
</tr>
<tr>
<td>China</td>
<td>Medium</td>
<td>Low</td>
</tr>
<tr>
<td>Hong Kong China</td>
<td>Low</td>
<td>Low</td>
</tr>
<tr>
<td>Indonesia</td>
<td>Medium</td>
<td>Low</td>
</tr>
<tr>
<td>Japan</td>
<td>Insignificant</td>
<td>Insignificant</td>
</tr>
<tr>
<td>Korea (South)</td>
<td>Low</td>
<td>Low</td>
</tr>
<tr>
<td>Malaysia</td>
<td>Low</td>
<td>Low</td>
</tr>
<tr>
<td>Mexico</td>
<td>Medium</td>
<td>Medium</td>
</tr>
<tr>
<td>New Zealand</td>
<td>Insignificant</td>
<td>Insignificant</td>
</tr>
<tr>
<td>Papua New Guinea</td>
<td>Medium</td>
<td>Medium (High in Port Moresby, Lae, Mount Hagen)</td>
</tr>
<tr>
<td>Peru</td>
<td>Medium</td>
<td>Medium (High in Upper Huallaga Valley, Huánuco, San Martin departments, Ayacucho department)</td>
</tr>
<tr>
<td>Philippines</td>
<td>Medium</td>
<td>Medium (High in south-western Mindanao)</td>
</tr>
<tr>
<td>Russia</td>
<td>Medium</td>
<td>Medium (High in North, Extreme in Chechnya, Caucasus)</td>
</tr>
<tr>
<td>Singapore</td>
<td>Insignificant</td>
<td>Low</td>
</tr>
<tr>
<td>Chinese Taipei</td>
<td>Low</td>
<td>Low</td>
</tr>
<tr>
<td>Thailand</td>
<td>Medium</td>
<td>Low</td>
</tr>
<tr>
<td>USA</td>
<td>Low</td>
<td>Low</td>
</tr>
<tr>
<td>Viet Nam</td>
<td>Medium</td>
<td>Low</td>
</tr>
</tbody>
</table>

Written by Jeff Wilks

Risk identification is a step that all too often we take for granted. As noted by Ap (2003) in the context of the recent SARS (Severe Acute Respiratory Syndrome) crisis, ‘upon hearing of a crisis, we typically become detached if it does not affect us directly and develop an “It Won’t Happen to Us” syndrome’. Identifying and understanding a full range of potential risks will better prepare any tourist destination for dealing with unexpected and even unforeseen events.

The following checklist highlights a number of methods that can be used to identify risk. A range of industry and academic publications are also available to monitor this area of activity.

### Checklist: How to Identify Risk?

<table>
<thead>
<tr>
<th>Method of Identifying Risk</th>
<th>Definition</th>
<th>Used</th>
<th>Not Used</th>
</tr>
</thead>
<tbody>
<tr>
<td>Brainstorming</td>
<td>A method, carried out by groups or individuals, for developing creative solutions to problems by focusing on an issue and generating possible lateral ideas and solutions.</td>
<td>☐</td>
<td>☐</td>
</tr>
<tr>
<td>Checklists</td>
<td>A form of data collection used to ascertain how often events occur. Used to assist in selecting and defining a problem, testing a theory about causes or analysing the effectiveness of a solution.</td>
<td>☐</td>
<td>☐</td>
</tr>
<tr>
<td>Flowchart</td>
<td>A graphical representation of an entire process from start to finish, depicting inputs, outputs, pathways, circuits and units of activity.</td>
<td>☐</td>
<td>☐</td>
</tr>
<tr>
<td>Records</td>
<td>The storing of information for future reference. For example, an accident register can be an important record of accidents and incidents, which will assist in the formation of remedial and preventative measures.</td>
<td>☐</td>
<td>☐</td>
</tr>
<tr>
<td>Experience</td>
<td>The accumulation of knowledge or skill that results from direct participation in events. Experience can be extremely valuable in times of crisis.</td>
<td>☐</td>
<td>☐</td>
</tr>
</tbody>
</table>
Industry/Academic publications
Useful industry and academic publications include:

- Disaster Prevention and Management - Emerald http://gessler.emeraldinsight.com/vl=384369/cl=60/nw=1/rpsv/journals/dpm/jourinfo.htm;
- Public Relations Journal - ceased publication Public Relations Society of America, Inc homepage of publishing body is http://www.prsa.org/_Publications/main/;
- International Journal of Mass Emergencies and Disasters - International Sociological Association http://www.usc.edu/schools/sppd/ijmed/;

Additional resources are presented on the CD that accompanies this report.

Step 3 – Risk Analysis

The analysis phase of risk management involves assessment of the identified risks, in terms of their impact on a business or tourist destination. Minor and acceptable risks need to be separated from those major risks that need to be managed. A standard way of making these assessments is to consider the likelihood (frequency or probability) of occurrence and the consequences (impact) of the identified risks.

There are many ways to classify risk for the purposes of analysis. The Australian/New Zealand Standard presents Tables 2, 3 and 4 as examples of qualitative measures.

Table 2: Qualitative Measures of Consequence or Impact

<table>
<thead>
<tr>
<th>LEVEL</th>
<th>DESCRIPTOR</th>
<th>EXAMPLE DETAIL DESCRIPTION</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Insignificant</td>
<td>No injuries, low financial loss</td>
</tr>
<tr>
<td>2</td>
<td>Minor</td>
<td>First aid treatment, on-site release immediately contained, medium financial loss</td>
</tr>
<tr>
<td>3</td>
<td>Moderate</td>
<td>Medical treatment required, on-site release contained with outside assistance, high financial loss</td>
</tr>
<tr>
<td>4</td>
<td>Major</td>
<td>Extensive injuries, loss of production capability, off-site release with no detrimental effects, major financial loss</td>
</tr>
<tr>
<td>5</td>
<td>Catastrophic</td>
<td>Death, toxic release off-site with detrimental effect, huge financial loss</td>
</tr>
</tbody>
</table>

Note: Measures used should reflect the needs and nature of individual organizations or destinations

Table 3: Qualitative Measures of Likelihood

<table>
<thead>
<tr>
<th>LEVEL</th>
<th>DESCRIPTOR</th>
<th>DESCRIPTION</th>
</tr>
</thead>
<tbody>
<tr>
<td>A</td>
<td>Almost certain</td>
<td>Is expected to occur in most circumstances</td>
</tr>
<tr>
<td>B</td>
<td>Likely</td>
<td>Will probably occur in most circumstances</td>
</tr>
<tr>
<td>C</td>
<td>Possible</td>
<td>Might occur some time</td>
</tr>
<tr>
<td>D</td>
<td>Unlikely</td>
<td>Could occur at some time</td>
</tr>
<tr>
<td>E</td>
<td>Rare</td>
<td>May occur only in exceptional circumstances</td>
</tr>
</tbody>
</table>
Table 4: Qualitative Risk Analysis Matrix – Level of Risk

<table>
<thead>
<tr>
<th>Likelihood</th>
<th>Consequences</th>
<th>Insignificant</th>
<th>Minor</th>
<th>Moderate</th>
<th>Major</th>
<th>Catastrophic</th>
</tr>
</thead>
<tbody>
<tr>
<td>A (almost certain)</td>
<td></td>
<td>H</td>
<td>H</td>
<td>E</td>
<td>E</td>
<td>E</td>
</tr>
<tr>
<td>B (likely)</td>
<td></td>
<td>M</td>
<td>H</td>
<td>H</td>
<td>E</td>
<td>E</td>
</tr>
<tr>
<td>C (moderate)</td>
<td></td>
<td>L</td>
<td>M</td>
<td>H</td>
<td>E</td>
<td>E</td>
</tr>
<tr>
<td>D (unlikely)</td>
<td></td>
<td>L</td>
<td>L</td>
<td>M</td>
<td>H</td>
<td>E</td>
</tr>
<tr>
<td>E (rare)</td>
<td></td>
<td>L</td>
<td>L</td>
<td>M</td>
<td>H</td>
<td>H</td>
</tr>
</tbody>
</table>

Legend: E: Extreme risk; immediate action required H: High risk; senior management attention needed M: Moderate risk; management responsibility must be specified L: Low risk; manage by routine procedures

Escalating a Crisis

As part of the process of assessing the likelihood and consequences of identified risks, it is important to note that even a relatively minor incident can blow up into a public crisis. Some of the factors identified by PATA as likely to escalate a crisis include:

1. **Number of people involved**
   This goes without saying – the greater the number, the bigger the crisis.

2. **Age of the people involved**
   The media are far more aggressive in reporting stories that affect children.

3. **Prominence of people involved**
   A “high profile” person, or one with significant connections can guarantee high media interest.

4. **Level of media interest or their access to a story**
   Even modest media interest is going to guarantee that you have a potential public relations crisis on your hands. Reporters look for attention-grabbing headlines. Weaknesses in an organization's response will be reported with little mercy.

5. **Nature of incident**
   Any incident following on from a similar recently reported incident, however coincidental, is more likely to attract attention than if it had been an isolated incident.

6. **Visibility**
   In the age of portable video and digital cameras, graphic pictures of an incident site can be transmitted around the world within minutes.

Recalling that the PATA definition of a Crisis is:

*Any situation that has the potential to affect long-term confidence in an organization or a product, or which may interfere with its ability to continue operating normally* (p.2)

The consequences of any crisis can be viewed on the same scale as those of risk in Table 2 (above); that is, from insignificant through to catastrophic. In the following case study, it could be argued that the SARS Crisis was actually a disaster for many destinations, given that a Disaster is:

*A catastrophic event that severely disrupts the fabric of a community and requires the intervention of the various levels of government to return the community to normality* (Zamecka and Buchanan, 2000, p.8)

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THE DOMINO EFFECT OF SARS

Why did SARS have such a devastating effect on tourism when, in hindsight, it was a disease that should have had a relatively minor impact? The 2003 outbreak infected only about 8,100 people worldwide, far fewer than are infected by other seasonal outbreaks of influenza. The vast majority of cases (97.7%) were restricted to Hong Kong, China, Chinese Taipei, Singapore and Canada. Fewer than 750 people died, again with 98.3% of fatalities confined to these five jurisdictions (WHO 2003). The mode of transmission was identified quickly and with the exception of health care workers and people who had close contact with infected individuals, the real risk of contracting SARS was minimal. Indeed, measles is five times more infectious however, people do not stop travelling when someone contracts measles.

Yet, Asian tourism was devastated. The World Travel and Tourism Council (WTTC 2003) estimated that up to three million people lost their jobs in China, Hong Kong China, Singapore and Viet Nam alone and that SARS will cost these four economies over US$20 billion in lost gross domestic product output. The Pacific Asia Travel Association (PATA) estimated the total
impact to be closer to seven million lost jobs and US$30 billion in GDP (AFP 2003). Even relatively non-affected destinations like Thailand, Korea, Indonesia and the South Pacific saw a 40% to 70% drop in visitation.

The proximate cause of the temporary collapse of tourism was alarm induced by SARS, rather than any real risk of contracting the disease. Indeed, SIP, SARS Induced Panic spread at unprecedented rates in an uncontrollable manner that, ironically, proved to be far more disastrous than the disease itself. Every action taken by the World Health Organization led to a series of reactions by a large number of jurisdictions. This domino-like response to SARS served only to convince the travelling public that the disease was indeed virulent, rampant and out of control. Rather than allaying concerns, it convinced them that not only was all of Asia unsafe, but air travel was unsafe and absurdly, even visiting Chinatowns anywhere in the world posed a health threat.

The first WHO emergency travel advisory, issued on March 15, 2003, raised concern about the apparent rapid spread of SARS to several countries in a short period of time. The Advisory provided guidance for people and asked them to be aware of SARS but stressed that travel was still safe. A follow-up travel advisory on March 18th again stressed that no restrictions on travel to any destinations were necessary. However, people travelling to Asia should be aware of the symptoms of the disease and seek medical advice if they began to show them.

That, plus coverage by the global news media reporting a direct link between SARS and travel, was enough to start SIP. A number of countries began to issue unilateral advisories within a week, suggesting people do not travel, in spite of the WHO assurances that travel was still safe.

However, the issuance of a specific WHO travel advisory against Hong Kong China on April 2, 2003 was the critical incident for the spread of SARS Induced Panic. The World Health Organization acknowledged that this was the first time since its inception in 1958 that it had issued such a travel advisory for a specific geographic area because of the outbreak of an infectious disease.

The dominoes fell quickly. On April 3, Thailand ordered visitors from infected areas to wear face masks for the entire duration of their visit or risk a six month jail term. The next day, it announced that if any arriving passenger showed SARS-like symptoms (which are similar to any ‘flu’), all passengers on the aircraft would be quarantined for 14 days. Newspapers reported that across the world from ‘Bangladesh to Rome’ governments took special precautions. Indonesia, Australia, the United States and Pakistan granted special powers of quarantine for arrivals from infected countries. Many airlines reduced capacity and services to Hong Kong China. Hotels in Rome refused to accept Chinese tourists and they were also refused entry to a convention in New Zealand. A Hong Kong China group of jewellery manufacturers was denied permission to attend a Swiss jewellery show.

Many travel insurers refused to provide coverage for travel to Asia, effectively stopping the business travel. On April 7th, Reuters reported that 27 percent of 180 corporate travel buyers had banned travel to Asia.

By April 9, Malaysia had imposed a travel ban on arrivals from Hong Kong China, which was lifted on April 22. The Philippines issued its own travel advisory and Singapore imposed a 10-day quarantine on arrivals from SARS-infected areas, including returning residents. Chinese Taipei restricted civil servants from entering China and on April 27 imposed a 10-day quarantine on all arriving visitors from SARS-infected areas. The American Centre for Disease Control advised against travel to China, Hong Kong China, Singapore and Hanoi in mid April. On April 16, Shanghai and Beijing travel agents were ordered to cancel Hong Kong China tours (officials denied it was an ‘official’ order, but the ban was quietly lifted a few days later). By the end of the month, Hainan Island and Shanghai were imposing a 14 day quarantine on Hong Kong China residents, which again were lifted three days later.

The U.S. Business Travel Coalition announced that 58 percent of firms had banned travel to Asia. Hong Kong China based cruise ships left the area and re-located temporarily in Australia.

The May 8 issuance of an expanded WHO travel advisory for China prompted some 110 countries to place some type of travel restrictions by May 14. These restrictions ranged from refusal to issue visas, banning direct flights and effectively closing borders with the country.

In short, the WHO was certainly within its rights to issue travel advisories, but nobody anticipated their impact. Previously, travel advisories had generally been issued to relatively obscure places where few tourists visited or by other countries to war-torn destinations where little tourism was likely to occur. Also, traditionally single, episodic advisories were issued.

SARS was different. The travel advisories were issued to well-known destination areas. More importantly, at least six progressive advisories were issued by the WHO in less than two months, sending a clear message that the disease was out of control. The advisories, in turn, stimulated responses from more than 110 countries that were legitimately trying to safeguard their citizens. Panic fed panic.

Source: Based upon material provided from the Hong Kong Polytechnic University
Step 4 – Risk Evaluation
This step involves comparing the level of risk found during the analysis process with previously established risk criteria. In other words, what is acceptable and what needs to be treated. For each tourism destination and their national government, decisions about which risks are acceptable and which are not, need to be made against the background of social, economic and political priorities. In some cases a destination may be determined to address a risk, but may not have the resources to do so. Where memberships are in place, a request to an international body such as the World Tourism Organization or an association like the Pacific Asia Travel Association should be made for assistance. For example, the WTO has run tourist safety and security workshops and conferences in Africa (1997), Warsaw (1997), Russia (1998), Central America (1998) and the Middle East (1999). PATA has provided assistance to a range of Asian and Pacific countries through its Taskforce program.

Step 5 – Risk Treatment
Risk treatment involves identifying the range of options available to operators and destinations, making plans and acting upon them. A useful way to visualise this process is through the Risk Evaluation Matrix (Figure 7).

**Figure 7: The Risk Evaluation Matrix**

For tourism operators and destinations, strategies for treating risk tend to fall into one of four broad categories, depending on the likely frequency of risks occurring and their severity of impact, as discussed above. Generally, the options include accepting, avoiding, transferring or mitigating risk (see Figure 7; Wilks & Davis, 2000).

Where frequency of problems is low and severity is also low, most organizations and destinations retain or accept a certain level of risk. This ‘self-insurance’ is part of being in business. At the other extreme, when frequency and severity are potentially both high, the most responsible decision is to avoid risk by cancelling services, or in the worst-case scenario, withdrawing from the marketplace.

Where the severity or consequences of risk are high (e.g. a customer being injured or killed; loss of property in a storm or cyclone; the potential for a major lawsuit for negligence) but such events do not occur very frequently, tourist operators traditionally relied on insurance to transfer their risk to a third party. With the current crisis in the global insurance industry (see Trowbridge Consulting, 2002) many operators are now unable to obtain insurance cover, or alternatively are paying large premiums for their cover.

One of the main factors in the escalating costs of public liability insurance is personal injury and the large compensations injured parties are receiving through the court system (Liability Insurance Taskforce, 2002). In order to reduce risk in all areas, individual operators and tourism destinations as well, need to shift their attention to mitigating risk through ‘best practice’ initiatives such as having written policies and procedures, staff training, signage, visitor and customer briefings, and monitoring of industry standards (Department of Industry, Tourism & Resources, 2002). Even if particular risks do not traditionally occur very often, reducing risk through ‘best practice’ initiatives is essential in today’s business environment (Wilks & Davis, 2003).
Figure 8 illustrates some of the potential risk events faced by tourist destinations based on their severity and frequency.

**Figure 8: The Tourist Health and Safety Continuum: Severity and Frequency of Incidents**

The important point that needs to be highlighted again is that most crises do not occur frequently. Many destinations therefore avoid thinking about risk (It Won’t Happen to Us) or avoid acting to prevent situations developing. The Australian/New Zealand Standard notes that risk avoidance can result in:

- decisions to avoid or ignore risks regardless of the information available and costs incurred in treating those risks, and
- leaving critical choices/decisions up to other parties.

The view of this report is that national governments hold the main responsibility for their tourist destinations and that risk avoidance is no longer an option for tourist health and safety.

**Continuity in the Risk Management Process**

Few risks remain static. This means it is necessary to constantly monitor and review each component of the risk management process, especially the treatment or control measures, in the light of changing circumstances and national government priorities. A good illustration of this monitoring and response to changing circumstances is the increased use of biometric technologies for aviation security, particularly since the terrorist attacks of September 11 in the United States (Becherel, 2003).

**Chapter Summary**

This chapter looked at possible shocks and threats to the tourism industry in a number of ways. Whether risk was categorised according to its source (WTO, 2003c), natural or human-made events (PATA, 2003), or direct and indirect shocks (Tourism Queensland, 2003) the fact remains that a variety of risks need to be managed effectively so that they do not escalate into crisis or disaster situations. A five-step program for risk management was discussed in detail, showing how tourism operators and destinations could systematically identify, analyse, evaluate and treat risks each according to social, economic and political priorities. The risk management program also emphasised the need to constantly monitor and review each step of the management process, and actively communicate with key stakeholders. A view was expressed that national governments should take primary responsibility for tourist destination management. The next chapter describes in detail the steps that national authorities can take to achieve effective risk management for the tourism sector.

Chapter 3 now suggests ways that national governments can take responsibility and provide leadership for risk management in their destinations.
Aim of this Chapter
This report adopts the position that each national government has overall responsibility for tourist destinations in their jurisdiction. This is a practical approach, since national governments have the legislative authority and resources necessary to respond quickly and efficiently to a range of adverse events that might threaten their tourism. The aim of this chapter is to consider the structures, legislation, policy and procedures that need to be in place for effective risk management at a national level. The chapter draws on material originally developed for a WTO safety and security project (WTO, 2003), as well as disaster risk management policies and procedures (Zamecka & Buchanan, 2000) and whole-of-government responses to potential crises in particular areas (eg. terrorism and health).

Issues to be Considered at the National Level
There are several key elements of risk and crisis management that are the primary responsibility of national governments. In the previous chapter the first step in the risk management process was identified as Establishing the Context. For national governments, establishing the context involves an understanding of the legislative, regulatory, political and social environment in which tourism operates, as well as the possible threats to its continued activity. Questions such as Who, What and How should assist in assessing national roles and responsibilities.

Who? Coordination and Partnerships – A National Tourism Council
The World Tourism Organization (1991) recommends, “Every State should develop a national policy on tourism safety commensurate with the prevention of tourist risks”. One way to implement this recommendation is to form a National Tourism Council (WTO, 2003a). The Council could then develop executive committees tasked with responsibility for risk management in key areas, according to the needs of each destination. In many countries, such coordination is currently only carried out among government agencies. However, in tourism it makes sense to form a mixed-sector council with government and industry participants, since many of the necessary actions can and should be implemented by the private sector. A key committee of the Council would be the National Safety and Security Committee, responsible for developing and coordinating measures to protect the tourism industry and its clients at each destination. Government agencies and tourism industry sectors to consider for membership on the National Safety and Security Committee include:

- National tourism administration/Tourist board
- National police
- Immigration
- Attorney General’s Department
- Customs
- Transportation
- Health
- Foreign affairs
- Civil defence
- Airlines and transportation company associations
- Hotel associations
- Tour operators’ associations
- Travel agents’ associations
- Other travel and tourism representatives
- Consumer groups
- Retail trade organizations
- Tourism safety and security-oriented research and documentation centres

The following case study from South Africa shows how this partnership between government agencies and the tourism industry can be achieved.
TOURIST SAFETY AND SECURITY: THE SOUTH AFRICAN EXPERIENCE

Tourism development, promotion and growth in any one country depends on many and varied factors. These include good infrastructure, the breadth and diversity of the tourism product, a vibrant and adaptable marketing and promotion strategy, good information systems and management, competitive prices, a clean, healthy and safe environment.

In South Africa the government believes that a proper conceptualisation of the tourism industry by policy and decision makers is the key to success. The following approach has been adopted in both conceptualising and operationalising tourism development and promotion:

- That tourism is an unusual product and must be treated as such;
- That tourism integrates all life activities of a nation and is inter-ministerial and multi-disciplinary in nature and should therefore be integrated into all policies and be elevated to national priority status;
- That tourism is basically a service and people orientated industry whose success depends on the democratic involvement of all;
- That in South Africa, and we believe in all developing countries – tourism development and promotion can only succeed if it is:
  - Government led;
  - Private sector (labour and business) driven; and
  - Community based;
- That only a governance framework involving all stakeholders in a partnership for mobilisation and joint application of resources can make tourism work.

In South Africa the government approaches the question of tourist safety and security from the point of view of a partnership. For this purpose the Tourism Safety Task Group (TSTG) was formed. The Task Group consists of the Department of Environmental Affairs and Tourism, the South African Police Service (SAPS), the South African Tourism Board (Satour), the Tourism Business Council of South Africa (TBCSA), Business Against Crime (BAC), the Department of Foreign Affairs, and the nine provincial tourism departments.


What? A National Tourism Safety and Security Plan

A National Tourism Safety and Security Plan is a logical consequence of the development of a national policy on this subject (WTO, 2003c). Such a plan should address the following main areas:

- Identification of potential tourist risks according to types of travel, affected tourism sectors, and locations;
- Detection and prevention of offences against tourists;
- Protection of tourists and residents from illicit drug trafficking;
- Protection of tourist sites and facilities against unlawful interference;
- Establishment of guidelines for operators of tourist facilities in the event of such interference;
- Responsibilities for dealing with the press and other media, at home and abroad;
- Information to be provided to the international travel trade on safety and security issues;
- Organization of crisis management in the event of a natural disaster or other emergency;
- Adoption of safety standards and practices in tourist facilities and sites with reference to fire protection, theft, sanitary and health requirements;
- Development of liability rules in tourist establishments;
- Safety and security aspects of licensing for accommodation establishments, restaurants, taxi companies, and tour guides;
- Provision of appropriate documentation and information on tourist safety to the public, for both outgoing and incoming travellers;
- Development of national policies with regard to tourist health, including reporting systems on health problems of tourists;
- Development of tourist insurance and travel assistance insurance; and
- Promotion, collection and dissemination of reliable research statistics on crimes against travellers.

Again, in some countries many of these responsibilities are undertaken primarily by the national tourism authority, but it makes practical sense to involve other government agencies and key tourism industry groups since all may be called on to work together in a crisis situation.
Following September 11, the Australian Government recognised that it had a limited capacity to communicate information to stakeholders and that a crisis response framework was essential to provide information to the tourism industry. The National Tourism Incident Response Plan has been developed for that purpose, in collaboration with agencies such as the Australian Tourist Commission, all State and Territory tourism organizations and other key Commonwealth Departments.

The aim of the National Tourism Incident Response Plan is to provide an agreed mechanism for the Commonwealth to initiate and facilitate appropriate, coordinated monitoring, management and response initiatives with State and Territory tourism organizations in cooperation with appropriate stakeholders to effectively manage and minimise the impact of crises on the tourism industry.

The Plan has been developed drawing on the lessons learnt in Australia following September 11, the Ansett Airline collapse, the Bali bombings and those lessons learnt overseas such as the Foot and Mouth Disease in the United Kingdom. The plan aims to use these examples and Australia’s own experience to minimise, where possible, the impact of a crisis on the tourism industry. Australia first activated the National Tourism Incident Response Plan following the declaration of Australia’s involvement in the Iraq conflict.

A filter matrix has been developed with the Plan to assess a crisis impact. The matrix applies the following filters:
- Ability to impact on Brand Australia;
- Impact on domestic travel patterns;
- Impact on industry profitability;
- Influence on government funding; and
- Impact on Preferred Destination Status.

The Plan which was drafted, implemented and coordinated by the department of Industry, Tourism and Resources (ITR) contains detailed work programs developed for each agency responsible for responding under the Plan. For example:
- ITR will convene sub-committee meetings and commission relevant research;
- The Australian Tourist Commission will conduct intelligence gathering in overseas markets and make decisions on continuation, cancellation or the initiation of new campaigns as necessary;
- The Central Crisis Management Group will meet within 24 hours; and
- The Department of Prime Minister and Cabinet will establish a liaison officer on tourism issues immediately.

The administrative structure of the Plan is focused around four key response groups.

Central Crisis Management Group
- High level group of CEOs who act quickly and report to government regularly.

Policy Advisory Group
- Provides advice and makes recommendations on recovery mechanisms to assist the Australian industry to recover from the crisis.

Research Group
- Sub-group of the Policy Advisory Group which manages research and impact assessment.

Tourism Communicators’ Network
- Group of professional communicators who can monitor and adjust communications and marketing efforts across government where possible. Also provides a mechanism for the referral of media, communications and marketing issues and also plays an important role in scenario planning.

The National Tourism Incident Response Plan was a major collaborative effort across Australian Government departments and continues to facilitate strong networks across inter-government and government-industry sectors, which will ultimately support and benefit the tourism industry.

The current version of the plan (March 2003) is focused on response mechanisms to war and terrorism events. However, the framework and actions could be applied to any crisis that has the capacity to impact the tourism industry and that requires national management, such as a natural disaster. The Plan has been recently evaluated and a number of amendments are being made.

It is worth noting that the Australian plan is authorised by the Tourism Ministers’ Council, a group comprised of Commonwealth, State and Territory Tourism Ministers, and actioned at the Executive level through the Central Crisis Management Group. Effective communication is a key element of the response plan, with international organizations such as APEC, WTO, PATA being included in the sharing of timely information.

How? Position of Tourism in the Government Structure of APEC Economies
Across the APEC economies tourism is situated in a variety of positions. For example, in a recent survey covering 20 of the 21 APEC economies, De Lacy and his colleagues (2002) found that just over half of the economies (11 or 55%) had a ministry with responsibility for tourism. In addition, 15 APEC economies (75%) have a peak tourism industry association.

In some government structures tourism will automatically have political and legislative authority to act in a crisis situation, but most often tourism will play a substantial supportive role depending on the nature of the crisis. For example, in most destinations the lead role in a terrorist event will be the responsibility of another arm of government. In Australia, the lead role for determining policy, strategy and resources relevant to the Commonwealth’s security interests and responsibilities rests with the Department of the Prime Minister and Cabinet. Should a terrorist incident involve a Commonwealth target or more than one state or territory, threaten civil aviation or involve chemical, biological, radiological and nuclear materials, then a national terrorist situation will be declared by the Prime Minister after consultation with the relevant states and territories.

Counter-Terrorism
The National Counter-Terrorism Plan outlines responsibilities, authorities and the mechanisms to prevent, or if they occur manage, acts of terrorism and their consequences within Australia. The Plan is publicly available on the National Security Website (www.nationalsecurity.gov.au). As noted in the previous chapter, a critical first step in the risk management process is Establishing the Context, and this includes identifying stakeholders and determining lines of authority to deal with risk. The National Counter-Terrorism Plan begins with establishing a legal and administrative framework (National Counter-Terrorism Committee, 2003). The Plan recognises that:

*The nature of terrorism means that its implications may cross-jurisdictional boundaries. This, and the range of prevention measures and capabilities that may be required, necessitates that Australia maintain a national, cooperative approach to counter terrorism. Coordination and consultation between jurisdictions is established by the Inter-Governmental Agreement on Australia’s National Counter-Terrorism Arrangements.*

These arrangements include very clear roles and responsibilities for Commonwealth, State and Territory governments, and are supported by specific legislation. An overview of Australian Counter-Terrorism legislation in presented in Appendix A. The National Counter-Terrorism Plan also outlines targeted measures for prevention, preparedness, response and recovery following the same risk management principles described in this report. Under the Plan there are four levels of national counter-terrorism alert in Australia. These are:

- **Low** – no information to suggest a terrorist attack in Australia
- **Medium** – medium risk of a terrorist attack in Australia
- **High** - high risk of a terrorist attack in Australia
- **Extreme** - terrorist attack is imminent or has occurred.

At the time of writing (November 2003) the current level of alert is medium – as it has been since September 2001. While Australia has responded to terrorism by utilising existing government departments, other APEC economies have created entirely new departments.
UNITED STATES: THE DEPARTMENT OF HOMELAND SECURITY (DHS)

In order to prevent terrorist attacks such as "September 11", the Department of Homeland Security (DHS) was set up under President Bush’s administration in June 2002. It was a reorganization of the federal government to improve domestic security, with a mission of preventing terrorist attacks within the United States, reducing America’s vulnerability to terrorism and minimizing the damage from potential attacks and natural disasters (http://www.dhs.gov/dhspublic/faq.jsp).

The Department of Homeland Security consolidates duties across nine federal departments and includes a central clearinghouse for analysing intelligence information. With 169,000 employees and a US$37 billion budget, the new agency is second to the Defence Department in terms of size.

The Cabinet-level department focuses on four areas (http://www.dhs.gov/dhspublic/faq.jsp):

- Analysis of intelligence and synthesising information from all government agencies to disrupt terrorist activity;
- Transport and border security;
- Emergency preparedness and response;
- Counter-measures for chemical, biological and radiological attacks.

The components being transferred to DHS include:

- Coast Guard;
- Customs Service (customs revenue functions remain at the Treasury Department);
- Secret Service;
- Federal Protective Service (a police force formerly within the General Services Administration that performs guard functions at federal buildings);
- Immigration and Naturalisation Service (INS) - specifically, the INS is split into two (immigration enforcement functions are put into a new Bureau of Border Security, and a new Bureau of Citizenship and Immigration Services is created), both parts are transferred to the new department, and the INS is abolished;
- Federal Emergency Management Agency (FEMA);
- the recently-formed Transportation Security Administration;
- the FBI’s National Infrastructure Protection Centre (NIPC) and other computer security entities.

The new Department is structured around four directorates, whose titles give some idea of the agency’s mission:

- Information Analysis and Infrastructure Protection;
- Science and Technology;
- Border and Transportation Security; and
- Emergency Preparedness and Response.

Source: Based upon material provided from the University of Hawai"u

Stopping Organised Crime

At the national level, tourism authorities can also support the actions of police and other agencies combating organised crime and terrorism first by supporting efforts to make it more difficult for criminals to enter the country or to carry out unlawful violent acts. This means supporting controls at airports and other ports of entry that allow legitimate travellers to come into the country with minimum obstacles, while effectively keeping out criminals and their weapons.

A second element in this approach is to identify the precise nature of the violent acts and design appropriate information campaigns for tourists and the domestic and international travel trade. Organised violent crime is usually highly targeted, even though it may appear random. Specific counter-measures or instructions to the travel trade and to tourists should result from this analysis. For example, Mexico realised that it had a series of problems related to automobile and coach travel. It instituted a tourist police highway service, the “Green Angels”, and developed ample information materials for tourists on how to travel safely by car and coach in Mexico.

THE GREEN ANGELS – MEXICO

The Ministry of Tourism provides a hotline for travellers experiencing an emergency while driving in Mexico. Help is available from the "Green Angels," a fleet of radio-dispatched trucks with bilingual crews that operate daily. Services include protection, medical first aid, mechanical assistance for vehicles, and basic supplies. Travellers are not charged for services, only for parts, gas, and oil. The Green Angels patrol daily, from dawn until sunset. If travellers are unable to telephone for assistance, they are advised to pull off the road, lift the hood of their vehicle and wait for roving patrols.

(http://travel.state.gov/tips_mexico.html).

Source: Written by Jeff Wilks
Natural Disaster Management
As noted in the previous chapter, tourism is likely to be affected by a range of natural events such as earthquakes, floods, violent storms, fires and medical epidemics. In 1998 the World Tourism Organization recognised the importance of this area. In partnership with the World Meteorological Organization, the WTO produced the Handbook on Natural Disaster Reduction in Tourist Areas. The preface to the handbook notes:

*With tourism now an important global phenomenon involving the movement of millions of individuals to virtually all countries on the surface of the globe, this worldwide industry is by no means immune to natural disasters.... Tourist developments are often located in areas exposed to, or likely to be exposed to, sudden-onset natural disasters, in particular beach and coastal areas, river valleys and mountain regions. Moreover, should tourists become victims of a natural disaster, the negative impact on the image of the destination concerned can be both serious and long-lasting (Obasi & Frangialli, 1998).*

The handbook focuses particularly on natural disasters caused by:
- Tropical cyclones (including hurricanes and typhoons);
- Storm surges;
- Flooding, including coastal, estuarine and river flooding;
- Avalanches, and
- Earthquakes.

An important assumption in the handbook is that within each receiving country a national disaster assistance organization has been established with which the national tourism administration can establish cooperation, involving also the operational sector of tourism within the country and possibly major tour operators from the generating countries. The handbook suggests that, as the coordinating body of national counter-disaster operations, this organization will allocate by delegation the necessary responsibilities to other agencies and departments, including the national tourism administration (WTO/WMO, 1998).

In Australia, the Commonwealth Government Disaster Response Plan (COMDISPLAN 2002) is led by Emergency Management Australia (EMA), a specialist government agency.

The Plan recognises that the State Governments have constitutional responsibility, within their borders, for coordinating and planning for the response to disasters and civil emergencies. However, when the total resources (government, community and commercial) of an affected State cannot reasonably cope with the needs of the situation, the State Government can seek assistance from the Commonwealth Government (EMA, 2002).

This approach fits very well with the definition of a Disaster presented in the Introduction to this report, which emphasises the need for intervention by various levels of government to return the community to normality. A national plan for natural disaster management must be supported by other plans developed by state, regional and local authorities, based primarily on the functional responsibilities of each department or agency. As far as practicable, the plan should be adaptable to any emergency or disaster. For example, the plan should include details of:
- Responsibilities within the department or agency;
- Approvals required before action can take place;
- Any financial and accounting procedures required under internal procedures;
- Mechanisms for alerting personnel and assets and deploying them in an emergency;
- Channels for liaison with appropriate national, state and local authorities; and
- Contact details for key personnel during and out of working hours.

The following case study on the 1999 earthquake in Chinese Taipei is a very good demonstration of how government leadership can be applied in responding to a crisis situation, especially the application of government assistance to aid recovery after a crisis.
On the morning of 21 September, 1999, at 01:47 am, a massive earthquake struck Chinese Taipei near the centrally located city of Chi-chi. The earthquake measuring 7.3 on the Richter scale caused 2,455 deaths, 8,000 injuries and completely destroyed 38,935 homes (About the disaster, 2001). Nantou county, the area where the earthquake struck, is a major tourism region of Chinese Taipei.

The impact on human life and property was huge. There were 612 people missing, 38,935 homes wholly destroyed, 45,320 partially destroyed, and 28,616 buildings destroyed by this earthquake (Chichi Earthquake, 2003). The earthquake left hundreds of thousands of people homeless, and half of the island was without electrical power for days and in some cases, weeks. The entire cost of damages was over NT$340 billion (approximate US$11.4 billion). Naturally, tourism to the region was severely affected.

Recovery measures (The Restoration of Industry, 2001):

1. The NT$50 Billion in Loan Financing:
   Executive Yuan Development Fund allocated NT$50 billion for loan financing to firms that had been adversely affected by the earthquake, with the intent to restore industrial productivity and tourism in the reconstruction area.

2. Rebuilding Markets:
   The focus of reconstruction efforts was on public safety and people’s living needs, including the restoration of public markets and re-opening of businesses, including tourism businesses.

3. Helping Upgrade Industry Management Techniques:
   (1) Provide guidance and assistance for specialty industries and the economic revitalisation of communities in the reconstruction area;
   (2) Conduct human resources training to help revitalise tourism and other local industries and economies;
   (3) Arrange events to showcase the results of industrial assistance in the reconstruction area and promote the sale of products island-wide;
   (4) Build the tourism industry by holding international conferences on the post-quake reconstruction of local economies and industries;
   (5) Select and commend communities and industries that are outstanding models for the post-quake revival of local economies; and
   (6) Provide advice and assistance for SMEs to establish management systems and upgrade their product quality.

4. Establishment of the Central Chinese Taipei Tourist Industry Alliance:
   The Central Chinese Taipei Tourist Industry Alliance’s marketing campaign highlighted the variety of scenic beauty for visitors to enjoy in each different season and was established to:
   (1) Integrate all the main tourist routes in central Chinese Taipei;
   (2) Eradicate old territorial attitudes of competing interests among them;
   (3) Strengthen the development of the region’s scenic resources; and
   (4) Breathe new life into the local tourist industry.

5. In-depth Earthquake Tours, in-depth Eco-tours and in-depth Gourmet Tours
   An in-depth earthquake tour field trip (The Restoration of Industry, 2001) for Chinese Taipei’s elementary and high school students provided information on the quake zone. These tours helped to promote eco-tourism in the reconstruction areas. The promotion of eco-tourism serves the dual purposes of boosting local tourism while enhancing awareness of the natural ecology and the need for its protection.

6. Assisting Tourist Industry Development
   Chinese Taipei’s entry to the World Trade Organization in January 2002 affected the domestic industry, in particular in Nantou County, where the earthquake caused the worst devastation. The mainstay industries of this region are tourism and farming, which have suffered from the importation of large volumes of low-priced foreign farm products. Natural scenic and agricultural resources are being incorporated into farm recreation packages and ecological tourism in forest recreation areas. Government assistance was also provided to develop competitive agricultural products, promote the sale of agricultural products with distinctive local characteristics, and plan the establishment of cultural parks with rural winery, bamboo, tea, and floral themes.

The government’s assistance to the disaster occurred in two stages. The first stage of the recovery started in June to December 2000 and included the following (First Stage, 2001):

(1) Address the amendment of the Temporary Statute for the 921 Earthquake Post-disaster Recovery.
(2) Execute NT$ 106 billion that was allocated in 1999.
(3) Distribute a rent subsidy.
(4) Speed up the renovation of public facilities.
(5) Stabilise mudflows and other geological failures.
(6) Rebuild 293 schools.
The Second Stage of the recovery was from January to December 2001 and included (Second Stage, 2001):

1. Provide an extra NT$ 100 billion for recovery efforts.
2. Restore major roads, bridges and access to tourist spots in the recovery areas.
3. Advocate building of new campuses and continue school rebuilding.
4. Provide the necessary funding for housing.
5. Set up a mechanism to restore supply-demand system in the job market in an attempt to offer 10,000 jobs.
6. Restore historical buildings

The Chinese Taipei government recognised the importance of preparation. Thus, ensuring the quake-resistance and quality of both public infrastructure and private buildings, employing ecological work methods, carrying out comprehensive watershed reclamation, strengthening community disaster-prevention systems, improving disaster-prevention information and equipment, drawing up standard operating procedures for disaster prevention and rescue, are lessons from this earthquake.

Significant efforts have been made to prevent such damage in future earthquakes by using the post-recovery typology with six underlying goals shown in the graph below (Six Goals, 2001):
1) Mutual care;
2) Community participation;
3) Sustainability;
4) New standards of disaster prevention;
5) Diversity of local industries; and
6) Planning for the rural community.

Structure of the “Post-Disaster Recovery Guidelines”

Source: Based upon material provided from the University of Hawaii
Support for National Governments in Asia and the Pacific
The importance of a comprehensive approach to disaster risk reduction has recently been highlighted by the United Nations. The International Strategy for Disaster Reduction (ISDR) Secretariat and the UNDP are currently developing a framework for understanding, guiding and monitoring disaster risk reduction at all levels (www.unisdr.org/dialogue). Stakeholders are invited to contribute their experience and participate in the refinement of the framework, a draft form of which is presented in Appendix B. Comments on this framework should be sent to: framework_consultation@un.org.

One of the benefits of developing this framework is the establishment of benchmarks and other indicators that can be used to monitor and assess progress in disaster risk reduction. The exercise will also identify existing gaps and address them through new or improved programs, policies and plans.

An examination of Appendix B shows that the key Thematic Areas/Components parallel the risk management approach adopted in this report. For example, Political Commitment and Institutional Aspects (Governance) is essentially Establishing the Context (see Chapter 2). The UN framework also highlights the importance of Risk Identification at an early stage and encourages stakeholders to benchmark using hazard maps and vulnerability and capacity indicators. For destinations in the Asia Pacific region it is particularly important to focus on those natural phenomena that are most likely to cause problems. While each destination will be unique in its needs, there are some regional issues that can be identified for specific attention.

Natural Event Risk Management in the Pacific Region
A recent review of the types of risk that need to be managed in the Oceania region (Wilks, 2003b) revealed that many Pacific Islands have a similar profile. That is: no serious safety or security concerns, some petty crime, typhoons and seismic activity, and a range of possible infectious diseases (most notably dengue fever, hepatitis A and typhoid fever). Malaria was specifically noted for the Solomon Islands and Vanuatu, while Japanese B encephalitis was mentioned for the Northern Marianas. At the time the report was written Micronesia was experiencing an outbreak of cholera. The report concluded that the range of infectious diseases prevalent in this region highlights the need for all travellers to carry appropriate travel health insurance, especially cover for emergency medical evacuation. In many smaller and remote destinations adequate medical care will not be available should a tourist require emergency treatment.

Natural Event Risk Management in Asia
Asia shares with the Pacific a number of important natural events that can cause disasters. These are mainly the five identified in the WTO/WMO handbook: tropical cyclones, storm surges, flooding, avalanches and earthquakes.

Training, education and support in managing these issues is available through the Asian Disaster Preparedness Centre (ADPC) in Bangkok (http://www.adpc.net). ADPC is a regional resource centre working towards disaster reduction for safer communities and sustainable development in Asia and the Pacific. Established in 1986, the Centre is recognised as an important neutral focal point in Asia and the Pacific for promoting disaster awareness and the development of local capabilities to foster institutionalised disaster management and mitigation policies.

ADPC programs demonstrate a wide diversity in application, address all types of disasters, and cover all aspects of the disaster management spectrum - from prevention and mitigation, through preparedness and response, to reconstruction and rehabilitation endeavours. Ever since its establishment, ADPC has kept itself abreast of technical and methodological developments in the disaster management sector and has been continually adapting its approach to cater more effectively to the emerging needs of Asian countries. ADPC’s work essentially revolves around the primary activities of training and education, provision of technical services, information, research and networking support, and regional program management. The following regional programs run by ADPC illustrate the type of natural disaster management support available to APEC members.

Asian Urban Disaster Mitigation Program (AUDMP)
The AUDMP, launched in 1995, is ADPC’s largest regional program. The program, with its core funding from USAID/OFDA, currently works in eight countries of the region. The program was designed to make cities safer from disasters, with a goal of reducing the disaster vulnerability of urban populations, infrastructure, critical facilities and shelter in targeted cities in Asia, and to promote replication and adaptation of successful mitigation measures throughout the region. Towards this end, the program conducts national demonstration projects, information dissemination and networking activities, and policy
seminars and professional training in the target countries of Bangladesh, Cambodia, China, India, Indonesia, Lao PDR, Nepal, Philippines, Sri Lanka and Viet Nam.

**Partnerships for Disaster Reduction - South East Asia (PDR-SEA)**
The PDR-SEA Project, funded by the European Commission Humanitarian Aid Office (ECHO) under the Second DIPECHO (Disaster Preparedness Program of ECHO) Action Plan for South East Asia, provides technical support for regional information exchange, networking and capacity building for DIPECHO target countries namely, Cambodia, Indonesia, Lao PDR, the Philippines and Viet Nam. The project aims to improve the way in which ECHO-financed activities are matched to priority needs in the region, within a framework consistent with existing disaster mitigation and preparedness systems.

**Program for Enhancement of Emergency Response (PEER)**
The PEER program, a collaborative initiative of ADPC, USAID/OFDA, and the Miami Dade Fire Rescue’s Disaster Preparedness and Response Bureau, was started in October 1998. The main purpose of the program is to develop and strengthen search and rescue training capabilities in Asia at regional, sub-regional and national levels. This is the first initiative of its kind in that it will impart skills and enhance the expertise of the four target countries (India, Indonesia, Nepal and the Philippines) to provide effective and coordinated on-scene management of rescue and medical response needs following a disaster.

In addition to the core regional programs above, the Asian Disaster Preparedness Centre offers periodic courses on issues such as earthquake vulnerability, flood risk management, extreme climatic events, hospital disaster preparedness, damage assessment and needs analysis, and emergency responses.

As noted in the WTO/WMO Handbook on Natural Disaster Reduction in Tourist Areas (1998) there is an expectation that each country will have in place a national disaster assistance organization with which tourism authorities can establish cooperation. For the APEC economies, the Asian Disaster Preparedness Centre lists the following national organizations on its website:

**AUSTRALIA**
1. Emergency Management Australia (EMA) Canberra
2. Melbourne Metropolitan Fire and Emergency Services Board
3. Bureau of Meteorology, Australia, Department of Environment and Heritage

**BRUNEI DARUSSALAM**
1. Brunei Darussalam Red Cross Society
2. The Brunei Meteorological Service

**CHINA**
1. Red Cross Society of China
2. China Meteorological Administration
3. UNDP China

**INDONESIA**
1. Indonesian Red Cross
2. Indonesian Meteorological Department BMG
3. PACT Indonesia
4. UNDP Indonesia

**JAPAN**
1. Japanese Red Cross Society
2. Japanese Meteorological Agency

**MALAYSIA**
1. Malaysian Meteorological Service

**NEW ZEALAND**
1. Meteorological Service of New Zealand Ltd.
PHILIPPINES
1. The Philippines National Red Cross
2. Philippine Atmospheric, Geophysical and Astronomical Services Administration (PAGASA)
3. UNDP Philippines

SINGAPORE
1. Singapore Red Cross Society
2. Meteorological Service of Singapore

THAILAND
1. Thai Red Cross Society
2. Thai Meteorological Department
3. UNDP Thailand

USA
1. U.S. Federal Emergency Management Agency (FEMA)
2. U.S. Centres for Disease Control and Prevention (CDC)
3. U.S. Department of State

VIET NAM
1. Disaster Management Unit
2. International Federation of Red Cross Delegation

The above list is only a selection of possible resources for each country. A more comprehensive coverage is presented in the CD-ROM accompanying this report.

National Coordination
The effectiveness of any national response to significant crisis related events will often depend on strategies which are tailored to manage the consequences of crisis situations and to facilitate recovery. In preparing such contingency-based plans, recognition is given to the potential for impacts to be experienced beyond national borders. Accordingly, responsible planners seek to put in place measures that will facilitate coordination nationally and internationally.

Globalisation and the impacts of the information age are also such that national plans and response measures must be interoperable with those of other nations who may be affected by the indirect impacts of a crisis and who may be able to provide capabilities to assist in responding to a crisis that are not otherwise available.

Contingency Planning
Australia's national contingency plan to respond to outbreaks of exotic animal diseases is a useful example of a national plan that acknowledges international obligations but which caters for unique aspects of the Australian environment, political system and economy.

The contingency plan, Australian Veterinary Emergency Plan or AUSVETPLAN, provides a national strategic plan for the management of an outbreak of animal diseases, including Foot and Mouth Disease, which, given the dependence on cattle exports, would have a catastrophic impact on the Australian economy. A recent study has estimated the cost to Australia's Gross Domestic Product of a major outbreak of Foot and Mouth Disease at between AUD $8 billion and AUD $13 billion (Productivity Commission, 2002).

AUSVETPLAN provides a national framework, to facilitate a coordinated whole of government response to an animal disease outbreak that integrates responses by Government at Commonwealth (Federal), State/Territory and Local levels, industry, academia and the community (Australian Animal Health Council, 2002).

The Importance of Planning
The previous sections of this chapter have emphasised the importance of having formal plans in place to manage a potential crisis situation. National plans need to be mirrored at regional, local and tourism business levels. As a starting point, the following checklist draws attention to key elements of such planning.
Checklist: Nine Planning Criteria for Disaster Management (adapted from Drabek, 1995)

1. Written disaster plan: Is the plan written?  
2. Informal planning: Are informal discussions occurring?  
3. Functional approach: Does the planning include multiple hazards and all four disaster functions, i.e., preparedness, response, recovery and mitigation  
4. Property specific: Are plans focused on your specific destination or business site?  
5. Annual revision: Are plans revised at least once per year?  
6. Staff training: Are there regular procedures for staff training?  
7. Annual exercise: Do the staff participate in an exercise at least once per year?  
8. Team approach: Are the staff who will implement the plan involved in creating it?  
9. Commitment: Is there evidence of national government and tourism industry commitment?

Singapore's Response to SARS

This case describes the Singapore government’s immediate and on-going response strategies to the SARS crisis in early 2003. SARS first spread to Singapore by a female returning from Hong Kong China on March 1, 2003 (Severe Acute Respiratory Syndrome, 2003). She infected a number of people in Singapore who in turn infected others. Most SARS cases in Singapore can be traced to infected people staying in Hong Kong China and then returning to Singapore.

A summary of SARS cases updated on July 30, 2003 indicated thirty-three deaths occurred in Singapore. The economic damage done by SARS is significant and cost nearly US$570 million, or close to SS1 billion. Singapore’s unemployment level was also affected and reached a record high of 5.5 percent (Sitathan, 2003).

Singapore’s resolution to SARS was a nation-wide effort. The immediate response from the Singapore government was to offer a $230 million relief package for the most directly and adversely hit sectors: tourism and transportation (Singapore Tourism Board, 2003). The following are the measures that targeted specifically the tourism industry:

1. Additional property tax rebates for commercial properties.
2. Higher property tax rebates for gazetted tourist hotels.
3. A fifty percent reduction in foreign worker levy for unskilled workers employed by gazetted tourist hotels.
4. One hundred percent rebate of TV license fees for gazetted tourist hotels.
5. A bridging loan program for tourism-related small and medium-sized enterprises.
6. An enhanced training grant for the Ministry of Manpower (MOM) and STB-approved tourism-related courses.
7. An increase in the course-fee support, from a cap of $10 to $15 per training hour for relevant tourism-related courses approved by MOM and STB.
8. Raising absentee payroll, from $6.10 to $6.50 per training hour.

There are also particular measures for the transportation sector:

1. Diesel tax rebates for taxis.
2. Waiver of taxi operator license fees.
3. Road tax rebates and flexible laying-up procedures for buses.
4. Relief measures for the aviation industry.
5. 50% reduction in port dues for cruise ships.

The Singapore Tourism Board (STB) and the tourism sector have also worked closely to incorporate strategies into the daily operations to deal with the impact of SARS.

1. Safety: Extra precautionary measures were instituted at the Singapore Changi Airport, land checkpoints and the Singapore Cruise Centre.
2. Encouragement: The Singapore Tourism Board (STB) drew up the 'COOL Singapore Award" which recognises tourism establishments and service providers with a Gold standard for best practices in SARS precautionary measures.
3. Confidence: STB also has undertaken a two-pronged strategy to win back the confidence of both the domestic and international tourists (Singapore Tourism Board, 2003). The "Step Out! Singapore" program is intended to assist in getting the domestic market travelling again. The creation of attractions for international travellers was another objective, and $2 million in funding was given to help event promoters design packages and activities for tourists.
4. A $200 million long-term recovery program (Cheong, 2003) was announced by the STB and the tourism industry. The plan emphasises three dimensions: “confidence building”, “in-market co-op tactical promotions with industry partners”, and a global campaign.
The Communicable Diseases at WHO declared that Singapore’s handling of its SARS outbreak has been exemplary from the beginning response (World Health Organization, 2003). From Singapore’s experience, continued vigilance, especially to prevent the importation of new cases, is extremely important and creates optimism that SARS can be contained.

Singapore has been vigilant and successful in implementing stringent measures to stop the spread of SARS. Although Singapore has been taken off the WHO list of SARS-affected countries, measures to prevent SARS are now part of daily life and will stay in place as follows (Fighting SARS Together, 2003):

- Stringent health measures, including screening of all air and sea travellers through thermal scanners, temperature screening, health declaration cards and visual checks at airports and seaports.
- Strong precautions continue to be taken at tourism facilities through the Singapore Tourism Board’s ‘Cool Singapore Awards’ certification program to certify and encourage tourism facilities including hotels, event venues, restaurants and shopping centres to implement preventive measures. Some 108 hotels are now certified ‘Cool’. Certification ensures daily temperature checks of all employees and vendors, rigorous cleaning procedures, checks that no employee has had contact with suspected SARS cases and the display of prominent information about SARS.
- Daily temperature checks for a wide cross section of the community, including taxi drivers, hawker centre staff and all school children, also continue to remain in place.

Source: Based upon material provided from the University of Hawaii

Chapter Summary

This chapter examined national responsibilities for risk management in tourism, arguing that national governments should take a primary leadership role because they have the legislative authority and resources necessary to respond quickly and effectively to a range of adverse events that might threaten their tourism. In answering the questions, Who, What and How the chapter first considered the formation of a National Tourism Council as a way of coordinating activities and creating partnerships across government agencies. This is a model proposed by the World Tourism Organization and adopted by the government in South Africa.

The second important step considered was the development of national policy and a tourism safety and security plan. Such a plan needs to be very comprehensive and current reviews suggest that most nations have not yet addressed all the issues that need to be considered. Australia’s National Tourism Incident Response Plan was used to demonstrate the importance of coordination across government agencies. How tourism responds to a crisis situation will largely be determined by where tourism is positioned in government structures. In many cases, tourism has an important indirect role, with other agencies leading because they have specific expertise in such areas as counter-terrorism, organised crime and natural disaster management. However, national tourism authorities have an essential role in identifying and responding to potential risks that directly affect tourists.

This chapter also reviewed international supports that are available to governments in Asia and the Pacific using the United Nations International Strategy for Disaster Reduction as a key example. At a regional level, expert groups such as the Asian Disaster Management Centre in Bangkok offer a range of training and support programs. What emerges very clearly from this chapter is the critical need for planning. This emphasis on Expect the Unexpected and Be Prepared is continued in the following chapter, which examines PATA’s 4 R’s approach to crisis management.

Chapter 4 shows that any risk situation can escalate into a crisis if it is not addressed immediately. By reviewing the four standard phases of a crisis, the importance of having an integrated management plan is again highlighted.
**Aim of this Chapter**

There are many frameworks and approaches to risk and crisis management. The aim of this chapter is to use one framework, the Four R’s approach adopted by PATA, to show how destinations and small businesses can effectively manage the four distinct phases of a crisis: Reduction, Readiness, Response and Recovery. Each phase is described in detail, along with case studies, checklists and recommendations for destination managers and small business operators in tourism. The focus of this chapter is to Expect the Unexpected, and Be Prepared. The chapter draws heavily on risk management and response strategies from fields outside tourism, especially the areas of emergency services, insurance and general business.

**Expect the Unexpected**

Management is never under a tougher test than in a crisis situation. What managers do or don’t do correctly, then and there, can have long-lasting implications for their organization. A well-defined crisis management program developed and implemented in advance can help a manager and their organization shine in what may otherwise be a time of dark disaster for everyone involved.

The most effective crisis management occurs where a potential crisis is detected and dealt with quickly – before it becomes a crisis. In this case, crisis communication lines are clear and the plans prepared in advance, prove to be effective. Managers and organizations with no crisis management system in place will inevitably have to deal with an unforeseen crisis.

Developing continuity plans may seem like a daunting task, but in reality it is a common-sense procedure based on established management, planning and decision-making theory. It involves identifying the strengths and weakness of the organization, designing contingency plans to mitigate potential loss and understanding how key stakeholders and the media are likely to react when they find out about a crisis.

**The ‘Four Rs’ of Crisis Management**

Crisis management can be broken down into four distinct phases:

- **Reduction** detecting early warning signals
- **Readiness** preparing plans and running exercises
- **Response** executing operational and communication plans in a crisis situation
- **Recovery** returning the organization to normal after a crisis

An effective crisis management system continuously updates and refines the first two phases, in preparation for the second two.

**Be Prepared**

Every successful instance of crisis management has featured the precise execution of operational plans and the superior handling of communications objectives. The operational response saves lives and property. The communication response saves face and businesses. Preparedness in both operations and communications is essential.

There are no clear boundaries with crises. There is rarely a single moment when one can say an incident or issue has transformed into a crisis. Crisis management experts recommend erring on the side of caution. Managers should assume that a small episode or minor incident can escalate into a crisis very quickly, thus it must be dealt with immediately.

As noted in previous chapters, the repercussions of crises are acutely felt in the travel and tourism industry and are manifested across a series of stakeholders. To find the opportunity in every danger – to shine in the dark – managers of organizations and destinations throughout Asia and the Pacific need to be prepared.
The Four Phases

Reduction
The key to crisis management is to identify a potential crisis, then seek to reduce its impact. Managers need to perform a survey of their organization’s internal strengths and weaknesses and external opportunities and threats (a SWOT analysis). Based on this analysis, they can evaluate the likely impact on the organization of a particular type of crisis, devise continuity and contingency plans and work out how to reduce the possibility of a crisis.

Readiness
“Being Ready” involves more than making plans and running an occasional drill. Organizations need to evaluate their crisis exposure and develop strategic, tactical and communication plans. Managers must regularly audit the plans, conduct crisis response exercises and continually acquire crisis management skills. Managers and staff need to be psychologically and physiologically prepared for the impact and stresses that crisis events may impose upon them. Readiness also nips potential crises in the bud.

Response
Response is dedicated to the immediate aftermath of an event when everything is at its most chaotic. It will become very quickly apparent whether the reduction and readiness phases have developed continuity and contingency plans that are effective. The initial operational emphasis will be on damage control in both lives and property. The crisis communications strategy should already be in play, pre-empting and reassuring stakeholders and the public.

Recovery
The best assessment of effective crisis management is if a crisis has been avoided. However, many crises are “acts of the gods” – seemingly unavoidable. In this case, a crisis management system’s effectiveness can be gauged three ways:

1) The speed with which an organization resumes or continues full business operations;
2) The degree to which business recovers to pre-crisis levels, and
3) The amount of crisis-resistance added since the crisis. That is, how the lessons learned have been incorporated into ongoing preparation and preparedness to avoid future problems.

| 1. Reduction | 1.1 Crisis Awareness |
|  | 1.2 Political Awareness |
|  | 1.3 Standard Operating Procedures |
| 2. Readiness | 2.1 Crisis Management Plan |
|  | 2.2 Tourism Planning |
|  | 2.3 Health and Safety Measures |
| 3. Response | 3.1 Emergency Response Procedures |
|  | 3.2 Investigation |
|  | 3.3 Family Assistance |
|  | 3.4 Communication |
| 4. Recovery | 4.1 Business Continuity Plan |
|  | 4.2 Human Resources |
|  | 4.3 Debriefing |

Phase 1: Reduction
Reduction corresponds largely to the Risk Management Steps 1 and 2, that is: Establish the Context and Identify Risks.

A SWOT analysis is a useful tool for understanding an organization’s internal strengths and weaknesses and external opportunities and threats. While this type of analysis is most commonly applied to businesses, it has equal application to a tourist destination.
A crisis management-led SWOT analysis should include a special look at the following:

- Existing crisis management and control programmes;
- Hazards within the organization, its buildings, policies and processes;
- Potential socio-political, economic, technological or environmental crises; and
- Existing relationships with the media, the public and emergency services.

A crisis management-led SWOT analysis will identify potential problem areas that would otherwise go unnoticed in regular business analyses. Furthermore, an analysis of this kind will uncover various potential crisis situations and lay out the resources available or required to manage those risks. Once the survey and analysis programme has been developed and implemented, it must be evaluated and kept up-to-date.

Some of the key points to be considered at the Reduction stage include:

- **Crisis Awareness:**
  - Identify risks and hazards;
  - Identify possible impacts; and
  - Intelligence collection.

- **Political Awareness:**
  - Secure political cooperation; and
  - Increase political involvement.

- **Standard Operating Procedures:**
  - Anticipate problems;
  - Revise procedures; and
  - Enhance staff awareness.

These issues are well demonstrated in the following case study on volcanic activity in Hawaii, where acknowledging and understanding a potential threat has led authorities to secure political and financial support for prevention initiatives.

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**VOLCANOES IN HAWAII**

This case discusses the volcanic activity in Hawaii and its impact on tourism. Located on the southeast part of the Big Island of Hawaii, Kilauea volcano has been erupting continuously since January 3, 1983.

At the state level, the Hawaii Statewide Hazard Mitigation Forum was formed in 1998 to raise public awareness about how to mitigate property loss due to natural hazards. Hawaii Statewide Hazard Mitigation Forum members represent county, state, and federal agencies, as well as the private sector (About Us, n.d.).

On December 28, 1998, the County of Hawaii joined the nationwide Project Impact Preparedness Program at the invitation of Federal Emergency Management Agency (FEMA). By participating in Project Impact, the County of Hawaii receives technical support from FEMA while creating local partnerships with the business community, grassroots organizations, local government and individual citizens. This local partnership is designed to infuse local responsibility throughout the county, to provide funding, in-kind services and technical support, to work toward reducing risks, and to build a stronger, safer community. Since 1990, FEMA has aided the County of Hawaii with two federally declared disasters such as Hurricane Iniki in 1992 and the Kilauea Lava Flow in 1990. In addition, FEMA funded two Fire Suppression Assistance program grants for wildfires, which threatened destruction on the South-eastern portion of the island of Hawaii in 1998. The recommended County of Hawaii mitigation projects include education and outreach, plans, flood control measures, wild land fire pre-suppression measures, and retrofitting of essential facilities. A disaster resistant community model will help guide the County of Hawaii in its implementation of Project Impact (County of Hawaii, 2002).

Since 1984, more than $2.3 billion has been invested in new construction on the slopes of Mauna Loa, and the amount increases daily (Lava Flow, 2001). A new village is under development to replace Kalapana, the one destroyed by the Kilauea eruption. Hawaiians have guaranteed rights to fish along the Volcanoes National Park ever since the park acquired the Kalapana area in 1938. However, with 20-years of Kilauea volcano’s activities, the village was destroyed, and in May 1990, President George Bush declared Kalapana a disaster area (Second Wave, 2002). In order to retain the fishing rights, Hawaiians must live in the area and for this reason, in 1991 a new village was authorised on state lands on the coast about three miles northeast of Kalapana (Going with the Flow, 2002). In 2001, the Office of Hawaiian Affairs invested $1.35 million and the State Department of Land & Natural Resources invested $1.75 million to build the infrastructure, which will allow qualified Hawaiians to move there (Going with the Flow, 2002). The infrastructure completion is expected in 2004.

Source: Based upon material provided from the University of Hawaii
Given that the Reduction phase in Risk and Crisis Management is all about awareness, identifying potential risks and developing standard operating procedures, the following Reduction Checklist is presented in order to prompt destination and business managers to think about key issues.

**Reduction Checklist**

*Note: This checklist is only a guide. It does not contain all of the components, contingencies or options required by each organization or destination for its specific crisis planning process.*

<table>
<thead>
<tr>
<th>NO.</th>
<th>REDUCTION CHECKLIST</th>
<th>YES</th>
<th>NO</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>We agree that prevention is better than cure</td>
<td></td>
<td></td>
</tr>
<tr>
<td>2</td>
<td>We have defined a “crisis”</td>
<td></td>
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<tr>
<td>3</td>
<td>We have run a business impact analysis for each anticipated crisis</td>
<td></td>
<td></td>
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<tr>
<td>4</td>
<td>We have identified all potential hazards and their particular locations</td>
<td></td>
<td></td>
</tr>
<tr>
<td>5</td>
<td>We involve suppliers, vendors and channel partners in crisis reduction activities</td>
<td></td>
<td></td>
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<tr>
<td>6</td>
<td>We train specific stakeholders/staff in security awareness</td>
<td></td>
<td></td>
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<tr>
<td>7</td>
<td>We train stakeholders/staff in standard crime prevention behaviour</td>
<td></td>
<td></td>
</tr>
<tr>
<td>8</td>
<td>We educate stakeholders/staff in preventive crisis reduction techniques</td>
<td></td>
<td></td>
</tr>
<tr>
<td>9</td>
<td>We have proactive Standard Operating Procedures that take the avoidance of possible hazards and crises into consideration</td>
<td></td>
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<tr>
<td>10</td>
<td>We are soliciting advice from emergency agencies to reduce possible hazards and crises</td>
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<tr>
<td>11</td>
<td>We have assured proactive cooperation with the relevant insurance companies</td>
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<tr>
<td>12</td>
<td>We have adapted disaster procedures for application in routine emergencies</td>
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<tr>
<td>13</td>
<td>We have created awareness among elected and appointed officials and organizational leaders about community involvement during a disaster</td>
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<tr>
<td>14</td>
<td>We have set up an emergency services liaison panel</td>
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<tr>
<td>15</td>
<td>We have organised meetings to promote informal contact between all those likely to be involved in a major crisis</td>
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<tr>
<td>16</td>
<td>We have communicated the need to have a crisis management plan to all stakeholders</td>
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<tr>
<td>17</td>
<td>We have initiated a steering committee to assist all stakeholders to develop crisis management plans</td>
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<tr>
<td>18</td>
<td>We have produced public or organizational education material</td>
<td></td>
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<tr>
<td>19</td>
<td>We, in our destination, have the full cooperation of all political parties and movements</td>
<td></td>
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<tr>
<td>20</td>
<td>We, in our destination, are actively linking tourism with the peace movement</td>
<td></td>
<td></td>
</tr>
<tr>
<td>21</td>
<td>We, in our destination, have the full cooperation of all tourism associations and organizations</td>
<td></td>
<td></td>
</tr>
<tr>
<td>22</td>
<td>We, in our destination, have created community, consumer, retailer and wholesaler awareness of our proactive efforts through public relations</td>
<td></td>
<td></td>
</tr>
<tr>
<td>23</td>
<td>We have introduced legislation to increase awareness for the need to proactively reduce the chances for crisis</td>
<td></td>
<td></td>
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<tr>
<td>24</td>
<td>We have introduced legislation to increase the readiness of the organization or destination</td>
<td></td>
<td></td>
</tr>
<tr>
<td>25</td>
<td>We realise that every crisis has its opportunities</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>
Phase 2: Readiness
Readiness largely corresponds to the Risk Management (Steps 3 and 4) that is: Analyse and Evaluate Risks.

"Being ready" involves more than making plans and running an occasional drill. Tourist destinations and businesses need to evaluate their crisis exposure and develop strategic, tactical and communication plans. Managers must regularly audit the plans, conduct crisis response management exercises and acquire crisis management skills. Managers and staff need to be psychologically and physiologically prepared for the impact and stresses that crisis events may impose upon them.

The whole chain of command must become part of the crisis management readiness programme, as it in turn becomes a part of the organization's culture. This can be achieved in several ways:
- Make a senior executive directly responsible for crisis management issues;
- Draw up a timetable for reporting on crisis management preparedness issues;
- Include all employees in the presentation process;
- Make crisis management issues part of the overall strategic planning process; and
- Communicate crisis management policy and procedure to all stakeholders.

Readiness is not just the second of four phases. An effective crisis management readiness programme has the opportunity to be the glorious last stage as it nips potential crises in the bud.

Crisis Management Plan
In previous chapters the importance of a developing a Crisis Management Plan has been highlighted, and examples provided at national and regional levels. Another critical aspect of Readiness is establishing a Crisis Management Team.

Nobody's Perfect – But a Team Can Be!
by Dr David Marriott

Crisis teams attract and are often composed of very clever and talented people. Such people can be difficult to manage, prone to destructive debate and may experience difficulty with decision taking. They can therefore be a problem when it comes to getting them to work together as a team.

A successful answer to this situation is the Belbin Team Role model, a well-researched, internationally famous and valid method of composing and integrating crisis, professional and management teams. Developed by Dr. Meredith Belbin at Cambridge, in England, this model has been used internationally since 1979.

There are two important elements in Belbin's work – the first is the recognition that personality strengths usually bring countervailing weaknesses. The second is that some combinations of personality style (Team Roles) have a greater likelihood of success than others, in certain situations.

There are few crisis situations in which one person makes the major policy decisions. Rather, the running of a successful crisis management operation necessitates the collaboration of a small group of people from different backgrounds and with unique personality and thinking style attributes, who interact as peers, pooling their ideas, judgments and plans. The success of their endeavours hinges on the behaviour, talents, balance, and cohesion of this Crisis Management Team.

Previous research has identified a finite number of behaviours or "management styles", which came to be called "Team Roles". Each one of the nine Team Roles comprise certain patterns of related behaviour which can be adopted naturally by the various personality types found among people in organizations. The accurate delineation of these Team Roles is therefore critical to the management and study of team effectiveness.

THE BELBIN TEAM ROLES
The nine Team Roles may be characterised into Leading, Thinking, Networking, Productive, Supportive, and Expert behaviours. They may be described as follows:
**Coordinator**
A perceptive leader, concerned with both people and the goals of the organization. A calm, controlled personality with a broad outlook and balanced judgment.

**Shaper**
A tough leader, who is task-oriented, dynamic, brave and impatient. An emotional person, who demands results, likes action and is good at “trouble-shooting”.

**Plant**
A thinker, with a highly intelligent and creative mind. Serious and unorthodox. Inclined to disregard practical details and protocol. Sensitive to criticism. A primary source of ideas and originality.

**Monitor Evaluator**
A critic. Sober, unemotional and prudent this person is essential to a team’s decision-taking process. Evaluation and making no mistakes is their main contribution to the team.

**Resource Investigator**
A negotiator. Buoyant, extrovert personality, enthusiastic, curious and communicative. A natural “networker” able to use and improve on other people’s ideas.

**Team Worker**
A supportive person. Socially-oriented and able to respond positively to people and situations. Aware of undercurrents, this is the person people turn to when they need help.

**Implementer**
A productive person. Hard-working, loyal, conservative and predictable who prefers action to thinking. Practical, disciplined and organised, dependable and able to get things done.

**Completer/Finisher**
A perfectionist. Controlled anxiety results in a painstaking, orderly and conscientious approach to any job. Detail minded - the team’s “worrier”.

**Specialist**
An expert person with a high level of focused technical/professional skill and single-mindedness. Mainly interested in facts and figures.

The question arises “what happens if you have fewer than nine people in your team?” The answer is that people have secondary Team Roles. They can double up when necessary and perform two or even three Team Roles instead of just one. In other words, a team of four or even three people can still perform effectively if it is correctly balanced. When a team is composed to deal with a crisis situation, where there is pressure and need for quick action and decisions, having the different Team Roles understood and available becomes of paramount importance.

---

**Putting Together a Crisis Team**
Most teams are put together in terms of members’ functional roles, so it is important to make a clear distinction between a member’s functional role and their team role profile. A person’s functional role describes only the work that they have been hired to do, based on their ability, experience and skill. It tells little or nothing about their behaviour. A person’s team role describes their tendency to behave, contribute and inter-relate in predictable and specific ways. It is much more helpful in building an effective team.

Recalling that the nine Team Roles can be classified into Leading, Thinking, Networking, Supportive, Productive, and Expert behaviours, then at key stages in the crisis different Team Roles will come to the fore.

Because most people have two or three Team Roles they can naturally adopt, a crisis team need not be composed of nine people, but it must be a well-balanced team.

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**Plans and Planning**
The central role of the Crisis Management Team in any overall Crisis Management Plan cannot be overstated. PATA (2003) offer the following checklist to assist destination managers and tourism operators to systematically work towards developing a plan, recognising again that national governments will need to take a lead role in coordination and resource allocation.
Checklist: 10 Steps to a Crisis Plan

1. Initiate the formation of a crisis management team, comprised of senior staff empowered with authority to make and implement decisions in the midst of a crisis.

2. Contact all emergency and civil organizations that could be involved in a crisis and insist on high level contacts and participation in the planning process.

3. Ensure consistency of the crisis management team and coordinate regular meetings.

4. Recognise that extraordinary times call for extraordinary measures and ensure that the crisis management team is empowered to spend money during a crisis.

5. Determine which risks are important to deal with and continually assess any emerging risks.

6. Develop the “What-if” contingency plans to serve as a troubleshooting guide during an actual crisis.

7. Ensure that instructions and assignments are clear, current and rehearsed and that key stakeholders and emergency services are able to be contacted on short notice and are privy to the crisis plans of the organization.

8. Encourage incorporation of crisis management activities into the plans and priorities of all stakeholders, as well as the official job descriptions of all employees and officials of the organization.

9. Train members of the Crisis Management Team in some form of crisis communications and media relations.

10. Identify and approach individuals with specialist skills and knowledge in order that they can be quickly brought in to assist the organization in crisis.

To a large extent, Crisis Management Plans must be generic in order to accommodate a range of crisis situations and to be able to deliver appropriate and timely responses. Nevertheless, the key elements of the checklist above can be captured and operationalised for each tourism destination. Appendices C and D outline the Tourism Queensland (2003) Communication Response to four different scenarios (Figure 5, Chapter 2 shows the four Response Themes adopted by Tourism Queensland are: Communication, Research, Marketing and Business/Industry Assistance).

Appendix C shows clear task allocation and delegation of responsibility for each scenario, as well as intended outcomes. By constantly monitoring and reviewing their Crisis Management Plans, as suggested in the Risk Management model proposed in Chapter 2, destinations can readily adjust their planned responses to a range of potential crises. Where destinations fail to deal effectively with a crisis the problems are usually easy to identify. Just as there are 10 steps towards developing a Crisis Management Plan, a further 10 common weaknesses have been identified by PATA (2003).

Table 5: 10 Common Weaknesses in Crisis Plans

1. **No systematic collection of planning information.**
   This includes hazard analysis, organizational information, regulatory guidance, company policy procedures and location specific data.

2. **No systematic dissemination of planning information.**
   Not sharing information with those who are responsible for implementing the plan.

3. **Failure to identify an appropriate crisis command structure.**
   This is a common pitfall as many planners try to fit their organization into a standard incident command system not designed around their particular needs.

4. **Minimal coordination with other stakeholders or none at all.**
   Poor communications with the community, neighbouring industries and emergency services can lead to confusion and chaos.
5. Poorly defined organizational responsibilities or none at all. Failure to provide clear descriptions of functions, duties and tasks can lead to finger pointing.

6. A programme is poorly maintained or not at all. Most programmes are developed to meet a regulatory requirement and there is no provision made for ongoing evaluation.

7. The plan and guidelines are not user-friendly. No simple supplemental materials are provided as a quick reference guide during an emergency and nobody was trained on the implementation of the plan.

8. The plan was not disseminated to the proper authorities. Failure to include appropriate parties on the distribution list most often leads to failure on their part to respond according to the plan.

9. No budget is allocated for crisis management. A crisis management budget is as important as a marketing budget.

10. No plan. And the belief that “It Won’t Happen To Us!”

Source: PATA, 2003

An Active Crisis Management Plan

As previously noted (Chapter 3), having a plan that sits on the shelf is probably worse than not having a plan at all. In order to have an active plan tourism authorities need to adopt the practices of emergency services personnel who run regular simulation exercises to hone skills and refine crisis management procedures.

Such practice exercises provide ideal staff training opportunities and create broad awareness of risk issues among tourism industry members. Part of this Readiness should include the development of health and safety measures involving local networks of emergency services. For example, the Asian Disaster Preparedness Centre has developed a training program on hospital emergency capacity. The benefits of links with the health services have recently been demonstrated in the care of injured in September 11 and Bali bombings, and in the management of illness related to the SARS outbreak.

In order to guide discussion and planning among destination managers and business operators, the following Readiness Checklist has been produced by PATA (2003).

Got

Readiness Checklist

This checklist is only a guide. It does not contain all of the components, contingencies or options required by each organization or destination for its specific crisis planning process.

<table>
<thead>
<tr>
<th>NO.</th>
<th>READINESS CHECKLIST</th>
<th>YES</th>
<th>NO</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>We have a crisis management plan</td>
<td>☐</td>
<td>☐</td>
</tr>
<tr>
<td>2</td>
<td>We identified a crisis management coordinator and alternate</td>
<td>☐</td>
<td>☐</td>
</tr>
<tr>
<td>3</td>
<td>We assigned responsibilities to each stakeholder and alternates</td>
<td>☐</td>
<td>☐</td>
</tr>
<tr>
<td>4</td>
<td>We have a multi-network notification system in place to alert all stakeholders</td>
<td>☐</td>
<td>☐</td>
</tr>
<tr>
<td>5</td>
<td>We have a trained crisis response team</td>
<td>☐</td>
<td>☐</td>
</tr>
<tr>
<td>6</td>
<td>We established a law enforcement, fire department and emergency services liaison</td>
<td>☐</td>
<td>☐</td>
</tr>
<tr>
<td>7</td>
<td>We are aware of the law enforcement, fire department and emergency services command and control structure and their crisis-scene management plans</td>
<td>☐</td>
<td>☐</td>
</tr>
<tr>
<td>8</td>
<td>We established a media liaison and plan for communication</td>
<td>☐</td>
<td>☐</td>
</tr>
<tr>
<td>9</td>
<td>We have an inventory of internal and external skills that may be helpful</td>
<td>☐</td>
<td>☐</td>
</tr>
<tr>
<td>10</td>
<td>We placed crisis management toolboxes (necessary items assembled in advance) in several easily accessible locations</td>
<td>☐</td>
<td>☐</td>
</tr>
</tbody>
</table>
We have an emergency "dark" Web site designed that can be activated on short notice
We developed all necessary forms to assist in crisis management
We made suppliers, vendors and channel partners aware of the plan
We designated a safe and secure crisis centre (and an alternative area)
We have back-up procedures for critical information in an off-site location
We collect, collate and disseminate appropriate information through one agreed spokesperson
We make sure that the crisis plan avoids trying to change how people normally behave in crisis situations
We are convinced that all those who are involved in the design of the plan accept it and will assist in its continued development
We have made sure that the emergency organizations in our area have adopted standard terminology and procedures
We ensured with all stakeholders that the responsibility for common disaster tasks is now predetermined on a mutually agreed basis
We practice crisis alerts periodically through the year
We established procedures for annual inclusion of new staff/stakeholders
We established procedures for annual update/review for all stakeholders
We obtained a professional review of our crisis response procedures
We obtained a legal review of crisis response procedures

Phase 3: Response
This phase corresponds largely to the Risk Management Step 5 of Treating Risk. Response is dedicated to the immediate aftermath of an event when everything is at its most chaotic. It will become apparent very quickly whether the Reduction and Readiness phases have developed continuity and contingency plans that are effective. The initial operational emphasis will be on damage control in both lives and property. The crisis communications strategy should already be in play, pre-empting and reassuring stakeholders and the public.

A dynamic crisis management programme requires the combined skills of effective managers and communicators with the authority to take command of a messy situation. In particular:

- Operational managers must have the authority set out in the crisis plan that allows them to delegate and/or take command in a crisis situation without fear of repercussions.
- A skilled public and media campaigner should be given the authority set out in the crisis plan to make statements on behalf of the organization. Public perception of an Organization's openness about a crisis is as important to the well being of the Organization as the operational response.

The role of media and communications is reviewed comprehensively in Chapter 6. However, it is important to note that responses can be short, medium or long-term; and either generic or very specific (Tourism Queensland, 2003). Appendix F includes the range of responses across countries to the September 11 terrorist attacks in the United States.

A number of common elements are apparent in the destination responses to September 11. In particular, the importance of promoting the destination during and after the crisis, and providing incentives to restore the market are tried and proven responses for tourism authorities across a range of crisis situations (Beirman, 2003). Partnerships between government agencies and the tourism industry are critical in times of crisis, as demonstrated by the following in-depth case study from Hawaii.
HAWAII’S RESPONSE TO SEPTEMBER 11 TERRORIST ATTACKS

This case describes the response and recovery of Hawaii’s tourism industry to the terrorist attacks on the USA on September 11, 2001.

The economic impact on Hawaii’s tourism industry of the 9/11 terrorist attacks was immediate and profound. The disruption of air travel hit the tourism-dependent Hawaii economy particularly hard as the nation embarked on a potentially long-lasting war against terrorism. All major US, and some international carriers announced cut backs in their schedules. United Airlines, for example, cut 2 of 17 Hawaii flights, and the two local carriers, Hawaiian Airlines and Aloha Airlines announced schedule cuts in the 20-25% range. Japan Airlines cut back severely, reducing its weekly flights to Honolulu from 75 to 58. Passenger counts to Hawaii declined significantly as visitors and residents alike cancelled or postponed flights.

Visitor arrivals to Hawaii were completely interrupted by the attacks. Domestic passenger numbers declined to about 11% below the year 2000’s levels, and international passenger counts were nearly 60% lower than 2000. The effect of the September losses alone caused third quarter domestic arrivals to fall by 7% and 17% for international arrivals (Bonham, & Gangnes, 2001).

The sharp falloff in visitors to Hawaii led to immediate and dramatic declines in Hawaii’s tourism business. According to a survey by Smith Travel Research and Hospitality Advisors LLC, revenue at Hawaii hotels fell an estimated $143 million compared with 2000, and revenue per available room was 18% lower than in the period before September 11. Occupancy rates, though improving, hovered at 20-25% of last year’s levels (Bonham, & Gangnes, 2001).

Tourism businesses responded to the downturn with layoffs and reductions of hours for their workers. Unemployment claims jumped nearly 200% during the last week of September 2001, with nearly 17,000 new claims for unemployment insurance benefits in the period between September 11 and October 13. An estimated 11,000 job were lost due to the attacks (Bonham, & Gangnes, 2001).

In immediate response, the Hawaii Visitors and Convention Bureau (HVCB) set up a communications command centre with the assistance of the Hawaii Tourism Authority and various industry associations to:
1. Accommodate visitors stranded or diverted to Hawaii while en route to other destinations.
2. Provide constant and relevant information flows via a website and other lines of communication.

HVCB also collected and analysed all available data on airport conditions, travel volumes, consumer and traveller attitudes and intentions to travel. The Market Trends department of HVCB continued to monitor changing conditions and trends as a foundation to develop and implement an integrated marketing plan afterwards (Hawaii Tourism Visitors & Bureau, 2002).

Cooperation with Government

A three-person team (a representative of Hilton Hotels Hawaii, HTA Marketing Committee Chair and a representative from HVCB) was appointed by the Governor on September 19, 2002 to spur a quick sustainable recovery of Hawaii’s visitor industry. A recovery plan was created for the period from October 1, 2001 to March 31, 2002 to generate recovery and build momentum (Hawaii Tourism Visitors & Bureau, 2002). The plan included goals, objectives, strategies and related marketing activities to help Hawaii recover. They are summarised below:

1. Goal: Minimise severity and length of negative economic spiral:
   (a) Put people back to work;
   (b) Keep businesses operating;
   (c) Protect quality of life for Hawaii’s residents; and
   (d) Preserve the Hawaii experience for visitors.


3. Strategies and Related Marketing Activities

Strategy 1: Caring for Visitors & Involving the Community

(1) Communications Command Centre: This centre was established on September 11, 2001 to provide a constant flow of relevant updated information on the situation via phone fax, and email.

(2) “Live Aloha”/Mahalo plan
   - “Live Aloha, Now More Than Ever” became the focus of any communications/marketing efforts
   - Nearly 420,000 Mahalo (thank you) packets were distributed to guests in participating hotels to thank them for visiting Hawaii and sharing the aloha spirit during difficult times.
   - Informational cards were distributed to visitor industry employees to remind them of the importance of “live aloha” with each other and with guests.
   - HVCB initiated efforts to promote local travel to help fill the gap by offering kama’aina (local) discounts or specials.
Strategy 2: Target Marketing
Target markets with the highest potential to travel to Hawaii from October 2001 through March 2002 were identified and appropriate messages to attract them to travel to Hawaii were crafted. Based on research, several strengths of Hawaii were identified and brought into the marketing messages:

1. The genuine, welcoming spirit of Hawaii’s people.
2. The nurturing, healing, and rejuvenating environment.
3. The inspiring natural beauty.
5. The “safety” of the islands without actually saying it.
6. The diversity of the islands.

Strategy 3: External Marketing Communications
In the initial stage of the recovery, public relations and communications were heavily focused on the travel trade, consumer travel media and then to consumers. Newspaper advertising was introduced in October 2001 with a non-commercial message. Magazine, cable and spot television advertising were added when consumer sentiment had recovered in January and February in 2002.

To encourage the return of Japanese visitors, perception-changing meetings with top political and business people of Japan reassured the safety of travelling to Hawaii. HVCB also provided television tie-ups, radio tie-ups, magazine tie-ups that related to Hawaii travel. Newspaper and internet advertising were employed to showcase Hawaii’s existing, new special events and activities such as the Honolulu Marathon, and sports and weddings. HVCB implemented a special link from HVCB’s Japanese version homepage featuring streaming video on-site interviews with Japanese visitors in Hawaii. Efforts were also made to protect existing bookings of the convention centre and to generate new bookings.

The Hawaii travel and tourism industry learned some lessons from the experience after the September 11 attack. The importance of a central command centre was found to be critical and would be used in future such events. Hawaii learned much about the response of the Japanese tourist to such a disaster. The need to work with the travel trade and encourage them to re-book their clients to Hawaii, the need to persuade the Japanese people by talking with the government and other visible persons, and to communicate the safety of the destination in whatever way possible.

Hawaii also learned the value of generosity. Hawaii gave 600 free vacations to the tired firefighters and policemen of New York after the clean-up effort was completed. This gave the state much publicity and re-enforced the aloha spirit in people’s minds. Hawaii also learned that the product it has to offer the world is soothing in times of distress.

Actions to prevent disaster in the future:
After September 11, 2001, Hawaii instituted new anti-terror measures to the state’s tourism industry (Nagy & White, 2001). For example, the cruise ships entering Hawaii’s waters now have much stricter controls than they did before. The Hawaii Hotel Association (HHA) is also providing educational training in security and safety for hotel managers and workers (Hawaii Hotel Association, 2003). The U.S. Department of Defence has been working with private defence contractors in the development of the National Missile Defence System to provide complete protection for the 48 contiguous states, as well as Alaska and Hawaii (Federal Emergency Management, 1990).

Source: Based upon material provided from the University of Hawaii

One aspect of emergency response procedures that is sometimes overlooked is that of leadership. Yet, as recent events such as the Bali bombings have clearly shown, leadership is a critical element in successful crisis and disaster management (Cosgrove, 2003).

The Role of Leadership in a Crisis
Several points should be highlighted at the outset:
- Immediately dispatching a senior responsible individual to the scene of the problem sends two important messages: I care and I am accountable.
- It is important to make sure there is a plan in place where senior government officials and industry leaders are among the first to know about the crisis.
- Organizations should identify a primary media spokesperson with the authority to be very open with the media.
- Effective leaders must be able to tolerate confusion and hostility and separate what is important and what is background noise in a chaotic atmosphere.
- Effective leadership in the midst of a crisis can be easily provided for in the continuity plan and contingency plans prepared in readiness for a crisis.
The Role of the Leader
By Graeme Mickelberg

Leadership is as critical to crisis planning as it is to crisis management. The leader must clearly define the planning outcome required, essential constraints on planning, including time-lines, and then either withdraw to allow the planning team to proceed, or alternatively assume a role as member of the planning team. The latter role requires a leader who is confident of his/her personal abilities and trusts the planning team.

Regardless of whether the leader is an active participant as a member of the planning team or chooses to withdraw after providing the Planning Team with their initial guidance, it is essential that at the end of each stage of the process the leader is available to be brought up to date and to provide his or her perspective of the planning outcomes, as well as the implications of changes to the evolving crisis situation. The other value of this approach is to ensure the planning team remains focused on the outcome of their planning.

The Relevance of Selecting the Right People

Crisis planning will usually be conducted under the pressure of very tight time-frames, which can result in people cutting corners as a result of well intended efforts to resolve a crisis by taking what they perceive as timely decisions. Guarding against what might be described as a less than disciplined approach is best facilitated by alternating the leadership of the planning team to the person or persons who are best suited to the circumstances of each planning stage.

The work to be done in the stages prior to decision and implementation require coordination within the team and, depending the complexity of the planning to be undertaken, potentially with other teams internal and external to the organization. Similarly, there is requirement early in planning for ideas and concepts that will provide the basis for analysis as part of determining options that may be analysed. To do this well requires people who are willing to innovate and where appropriate offer up lateral perspectives that others may not perceive. Other planning team members who focus on material issues such as identifying the resources needed, however, must balance these persons. As the planning proceeds there will be a need to adhere to time-lines and where a crisis situation worsens there may be a need to inject a greater sense of urgency. Ultimately, once a plan has been agreed it will need to be implemented by people who have a practical approach and are not easily discouraged by obstacles that may arise as planning proceeds.

A number of Mickelberg’s observations about leadership were proven in the 12 October 2002 Bali bombings, especially the need for coordination of efforts across national and international government agencies. The following case study describes the scope of this crisis.

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**THE BALI TERRORIST BOMB ATTACK**

Bali experienced a terrorist bomb attack on October 12, 2002 in a tourist-filled nightclub in Kuta Beach, South Bali, at approximately 11 p.m. Two other bombs in Denpasar, Bali, and Manado, Sulawesi, were also detonated the same evening. Two hundred and two people, including 88 Australians were killed.

The bombings shocked Australians who were a major tourism market to Bali. Forty percent of Australian tourists cancelled their bookings after the bombing. All types of accommodation saw a corresponding fall in demand, and occupancy rates in larger hotels plummeted from 74.8% on October 11 to 33.4% on October 19; figures later reached 10% in certain instances (The Straits Times 2002).

Jakarta’s Centre for Labour and Development estimated that 150,000 tourism-related jobs were lost on Bali and close to 1,000,000 for Indonesia as a whole. As tourism suffered through the reaction to danger and deaths, the fear factor infected other industries as well. Bali’s significant garment industry suffered as buyers did not arrive as scheduled to place orders for 2003. This greatly diminished employment, since one-eighth of the island’s population had textile-related jobs. Tourism is Indonesia’s third-largest industry after oil and textiles. J.P. Morgan forecast that up to $3,000,000,000 in tourism revenue would be lost in the year following the Bali attack and that 2003 economic growth would be cut by nearly one percent (Martin, 2002).
Resolution measures were taken by both the private and public sectors, as follows:

**Private Businesses Resolution Measures:**
- Hotels added security checkpoints, police hotlines and mirrors to scan the underneath of cars;
- Accor Hotel Group added four additional security guards at each property in Bali posted 24 hours a day at its entrance and parking areas as an extra precaution;
- Local entrepreneurs started a new airline-Air Paradise, aiming to coax Australian holidaymakers back; and
- At the end of 2002, through travel agents in Australia, Air Paradise sold 7,000 discounted packages on its one-plane carrier, which encouraged them to expand routes and bring in a second plane in April 2003.

**Public Resolution Measures:**
- **Indonesian National Government:**
  - Hired an international Public Relations firm to restore Bali’s image and encourage tourists to return to Bali;
  - Created new tourism products with a mix of golf tournaments, celebrity visits and concerts;
  - Encouraged Indonesian tourists to fill the hotel rooms left empty;
  - Acquired help from its Asian neighbour: Singapore’s national airline, for instance, ran heavily discounted trips; and
  - Planned trade fairs to attract international business.
- **Bali Regional Government:**
  - Held a major conference of senior officials from the Association of Southeast Asian Nations (ASEAN) countries and Japan aimed at making recommendations to identify the multidimensional impact of the bombings and decide on the strategic steps to restore tourism in Indonesia and in the ASEAN region (Donnan, Garrahan and Fidayat, 2002); and
  - Sent a cultural mission to Japan to attract Japanese visitors to return, which consisted mainly of a children’s painting exhibition, as well as several modern and traditional dance performers (http://www.tourismindonesia.com/news/171202.asp).

**MPI and ASITA**
The Indonesian Tourism Society (MPI) and the Association of Indonesian Tours and Travel (ASITA) proposed a law on tourism, Article No. 80, which empowered provincial administrations (aside from the police and the District Attorney) with the authority to investigate and arrest parties that violate industry laws and regulations, which implied that provincial civil servants would be able to raid any tourism spots (http://www.tourismindonesia.com/news/171202.asp).

The Indonesian government prepared an emergency anti-terrorism decree. This decree gave expanded authority to the police and military to allow arbitrary arrest and detention. The decree might allow the government to indefinitely detain anyone ‘suspected’ of involvement in terrorism (HRW, 2002). A commitment to the safety of visitors in key resort areas in particular is needed in the future.

Source: Based upon material provided from the University of Hawai'i

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**Australia’s Response to Bali**

In terms of leadership, the Australian government’s response to the Bali bombings involved the institution of a "hubs-and-spokes" coordination arrangement that drew together key agencies and players to share information and coordinate policy responses (Department of Foreign Affairs and Trade, 2003a). These arrangements provided the context for effective consultation, rapid decision-making, close attention to the implementation of decisions, and rapid remedial action to new or unforeseen difficulties. Within these taskforces, clear directives identified the roles and responsibilities of respective agencies. Figure 9 shows the institutional arrangements adopted in the crisis phase, with the Department of Foreign Affairs and Trade (DFAT) taking the main leadership role.
DFAT (2003a) notes a number of key observations concerning this approach that are salient for whole-of-government crisis management. In particular, within each hub-and-spoke there was a clear division and respect for the differing mandates of respective agencies. Rather than normal bureaucratic rules being abandoned, there was a strong appreciation that the simplest and most direct means of achieving goals was to use the appropriate agency and established channels. Efforts at “short-cutting” – even where motivated by a noble desire to expedite an outcome – were ultimately more likely to result in delays and confusion. The utilisation of traditional channels of liaison and coordination mean that new relationships do not need to be established in the crucible of a crisis situation, thereby providing a higher degree of comfort for downstream organizations – including State authorities – co-opted to deliver a specific response.

The composition of agencies in Figure 9 is not random. Key Response issues identified by PATA (2003) include:

- Investigation
  - Crime
  - Legal and political
  - Insurance
- Family Assistance
  - Information handling
  - Transportation
  - Accommodation
  - On-site support
- Communication
  - Media
  - Hospital(s)
  - Morgue(s)
  - Investigation
  - Government

These issues were addressed by specialist agencies in the case of the Bali bombings. On a national level the same response mechanisms need to be in place for a range of difficulties tourists might experience. As noted by Sir Frank Moore in the Foreword to this report, in times of crisis for any tourist destination, the first concern must be for visitors.
**Assistance for Victims**

While it is not always possible to prevent crime from occurring, WTO’s Recommended Measures for Tourism Safety (1991) proposes that States should cooperate in ensuring that a tourist who is a victim of an unlawful act receives all the necessary assistance and compensation for damages which such acts may entail.

An excellent example of a national program offering assistance to travellers is the Tourist Victim Support Service in Ireland. Part of the national Victim Support organization, with 40 branches and over 500 volunteers, the tourist program works closely with the Irish police (the Garda) in providing unique services.

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**TOURIST VICTIM SUPPORT SERVICE, IRELAND**

Tourist Victim Support Service (TVSS) is a unique service for tourists who have been robbed, attacked or otherwise victimised during their stay in Ireland.

Tourist Victim Support CAN:

- Provide emotional and practical support;
- Arrange accommodation/meals if needed;
- Liaise with embassies;
- Help to replace stolen travel tickets;
- Act as a base for money transfers;
- Arrange discount for windscreen repairs;
- Arrange transport for stranded tourists;
- Address medical needs;
- Offer telephone and fax facilities; and
- Offer a 24 hour free phone number 1800 661 771

Tourist Victim Support CANNOT:

- Offer financial assistance;
- Replace lost items; or
- Offer insurance or legal advice.

Referrals to TVSS come through the Garda. It is not necessarily the severity of the crime that determines the need for a referral. The main types of crimes dealt with are pick pocketing, thefts from cars and handbag snatches.

Tourist crime victims, away from home, can feel alone and vulnerable. They are without a support network. TVSS acts as a base from where problems can be addressed and holiday plans salvaged. With prompt intervention TVSS can alleviate the effects of the crime and enable tourists to continue their visit. Following TVSS intervention tourists can return home with a much more positive attitude to their experience, to Ireland and the Irish people. This impression of Ireland has implications for our tourist industry, as word of mouth is a powerful marketing tool.

Tourist Victim Support Service is widely acclaimed and enjoys the support of the Minister for Tourism, Sport and Recreation, the Minister for Justice, Equality and Law Reform, the Garda Commissioner, Bord Failte and many tourism related industries. Tourist Victim Support is based in Garda Headquarters, Harcourt Square, courtesy of the Department of Justice and the Garda Siochana. The success of the service depends on extensive support coming from a cross section of the tourism related industry by way of direct funding and benefit in kind.

Tourist Victim Support Service
Harcourt Square, Harcourt St, Dublin 2
Tel: 01 478 5295 Fax: 01 478 5187
Email: tvss@clubi.ie
Web page: www.clubi.ie/tvss/contactus.html

*Source: Written by Jeff Wilks*
**Response Checklist**

*This checklist is only a guide. It does not contain all of the components, contingencies or options required by each organization or destination for its specific crisis planning process.*

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<th>NO.</th>
<th>RESPONSE CHECKLIST</th>
<th>YES</th>
<th>NO</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>We have a plan that focuses on saving lives, preventing further damage and reducing the effects of a crisis</td>
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<tr>
<td>2</td>
<td>We have given persons with expertise in emergency medical services the primary authority at the scene over patient care and transport</td>
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<tr>
<td>3</td>
<td>We have a plan and associated training for disaster casualty distribution among area hospitals</td>
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<tr>
<td>4</td>
<td>We can activate on- and/or off-location emergency operation centre(s) within 30 minutes</td>
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<tr>
<td>5</td>
<td>We can alert all stakeholders within 30 minutes</td>
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<tr>
<td>6</td>
<td>We have a designated person (and/or alternate) in charge of the emergency operation centre</td>
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<tr>
<td>7</td>
<td>We can have the complete crisis response team operational within one hour</td>
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<td>8</td>
<td>We have an independent crisis communication system</td>
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<td>9</td>
<td>We will have all appropriate public and private organizations represented at the emergency operation centre</td>
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<tr>
<td>10</td>
<td>We have procedures for limiting the congestion caused by excessive responders and curious public</td>
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<tr>
<td>11</td>
<td>We have procedures for incorporating and managing volunteers</td>
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<tr>
<td>12</td>
<td>We have evacuation areas identified and staff assigned</td>
<td></td>
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<tr>
<td>13</td>
<td>We have a plan for the set up of a temporary morgue and evaluation centre</td>
<td></td>
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<tr>
<td>14</td>
<td>We can activate on- and off-location family assistance centre(s) within 30 minutes</td>
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<tr>
<td>15</td>
<td>We have a designated person (and/or alternate) in charge of the family assistance centre</td>
<td></td>
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<tr>
<td>16</td>
<td>We can activate sensitive family notification procedures</td>
<td></td>
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<tr>
<td>17</td>
<td>We have an emergency budget available for family assistance</td>
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<tr>
<td>18</td>
<td>We have religious support for the victims and their families available</td>
<td></td>
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<tr>
<td>19</td>
<td>We can issue an initial press statement in local language and English within 90 minutes after the crisis</td>
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<tr>
<td>20</td>
<td>We can activate an off-location media centre within two hours</td>
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<tr>
<td>21</td>
<td>We can have first press briefings with basic details of crisis and planned/ongoing response activities within three hours</td>
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<tr>
<td>22</td>
<td>We have a designated person (and/or alternate) in charge of the media centre, as well as a designated main spokesperson</td>
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<tr>
<td>23</td>
<td>We have linked the Web master(s) of the emergency Web site with the media centre for simultaneous updating</td>
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<tr>
<td>24</td>
<td>We have secured an (emergency) budget to handle our response activities</td>
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**Phase 4: Recovery**

This phase corresponds largely to the Risk Management Step of Monitoring and Review, though depending on the type of crisis there may be continuing Risk Treatment considerations. Taking the Bali bombings as an example, the Australian government response in the Recovery Phase used the hubs-and-spokes coordination arrangement, but with the Department of Family and Community Services as the lead agency (Figure 10).
DFAT (2003a) notes that the move from Crisis to Recovery Phase requires a high degree of discipline to ensure that decision-making is followed through by rigorous implementation. For example, within the Family and Community Services (FaCS) taskforce, 15 core issues were addressed in each daily meeting. These were: public communications, financial support, domestic health services; disability issues; counselling; return of effects of deceased victims to next-of-kin; community harmony; community support; rural issues; inter-governmental welfare issues; role of airlines; insurance coverage; domestic economic issues; international issues and interaction with other disasters.

Taking Care of Business

According to PATA (2003), the best assessment of effective crisis management is if a crisis has been avoided in the reduction and readiness phases. However, many crises are “acts of the gods” – seemingly unavoidable. In this case, a crisis management system’s effectiveness can be gauged three ways:

- The speed with which a destination or organization resumes or continues full business operations;
- The degree to which business recovers to pre-crisis levels; and
- The amount of crisis-resistance added since the crisis.

A crisis will increase the level of media coverage given to an organization or destination. If handled properly this publicity is good publicity and will ensure a shorter recovery phase by instilling confidence in all stakeholders and customers. The key to a full recovery will be to encourage a sense of teamwork and cooperation among stakeholders, which may in turn open the door to the synergistic benefits of unified branding and marketing strategies.

Business Continuity

A critical issue in the Recovery Phase of Crisis Management is the availability of a Business Continuity Plan that incorporates rehabilitation, normalisation and expansion. Appendix D presents the Tourism Queensland (2003) plan for Business/Industry Development and Assistance in response to a crisis situation. As previously noted, the Queensland Crisis Management Plan provides generic responses, and in this case a focus on human resource issues such as the impact of reduced labour needs and coordination of financial support.

The importance of financial support to ensure business continuity following a crisis is evident from the responses of many countries to the events of September 11 (see Appendix F). Similarly, many Asia Pacific nations provided targeted business incentives to protect their tourism interests following the SARS outbreak. For example, the Thai government response included:
Special low interest loans with flexible conditions provided to travel agents, hotels and other tourism industry operators through the newly established Small and Medium Size Enterprises Development bank of Thailand, as well as the Industrial Finance Corporation of Thailand (IFCT), and

Intensive training programs for personnel in the tourism industry jointly organised by the Ministry of Tourism and Sports, Ministry of Labour and Social Welfare with cooperation of the Tourism Council of Thailand as part of government measures to upgrade service providers to meet challenges and opportunities after SARS.

Source: Thai Vice Minister of Tourism and Sports (Mr Krirk-Krai Jirapaet) in a speech at the Asia-Pacific Ministerial Summit on Crisis Management, Manila, Philippines 18 June 2003.

Aid Programs
While some nations will be able to recover from a crisis situation using their own resources, when a crisis escalates into a disaster not only is the intervention of various levels of government required to return the community to normality (the definition of a disaster), but also international aid is often required. For example, in Papua New Guinea (PNG), a country that experiences a range of natural disasters, the Australian Government’s AusAID program (http://www.ausaid.gov.au) has provided relief supplies, medical teams, transport and communications equipment to thousands affected by drought, tidal waves and volcanic eruptions. Australia also assists PNG authorities to monitor seismic and volcanic activity, enabling them to better prepare for disasters (AusAid, 2002).

While not directly related to small businesses in tourism, the following case study on the work of the International Finance Corporation in Indonesia shows how international aid and assistance can be effectively applied in the Recovery Phase of a crisis. In particular, the case study highlights the importance of local skills training as part of business continuity following a crisis.

RESPONSE FOR SMALL BUSINESSES AFTER BALI AND SARS
The International Finance Corporation (IFC) has established a donor funded technical assistance facility that will initially work in five program areas:
(1) trade and export promotion;
(2) SME financing;
(3) extractive industry linkages to SME’s;
(4) agribusiness linkages to SME’s; and
(5) the enabling environment for business.

IFC – as a member of the World Bank Group - promotes sustainable private sector investment in developing countries as a way to reduce poverty and improve people’s lives. It shares the primary objective of all World Bank Group institutions: to improve the quality of the lives of people in its developing member countries by
- Financing private sector projects located in the developing world.
- Helping private companies in the developing world mobilize financing in international financial markets.
- Providing advice and technical assistance to businesses and governments (http://ifcln1.ifc.org/ifcext/about.nsf).

PENSA’s Trade and Export Program (TEP) will be based in Denpasar and will work with producers in the furniture and handicraft sector.
The furniture / handicraft sector was selected for its opportunities for significant local value-adding through the use of skilled local craftsmanship and local designers. Production in this sector is also centred around local villages, so the benefits of identifying new sustainable export market opportunities would flow almost directly to large numbers of local villagers, improving the prospects of many local communities.

PENSA's TEP initiative will first develop and deliver a program of training to local wood and furniture producers in Bali and East Java. A major production problem in this region is that wood is frequently not properly treated or dried, causing it to crack once it leaves the humidity of Indonesia – which is a major impediment to repeat export orders.

TEP’s training program would set in place sustainable structures and systems of training delivery covering quality improvement, as well as basic business skills in marketing, design, and basic finance. The training will be developed by PENSA staff, and delivered by local providers such as local tertiary institutions or local business service providers on a cost recovery basis.

TEP will also include an international marketing component. Market building is important, as numbers of international buyers coming to Indonesia have dropped dramatically following the Bali bombing, and more recently SARS. In these circumstances, local producers stand to benefit greatly from being able to market their products to potential buyers overseas, without needing to wait for the buyers to come to them.

TEP's marketing component will commission trade data research to identify which international markets potentially offer the best price point or the greatest demand for selected Indonesian products. This initial analysis would then be followed up with a more detailed market survey of those higher priced or greater demand markets - to see exactly what sort of product offerings are most likely to be successful there. The results of this survey would be made available on a fee for service basis to local Indonesian producers and exporters. The program would then look to handover the market research processes it develops to local partners for ongoing delivery.

In cooperation with The Kearny Alliance Foundation, TEP will provide practical hands on assistance to selected local producers who have utilized the training and marketing components of the program, in the application of the skills learned there in their day-to-day attempts to meet export orders. This deal facilitation service will be provided through a stand-alone centre that will charge fees for its services. Initially one such centre will be established as a pilot.

Source: Courtesy of Chris Richards

Monitoring, Review and Communication
Before turning to the Recovery Checklist below, it is important to mention three other elements of a successful crisis recovery program. The first is the need for a debriefing for all involved in managing the crisis. This allows lessons to be shared and shows an appreciation of the efforts people have made during the crisis period. Second is a follow-up with the victims of any crisis. These people may need medical, social and financial support for quite some time after the actual crisis. Finally, the debriefing and post-crisis time should be used efficiently to update any crisis management plans.

Recovery Checklist

This checklist is only a guide. It does not contain all of the components, contingencies or options required by each organization or destination for its specific crisis planning process.

<table>
<thead>
<tr>
<th>NO.</th>
<th>RECOVERY CHECKLIST</th>
<th>YES</th>
<th>NO</th>
</tr>
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<tbody>
<tr>
<td>1</td>
<td>We have plans to consult with families on memorial services and markers</td>
<td>[ ]</td>
<td>[ ]</td>
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<tr>
<td>2</td>
<td>We will stay in contact with recovering victims and with the families of the deceased</td>
<td>[ ]</td>
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<tr>
<td>3</td>
<td>We will designate a leading executive as the “Destination Maker”</td>
<td>[ ]</td>
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<tr>
<td>4</td>
<td>We have a strategic recovery plan draft involving all stakeholders</td>
<td>[ ]</td>
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<tr>
<td>5</td>
<td>We recognise the importance of the aviation industry as a (reversed) distribution system and work closely with them</td>
<td>[ ]</td>
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<tr>
<td>6</td>
<td>We will concentrate all possible political efforts on the reduction of travel advisories</td>
<td>[ ]</td>
<td>[ ]</td>
</tr>
<tr>
<td>7</td>
<td>We will update our overseas representatives on a regular basis</td>
<td>[ ]</td>
<td>[ ]</td>
</tr>
<tr>
<td>8</td>
<td>We will adopt branding as the platform of the joint marketing efforts</td>
<td>[ ]</td>
<td>[ ]</td>
</tr>
<tr>
<td>9</td>
<td>We have a recovery sales action plan draft</td>
<td>[ ]</td>
<td>[ ]</td>
</tr>
<tr>
<td>10</td>
<td>We will target the travel consultants in our main markets</td>
<td>[ ]</td>
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</tbody>
</table>
Chapter Summary

As noted at the beginning of the chapter, there are many frameworks and approaches to risk and crisis management. This chapter used the Four R’s approach adopted by PATA, to show how destinations can effectively manage the four distinct phases of a crisis: Reduction, Readiness, Response and Recovery.

In the first phase (Reduction) recent global events have ensured that most tourist destinations are acutely aware of the political, social and economic consequences of a potential crisis. This awareness should prompt destinations and tourism groups to take stock of their situation (a SWOT analysis), identify potential risks, review their standard operating systems and ensure they have the relevant political support to develop a comprehensive crisis management plan. The chapter provides some key guidelines and checklists for destinations in developing plans and teams, in order to be ready for a potential problem.

Being Ready involves regular audits of plans, conducting crisis response exercises and developing the skills needed to respond effectively to an unexpected event. This chapter highlights the importance of having a comprehensive crisis management plan and the right people nominated to implement the plan.

Phase 3 of the PATA framework is the Response to a crisis. The chapter emphasises the critical role of leadership at a time often characterised by panic and confusion. The actions of different countries to the September 11 terrorist attacks are presented to show key elements of a response. These include business continuity, media management, care and concern for any victims and their families, containment of the crisis, and effective coordination across government agencies and the private sector. The case studies and checklists are particularly important to ensure that all issues are addressed.

Finally, the Recovery phase is about restoring a destination or organization to normalcy. This again involves effective partnerships across a range of stakeholders. Business continuity is an essential consideration, as is taking care of victims and their needs. How this phase is handled will impact positively (or negatively) on a destination’s image and reputation. A final point is that lessons learned must be included in revised crisis management plans for the future.

Chapter 5 shows that each sector of the tourism industry has a responsibility to take active steps to minimise risk. Chapter 5 involves taking an audit of tourism sectors and checking on their preparedness for various threats.
Aim of this Chapter
While government leadership and the provision of resources are essential to successfully managing many adverse events, also important is the way the tourism industry prepares for and responds to a crisis. The aim of this chapter is to examine the role and crisis preparedness of key tourism sectors. Of particular emphasis are the partnerships between government and industry, and between industry sectors, that are critical to effective crisis management.

Industry Representative Groups
The involvement and support of industry representative groups is essential to the successful formation of partnerships across tourism sectors. Many industry groups have the resources and contacts at both international and national level to influence policy, and a wide membership to enable implementation of initiatives at local level. For example, the International Hotel and Restaurant Association (IH&RA) organised a Safety and Security Think Tank Discussion in Paris during March 2000. Participating groups included the International Labour Organization (ILO), the Organization for Economic Cooperation and Development (OECD), the United Nations Environment Programme (UNEP), the World Tourism Organization (WTO), the International Federation of Tour Operators (IFTO), the World Travel and Tourism Council (WTTC), and several other leading international bodies. As a result of the meeting, the group agreed to progress the WTO proposal to create a virtual network for tourist safety and security (IH&RA, 2000). The point of this example is the ability of representative groups to develop high-level policy that will be passed on for implementation by their various industry sectors.

As previously noted in Chapter 3, there are at least 15 APEC economies with a peak tourism industry association (De Lacy et al., 2002). These associations have a leading role to play in supporting and developing crisis management initiatives across the following tourism sectors.

Airports and Airlines
Security breakdowns at airports has permitted a number of violent acts against civil aviation to take place in recent years, the events having the most far-reaching consequences being the terrorist attacks on September 11 in the United States. Transportation authorities and aviation companies, as well as the international organizations concerned (ICAO - International Civil Aviation Organization, ACI - Airport Council International, IATA - International Air Transport Association) have responded by revising and intensifying safety and security procedures for aircraft, passengers, baggage, and airports. The role and vested interest of tourism officials at each tourist destination is to make certain, through coordination with appropriate transportation and security officials that their airport and the airlines serving it hold to the highest safety and security standards and recommended practices (Becherel, 2003).

EL AL – THE GOLDEN STANDARD IN AIRLINE SECURITY
The first flight to leave metropolitan New York following the September 11 attacks on the World Trade Centre was an El Al flight. The reason for this was the high confidence of the Federal Aviation Authority in El Al’s security procedures. El Al, and Ben Gurion Airport in Tel Aviv, are widely recognised as having the most effective security procedures in the airline industry. The procedures are governed by an overall concept of a series of ‘rings of security’ that passengers and planes pass through from the time they arrive at the flight terminal until the end of the flight itself.

While El Al does not publicise its security procedures, the following information was culled from various sources and presented for the benefit of the business community by The Conference Board (2001) – www.conference-board.org

Procedures wherever El Al flies:
- Prior to check-in, thoroughly trained agents ask all passengers a series of 20 to 25 questions ranging from destination to reason for travel;
- A second interview involving the same questions may occur, with the interviewer checking for inconsistencies;
- Identities may be cross-checked with global police data bases (e.g., Interpol);
- “Profiling” may influence questioning and a complete search of all bags;
- Ticket-holders may be denied boarding and flights may be delayed or cancelled;
- Tickets and passports are re-checked and carry-on bags scanned at the ticket counter;
- Ongoing video surveillance in waiting areas; and
- Planes guarded on the ground and service personnel monitored.
Security in the air:
- Cabins double locked and never opened; and
- Undercover and armed air marshals on flights.

Source: Courtesy of Lionel Becherel

Since September 11 other airlines have implemented many of the measures used by El Al. Indeed, the United States government has adopted the additional step of taking direct federal responsibility for airport security through its newly formed Transportation Security Administration (TSA).

TRANSPORTATION SECURITY ADMINISTRATION (TSA)

History: After September 11, the federal government took action to raise airport and airline safety standards. For the first time, airport security became a direct federal responsibility. On November 19, 2001, President Bush signed the Aviation and Transportation Security Act (ATSA), which established a new Transportation Security Administration (TSA) within the Department of Transportation.

Mission: TSA protects the Nation’s transportation systems to ensure freedom of movement for people and commerce.

Vision: TSA will continuously set the standard for excellence in transportation security through its people, processes, and technologies.

Values: Excellence in public service through: Integrity, Innovation, and Teamwork.

Goal: The ultimate goal of TSA service is to create an atmosphere that aligns with passengers’ needs to be secure while ensuring the freedom of movement for people. In doing so, TSA employees will assure customer confidence and ultimately establish a standard for passenger satisfaction.

Procedures: As of January 1, 2003, TSA began screening 100% of checked baggage at all 429 commercial airports across the United States. The most common methods involve electronic screening, either by an Explosives Detection System (EDS) or Explosives Trace Detection (ETD) device. Also, passengers must pass through checkpoints to access their departure gate. Security screeners screen passengers and their carry-on baggage with X-ray machines and by walking through metal detectors. A secondary screening occurs when an individual sets off the alarm on the metal detector, or if he or she is selected for additional screening. This screening includes a hand-wand inspection in conjunction with a pat-down inspection.

On May 21, 2003, TSA announced 257 airports currently participating in TSA’s ‘Selectee Checkpoint’ program. This program enhances security and convenience by transferring the screening of selectees from aircraft boarding gates to security checkpoints where screening equipment and personnel are concentrated. At these 257 airports, passengers need to have their boarding passes in hand before they reach the security checkpoint. E-ticket receipts, itineraries and vouchers no longer provide access through the checkpoints, and boarding passes are no longer issued at the gates. In addition to a boarding pass, passengers must show a valid government issued photo ID, such as a driver’s license or passport at the checkpoint.

Additional assistance is provided to persons with disabilities or medical concerns, religious or cultural needs, travelling with children, pets, film, and sports equipment. Initial passenger security wait time data showed that TSA meets the goal that 95% of passengers wait less than ten minutes to be screened. TSA trained its screeners in the proper treatment of passengers and their belongings. TSA established procedures to minimise the intrusiveness of the screening process for passengers. A same-gender screener processes personal screening and passengers may request a private area for their personal screening. To check checked or carry-on baggage, TSA provides tables with sidewalls to protect passengers’ privacy at most airports.

From April 17, 2003, commercial airline pilots who volunteer to carry handguns in the cockpit, are being trained by the Transportation Security Administration. The inaugural group of Federal Flight Deck Officer (FFDO) candidates will learn how to use a handgun and apply defensive tactics in an effort to stop a terrorist or anyone else attempting to hijack an airplane in flight. Graduates of this training program will be issued a .40 calibre semi-automatic pistol to use in defence of the plane’s cockpit. Pilots in this prototype class will receive 48 hours of training that includes firearms instruction, defensive tactics, and instruction in the use of force, legal liability and information on how to safely transport their weapons. TSA expects to spend about $2,100 to train each pilot volunteer, and an additional $4,100 to select and equip each trainee. Pilots who successfully complete the training will be sworn in as federal law enforcement officers who will be known as federal flight deck officers.

Continuously Updated Information for Travellers
- TSA provides updated information useful for travellers. Within a period when Severe Acute Respiratory Syndrome (SARS) is severe, TSA provided information encouraging American citizens travelling or residing abroad to familiarise themselves with the disease, by providing website links of the Centres for Disease Control and Prevention (CDC), the World Health Organization (WHO) and the Bureau of Consular Affairs.
• Tips to help with summer travel were provided before the Memorial Day weekend, to speed travellers through airport security procedures.

**Continuously Enhanced Secure Procedures in Airports**

• USA Patriot Act:
  On May 5, 2003, TSA and the U.S. Department of Transportation acted to secure the transport of hazardous materials, including explosives, by issuing a rule requiring background checks on commercial drivers who are certified to transport hazardous items. Under TSA’s rule, approximately 3.5 million commercial drivers with hazardous material endorsements will be required to undergo a routine background check that includes a review of criminal, immigration, and FBI records. The check also verifies that the driver is a U.S. citizen or a lawful permanent resident, as required by law.

• Operation Safe Commerce Cooperative Agreement Program:
  As part of the Maritime and Land Security’s effort to secure national ports, TSA announced new port security initiatives and received investments to provide increased international cooperation, greater use of technology, and additional port security facility enhancements.

Source: Based upon material provided from the University of Hawaii

It should be noted that not all airlines use armed air marshals on their flights. For example, Virgin Blue in Australia instead provides additional flight crew training for a range of customer-related and safety issues.

**VIRGIN BLUE AIRLINES USING DEFENSIVE TACTICS IN AUSTRALIA**

Virgin Blue Airlines Pty Ltd, Australia’s second largest airline, currently holds 30% of the domestic market and is rapidly expanding. Virgin Blue has adopted some unique strategies that are responsible for its success over the three years since it entered the marketplace.

After the tragic events of September 11, Virgin Blue employed the services of an Australian company called Defensive Tactics (www.defensive-tactics.com.au) to provide extra security infrastructure for its operations. Key objectives were to:

• Increase in-flight safety for passengers;
• Increase passenger confidence in the airline; and
• Provide customer management and security training for all staff.

Cabin Crew, Flight Crew and Ground Crew all receive specific training, tailor made for the airline industry. For example, Cabin Crew are intensively trained in the physical and mental aspects of Defensive Tactics for three days as part of their initial basic job training, and then followed up with regular refresher courses. Passing the Defensive Tactics program is a prerequisite to passing their basic training and maintaining their fitness to fly.

Courses adopt a Team Concept, with one person assuming the position of Team Leader and then building as all other members of the crew join the team. Because the training is identical, and presented by the same instructors, the ability to operate as a team is guaranteed. At the completion of their training, all Cabin Crew will respond identically to the same scenarios.

While specific details of the training program cannot be published, it is possible to identify the key areas of instruction, which are: communication skills, personal awareness and control of emotions, ability to read body language, basic personal defence skills such as joint locking and pressure point technology, and team coordination. These personal skills can be used to address a broad range of incidents, ranging from dealing with simple passenger disputes to potential September 11 style terrorist hijacking.

Of particular importance is the training program’s goal to instil confidence in each crew member, coupled with an ability to work as a team in a range of situations.

Source: Written by Jeff Wilks

**Human Error in Aviation Safety**

Airlines need to be constantly vigilant, not only in supervising customers but also in training and monitoring their staff. Human error can have particularly severe consequences in aviation, as highlighted in the following case study of Singapore Airlines Flight SQ006.
Singapore Airlines (SIA) held a virtually unblemished safety record for twenty-eight years (Anonymous, 2000b). However, the crash of flight SQ006 in 2000 marked the end of its accident-free record. The airplane crash happened at around 11pm on the night of 31 October 2000, at the Chiang Kai-Shek Airport in Taipei.

It was a night with strong wind and heavy rain when the front edge of Typhoon Xangsane closed on Taipei. The 2-year-old Boeing 747-400 arrived in Taipei from Singapore and was scheduled to continue its journey to Los Angeles with 159 passengers and 20 crew. However, the aircraft had turned into a partially closed runway for take-off and then it disintegrated into three sections and caught fire. While there is still dispute over the cause, the feeling is that human error rather than weather was to blame for the crash (Goh, 2000). Pilots had misread lights and there were deficiencies from the airport (Coleman, 2001).

Out of the 179 passengers and crew on board, 83 died including four crew and a passenger who died later due to injuries sustained.

When the market first opened on 1 November, the day after disaster, SIA shares dropped 4.5 percent to $16.80 but it crept up again to close down slightly at $17.30. This was 30 cents or 1.7 percent lower than the previous day, on a volume of 2.7 million shares. Nevertheless, the market was up 3.2 percent that day and SIA was down 1.7 percent. Therefore it actually under-performed the market by almost 5 percent (Anonymous, 2000a).

Financial results and operating statistics contained in the first post-crash Annual Report (Singapore Airlines, 2001) revealed little commercial impact. SIA's bottom line was not affected dramatically because the carrier was covered by insurance in regard with the cost of compensation for victims’ families, lawsuits and other associated costs and its business was not hard-hit as its reputation remained strong after the accident.

Crisis Management Centre
SIA immediately installed a crisis management centre at Changi Airport, the airline’s base, with others in Taipei and stations overseas. Its public relations staff were assigned to work around the clock in two 12-hour shifts. They answered media “hotline” questions without delay. In an immediate response, they announced that they acknowledged what had happened and were searching for more details (Temporal, 2002).

Compensation
One major part of damage control in such an incident is compensation. There was little delay in announcements of compensation. SIA quickly offered instant ‘relief money’ in cash to the victims and their families in order to alleviate their immediate financial suffering. US$25,000 was given to the next of kin of those who died and US$5,000 to survivors. SIA also announced it would pay the medical expenses of the injured and discuss compensation with them. In addition, SIA offered families of those who died US$400,000, which exceeded the US$75,000 in compensation mandated by the international treaty governing accidents (Coleman & Borsuk, 2000).

Information Dissemination
SIA sought to take the lead in its dealings with the media and direct the amount and flow of information. Its first news release was ready at 0200 on 1 November. Out of 19 news releases in the period up until 10 November, seven were issued that day, which summarised steps being taken by SIA and contained updated details about crash survivors and those injured (Henderson, 2003).

There was frequent contact with the media at briefings and press conferences in Singapore and Taipei. Only one person was assigned to address the media in both places, with the Vice President of Public Affairs acting as the principal spokesperson in Singapore and the Deputy Chairman in Taipei (Henderson, 2003). The purpose of such arrangement was to ensure the airline spoke through and with one voice, leaving no room for error. The two spokespersons received all reports and constantly interacted with each other to give out not only up-to-date information from the airline’s point of view, but also honest reports of what was known, who it was affecting, and what plans there were to deal with these dynamic issues.

On the other hand, its website was switched immediately from its normal condition to the “crisis site”, which replaced all corporate information with crisis information, so that anyone hitting the website could share the media releases in real time.

Internally, all stakeholders, employees, investors as well as market analysts were informed and kept up-to-date via the intranet (Temporal, 2002).

Despite these efforts, SIA had been criticised for being slow to provide news about the victims. Final figures, accounting for all passengers and crew, were not available until 6 November, almost a week after the crash. Families were upset and angry by the fact that the media was quicker than the airline in confirming who was on board the flight and the fate of its 179 passengers. SIA’s Deputy Chairman explained that they ‘need to balance the need for information, the need for accuracy and also the need to be considerate of the feelings of the people concerned’ (Anonymous, 2000c). ‘The airline chose not to release...
the names immediately because we felt the relatives should be mentally prepared first before we take steps to let everyone else know’ (Vasoo, 2000). SIA, in reverse, criticised the media for releasing names before the next of kin had been informed which had caused undue stress, alarm and confusion. Unfortunately, it was showed that SIA’s explanation was unable to pacify the families of the victims as well as the public regarding this problem.

Although SIA generally got good marks on how it handled the tragedy, the public was dissatisfied with the fact that the media were quicker than the airline in reporting the fate of passengers. It shows that it is very important to keep the affected families informed in such kind of disaster. This also underlines how crucial the media is to the communications process, acting as both a target audience and a channel of news distribution.

Source: Based upon material provided from the Hong Kong Polytechnic University

Hotels and Other Accommodation Providers
A basic principle of safety at a hotel is that the guest is primarily responsible for his or her own security. The hotel has two major areas of responsibility: (1) creating the conditions for the guest to exercise their personal responsibility to the fullest, and (2) providing for general safety and security. With these requirements in mind, managers of hotels and other accommodation facilities should develop a safety and security plan to protect against the main risks to guests. The most common concerns in hotels are crime ( Petty theft) and problems due to poor sanitation; the most important life-threatening issue is fire.

An executive member of staff must be officially designated as responsible for monitoring and updating the safety plan to make sure it is followed and continues to meet the hotel’s requirements. During each working shift a member of the hotel staff should be designated as responsible for putting the plan into action, if necessary.

Fire Safety
Areas that should be covered by a hotel fire safety plan include:

- A review of vulnerabilities and steps needed to correct them;
- A description of the fire alarm system;
- The location of the in-house central fire alarm sprinklers, smoke and heat detectors, fire alarms, escape routes, emergency exits and protective equipment;
- A list of persons to be contacted in the event of a fire or other emergency;
- An evacuation plan for guests, including an assembly plan; and
- A description of staff training for dealing with fires and other emergencies.

Fire safety information, showing emergency exits, escape routes, location of fire alarms and exit instructions - as well as basic fire safety advice - should be available to guests in every room, as well as posted in public areas such as the reception hall, corridors and restaurants. Special attention should be paid to the opportunity to upgrade fire safety during reconstruction work, for example to create protected stairways or change to fire resistant fabrics.

Rooms for guests with disabilities should, if possible, be located close to the reception area in order to facilitate evacuation. The reception desk should keep an updated list of disabled persons who are registered as guests so that they can be assisted quickly.

Industry reviews consistently identify fire as a great threat to both property and life, and is a common cause of business loss (Federation of Tour Operators, 1999). The company Australian Better Business Insurance (ABBi) offers the following advice and checklists on their website (www.abbi.com.au).

If a fire occurs in your premises, it is most important that you and anyone else in the premises such as customers and employees leave as quickly as possible. Remember that smoke rises, so crawl low where it will be easier to breathe and if possible hold a damp cloth over your mouth to reduce smoke inhalation. At your designated meeting place, make sure all people are safe and accounted for, then call the fire service on the local emergency telephone number.
Fire Safety Checklist

1. Develop a fire escape plan – if fire strikes your premises you need to know how to get out quickly.
2. Ensure that the escape plan has clearly defined escape routes via fire escapes (especially important in high rise office blocks or shopping centres).
3. Ensure that the escape plan has a designated meeting place and that all of your staff know where this is.
4. Ensure that the escape plan has provision to enable a roll call of employees once at the meeting place.
5. Ensure that the escape plan incorporates provision for your customers and any visitors that may be on your premises e.g. in business meetings.
6. Ensure that the escape plan is regularly practiced - conduct Periodic fire drills.
7. Ensure that all new staff are aware of the escape plan.
8. Place smoke alarms in key rooms such as offices, meeting rooms, or kitchens which will provide early warning of fire.
9. Ensure that all windows, security grills and screens can be opened easily from the inside.
10. Ensure that any Fire Escapes are uncluttered and easily accessible.

Other Physical Threats to Hotels

While fire is the most common life-threatening issue for hotels to consider, each destination has unique issues that must be addressed in their respective safety plans. The risk management approach discussed in Chapter 2 highlighted the importance of Risk Identification and making sure that all risks were included in the process, whether or not they are under the control of the tourist destination or national government. Earthquakes are another natural event that can occur on a large scale, and can quickly escalate from a crisis to a disaster. Recognising their exposure to risk in this area, hotels in Nepal have developed an Earthquake Plan.

NEPAL HOTELS EARTHQUAKE PLAN

Nepal, like Japan and California, is a country where earthquakes occur. This is a natural phenomena regulating the equilibrium of our Earth. Earthquakes occur in Nepal because of the motion of India towards Tibet. This motion induces pressure in the rocks and, from time to time, the accumulated energy is released during earthquakes. Slowly, earthquake after earthquake, over many thousands of years, India is moving underneath Tibet and the Himalayan mountains are rising. The motion of India towards Tibet is rather fast (a speed of about 2 cm per year) and because of that, in Nepal, every year, thousands earthquakes of various sizes always occur. However, these small earthquakes are not able to release the accumulated energy, which can be done by large earthquakes only. Unfortunately, such large earthquakes have not happened in Nepal for a long time, and the scientific community has therefore warned the population that a large earthquake, comparable with the Turkey earthquake of August 1999, and even larger, is expected in Nepal within, say, twenty years, a few decades at most. It may occur tomorrow…

Such an earthquake will be certainly large enough to have a significant impact on daily life. Therefore, all people living and travelling in Nepal must become sensitive to the earthquake hazards, and be able to face this eventuality. So, just like a few steps are enough to be safe from a truck driving towards you, a few steps can be made to be safe from earthquakes.

With this background in mind, the Hotel Association of Nepal (HAN) has prepared a detailed Earthquake Safety Action Plan for Hotels, in collaboration with the National Seismological Centre (NSC) and the Department of Mines and Geology (DMG). The plan has been endorsed by the National Society for Earthquake Technology – Nepal. The plan (1) defines the objectives to improve the earthquake safety of each hotel and (2) provides the actions to implement these objectives in each establishment. The plan covers activities before, during and after an earthquake, beginning with the creation of an Earthquake Emergency Committee for each property. The plan reminds hoteliers that 30% of earthquake damage costs are non-structural ones, such as equipment (furniture, TV, computer, etc). These costs can be significantly reduced with small but efficient actions.
Before the earthquake the plan recommends the identification of safe and unsafe places, both within and outside the hotel. The plan also recommends the maintenance of emergency stores, including water, food, first aid materials and temporary shelters, along with preparation of a communication plan, staff training and alternative power supplies. Detailed suggestions for behaviour during an earthquake are also provided in the plan, with post-earthquake points focusing on evacuation, assessment and damage containment in an orderly and systematic manner. Brochures that highlight key points of earthquake safety have been produced for distribution to hotel guests and are displayed in each hotel room.

Source: Written by Jeff Wilks

The Hotel Association of Nepal can be contacted via email: htlassnp@ccsl.com.np

Preventing Crime
Crime, especially petty theft, is a common problem for hotels. While not necessarily an area that is readily associated with crisis management, even minor criminal events can sometimes escalate to become a major issue. For example, in 1975 Connie Francis recovered US$2.5 million damages for pain, suffering, mental anguish, humiliation and loss of earnings suffered when assaulted by an intruder who broke into her hotel room through a sliding door which had an inadequate lock. Ever since, the North American (US) hotel industry has been upgrading its security systems to the stage where today many United States travel agents will not book a hotel which lacks a computer card locking system for fear that they too will be sued for negligence. This duty to take reasonable care for the safety of guests is also becoming stricter in Australia. Failure to comply with relevant fire, health and safety codes is strong evidence of negligence (Atherton & Atherton, 2003).
The prevention of theft begins with a thorough and continuous control of keys by the reception staff. They should keep guest keys safely out of reach of unauthorised persons. If the reception desk is not always attended, keys should not be given to a person without first checking their identification.

The reception staff members play a key role in security because they are in a position to note all persons entering or leaving the hotel. The main door should be secure at all hours of the day or night. This can be accomplished by direct staff control, through a closed circuit television system, or the door can simply be locked at night to enable staff to check on those who wish to be admitted. The hotel should strive for a mix of visible and invisible security that is reassuring to guests and deterring to would-be thieves. The front desk staff should be given special alertness training. Room service staff and housekeeping also play a vital role. Indeed, staff training to prevent theft is not just an issue for hotels. Other accommodation providers, such as Youth Hostels have taken up the challenge with innovative staff training programs.

Youth Hostels Security Project

Youth Hostel Associations recognise that they have a particular duty to guarantee the safety of their sometimes very young guests. With support from the EU’s Leonardo da Vinci Programme and in cooperation with the International Youth Hostel Federation, Eufed (the European Union Federation of Youth Hostel Associations) has developed a training programme on managing safety and security, built around a self-audit tool (Anonymous, 1999). Security solutions cover a wide variety of potential crimes.

The self-audit tool addresses the following:
- Professional theft;
- Internal petty theft;
- Internal major theft;
- Damage to property;
- Fights/rowdy behaviour;
- Violent assault; Sexual assault/abuse;
- Drinking/drugs related offences;
- Arson; and
- Terrorist or bomb threat.

The self-audit tool and the training module have been translated into English, German, French, Spanish, Portuguese and Dutch, which were the languages of the partnership. Safety and security training has thus become an additional element of the flexible qualification for Youth Hostel workers. A team of about 20 trainers actively delivers the module to Youth Hostel Associations (Anonymous, 1999).

Source: Written by Jeff Wilks

Room security is another major area of concern. Hotel guests should be provided with doors that lock from the inside and have a peephole so they can see who is at the door before they open it. A modern key card system is a good investment for a hotel and, properly used, helps to improve security considerably. Hotels should have a safe in the reception area or in the rooms so that guests can secure valuables, cheques and cash. In the design of new premises, or at times of renovation, it is worth considering room safes or secure storage facilities large enough for laptop computers, given the number of people travelling with this expensive and easily stolen technology (WTO, 2003c).

Good lighting in front of the hotel, in the reception area, at the back entrance and in parking lots will also deter thieves. At night the number of entrances should be reduced to a minimum.

If national legislation so allows, a closed-circuit TV system (CCTV) showing all doors and entrances, and also the corridors and public areas, enables the reception staff to keep overall control and to act promptly if trouble arises. It is the most effective way of checking many areas at once.

Australian Better Business Insurance (ABBi) offers the following advice and checklists in relation to crime:

Your first line of defence against crime is a good level of physical security to the perimeter of your premises – doors, windows and accessible roof lights all need to be secured. To ensure you have effective security:
### Crime Prevention Checklist

<table>
<thead>
<tr>
<th>ACTION TAKEN?</th>
</tr>
</thead>
<tbody>
<tr>
<td>YES</td>
</tr>
</tbody>
</table>

1. Fit deadlocks to all external doors, other than the designated fire escapes  ❑❑
2. Check that all locking devices are in good working order  ❑❑
3. Fit key operated locks to all opening windows  ❑❑
4. If the premises have a shopfront consider fitting grilles or roller shutters to deter smash and grab and bollards to deter ram raid  ❑❑
5. Additionally protect secluded and vulnerable windows and roof lights with grilling  ❑❑
6. Consider fitting an intruder alarm by a licensed installer  ❑❑
7. Consider installing automatic light timer or sensor activated lights  ❑❑
8. Assess internal and external security lighting and improve if necessary  ❑❑
9. Lock away portable electronic equipment such as laptop computers in a secure cabinet when not in use  ❑❑
10. Security mark valuable portable items and computers  ❑❑
11. Ensure employees keep personal belongings such as handbags secure within locked cupboards or drawers  ❑❑
12. Don’t leave ladders lying around which can be used to gain access to a building  ❑❑
13. If moving to new premises consider changing locks to all entry points  ❑❑
14. Lock all doors and windows each and every time your leave the premises and activate your intruder alarm (if you have one)  ❑❑
15. Never attach an identification tag with your personal details on your keys  ❑❑
16. Provide a suitable safe if money is left on the premises when closed for business and/or at night,  ❑❑
17. Installing closed circuit television with video recording to deter shoplifting, pilferage and the possibility of hold-up  ❑❑

### Health and Sanitation

Avoiding sickness is one of a traveller’s main preoccupations. Prompted by consumer protection laws and professional quality standards, tour operators are becoming more selective about countries, local destinations and facilities to which they are willing to send clients and which may fail to comply with sanitary and environmental requirements. And tourists increasingly feel that they should not be subject to health risks while on vacation.

The main areas of concern in a hotel are water quality and temperature, and kitchen sanitation and practices. If the water received by the hotel is not completely safe, the hotel should treat it further or should at least advise guests on how to avoid health problems from the water. Tap water to the rooms should be maintained sufficiently hot so that there is no danger of legionnaire’s disease. The hotel laundry also should be able to effectively disinfect bedding and kitchen laundry with each washing. Kitchen sanitation and hygiene will be determined by the practices, equipment and training received by the staff. Special care must be taken with cold storage and food kept for periods of time in buffets. Local health officials should regularly check all restaurants and catering facilities (WTO, 2003c).

Information on the types of risk that need to be addressed can be obtained nationally from the various peak tourism associations. Specific advice on laws and regulations, and guidelines for the development of a safety and security plan can usually be obtained locally from:
- The fire department;
- The police force;
- Other law enforcement agencies;
- Health authorities; and
- Security consultants.

Importantly, these are the same groups that provide key support for tourism groups should a crisis occur.
### An Accommodation Safety and Security Checklist

<table>
<thead>
<tr>
<th>No.</th>
<th>Question</th>
<th>Yes</th>
<th>No</th>
</tr>
</thead>
<tbody>
<tr>
<td>1.</td>
<td>Does the hotel have a Safety and Security Plan that includes fire, theft and other risks for guests?</td>
<td></td>
<td></td>
</tr>
<tr>
<td>2.</td>
<td>Has the plan been reviewed by appropriate authorities to verify its compliance with laws and regulations?</td>
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<tr>
<td>3.</td>
<td>Has the hotel manager appointed an executive responsible to keep the safety and security plan updated and followed by staff?</td>
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<td>4.</td>
<td>Has the hotel manager ensured that staff members on each shift have been trained in fire protection and first aid?</td>
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<tr>
<td>5.</td>
<td>Are emergency exits and escape routes clearly marked and unobstructed?</td>
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<tr>
<td>6.</td>
<td>Is information about emergency exits, escape routes and the nearest fire alarm posted visibly in every room and public area?</td>
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<td></td>
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<tr>
<td>7.</td>
<td>Are keys deposited at the hotel reception desk inaccessible to outsiders, especially when the reception area is unmanned?</td>
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<tr>
<td>8.</td>
<td>Are the concierge and other reception staff members trained in access control?</td>
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<tr>
<td>9.</td>
<td>Are guests provided with the means to maintain adequate door security, e.g., inside locks and peepholes?</td>
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<tr>
<td>10.</td>
<td>Is lighting adequate externally - parking lots, garages, entrances and exits - and internally, in corridors and public spaces?</td>
<td></td>
<td></td>
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<tr>
<td>11.</td>
<td>Does the hotel have a safe, either at the reception or in every room?</td>
<td></td>
<td></td>
</tr>
<tr>
<td>12.</td>
<td>Has the hotel management integrated information about its fire safety system into its advertising and brochures?</td>
<td></td>
<td></td>
</tr>
<tr>
<td>13.</td>
<td>Does the hotel’s safety and security plan include information concerning water, laundry operations, and kitchen hygiene?</td>
<td></td>
<td></td>
</tr>
<tr>
<td>14.</td>
<td>Does the hotel carry adequate insurance coverage?</td>
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### Guidelines for Small and Medium Size Business Operators

While the main focus of this report is on the role and responsibilities of national governments in Asia and the Pacific to assist the tourism industry in effectively managing a potential crisis, there is also a responsibility for small business operators to take steps to protect their own interests. Industry surveys suggest that most small tourism businesses do not have a basic risk management plan, nor do they have the time or resources to initiate risk management programs without government assistance. However, there are some key issues that should be brought to the attention of small business operators. Systematically working through these risk management issues will at least provide a foundation for managing a crisis should the need arise. The same general topics and issues can be further expanded by PATA, WTO and other partners through training and education programs for APEC members, based on this report.

For small and medium size enterprises (SME’s), coordinating risk management may not necessarily mean hiring a new person. However, someone needs to be charged with the responsibility for preparing, managing and coordinating the implementation of risk management efforts in the company.

Even for small companies, there will be a number of necessary actions that must be taken, activities to be considered as the most important things to do. Then there will be a few not so necessary, but which may be done at a later date when all the critical things have been completed. These two types of activities are distinguished below as Critical Basic Needs, and Non-Critical Needs.

**Critical Basic Needs to begin treating risk in the organization:**

1. **Establish a Risk Management Policy Statement**
   This is the document that authorises activities to occur and provides the basic blueprint for the risk management activities, not in great detail, but describing the intention of the policy, its rationale, and the way it will be implemented. Figure 11 can be used as guide for establishing risk management policy.
2. Assign Responsible Person(s)
Responsibility for all risk management activities should be assigned to one person or a group of people who share the responsibility (an existing or new committee for instance). This person or group translates the policy statement into action and is responsible to ensure that the policy is implemented in the way in which it was intended, on time and on budget. Other specific responsibilities of this person or group would be:

- To establish the extent and detail of the risk management policies;
- To ensure these policies are then translated into specific actions to be implemented, when, by whom and requiring what resources;
- To ascertain the specific natural and human-made hazard insurance requirements of the organization;
- To locate, negotiate and appoint an insurer as required;
- To ensure that the organization is fully in compliance with local government safety requirements regarding emergency preparedness and any other legal standards; and
- To develop and review all contracts, purchases and proposals for risk management.

**Non-Critical Needs to support managing risk in the organization:**
The following short list contains things that are not critical but which in time could greatly assist the development of a more comprehensive risk management policy and program within your company:
- Develop safety and training programs;
- Establish claims and accident reporting procedures;
- Provide rewards and incentives to employees for safe practices and competence development;
- Create a Risk Management Manual;
- Develop an annual Performance Monitoring system and produce annual Performance Reports;
- Develop public forums and community safety programs; and
- Undertake periodic risk audits.

**Prepare treatment options and plans**
There will be several options for treatment of most risks. These options can be assessed in terms of;

i) How effectively they reduce the risk;

ii) The benefits and costs of the treatment options; and

iii) If there is an opportunity for more than one option can be combined.

In the end, there must be a clear picture of the benefits of a particular option that justifies the cost of implementing that treatment. Therefore, the costs of managing risks must be balanced by the benefits obtained.

**Risk Management and Workplace Health and Safety**
For small business operators it is often useful to approach risk management as part of Workplace Health and Safety, since most operators know they have legal responsibilities to protect their staff and customers from injury or illness at a workplace. Failure to comply with Workplace Health and Safety regulations in most jurisdictions can result in fines or jail terms. In some cases a company may be shut down for breaches of the legislation. There are also some very good websites provided by government agencies to assist small business operators in understanding and complying with Workplace Health and Safety requirements.

In Queensland, Australia for example, the government has produced an Advisory Standard for Risk Management (http://www.whs.qld.gov.au/advisory/index.htm) that describes five basic steps in the risk management process:

1. Identify hazards
2. Assess risks that may result because of the hazards
3. Decide on control measures to prevent or minimise the level of the risks
4. Implement control measures
5. Monitor and review the effectiveness of measures

This five-step process is very similar to that of the Australian Standard presented in Chapter 2, though it notes that hazards and risks are not the same thing.

*A Hazard is something with the potential to cause harm. This can include substances, plant, work processes and/or other aspects of the work environment.*

*Risk is the likelihood that death, injury or illness might result because of the hazard.*

Using the example of the Nepal Hotels Earthquake Plan described earlier, the hazard is the earthquake and the risk is the likelihood that people may be killed or injured in the earthquake. Focussing on hazards allows small business operators to make risk management relevant to their business. In identifying hazards the Advisory Standard describes:

- What to look for (by dividing the workplace into logical workplace grouping, such as tasks, locations, roles); and
- How to look for hazards (walking through the workplace and inspecting each task or location).

The advice and assistance given to small business operators must be very practical. Under Workplace Health and Safety requirements small businesses are encouraged to constantly monitor their potential risks.
through regular inspections with Check Lists and to adopt control options that prevent or minimise exposure to risks. Training and support can be offered in a number of ways. The Victorian Tourism Operators Association (VTOA), for example, provides its members with Risk Management Guidance Material that highlights the importance of record keeping. A selection of excellent forms and checklists are available from VTOA to assist small tourism operators (http://www.vtoa.asn.au/benefits/publications.html).

Other peak industry representative groups have produced educational videos and conduct training workshops for their members.

### APPROACH TO CONSUMER SAFETY BY TOUR OPERATORS

In 1990 the Federation of Tour Operators (IFTO) published safety manuals for tour operators and hoteliers. These manuals took the form of checklists on the major aspects of health and safety in hotels.

In 1994 the Federation took on the prime responsibility for safety matters on behalf of its members and established a committee to enable tour operators to co-operate on matters of safety, as this was considered to be outside of the competitive arena.

In 1995 the committee produced a standard video as an aid to training representatives on safety issues. This video has now been adapted for use by hoteliers and is available in Greek, Portuguese, Spanish and Turkish courtesy of funding from the relevant tourist offices.

In 1996 the committee produced two videos; an advanced safety video for training senior staff, and an in-flight video aimed at consumers, reminding them of the need to ‘take care’ while on holidays.

The committee has also organised a series of seminars at major destinations around the Mediterranean to explain the need for adequate safety standards. The seminars are presented by relevant experts and include a showing of the standard video.

A guide to safe swimming pool design has also been produced and distributed through national tourist offices.

This co-operative approach, coupled with practical assistance, has helped tour operators to start addressing the problems caused by the lack of safety regulations, specifically at an European Union (EU) level, and frequently inadequate local enforcement resources. The program encourages all local authorities to provide safety standards which offer safer holidays for tourists and that conform to the legal requirements placed on tour operators by the EC Package Travel Directive.

*Source: Federation of Tour Operators (1999)*

### Checklist: Safety and Security Self-Audit for Local Destination Tourism Officials

1. Do you have a Safety and Security Policy which clearly sets out your goals and objectives?  
   - YES ☐
   - NO ☐

2. Have you formed a Tourism Policy Council for your destination?  
   - YES ☐
   - NO ☐

3. Do you have a Safety and Security Plan based on an analysis of the risks to tourists at your destination? Does it involve:
   - Police ☐
   - Immigration ☐
   - Customs ☐
   - Health ☐
   - Fire ☐
   - Other officials? ☐

5. Do you include local tourism businessmen in discussions of your safety and security policy and plan? Are meetings open to interested citizens’ groups?  
   - YES ☐
   - NO ☐

6. Do you provide safety and security information to the principle tour operators for your destination?  
   - YES ☐
   - NO ☐
7. Do you have a multilingual brochure for visitors with the most pertinent safety and security tips? ☐ ☐
8. Do you have clear signage, good lighting and emergency telephones for tourists? ☐ ☐
9. Is there a licensing system for:
   - Taxis ☐ ☐
   - Accommodations ☐ ☐
   - Tour guides ☐ ☐
   - Restaurants? ☐ ☐
10. Are measures taken to prevent unlicensed operators? ☐ ☐
11. Is the destination’s water supply adequate and of good quality? ☐ ☐
12. Are restaurants and catering facilities regularly checked for sanitation and good hygiene? ☐ ☐
13. Are hotels regularly checked for fire safety plans? ☐ ☐
14. Are there up-to-date contingency plans for natural disasters? ☐ ☐
15. Do you hold regular Safety and Security meetings with representatives from governments and the community? ☐ ☐

📚 Chapter Summary

This chapter examined the role and preparedness of key tourism industry sectors for selected risk and crisis management issues. Given the range of products and services in tourism, this is only a snapshot of risk management issues for operators. It does, however, highlight the role of industry representative groups as key disseminators of information and training in risk management; a role PATA has readily accepted so as to translate the material from this report into practical programs for tourism operators.

There remains a wealth of experience and expertise in the aviation and accommodation sectors, in particular, that needs to be harnessed for the benefit of the Asia Pacific industry as a whole. In starting this process, some initial steps are proposed for small business operators. One useful focus is on Workplace Health and Safety risks, since they tend to be widely understood by small businesses and are often regulated by governments. Fire safety and crime were also examined in some depth, since they are topics of universal concern to many tourism businesses, especially in the accommodation and retail sectors.

Like other sections of this report, the chapter emphasises the importance of tourism businesses having a formal risk management strategy, including a written plan and a designated person responsible.

Step 6 describes the key issues and tasks of media management for each of the three phases: Before, During and After a Crisis. It also reinforces again, the critical importance of partnerships across government agencies and with the tourism industry, and the central role of a coordinated risk management plan.
Aim of this Chapter
This chapter describes the role of the media and general information exchange (including the role of Travel Advisories) in the management of tourism crisis situations. The aim of the chapter is to show the importance of the media in modern crisis management. Rather than be frightened of adverse representation and the possibility that some facts may be distorted, the chapter sets out a systematic method for destination managers to work with the media.

The chapter draws heavily on some excellent work by the World Tourism Organization titled "Crisis Guidelines for the Tourism Industry" prepared by Deborah Luhrman. This work was distributed to delegates at the Asia-Pacific Ministerial Summit on Crisis Management in Manila, 18 June 2003. The chapter is structured around this material.

General Observations
Horrific terrorist attacks and acts of war have cast dark clouds over the tourism sector in many parts of the world, underscoring the urgent need for good crisis management in this industry - which usually prefers to be thought of as happy and carefree.

While news of large-scale crises has filled the newspapers and airwaves over the past 18 months, a tourism crisis can take an infinite variety of forms and have been occurring regularly for many years. Natural disasters, such as floods, hurricanes, fires or volcanic eruptions sometimes do more harm to the image of a destination than to the infrastructure itself. Civil unrest, accidents, crime and disease will damage the attractiveness of the strongest destinations. Even economic factors, such as a sharp fluctuation in exchange rates, can contribute to a tourism crisis.

To recall from the Introduction to this report, a Crisis is:

Any situation that has the potential to affect long-term confidence in an organization or a product, or which may interfere with its ability to continue operating normally (p.2).

Crisis management strategies are needed to help retain the confidence of travellers and the travel industry, and to minimise the impact of a crisis on the destination.

No matter what kind of crisis occurs, the techniques for dealing with it effectively are quite similar. Good communications based on the principles of honesty and transparency are the key to successful crisis management, but other tourism specialties also need to be involved, especially:

A) Communications;
B) Promotion;
C) Safety and security; and
D) Market research.

The following guidelines suggest specific actions to take:
I. Before a crisis;
II. During the actual problems; and
III. Immediately after a crisis.

The goal is to get tourists returning to the destination as quickly as possible. Good crisis management techniques can speed up that process.

I. Before A Crisis: Preparing for the Worst
Never underestimate the possible harm a crisis can do to your tourism. Crises are like viruses - sudden, insidious and virulent. They are extremely dangerous. The best way to minimise the impact of a crisis is to be well prepared.
A) Putting a *Communications* strategy in place:

- **Prepare a crisis management plan**
  A crisis can take a myriad of forms, so begin to plan by imagining the worst-case scenario. Audit current resources for dealing with a crisis. Designate responsibilities and a chain of command for decision-making. Collect a list of key contacts in an emergency. Involve public services and private tourism companies in the planning process - one key to effective crisis management is good cooperation. Rehearse for a crisis and update the plan annually.

- **Designate spokespersons**
  It is essential that information to the media in a crisis be authoritative and coordinated. For this, the designated spokesperson should be a high-ranking official, but not necessarily the top person in your organization. Additional spokespersons also need to be designated to take turns during a crisis. Train spokespersons by practising in mock news conferences and crisis rehearsals.

- **Establish a press and communications department**
  To be prepared for a crisis, every tourism organization needs to set up a communications department. The department should include staff trained in working with the media, a good contact list of local and international media, several telephone lines, fax broadcast machines or a mass email computer programme capable of reaching the media on short notice, and background information on your organization - including maps, stock photos, arrivals statistics and fact sheets on previous crises. If possible, make this background information available in a special media section of your destination’s website.

- **Communicate regularly with media**
  Reputations can take years to develop, so it is important to communicate frequently in good times as well as bad. The policy should be one of honesty and transparency. You can face a crisis with a certain degree of credibility if you have made an effort to establish good contacts with the media by supplying them with information about what is new in your destination; if you have promptly responded to any questions they have, and if you have made good friends with reporters during familiarisation (fam) trips organised for foreign journalists.

- **Pay attention to local media**
  Local newspapers, television reports and radio are a primary source of information for the international media. In a crisis, local news reports can go global within minutes. So even though your principle target is media in the main generating markets, you cannot afford to ignore local journalists. Local newsmen and newswomen will also stay interested in your crisis recovery story long after the international media has moved elsewhere to a new crisis.

- **Train spokespersons in safety and security issues**
  Communications on security should be responsive rather than pro-active. When a crisis erupts, the spokesperson should be able to communicate in an authoritative manner on security issues, striking a good balance between providing enough information without putting too much emphasis on security issues. According to one tourism minister experienced in such matters: “You do security, you don’t talk about it”.

B) *Promotion* planning

- **Develop a database of partners in the travel trade**
  All tour operators sending tourists to your destination, as well as major travel agencies and transport companies in your key generating markets should form the foundation of the database, but also include incoming operators and tour organizers, as well as local hotels, transport companies, local promotion boards and tourism associations.

- **Build an email or fax broadcast system**
  Communications systems capable of reaching the partners in your database should be in place for use in a crisis. But begin communicating news directly to your partners on a regular basis before a crisis strikes. If you only communicate during problematic periods, the image transmitted will be one of nothing but trouble.
• **Be honest and ethical in promotion**
  Just as in communications, building and maintaining credibility is fundamental in tourism promotion. Avoid overselling or misrepresenting your product and be ethical in the choice of promotional content or you could create your own crisis. The Bahamas, for example, was recently slammed in the international media for using photos in its advertising that were taken in Hawaii, the Seychelles and Florida.

• **Set aside budget reserves for emergencies**
  Recuperating from a crisis requires money for additional promotion and communication activities. A prudent manager will set aside budget reserves in a special emergency fund for use if a crisis occurs. Try to get advance permission to spend crisis funds without going through lengthy bureaucratic procedures to permit a quick and flexible response in an emergency.

• **Stay out of the Travel Advisory War**
  Travel advisories should be issued in accordance with Article 6 of WTO's Global Code of Ethics for Tourism, which states:
  
  "...governments should issue such information without prejudicing in an unjustified or exaggerated manner the tourism industry of host countries and the interests of their own operators."

  Travel advisories are about ensuring travellers are well-informed and well-prepared for travel overseas and helping them avoid dangers and difficulties. They provide up-to-date information about the security environment in a particular country, including in relation to possible terrorist threats or problems with law and order. They also provide advice on a range of practical issues like visa requirements, health and medical issues, cultural or religious differences, and so on. Travel advisories should be reviewed and updated as appropriate.

• **Improve communication of security issues with tourists**
  Make tourist safety and emergency information available on your website. Some of the most useful information to include is: emergency telephone numbers; exchange rates; design of banknotes; common rules of behaviour; places to avoid travelling; safe places to leave luggage; average prices of common purchases; the need to report crimes before a tourist returns home; and the importance of keeping photocopies of travel documents. The Tourism Authority of Thailand (TAT) website, for example, includes information on tough laws aimed at ending child prostitution and urges visitors to report incidents (see Case Study in Chapter 2).

• **Encourage tourists to learn food safety practices**
  The World Health Organization has prepared an excellent booklet of advice called "Safe Food for Travellers". Adapt this information on how to avoid illness while travelling for use in promotional material, especially on the destination website or provide a link to the booklet on the WHO website: www.who.int/fsf/Documents/brochure/travellers.PDF.

C) Reviewing security systems

• **Maintain a working relationship with other government departments responsible for safety and security**
  Decisions made by police agencies, emergency services, as well as the departments of interior, health, consumer affairs, judiciary, foreign affairs, and civil defence have a great influence on how a crisis involving tourists is managed. Start a Safety and Security working group to bring these partners together on a regular basis to discuss tourism. In South Africa, for example, the Tourism Safety Task Group is made up of the Department of Environmental Affairs and Tourism, the national police, the tourism board (SATOUR), the Tourism Business Council, the Department of Foreign Affairs and nine provincial tourism departments (see Case Study in Chapter 3).

• **Get involved in defining security procedures**
  Tourism authorities need to make sure they are aware of all security measures being taken that affect the industry. Review the entire tourism chain - airport arrivals, ground transport, hotels, restaurants, shopping zones and all tourist sites. Consider the need for enhanced security at all sites, including places like beaches or entertainment districts. The goal is to provide a safe environment with procedures that are as invisible as possible and do not restrict the arrival of tourists.
• **Designate a National Tourist Safety and Security Focal Point**
  Every National Tourism Administration (NTA) should designate a person to act as a liaison with other government bodies, specialist services, the tourism sector and the WTO services on safety and security issues. The NTSS Focal Point will also keep records on basic facts of tourist security, such as rules and regulations, identification of risks, safety statistics and incidents. In addition, this person should join the WTO Safety and Security Network, sharing information with their counterparts around the world and posting safety information on the WTO website.

• **Train local personnel in security issues**
  NTAs can take an active role in improving safety and security by sponsoring workshops on safety issues for local tourism workers and especially by encouraging partnerships between public security and private security companies in the tourism sector, such as local police and hotel security guards. In addition, undertake community awareness programmes that help local residents recognise the value of tourism to their communities. They can help make it safer for visitors by reporting suspicious activities.

• **Establish tourism police and emergency call centres**
  Special tourism police forces, such as the ones in Argentina, the Dominican Republic, Egypt, Greece and Malaysia, are trained to offer assistance in several languages. Mexico’s Green Angels patrol the highways with bilingual crews (see Case Study in Chapter 3). Other countries offer call centres with multi-lingual operators to handle emergencies involving visitors. Information on how to contact these emergency services needs to be communicated clearly to tourists on arrival.

D) **Research readiness**

• **Establish strong contacts with key partners in the private sector**
  Set up reciprocal agreements with major hotels, airlines and tour operators to exchange up-to-the-minute data on overnight stays, occupancy rates, pricing, etc. Build an email or fax system capable of exchanging your data with these key partners.

• **Monitor hospital admissions involving tourists**
  Information on non-crisis situation hospital admissions of tourists can be used as a point of comparison to put any possible problems in the future in a proper perspective.

• **Monitor crime against tourists**
  Statistics on crimes against tourists can help experts find gaps in security services, improve the quality of the destination and possibly help avoid crisis-scale problems in the future. Crime statistics can also be used as background information, providing a context for crisis communication and a reference point for demonstrating a return to normalcy.

II. **During A Crisis: Minimising Damage in a Crisis**
  The first 24 hours of a crisis are crucial. An unprofessional response can wreck further havoc on the destination, while responsible management of the crisis can actually enhance relations with the travel trade and help the destination recuperate faster.

A) **Communications from the front line**

• **Be honest and transparent**
  To protect your credibility, adopt a policy of full disclosure about what is known and what is not known. Deliver facts in a non-patronising manner. Do not try to cover up an incident and do not lie. Be assured that the true facts about a crisis will eventually come out and news of lies or a cover-up could do greater harm than the crisis itself.

• **Do not impose a news blackout**
  Failure to provide information to the media will not only deprive you of the chance to express your point of view, it will also force the media to seek alternative news sources - often less careful with their words than you would be.
• **Establish a media centre**
The media will come to your offices immediately in a crisis, so set aside a room they can use that is equipped with desks, phones and data lines. Use it for media briefings. If the crisis occurs in a different location, set up a second media centre there with a second spokesperson who is in constant communication with the headquarters. Work with security services to help television reporters gain access to positions with good backgrounds for on-camera reports.

• **Act fast**
News travels around the world in a matter of seconds. In order to work effectively with the media, you need to respond as quickly as they do. Begin to release information once you are ready to answer the five key questions: who, what, where, when, and why? If some of the information is still missing, simply say that it is not yet available and promise to get back to the journalists as soon as possible. Set up a timetable for regular bulletins. Provide background information on your destination.

• **Remember the victims**
The first communication about the crisis should include information about what is being done to help the victims. News about economic losses to the tourism industry comes across as insensitive where loss of life or injury is concerned. Tourism is a humane industry and needs to show its compassionate face in a crisis. When two French sunbathers were run over during a police chase recently on Miami Beach, the tourism director immediately arranged to fly in the grieving parents, he met them personally at the airport and spent the evening with the family in hospital. His personal involvement, rather than police negligence, was the focus of the story that ran in the morning newspaper.

• **Avoid speculation and categorical reassurances**
Speculation about what caused a disaster or who is to blame damages your credibility. Information has to be perceived as accurate and reliable and not contaminated by efforts to encourage people. While the safest time to visit a troubled destination is possibly immediately following an incident, categorical reassurances such as “it is completely safe here” can have the opposite effect by making travellers suspicious. It is better to stick to information about what is being done to make the destination safer.

• **Put the crisis into context**
Use good maps and plenty of statistics to demonstrate that the crisis is limited to a specific area or that it has only affected a portion of your country’s tourism industry. When highly publicised health problems among British tourists to the Dominican Republic created a crisis in 1997, part of the recovery strategy was to show through statistics that less than one percent of the two million British tourists in the past year had fallen ill. This fact emphasised the hundreds of thousands of people who had travelled safely to the Dominican Republic.

• **Challenge untrue statements**
Take time to contact media outlets that are making mistakes in their reporting immediately - before the inaccuracies can be repeated by other journalists. Be prepared with facts and offer interviews or other assistance. Don’t automatically assume the media is against you, credibility sustains their businesses and, while journalists don’t enjoy being corrected, they value the truth.

• **Use the media spotlight to highlight positive aspects**
During the crisis period, you have an unprecedented opportunity to speak with reporters in depth about your destination. Make sure to work positive details into news releases, for example: new tourism developments, growth statistics or how important tourism is to the community. Look for human-interest stories, such as local residents helping victims.

• **Place information about the crisis on website**
The Internet allows each tourism destination to become its own news channel. Communicate directly to potential tourists over your destination website, emphasising which areas are affected by the crisis and which are unaffected, as well as what is being done to end the crisis. Be honest and factual. Update the information on a daily basis.

• **Network with other news sources**
Other organizations that are providing information on the crisis to the media, such as police, disaster relief, airlines, hotel associations, tour operator groups and WTO should be kept informed about your
response so that they can refer to it in their communication. Let these partners know how to reach your spokesperson in order to correct any possible errors or request more information.

B) Hard decisions about promotion

• Communicate directly with travel trade
  Don’t make your key partners rely on the media for information about the crisis. Provide details about the extent of the disaster, what is being done to assist victims, how security services are working to end the crisis and what is being done to make sure it doesn’t happen again. UK tour operators have successfully used conference calls in crisis situations to link up the various people responsible for safety, promotion and tourism policy so that everyone is getting the same information at the same time. Familiarisation trips organised for tour operators during or immediately following the crisis are the best way to allow them to assess the true situation for themselves.

• Change promotional message to address safety concerns
  Rather than suspending promotion when a crisis hits, immediately change the message to reflect the current situation and address safety concerns about the destination. Advertising should express sympathy for victims or provide information about what is being done to end the crisis. Use ads to direct potential tourists to a hotline or website for more detailed information. After the Prestige oil tanker sank off the Spanish coast, for example, huge billboards sponsored by the regional tourism board went up thanking Madrid residents for their concern over the crisis.

• Press ahead with promotional events and travel shows
  The travel trade needs to understand that your destination is stable and not going to disappear because of the crisis. The best way to demonstrate that is to press ahead with scheduled promotional events. A crisis will undoubtedly create more attention for a destination at a trade show and allow more opportunities to communicate positive developments, as well as up-to-date information about the end of the crisis.

• Seek increases in promotional budgets
  A crisis usually results in more government attention for the tourism industry than it would receive under normal circumstances with everything operating smoothly. Use the opportunity to seek increases in promotional budgets - which will be needed to help the industry recover and stimulate visitors to return.

• Initiate financial assistance and/or fiscal measures to support tourism companies
  Governments need to work closely with the industry in difficult times to ensure that there is not a damaging loss of product that could limit the recovery when better times come. Temporary tax incentives, subsidies, reduced airport charges and free visas are some of the measures taken to encourage tour operators, airlines, and cruise companies to continue operating immediately following a crisis.

• Set up a hotline
  If there is an emergency call centre in operation, it can become the hotline for inquiries from tourists and their families during a crisis. If there is no call centre, one needs to be set up immediately following a crisis with multi-lingual operators who have a good understanding of security issues. A sample hotline questionnaire is included in WTO’s Handbook on Natural Disaster Reduction. Promote the existence of the hotline in news briefings and on the destination website.

• Monitor what is being done to improve safety and security
  Use inter-agency contacts and relationships to help keep your organization informed about what security services are doing to end the crisis and improve safety.

• Coordinate with security services for media access
  Where possible, try to help organise with security services for reasonable media access to the stricken area. A few years ago, a Caribbean country tried to restrict access to an area hit by a hurricane. CNN simply hired a helicopter to fly over and take ‘exclusive’ pictures of the devastation. The images were all the more powerful because they were ‘banned’ by authorities.
Communicate internally
In the heat of a crisis, internal communication often gets overlooked. But it is important to keep all tourism staff up-to-date on the seriousness of the crisis and what is being done to end it. Not only does it strengthen the tourism team, it can also prevent erroneous information from being spread.

D) Quick research tactics

• Get to know your visitors
Send out survey teams to find out who is travelling during the crisis, where they come from and why, then feed information back immediately to the promotion department.

• Monitor media reports
Keep track of what is being published and broadcast about your destination during the crisis and feed that information back to the communications and promotion departments. Even if media monitoring is normally the responsibility of the communications department, they will be stretched too thin during a crisis and will appreciate the assistance.

III. Following A Crisis: Recovering Tourist Confidence
While media attention moves quickly to fresh stories, the damage wrought by a crisis can stay in the minds of potential tourists for a long time. Recovery demands a redoubling of efforts, especially in the areas of communications and promotion.

A) Image building communications

• Be pro-active in communications
Promote what you are doing to restore tourism to normalcy. Tell journalists about your recuperation plans and how long it will take for them to have effect. Provide plentiful information, including copies of speeches, editorial pieces, maps and photos. Recuperating from a crisis requires extra budgetary and human resources in communications.

• Look for positive news
Gear news items to reflect the normalcy of tourism activity, for example, the arrival of specialised tour groups or the opening of new attractions. The goal is to demonstrate “business as usual” in your destination. Egypt has effectively promoted the discovery or reopening of archeological sites as part of its recovery strategy. Promote news not directly related to tourism, such as cultural events, scientific discoveries, sporting triumphs, film shoots and shopping trends.

• Increase familiarisation trips for journalists
Invite the press back to show them what has been achieved. Target the theme of the familiarisation trip to address your particular image problem and make sure it includes plenty of contact between journalists and local residents. Concentrate on positive television coverage to counteract the harmful effect of TV images of the crisis in the minds of potential tourists. The great thing about familiarisation trips is that they allow plenty of time to make friends with individual journalists - who are often motivated to take a special interest in your country for years to come.

• Remember anniversaries
A major crisis will be revisited by the media during year-end reviews and on key anniversaries - 100 days, six months, one year, two years. These dates offer a good opportunity to communicate. Anticipate this attention and be prepared with materials and stories that reflect the recovery of the destination.

• Anticipate legal actions
People affected by international incidents will lobby for investigations, make complaints and pursue lawsuits. If the media reports something about you that is not accurate, write a letter to the editor to correct the matter. If someone takes you to court, the inaccurate media report could be produced as evidence and it does no good to claim is was not true. You will need some evidence to show that you disagreed with the report at the time.
• **Create your own news outlet on the destination website**
  Provide an alternative to mass media news sources on your own website. Make the website as newsy as possible, taking advantage of its unlimited space to provide more in-depth information. To demonstrate that your website is providing up-to-date information it needs to include today’s date in a prominent place. And it needs to be updated daily with positive stories that demonstrate a return to normalcy following a crisis.

• **Join the global communications campaign for tourism**
  A global campaign promoting the positive impacts of tourism is being prepared by WTO for presentation as part of the ‘First International Conference on Tourism Communications’ (Tourcom) to be held early 2004 in Madrid. The campaign will feature five basic components that can be adapted for use by WTO members in their own promotion and awareness building activities—a slogan, logo, poster, flyer and 30-second public service announcement. It aims to stimulate communication about the benefits of tourism on the local level and at the same time link individual tourism entities to the larger community of international tourism.

 **B) Flexibility in promotion**

• **Create new niche market products**
  Packages should be targeted at the most resistant market segments, such as: golf, skiing, sporting events, culture, honeymoons.

• **Target experienced and special interest travellers**
  More experienced travellers and repeat visitors are less likely to be scared away by the crisis. Individual travellers with a particular passion, be it scuba diving, mountain climbing, or archaeology, will go where they need to go to enjoy their hobby.

• **Create special price offers**
  Rather than engaging in price wars in a crisis stricken region or slashing prices across the board, create special offers. Malaysia and Sri Lanka build their special offers around holiday weekends and festivals. The key is not necessarily to offer the cheapest prices, but rather to offer value-for-money.

• **Quickly shift promotion to most promising markets**
  Be prepared to shift promotional campaigns to markets that promise the most resilience. Usually these are the source markets closest to home because travellers there are more familiar with your destination. But pay attention to research and beware of wasting money on markets that are not yet ready to travel. A joint Caribbean ad campaign recently launched to win back US tourists had little effect because Americans are still wary of going abroad.

• **Step up promotion to domestic market**
  In larger countries, domestic tourism can make up for lack of foreign demand during the recovery period. The Bali Tourism Board began promoting to the domestic market following the terrorist bombing there in order to keep hotels functioning. Persian Gulf tourists vacationed closer to home and kept hotels in Dubai, Bahrain and other Arab countries operating following the September 11 attacks. Tourism officials were surprised to discover they spent more than long-haul visitors.

• **Increase familiarisation trips for tour operators and special events**
  As soon as the situation permits, bring in tour operators and travel agents to see what has been done to restore the destination. Organise special events and meetings to create an opportunity to communicate with your partners in the travel trade and with the international community.

• **Take travel advisories seriously**
  Establish contact with governments that have issued travel advisories against the destination. Provide a regular flow of information on the crisis, including details of the exact location of the incident, what is being done to make the area more secure and where it is safe for visitors to travel. Begin lobbying the government and invite representatives to see the situation for themselves.
• **Intensify cooperation**
  A crisis brings people together in a spirit of solidarity and cooperation that is essential to a quick recovery. Improve coordination among tourism promotion boards throughout the country and redouble collaboration between public and private sectors in marketing campaigns. Also explore the possibility of multi-country regional promotions and products.

C) **Security for the future**

• **Evaluate security procedures**
  Following a crisis, a second look is needed at security systems to make sure they are in place, but not in an obvious way and not contributing to a negative image of the destination. Do not let the ‘hassle’ of dealing with security frighten visitors or prevent tourism from resuming.

• **Push to improve quality of services and facilities**
  Encourage quality through feedback of survey results on tourist perceptions, by rewarding excellence and by setting up tourist complaint services. Tourists should have somewhere to complain if services do not meet expectations. Peru’s Tourist Protection Service (SPT), which operates under the auspices of the country’s consumer protection commission, provides this service by mediating complaints, providing general tourist information and analysing data on the nature of complaints to help point out where improvement is needed.

D) **Using research effectively**

• **Survey generating markets on perceptions of your destination**
  Research potential tourists and survey your travel partners in primary source markets for readiness to travel and for information about their perceptions or apprehensions about your destination. Feeding this information back to promotion officials will allow them to tailor campaigns to correct damaging impressions. In order to begin changing perceptions, it is essential to know where you stand.

**World Tourism Organization Crisis Action Team**

Responding quickly to a tourism crisis demands solidarity, flexibility and expertise. The World Tourism Organization has put together a Crisis Action Team made up of 11 of the world’s top experts in the area of communications, marketing and promotion and safety and security - all of them with solid experience collaborating with WTO. These professionals have agreed to make themselves available to help member countries that are hit by a crisis and request urgent assistance from the Secretary-General. The kind of assistance would be at the discretion of the Secretary-General depending on the nature of the crisis, but could include such services as: audits of crisis preparedness, developing crisis management plans, communications training seminars, providing advice by phone or email, or giving emergency on-site assistance during a crisis.

**Government Travel Advisories**

Among the leading sources of information on identifying risk for the travelling public are Travel Advisories issued by various governments around the world. For example, Australia’s Department of Foreign Affairs and Trade (DFAT) monitors current activities in more than 140 overseas destinations and provides advice to travellers through its travel information website: http://www.dfat.gov.au/travel/index.html The advice covers a range of health and safety issues, including crime, infectious diseases, seismic activity and weather patterns. A similar service is offered to travellers by the British Foreign and Commonwealth Office (http://193.114.50.10/travel/); the US State Department (http://travel.state.gov/travel_warnings.html) and the Canadian Department of Foreign Affairs and International Trade (http://voyage.doc.gc.ca/destinations/menu_e.htm).

Foreign government monitoring is probably the best overall barometer of both actual and perceived risk available to a travel destination. For example, as at 25 September 2003 there were Travel Warnings issued for 25 destinations by the US State Department. A Travel Warning is issued when the State Department decides, based on all relevant information, to recommend that Americans avoid travel to a certain country.

The next level down are Public Announcements, which are a means to disseminate information about terrorist threats and other relatively short-term and/or trans-national conditions posing significant risks to the security of American travellers. These are made any time there is a perceived threat and usually have Americans as a particular target group. In the past, Public Announcements have been issued to deal with
short-term coups, bomb threats to airlines, violence by terrorists and anniversary dates of specific terrorist events.

While in a slightly different format, Australia's DFAT issues essentially the same information as the US State Department, though it is interesting to note that at any one time some destinations may appear on one warning list but not another.

PHILIPPINE REBEL

Philippine terrorism has disturbed the country for at least three decades and has been carried out by different parties with different agendas. Some are the work of individuals and armed gangs to extort money and settle disputes, others are carried out by extremist groups. These include the communist New People's Army, Abu Sayyaf and splinter groups from the Muslim separatist organizations, some are believed to have links with international terrorist groups including Jemaah Islamiah (Foreign & Commonwealth Office, 2003).

Travel Advisories

Due to the continuous threat of kidnappings, bombings and other violent incidents, many countries, including Korea, Canada, New Zealand, U.K. and the U.S., have advised their citizens to avoid travelling to the southern Philippines where insurgent groups are active. Australia, the European Union and Canada have even closed their embassies in Manila temporarily because of terrorist threats.

Tourism Statistics

During three years of political unrest, international tourist arrivals have declined steadily in the Philippines. In 2000, total tourist arrivals were 1.99 million, a drop of 8.2 percent compared with 2.17 million in 1999. In 2001, the number of tourists dropped further to 1.80 million which was 9.8 percent fewer than 2000. In terms of international tourism receipts, they have plummeted by 15.7 percent and 19.3 percent (2001)(Travel Industry Pub, 2002). The decline was due to a downturn in visits from the biggest markets, the U.S. and Japan. Kidnappings and worries about air security after September 11 were the main causes.

Although a decline continued in the first four months of 2002 (except February which had a modest 3.7 percent rise) the situation was much improved in the remaining year despite travel advisories from several nations. Arrivals in May, June and July grew more than 10 percent year-on-year. August and September arrivals were up 5.7 and 15.2 percent respectively (Anonymous, 2002). More tourists visited the Philippines in October despite a series of bomb attacks. Tourist arrivals posted a 36.7 percent growth compared to October 2001 (Anonymous, 2002g). The positive growth during these six months was the first in four years.

Hotel Industry

A week after the first mass kidnapping in April 2000, tour agents and hotels started receiving cancellations. The same happened after the Mindanao crisis. Although security was stepped up at tourist spots, resort managers reported a slew of cancellations. El Nido resort in northern Palawan had about a 15% cancellation rate (Hookway, 2001). Dos Palmas Island Resort, where Abu Sayyaf abducted 20 people in May 2001, had been closed since then for almost one year.

Marketing Campaigns

The tourism industry is one of the flagship industries under Philippine President Gloria Macapagal-Arroyo. A series of marketing campaigns has been launched in order to attract more visitors to the Philippines.

Due to the instability and travel advisories focussing on the southern Philippines, President Arroyo has outlined a viable strategy to transform North Philippines and Aurora province into the country's next premier investment and tourism destinations. A marketing campaign labelled 'WOW Philippines!' has been launched by the DOT. WOW is the master acronym for Wealth of Wonders which reflects the country’s diverse offerings in tourism attractions (Department of Tourism, n.d.). The tourism promotions blitz covers three continents, including North America, Asia and Europe. Tourism Secretary Richard Gordon led a strong Philippine contingent with no less than fifty companies participating in each leg of the road shows. The group comprised local government officials, travel trade and major supporters such as Philippine Airlines, Singapore and WG&A Super Ferry. The road shows and sales missions aimed to intensify marketing efforts for the country’s major target markets and, in particular, to launch ‘Visit Philippines 2003’, which was fully endorsed by the World Tourism Organization (WTO) (Paez, n.d.). With its target of drawing three million visitors, VPY 2003 seeks to promote the Philippines as a unique and multifaceted business and travel destination. It also aims to instil in every Filipino a sense of pride towards the country and its people (Umali, n.d.).

Performance of the Philippine tourism industry has gained significant improvement since 2002 despite travel advisories from various countries and the continuous threat of terrorism. One reason for the success is that President Arroyo has been addressing the terrorist threat in the Philippines. Another critical reason lies in the aggressive tourism marketing and
promotions to fuel tourism growth. It shows that in spite of the extent of crisis, tourist confidence can be rebuilt by the effort of the government in addressing the problem and by an effective marketing campaign.

Enhancement of Security
After Abu Sayyaf’s kidnapping in May 2001, police have bolstered security around popular resorts as part of Manila’s effort to rid the archipelago of its image as an unsafe tourist destination. Tourism Secretary Richard Gordon also pledged to deploy an extra of 1,000 police officers at key tourist spots (Coleman, 2002). In the wake of the Korean diplomat’s killing in June 2002, police set up a special force of 1,700 men to protect embassies and other key foreign establishments in Manila (Madhur, 2002). Both private and public sectors in the Philippines undertook heightened security measures to protect visitors. For example, Dos Palmas Island Resort, where mass kidnapping happened in May 2001, added security nets to control sea access to the resort. The Philippines government also expanded security measures in major airports and seaports to assure the safety of foreigners in the country.

Government Policy and Actions against Terrorist Group
The Philippine government policy towards abduction is that there will be no negotiation for any kind of ransom. However, the government has allowed the payment of ransom from members of hostages’ families.

There has been constant military pressure on Abu Sayyaf since August 2000. In September, President Estrada ordered the Armed Forces of the Philippines (AFP) to commit over 1,500 troops into Jolo to conduct operations against Abu Sayyaf units that had taken foreign hostages in Malaysia. In the following year, President Arroyo ordered the AFP to deploy as many as 4,500 troops into Basilan after the hostage-taking on Palawan. The government also offered a $2 million bounty for any information leading to the capture of Abu Sayyaf leaders and followers involved in the kidnapping (Hookway, 2001). AFP operations have apparently reduced Abu Sayyaf strength from the level of over 1000 in early 2000 to below 100 on Basilan and 500 on Jolo by December 2001 (Niksch, 2003).

U.S. Involvement in Combating Terrorism
Beginning in October 2001, the United States sent groups of military observers to Mindanao to assess AFP operations against Abu Sayyaf, render advice and examine AFP equipment needs. President Bush extended $93 million aid to the Philippines when President Arroyo visited Washington in 2001. However, President Arroyo insisted that the U.S. military role should be advisory and that the AFP would retain full operational responsibility. By late December 2001, the AFP on Mindanao began to receive quantities of US military equipment (Niksch, 2003). Although terrorism remained active afterwards, President Arroyo reiterated that U.S. troops would not be allowed to fight Muslim rebels in the southern Philippines (Anonymous, 2003).

Source: Based upon material provided from the Hong Kong Polytechnic University

Government travel advisories are clearly attaining a higher profile in the decision making of travellers and travel professionals on the suitability of tourist destinations. Consequently, there is a growing need to ensure that the information and warnings are credible, responsible and based on a sober assessment of security risks and as free of political or cultural considerations as possible.

From early 2003 the Australian travel industry sought and undertook a greater dialogue with DFAT to ensure that the tourism industry’s perspective was given due consideration in the formulation of advisories. DFAT, to its credit, was responsive to tourism industry overtures. As a result of extended negotiations conducted by representatives of Australian travel industry companies and associations under the auspices of Australian Federation of Travel Agents (AFTA), the Australian travel industry and DFAT (2003b) released the Charter for Safe Travel in June 2003.

Source: Courtesy of the Department of Foreign Affairs and Trade (Australia)
Charter Principles

As a partner to this Charter, and in the interests of traveller safety, we commit to:

Provide travellers with DFAT consular travel advice
- We will inform our clients about the Government's travel advice service, including in ticketing and promotional information.
- We will highlight the Government's travel advice for those destinations where the Government advises against travel.
- We will work with the Government to improve its travel advisory service to overseas travellers and encourage client feedback on its service.

Encourage travellers to take out adequate travel insurance
- We will remind travellers of the importance of travel insurance before going overseas.
- We will point out the potential consequences of travelling without insurance and direct travellers to the insurance link on the DFAT web site.
- We will inform travellers of the preparations they need to make before travelling.
- We will promote the top ten 'safe travel' tips and advise travellers where they can obtain information about health issues and risks.
- We will remind travellers to check their passport is in order and that they have the correct visas.
- We will remind travellers to keep in touch with family and friends while travelling.

Work together
- We will work closely with the Government to promote the safe travel of Australians overseas.
- Where appropriate, we will discuss emerging problems and new issues with the Government and others in the industry, and will endeavour to liaise closely with the Government during crises.
- We note the Government's commitment to supporting the travel industry's efforts to promote safe travel through the provision of publications, speakers to industry forums and advice.

*This charter is not intended to create legal relations*
Drawing on the excellent work of WTO in Crisis Guidelines for the Tourism Industry, this chapter highlighted the importance of the media in modern crisis management. Divided into three sections – Before, During and After a Crisis – the key management areas were described, along with resources that need to be in place well before a crisis occurs.

This chapter is very proactive and encourages destinations and organizations to take the lead in establishing partnerships with the media, rather than waiting to react to events as they unfold. This is particularly true in terms of Travel Advisories, where it is possible to form partnerships with government that allow the tourism industry to participate in the advisory process. The Charter for Safe Travel is a good case study example of how this can be achieved.

The new PATA website www.travelwithPATA.com fully explains travel advisories and is another clear illustration of the role of an industry representative group taking a proactive role in risk management.
REFERENCES


Pacific Asia Travel Association (PATA). (2003). *Crisis. It Won’t Happen to Us! Bangkok: PATA.*


Chapter 1

THE ECONOMIC IMPACT OF SARS IN MALAYSIA


Chapter 2

"SEPTEMBER 11" TERRORIST ATTACK


SARIN TERRORIST ATTACK IN JAPAN


THE DOMINO EFFECT OF SARS

Chapter 3

UNITED STATES: THE DEPARTMENT OF HOMELAND SECURITY (DHS)


CHINESE TAIPEI EARTHQUAKE, SEPTEMBER 21, 1999


SINGAPORE’S RESPONSE TO SARS


Chapter 4

VOLCANOES IN HAWAII


HAWAII’S RESPONSE TO SEPTEMBER 11 TERRORIST ATTACK


THE BALI TERRORIST BOMB ATTACK


• The Straits Times (2002), Devastated Tourism Industry Tries to Rise From Ashes, October 21.

Chapter 5

TRANSPORTATION SECURITY ADMINISTRATION (TSA)


SINGAPORE AIRLINES FLIGHT SQ006


YOUTH HOSTELS SECURITY PROJECT

• Anonymous. (1999). Results of security project. EUFED Vista, Summer, 5.

Chapter 6

PHILIPPINE REBEL

Australia's counter-terrorism legislation package consists of the following legislation:

- Security Legislation Amendment (Terrorism) Act 2002
- Criminal Code Amendment (Terrorism) Act 2003
- Suppression of the Financing of Terrorism Act 2002
- Criminal Code Amendment (Suppression of Terrorist Bombings) Act 2002
- Telecommunications Interception Legislation Amendment Act 2002
- Border Security Legislation Amendment Act 2002
- Criminal Code Amendment (Anti-Hoax and Other Measures) Act 2002
- Australian Security Intelligence Organization Legislation Amendment (Terrorism) Bill 2002
- Criminal Code Amendment (Hizballah) Bill 2003
- Criminal Code Amendment (Terrorist Organizations) Bill 2003

Security Legislation Amendment (Terrorism) Act 2002
The Security Legislation Amendment (Terrorism) Act 2002 amends the Criminal Code to:
- create an offence of terrorism and a range of related offences;
- modernise Australia's treason offence; and
- create offences for membership of, or other specified links to, a terrorist organization, including a regime for listing terrorist organizations.

Terrorism and terrorist organizations offences
The terrorism offences are:
(i) engaging in a terrorist act;
(ii) providing or receiving training connected with a terrorist act;
(iii) possessing things connected with a terrorist act;
(iv) collecting or making documents connected to, and likely to facilitate, a terrorist act; and
(v) carrying out other acts in preparation for, or planning, a terrorist act.

The offences in relation to terrorist organizations are:
(i) directing the activities of a terrorist organization;
(ii) recruiting a person to a terrorist organization;
(iii) providing training to or receiving training from a terrorist organization;
(iv) receiving funds from or making funds available to a terrorist organization;
(v) providing support or resources that would help a terrorist organization in its terrorist activities; and
(vi) being a member of a terrorist organization.

Definition of ‘terrorist act’
A ‘terrorist act’ is an act intended to advance a political, ideological or religious cause, and intended to coerce or influence by intimidation an Australian or foreign government or intimidate the public or a section of the public. The act must also cause a person's serious physical harm or death, or involve serious risk to public health or safety, serious damage to property or serious interference with essential electronic systems.

Advocacy, protest, dissent and industrial action will only be a ‘terrorist act’ if it is intended to:
- to cause serious harm that is physical harm to a person; or
- to cause a person's death; or
- to endanger the life of a person, other than the person taking the action; or
- to create a serious risk to the health or safety of the public or a section of the public.

This definition is the definition of ‘terrorist act’ used in the Suppression of the Financing of Terrorism Act 2002 and the Border Security Legislation Amendment Act 2002.

Definition of ‘terrorist organization’
A ‘terrorist organization’ is either:
- an organization engaged in, or contributing to, the carrying out of a terrorist act; or
- an organization specified in the regulations.

Before an organization is specified in the regulations, the Attorney-General must be satisfied on reasonable grounds that the organization is engaged in or contributing to the carrying out of a terrorist act and that
the Security Council of the United Nations has identified the organization in a decision relating to terrorism. Regulations cease to have effect two years after their commencement.

**Air security officers**
The Act extends the arrest without warrant powers of Australian Protective Service officers to the terrorist and terrorist bombing offences and ensures that these powers can be exercised on intra-state flights.

**Review of the counter-terrorism legislation**
The Attorney-General is required to arrange for a review of the operation, effectiveness and implications of the counter-terrorism legislation three years after the Acts commence.

*Criminal Code Amendment (Terrorism) Act 2003*
The *Criminal Code Amendment (Terrorism) Act 2003* gives the new terrorism offences comprehensive national coverage in reliance on referrals by the States under the Australian Constitution.

The new terrorism offences were initially based on Commonwealth legislative power under the Constitution. As the Constitution does not give the Commonwealth Parliament power to make laws with respect to terrorism as such, the offences relied on a patchwork of constitutional powers. The Prime Minister and State and Territory Leaders subsequently agreed to State constitutional references to enable the federal terrorism offences to operate without limitations arising from existing limits on Commonwealth constitutional powers. The States have also enacted reference legislation to refer the ‘text’ of the terrorism offences, together with a power to amend those offences.

*Suppression of the Financing of Terrorism Act 2002*

The Act introduced a new offence directed at persons who provide or collect funds and are reckless as to whether those funds will be used to facilitate a terrorist act. The maximum penalty for the offence is imprisonment for life.

The Act also introduced new higher penalty offences for using or dealing with the assets of specified persons and entities involved in terrorist activities and making assets available to those persons or entities.

To ensure the new offences can be effectively detected and investigated, the Act included new requirements for financial institutions, securities dealers, trustees and other cash dealers to report suspected terrorist-related transactions to the Director of the Australian Transaction Reports and Analysis Centre (Austrac). In addition, the procedures for the disclosure of financial transaction reports information (FTR information) to foreign countries will be streamlined by enabling Austrac, the Australian Security Intelligence Organization and the Australian Federal Police to disclose FTR information directly to foreign countries and foreign law enforcement and intelligence agencies.

*Criminal Code Amendment (Suppression of Terrorist Bombings) Act 2002*
The *Criminal Code Amendment (Suppression of Terrorist Bombings) Act 2002* made it an offence to place bombs or other lethal devices in prescribed places with the intention of causing death or serious harm or causing extensive destruction which would cause major economic loss. The maximum penalty for the offences is life imprisonment.

*Telecommunications Interception Legislation Amendment Act 2002*
The Telecommunications Interception Legislation Amendment Act 2002 amended the Telecommunications (Interception) Act 1979 to recognise offences involving terrorism as falling within the most serious class of offences for which interception warrants are available.

*Border Security Legislation Amendment Act 2002*
The *Border Security Legislation Amendment Act 2002* deals with border surveillance, the movement of people and goods and the controls Customs has in place to monitor this activity. The Act makes it mandatory for operators of airlines and shipping lines to report to Customs and the Department of Immigration and Multicultural and Indigenous Affairs, prior to arrival, details of passengers and crew
arriving on a flight or voyage from outside Australia. The Act also requires ships and aircraft to provide Customs with reports of in-transit cargo.

**Criminal Code Amendment (Anti-Hoax and Other Measures) Act 2002**
The **Criminal Code Amendment (Anti-Hoax and Other Measures) Act 2002** introduced new offences directed at the use of postal and similar services to perpetrate hoaxes, make threats and send dangerous articles. The new anti-hoax offence carries a maximum penalty of 10 years imprisonment.

**Australian Security Intelligence Organization Legislation Amendment (Terrorism) Bill 2002 (currently before the Federal Parliament)**
The **Bill will enhance the powers of the Australian Security Intelligence Organization (ASIO) to combat terrorism by enabling ASIO to seek a warrant to detain and question persons suspected of having information relevant to ASIO’s investigation of terrorism offences.**

The Bill will allow the Director-General of Security, with the Attorney-General’s consent, to seek a warrant from a federal judge, federal magistrate or another authority prescribed in regulations. The warrant would authorise the questioning and, if necessary, the detention of a person for up to 48 hours. Questioning under a warrant would take place before a “prescribed authority”. Depending on the circumstances, a prescribed authority may be a former judge of a superior court, a current judge of a State or Territory Supreme or District Court or a President or Deputy President of the Administrative Appeals Tribunal. A person detained under consecutive warrants will not be able to be held for longer than 7 days. In addition, warrants that would result in a person being held for longer than 96 consecutive hours must be sought from a federal judge.

The Bill will not apply to anyone under the age of 14. Young people between the ages of 14 and 18 may, in exceptional circumstances, be subject to a warrant. This will only occur where the Attorney-General is satisfied that the young person will commit, is committing or has committed a terrorism offence. Young people who are subject to a warrant will be entitled to have a lawyer and a parent or guardian present at all times when questioned.

The Bill contains a number of safeguards to ensure that the authority under the Bill is exercised appropriately.

**Criminal Code Amendment (Hizballah) Bill 2003 and Criminal Code Amendment (Terrorist Organizations) Bill 2003 (currently before the Federal Parliament)**
The **Criminal Code Amendment (Hizballah) Bill 2003 (Hizballah Bill)** will enable the terrorist wing of Hizballah to be listed in regulations under the new terrorist organizations provisions in the Criminal Code by removing the existing requirement for a United Nations Security Council decision identifying Hizballah before it can be listed.

Before an organization can be listed under the existing provisions, the Attorney-General must be satisfied on reasonable grounds that, firstly, the United Nations Security Council has identified the organization in a decision relating to terrorism and, secondly, that the organization is engaged in or preparing, planning, assisting in or fostering the doing of a terrorist act.

The Hizballah Bill would remove the requirement for a United Nations Security Council decision in relation to Hizballah. Once the Hizballah Bill is enacted, the listing of Hizballah will operate retrospectively from 5 June 2003, which is when the Attorney-General announced that the listing would be made.

**The Criminal Code Amendment (Terrorist Organizations) Bill 2003** will remove the requirement for a United Nations Security Council decision in relation to the listing of any terrorist organization. **This Bill will enable other terrorist organizations whose activities could have an impact on Australia but who have not been identified by the United Nations Security Council to be listed under the Criminal Code.**

Source: National Counter-Terrorism Committee (2003)
<table>
<thead>
<tr>
<th>Thematic areas/ Components</th>
<th>Characteristics</th>
<th>Criteria for benchmarks (very tentative)</th>
<th>Scale</th>
<th>Data Availability</th>
<th>Measure feasibility</th>
<th>Who</th>
</tr>
</thead>
<tbody>
<tr>
<td>Political commitment</td>
<td>Policy and planning</td>
<td>• Shift in approach from response to risk reduction</td>
<td>National risk reduction strategy</td>
<td></td>
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<tr>
<td></td>
<td></td>
<td>• Promotion of disaster reduction including in reconstruction process</td>
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<td></td>
<td></td>
<td>• Integration of risk reduction in development planning and sectoral policies (poverty eradication, social protection, sustainable development, climate change adaptation, desertification, energy, natural resource management, etc)</td>
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<tr>
<td></td>
<td>Legislation</td>
<td>• Laws, acts and regulations</td>
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<tr>
<td></td>
<td></td>
<td>• Accountability</td>
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<td></td>
<td>Resources</td>
<td>• Resource mobilization and allocation: financial (innovative and alternative funding, taxes, incentives), human, technical, material</td>
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<td>• Percentage of budget allocation</td>
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<td></td>
<td></td>
<td>• Experienced staff</td>
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<td></td>
<td></td>
<td>• Administrative evidence</td>
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<tr>
<td>Institution aspects</td>
<td>Organizational structures</td>
<td>• Interministerial, multidisciplinary &amp; multisectoral approaches</td>
<td>• Existence of disaster reduction committees or platforms with defined scope and activities</td>
<td></td>
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<tr>
<td></td>
<td></td>
<td>• Implementing and coordinating mechanisms</td>
<td>• Periodic review of committee activities and accomplishments</td>
<td></td>
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<tr>
<td></td>
<td></td>
<td>• Decentralization, civil society and community participation, local institutions</td>
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<tr>
<td></td>
<td>Normative framework</td>
<td>• Codes, standards, norms</td>
<td>• Existence of systems to control compliance and enforcement</td>
<td></td>
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<tr>
<td></td>
<td></td>
<td>• Enactment mechanisms</td>
<td>• Requirement of compliance by law</td>
<td></td>
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</tr>
</tbody>
</table>
## THEMATIC AREAS 2: RISK IDENTIFICATION

<table>
<thead>
<tr>
<th>Risk assessment</th>
<th>Impact assessments</th>
<th>Forecasting and early warning systems</th>
</tr>
</thead>
<tbody>
<tr>
<td>• Hazard analysis: characteristics, impacts, historical and spatial distribution, multi-hazard assessments, hazard monitoring including of emerging hazards</td>
<td>• Loss/impact assessment, Socio-economic and environmental impact assessment</td>
<td>• Forecast and prediction</td>
</tr>
<tr>
<td>• Vulnerability and capacity assessment: social, economic, physical and environmental, political, cultural factors</td>
<td>• Loss analysis</td>
<td>• Warning processing and dissemination</td>
</tr>
<tr>
<td>• Risk monitoring capabilities, risk maps, risk scenarios</td>
<td></td>
<td>• Response</td>
</tr>
<tr>
<td></td>
<td>• Percentage of development projects and investment based on independent risk and environmental impacts assessments, including in post disaster phases</td>
<td></td>
</tr>
</tbody>
</table>

## THEMATIC AREAS 3: KNOWLEDGE MANAGEMENT

<table>
<thead>
<tr>
<th>Information management and communication</th>
<th>Education and training</th>
<th>Public awareness</th>
<th>Research</th>
</tr>
</thead>
<tbody>
<tr>
<td>• Official information and dissemination programmes and channels</td>
<td>• Inclusion of disaster reduction from basic to higher education (curricula, material development and institutions)</td>
<td>• Official public awareness policy and programmes with associated material, guidelines and instructions, Media involvement in communicating risk</td>
<td>• Comprehensive research agenda for risk reduction</td>
</tr>
<tr>
<td>• Public and private information systems (including disaster, hazard and risk databases &amp; websites) and networks for disaster risk management (scientific, technical and applied information, traditional knowledge), timely end user products</td>
<td>• Vocational training</td>
<td>• Media involvement in communicating risk</td>
<td>• Related methodological development including for planning and progress assessment</td>
</tr>
<tr>
<td></td>
<td>• Dissemination and use of traditional/indigenous knowledge</td>
<td></td>
<td>• Regional and international cooperation in research, science and technology development.</td>
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<td></td>
<td>• Community training programmes</td>
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<td></td>
<td>• Documentation and databases on disasters</td>
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<td>• Referenced educational material</td>
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<td></td>
<td>• Number of courses and institutions</td>
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<td></td>
<td></td>
<td>• Coverage of disaster reduction related activities by media</td>
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<td></td>
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<td></td>
<td>• Visibility of disaster reduction day</td>
</tr>
</tbody>
</table>
# THEMATIC AREAS 4: RISK MANAGEMENT APPLICATIONS

| Environmental and natural resource management | • Interface between environmental management and risk reduction practices, in particular in wetland and watershed protection and restoration, integrated water resource management; reforestation, agricultural practices, ecosystem conservation | • Use of wetland or forestry management to reduce flood risk  
• Trends in deforestation rate  
• Use of environmental impact assessments in disaster reduction planning |
| Social and economic development practices | • Social protection and safety nets (social solidarity strategies, e.g. PRSPs)  
• Financial instruments (involvement of financial sector in disaster reduction: insurance/reinsurance, risk spreading instruments for public infrastructure and private assets, micro-credit and finance, revolving community funds, social funds)  
• Sustainable livelihoods strategies | • Percentage of poor population having access to social protection and safety nets  
• Use of safety nets and social protection programmes in recovery process  
• Extent of insurance coverage.  
• Coverage of micro-finance services in high disaster risk area, evidence of take up |
| Technical measures | • Land use planning, urban and regional planning  
• Implementation and control mechanisms for specific risk (construction, infrastructure, desertification and flood control techniques, hazard control structures)  
• Compliance with international standards, codes and norms | • Reduced percentage of construction or building projects in floodplains and other mapped hazard-prone areas  
• Enforcement of zoning plans  
• Percentage of official buildings in compliance with standards (health facilities, schools, lifelines, energy supplies, other critical facilities)  
• Retrofitting |

# THEMATIC AREAS 5: PREPAREDNESS AND EMERGENCY MANAGEMENT

| • Effective communication and coordination system between response entities  
• Contingency planning  
• Preparedness planning  
• Logistics, infrastructure | • Emergency response networks and plans (national/local, private/public), regularly updated and tested  
• Coverage of community training and community based preparedness  
• Emergency funds and stocks |
### APPENDIX C: RESPONSE THEME 1 - COMMUNICATION

#### IMPACT

<table>
<thead>
<tr>
<th>Reduction in domestic tourism to Queensland</th>
<th>Reduction in international tourist visitor numbers to Queensland and Australia.</th>
<th>Uncertainty concerning affected areas relative to travel plans</th>
<th>Transport access restrictions: - Road, air, sea &amp; rail</th>
</tr>
</thead>
</table>

#### ACTIONS/RESPONSES

| Implement TQ Crisis Communication Strategy | Implement TQ Crisis Communication Strategy | Provide timely information on a network of websites that are easily accessible to industry & consumers, including: - TQ website - Regional Tourism Network (RTN), and - Australia.com via the Australian Tourism Data Warehouse (ATDW) | Liaise with relevant agencies and provide up-to-date road, rail and sea access info on TQ website, RTN and ATDW - TQ Aviation Unit to provide airline services and gap analysis |

#### GOVERNMENT AGENCIES & OTHER CONTACTS

| TQ Director, Corporate Communications | TQ Director, Corporate Communications | TQ Director, Corporate Communications | TQ (Director, Policy and Planning) DMR, RACQ, QT, QR, DLGP TQ (Director, Corporate Communications) |

#### OUTCOMES

| Utilising the TQ Crisis Communication Strategy will help ensure that crisis messages directed to the media and public are developed with consideration of the potential impact on the tourism industry q minimising potential negative impacts | International visitors better able to accurately differentiate between Aust regions and determine what elements of a planned holiday, if any, may be affected q reducing both uncertainty for International visitors and negative impacts on the industry | Making specific, accurate and timely information accessible to both industry and consumers (both domestic and international), including transport access restrictions q reducing uncertainty for domestic & international visitors, and operators, therefore, minimising the potential negative impacts of a shock to both affected and non-affected areas. | Providing up-to-date information will minimise the impact of transport access restrictions on international and domestic visitors, operators and regions. |

#### TIME FRAME FOR ACTIONS


---

### IMPACT
An event likely to cause a reduction in domestic and/or infl travel to Qld in the short, medium or long-term

### ACTIONS/RESPONSES
- Establish TQ Crisis Response Group (TQCRG) - key TQ Managers
- Develop Situation Assessment Report (SAR) (including consultation with industry)
- Develop & implement range of response initiatives (including communication, research & marketing initiatives outlined in the Action Plan – see Appendix 1)
  - Seek across-govt collaboration where appropriate
  - Direct industry/operators to the Government Business Information Service (GOBiS, DSD) for access to up-to-date information on available State and Commonwealth government support programs. Support services include:
    - Training, seminars & workshops
    - Government subsidies and grants
    - Trade assistance and development
  - Provide relevant input to National Tourism Incident Response Plan, if activated

### GOVT AGENCIES & OTHER CONTACTS
- TQ (CEO)
- DTRFT, Director, GTU
- Int - ATC, ATEC, TQ Int’l Offices, TICF
- Dom - QTIC, RTOs, TICF

### OUTCOMES
Effectively monitor and assess industry conditions in order to develop & implement communication, marketing and policy responses, minimising the potential negative impacts in the post-shock period.

### TIME FRAME FOR ACTIONS
- **Pre-shock:**
  - Across-government preparations based on previous experience
- **Post-shock:**
  - Establish TQ Crisis Response Group within 24 hrs (primarily short-term)
### IMPACT

An event likely to cause significant long-term negative consequences for the Qld tourism industry & operators

Operators requiring business advice & support, and information on potential financial assistance opportunities

### ACTIONS/RESPONSES

Convene Tourism Immediate Response Group (TIRG) and seek activation of IRP if appropriate

If IRP activated – reactivate toll-free Tourism Assistance Hotline to provide business advice and support including: general business planning advice, information on concessional loans and business seminars, assistance in writing applications for loans administered by QRAA, and referral services - tourism related queries referred to a single point of contact at TQ for distribution and response within 24 hrs

### GOVT AGENCIES & OTHER CONTACTS

TQ (CEO)

DTRFT, Director, GTU

DTRFT

Director General

TIRG - DTRFT, TQ, DSD, DET, QRAA, Treasury, Premiers & other Agencies if necessary (eg DPI for exotic diseases)

DSD

Director, Office of Regional Development

TICF

QIC & TICF (to assist with distribution of info concerning response initiatives)

DTR

Manager, Communications & Liaison

### OUTCOMES

Where appropriate, an across-government approach provides the opportunity to develop and implement a range of responses designed to minimise the negative impacts of a shock with potential long-term consequences for the industry and operators eg. Six Point Plan

- The timely provision of business advice & support, and info on potential financial assistance opportunities
- The establishment of a referral system and Internet database for inquiries to enable responses to client inquiries within 24 hours

### TIME FRAME FOR ACTIONS

Pre-shock:

- Across-government preparations based on previous experience (eg. Tourism Crisis Management Plan)

Post-shock:

- Reconvene TIRG within 48 hrs
- Seek activation of IRP within 72 hrs (short to medium-term)

Post-shock:

- Reactivate toll-free Tourism Assistance Hotline (short to medium-term)
<table>
<thead>
<tr>
<th>IMPACT</th>
<th>ACTIONS/RESPONSES</th>
<th>GOVT AGENCIES &amp; OTHER CONTACTS</th>
<th>OUTCOMES</th>
<th>TIME FRAME FOR ACTIONS</th>
</tr>
</thead>
</table>
| Financial uncertainty for operators due to significant reduction in visitor numbers | **If IRP activated** – affected operator access to associated assistance & support mechanisms, subject to application criteria including (see Appendix 4 for details):  
- Small Business Skills Training  
- Qld Industry Development Scheme  
- Regional Business Development Scheme  
- Leadership and Management Program  
- Firms in Difficulty  
- Community Training Partnerships  
- Community Responsive Training  
- Community Jobs Plan (Breaking Unemployment Cycle) | DSD (via IRP)  
(DET) | - Affected operators better able to make informed staffing decisions  
- Affected operators able to develop more effective business recovery plans | Post-shock:  
- Promote opportunities to industry/operators  
- Provision of seminars in affected regions  
- Access to IRP assistance & support mechanisms (short to medium-term) |
| Financial uncertainty for operators leading to potential staff redundancies | **If IRP activated** – Regional Tourism Immediate Response Groups (RTIRG) to meet within 48 hrs of IRP activation, to identify business, employment, training, vocational education, and other requirements/opportunities  
- DET to provide contracted coordinators in affected regions  
- **If IRP activated** – customise employment & training programs for affected regions and/or operators  
- **If IRP activated** - address the vocational education and training needs of retrenched workers (via Worker’s Assistance Program)  
- TQ to work with DET under the auspices of the IRP, to broaden assistance available under the WAP | TQ Destination Development, RTOs, TIRG representatives (via TIRG)  
DSD & DET (via TIRG)  
DET (via IRP)  
TQ Executive Director, Policy, Planning & Development | - Agencies better equipped to respond to operator/industry requirements at the local/regional level  
- Utilising existing/modified and newly identified programs (eg. WAP), DET able to provide vocational education and training to address employment and training issues of retrenched workers.  
- Affected operators better able to make informed staffing decisions (eg. maintain staffing levels V’s reduction in staffing) | Pre-shock:  
- Establish RTIRGs (April 2003)  
- Train RTIRG members regarding crisis plan and available schemes  
- TQ to work with DET to broaden WAP assistance (by June 2003) |
| Post-shock:  
- RTIRGs to meet within 48 hrs of IRP activation  
- Promote opportunities to industry/operators  
- Provision of vocational education & training (short to medium-term) | |
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<tr>
<th>IMPACT</th>
<th>ACTIONS/RESPONSES</th>
<th>GOVT AGENCIES &amp; OTHER CONTACTS</th>
<th>OUTCOMES</th>
<th>TIME FRAME FOR ACTIONS</th>
</tr>
</thead>
</table>
| Operators requiring financial assistance                            | **If IRP is activated** - provision of a Concessional Loan Scheme for eligible operators  
• *Tourism Emergency Assistance Scheme*                                                                                                         | QRAA (via TIRG) Phone: 1800 623 946 | - Short-term financial assistance allowing operators to more confidently plan for recovery  
- Qld Rural Adjustment Authority (QRAA) administered the Tourism Emergency Assistance Scheme in post Sept 11 period.  
- Loan application documents have been customised for tourism industry                                                                                 | Post-shock:  
- Seek activation of Scheme via TIRG  
- Promotion of *Tourism Emergency Assistance Scheme* to industry (short/medium/long-term)                                                           |
| Operators requiring business services support and/or                  | **If IRP is activated** - Government Agencies to direct existing programs towards assisting affected regions and/or industry operators              | State Development Employment and Training Primary Industries Local Government and Planning Families | - Affected operators better able to make informed staffing decisions  
- Affected operators able to develop more effective business recovery plans  
- Examples in the post Sept 11 period include TO's Make Time & Endless Summer campaigns & DSD assistance programs including:  
- Firms in Difficulty  
- Qld Industry Development Scheme  
- Regional Business Development Scheme  
- Leadership and Management Program                                                                                                                      | Post-shock:  
- Agencies to direct existing programs towards affected regions & operators (short to medium-term)                                             |


What to do in the Event of a Hurricane, Typhoon or Tornado

Emergency Preparations
In the event of a tropical storm warning, resort managers will have between a few hours to a couple of days to prepare for the onset of a major storm. This check sheet is designed to remind managers of the key elements they should address to prepare for a storm. It is not intended to replace detailed checklists developed by managers for their own facility. In some cases it may cover equipment not found at a particular resort. It serves merely as a model for use by management to develop their own site-specific checklists. In large facilities, managers may wish to create a separate and highly detailed checklist for each major element of this model, thus allowing staff to take all appropriate precautions, regardless of previous experience or training.

Activating the Management Team
Identify a person who will take on each of the following eight major responsibilities:

- Physical plant
- Emergency shelter coordination and supplies
- Communications
- Employee coordination
- Guest roster maintenance
- Evacuation coordination
- Travel assistance and transport coordination
- Security coordination

Physical Plant Preparations
Verify the status of:

- Emergency communications equipment, including radios and mobile telephones
- Fire protection systems
- Lightning protection systems
- Water-level monitoring systems
- Overflow detection devices
- Automatic shutoffs
- Emergency power generation systems
- Fuel supplies (top up if possible)
- Hazardous materials storage

Define Shutdown Conditions
Determine who can order shutdown of major physical plant elements (including evacuation).

Determine how a partial shutdown would affect other facility operations.

Verify the length of time required for shutdown and restarting.

Specify the conditions that could necessitate a shutdown and provide this information to the decision-maker in conjunction with information on what parts of the facility would be affected and the time needed to shut down and restart.

Determine who would carry out shutdown procedures.

Initiate shutdowns on command.

Preserve Vital Records
Secure vital records not needed during the emergency. Store computer tapes and disks in insulated and waterproof containers.

Back up computer systems.

Arrange for evacuation of records to back-up facilities.
Secure Outside Facilities
Move equipment to protected areas.

Move furniture inside buildings.

Remove banners, flags and vulnerable potted plants and artwork.

Relocate livestock and move pets to indoor facilities.

Secure materials to shutters or protect windows (2cm marine plywood).

Prepare Shelter Facilities (if appropriate)
Clear and organise large interior rooms for:
- Guest and employee occupation;
- Food, fuel and luggage storage;
- Food distribution;
- Sanitary needs (including infant changing and feeding); and
- Communications.

Provide for emergency heat, lighting and cooking.

Emergency shelter coordination and supplies
Determine for whom the facility will be used as an emergency shelter site (i.e. guests, employees, essential operational employees). Base action on the items below on this decision.

If the facility WILL NOT be a shelter, identify official shelters and evacuation sites and prepare directions to them.

If the facility WILL provide shelter, verify the accessibility and adequate provision of fuel, food, water, blankets, pillows and first aid supplies to the sheltered areas of the facility. Verify telephone and backup communication lines to civil authorities and emergency assistance.

Communications
Move communications equipment to the shelter space and test it to verify it works. This should include radios and, where possible, telephones and televisions. Battery operated radios and telephones should be included wherever possible.

Distribute portable short-range two-way radios to managers, coordinators, critical facility locations and security staff.

Establish back-up communications procedures which might include human messengers (runners).

Coordinate with civil authorities regarding facility intentions and status.

Establish a Message Board for posting announcements on the status of the storm, warnings, evacuation notices, travel advisories and telephone numbers for assistance and emergencies.

Copy and distribute check sheets and advisory notices for tourists and guests.

Employee Coordination
Identify and notify critical employees needed at the facility for preparation or maintenance and operation during the storm.

Provide check sheets and advisory notices to employees and their families.

Determine the need for employee sheltering and inform shelter coordinators.
Guest and Employee Roster
Provide a log for guest and employee sign-in and sign-out.
Prepare and maintain a roster of current employees and guests.

Establish a file in which to maintain data provided by guests about their home addresses, emergency family contacts and travel plans.

Upon evacuation, update the roster with information on departures and intended destinations.

Evacuation Coordination
Determine evacuation conditions for the various categories of tourists, guests, non-critical employees and critical employees.

Verify who makes the decision to evacuate the facility.

Determine and post the evacuation routes and destination points.

Establish notification procedures to announce an evacuation.

Upon the decision to evacuate, contact civil authorities on facility intentions and evacuation progress.

Travel Assistance
Identify commercial and emergency travel coordinators for airline, train and bus lines.

Announce the availability of emergency travel assistance.

Contact tour directors and determine transport requirements and the availability of any additional seats, if they have their own transport. Post the availability of such opportunities.

Security Coordination
Determine security requirements during emergency preparations, onset of the storm and immediately after the storm.

Establish when security resources should be brought to the facility and when they should be deployed.

Identify a coordination centre for security resources and supply it with appropriate emergency communications equipment.

Coordinate with communications in the event of security problems and the need for civil assistance.

What to do in the Event of a Hurricane, Typhoon or Tornado

Personal Safety
Regardless of any other responsibilities, all resort employees (especially managers) should take adequate steps for their own personal safety. The people who count should take adequate steps for their own personal safety. The people who count on you need you alive and well when the storm abates. Be sure to:

Stay indoors away from windows. Go to the designated shelter area. Do not be fooled if there is a lull, it could be the eye of the hurricane.

Leave a parked vehicle, trailer or temporary structure immediately and return to the resort shelter.

If in a car as the force of the storm begins to build, drive to the nearest shelter. Stay near your resort as the storm warning period expires. Once the storm force begins, do not drive.

Listen to the radio or television for information.

Whenever possible, exhibit a calm, confident manner. Advise patience and safety.
**Shelter Supervision**
As the storm warning period expires and the force of the storm begins to show, move all guests and personnel into sheltered areas of the resort.

Turn on radios and television so that everyone knows what is going on. Conserve battery-operated equipment for use when electrical service is interrupted.

Establish an area for people who want quiet space in which to rest. If the space is available, give those who wish it a room in which to meditate or pray.

Provide board games, cards and puzzles to children and parents.

Clearly label and staff a table or desk at which sheltered occupants can seek information or assistance.

Maintain a shelter roster and log-in/log-out books at exits. Advise strongly against anyone leaving the sheltered areas of the resort during the storm, especially during a calm likely to be associated with the eye of the storm.

Maintain the information bulletin board.

**What to do Immediately After a Hurricane**

Upon cessation of the storm, advise guests and non-critical employees to remain in the shelter for a few minutes until the safety of the grounds can be assessed and dangerous conditions can be identified and marked.

Conduct a search of the facility premises (outdoor and indoors) looking for:
- Injured peoples;
- Downed electrical and telephone lines;
- Broken gas, water or sewerage lines;
- Damaged structures, missing windows, walls, roofs, ceilings, or buildings that have moved off their foundations; and
- Fires, spilled hazardous substances, trapped gasses or volatile substances, and other immediate dangers.

Once security staff have assessed the resort grounds and reported dangerous areas, announce areas, buildings and rooms to avoid and ask the employees and guests to take the following precautions:

Stay away from areas marked by security as closed or off-limits as there are dangerous conditions there.

Look out for broken glass and downed power lines.

Report injured people to the shelter assistance desk or other appropriate contact point (front desk). Do not attempt to move seriously Injured persons unless they are in immediate danger of death or further injury.

Stay away from damaged areas in the community unless authorities ask for your help.

Drive only when necessary until streets have been cleared and civil authorities announce the integrity of bridges and causeways.

Stay away from beaches, river banks and streams until potential flooding and storm surf have subsided.

Use great caution when entering damaged buildings and rooms. Be sure that walls, ceilings and roofs are in place and that structures rest firmly on their foundations. Beware of snakes and vermin that may have been dislodged by the storm.

Inform authorities of power, water or sewerage line outages.

Post where to get emergency medical assistance at the resort or elsewhere within the community. Convert space, as necessary, to offer medical assistance.
Record all damage (video cameras can be very useful in this regard).

Determine the status of electrical and fuel supplies and whether restart of equipment can be accomplished safely. Restart only critical equipment so as not to overload potentially compromised electrical supplies.

Verify the safety of restarts, especially when utility lines may service damaged buildings and thus create fire and explosion potential.

Assess facility capacities and the need for relocation of some or all guests. If relocation is necessary, initiate contact with civil authorities and alternative resort managers who may be able to accept guests. Be prepared to advise incoming guests of facility conditions. (See the section on relaunching tourism after a disaster.)

Routinely post notices of important information, especially on the status and location of your guests.

Inform employees of the resort status, how the resort can help their families and when they should return to work or go home.
APPENDIX F: THE TOURISM RESPONSE TO SEPTEMBER 11

The WTO reports that most of the actions taken after September 11 were immediate short-term responses targeted specifically at damaged sectors to save companies from bankruptcy. The following details were compiled by the Queensland Tourism Industry Council (2002) for the benefit of its industry members.

Australia

- The Federal Government introduced a $5 million Holiday Incentive Program to encourage Australians to take a domestic holiday (this program has now closed). The program provided a rebate of $150 per booking for people booking a domestic holiday through a licensed travel agent.
- The ‘Tourism Industry Working Group’ was set up by the Prime Minister on 20 September 2001 to assess the impacts of the terrorist attacks in the United States and the Ansett Airlines collapse. The group conducted research to assist in the development of potential options and strategies. The research included surveys of tourism businesses throughout Australia, an economic impact assessment on the Australian economy and consultations with more than 1000 members of the industry in regional areas of significance to tourism.
- Multi-million dollar domestic tourism campaigns by the Queensland State Government to convince Australians to come to Queensland.

Britain

- The events of September 11 and the foot and mouth crisis have cost the British tourism industry more than £2.5 billion.
- The British Tourism Authority plan to launch a ‘Come Back to Britain’ campaign in America in 2003.
- In January 2002, BTA launched the £5million ‘UK OK’ initiative to boost the number of visitors from overseas coming to Britain in 2002 and beyond.
- Resulting from the largest private and public sector partnership in the industry’s history, ‘Only in Britain. Only in 2002.’ aimed to attract one million extra visitors to the UK in 2002.
- British Tourism Authority invites over 70 tour operators to boost American visitors.

New Zealand

- Following September 11 New Zealand launched a campaign targeting their key markets of Australia, the USA, UK and Japan in an attempt to promote the country as a safe destination through newspaper campaigns, direct marketing and international media visits.

Japan

- The Japanese government will offer interest free loans to travel agents in Okinawa which have been particularly badly hit due to the location of large US military bases there.

Greece

- Reduction of airport taxes.

France

- A series of social and fiscal measures to support the tourism sector including delaying the payment of taxes and social security for small companies for 3 months.
- Research funding for a new ‘French consumer confidence monitor’.

Mexico

- Dependent on the United States for 85% of tourist arrivals.
- Sales tax on conventions have been eliminated.
- The promotion budget has been increased by 50% through a new public-private consortium.
- A domestic awareness campaign of the relevance of tourism to Mexico.

Argentina

- Cutting taxes on tourism businesses.
- Refocussing promotional campaigns towards domestic tourism.
- Upgrading the National Tourism Administration to Ministerial level due to the recognition of its importance to the country.
Caribbean
- Member nations of the Caribbean Tourism Organization (CTO) have implemented an emergency joint marketing, promotion and public relations campaign with a US$18 million overseas promotion of “Great Places of the Caribbean”.
- More emphasis is been placed on niche markets- with discounts for the transport of diving and golf equipment and special deals for weddings and honeymoons.

Mediterranean
- Implementation of public-private partnerships which have proven to be very effective and the promotional campaigns had been very successful in stimulating the market.

Spain
- An increase of 8.1% in the country’s promotional budget.

Belgium
- The European Union approved a loan of $125 million to Sabena as the airline’s insolvency would affect 12,000 jobs directly and 40,000 indirectly.

Switzerland
- The Swiss government intervened to find a solution for the country’s national airline industry, following the collapse of Swissair.

Dominican Republic
- An extra US$25 million for overseas promotion on top of the US$38 million which they already had available.

Egypt
- 33 million euro to subsidize charter flights into the country to ensure that tour operators do not reduce seat capacity. Payments will be made from the fund to the agent of the charter company, with the Egyptian government bearing the cost of empty seats up to 30% of the aircraft’s capacity.
- An intensive communication effort has also been launched to keep consumers informed about what is happening.
- The Egyptian Tourist Office is recording for use in travel agencies interviews with returning visitors emphasising how trouble-free their stay in Egypt has been.
- Successful promotional campaigns in Eastern Europe and Russia. Its success has been attributed to the fact that the Russians have a different perception of risk than the traditional European markets.
- Delayed tariffs for museums.

Jordan
- Have implemented successful promotional campaigns for pilgrimage packages in the Arab countries.
- Reduced fees for museums.

Turkey
- Successful marketing campaign in China.
- Turkey’s market performed above the market rate due to a quick response from the industry offering good quality products at competitive prices.

Tunisia
- Tour operators established emergency procedures and 24-hour customer service to reassure customers and make them regain confidence in travelling to the destination.

India
- India and Mauritius will jointly promote bilateral tour packages.

Central America
- Central American countries will market together using a common brand.
- Target niche markets by strengthening its eco-tourism focus.
United States

- A US$15 billion assistance for the airline industry.
- A US$20 million TV advertising campaign.
- The Travel Industry Association of America has brought together 3000 tourism industry executives from 26 sub-sectors of the US industry to formulate a legislative package that includes low-interest loans for businesses, tax credits for personal travel, and the formation of a government Tourism Policy Council.
- The US government provided a tax credit of $US500 per person for personal travel expenses for travel originating in and within the United States up until the 31st of December.
- Travel Industry Association of America implemented research funding for surveys on perceptions of travel safety and travel intentions.
- Individual US states have joined together to promote the US as a single entity under a SeeAmerica banner. The Visit USA Association and the Travel Industry Association of America have persuaded the states to back a single advertising campaign for the US, even though in the past they have normally preferred to go it alone.

Alaska

- A 28-member committee developed and charged with implementing the Alaska Tourism Industry Recovery Plan. The committee believes $12.5 million is needed to halt the loss of market share.
- Television, newspaper, direct mail, online, and public relations campaigns. As well as website development, TV advertorial, research, travel trade training and an instate travel campaign.
- Some of the key initiatives include:
  - Marketing campaigns to elevate interest in visiting Alaska;
  - Persuading people not to postpone or cancel their travel plans to Alaska; and
  - Entice Americans to holiday at home.

Industry Associations

World Tourism Organization

- Implemented a ‘Tourism Crisis/Recovery Committee’ to provide leadership and guidance to the industry after the terrorist attacks with membership comprising of the tourism ministers from 21 of the most affected countries and 15 heads of private sector companies and associations. The strategy also consisted of issuing positive messages about the resilience of the tourism industry and how business was continuing as usual in many places and improving in many niche markets e.g. rural tourism and the European Ski Season.
- Strategies for overcoming the crisis: Building confidence through security, communications and promotion.

World Travel and Tourism Council

- A short term promotional strategy was implemented with three key messages: promote the implementation of enhanced security measures, encourage people to travel and underline the importance of ensuring that travel and tourism is sustainable.
- Encouraging industry and governments worldwide to work together.
- Launched a promotional campaign through magazines.
- Development of a ‘global coalition’ for the travel and tourism industry between the WTTC and more than 20 of the world’s leading travel and tourism associations.

National Tour Association- United States

Objectives of the Crisis Recovery Public Relations Plan

- To encourage the travel industry and government to work together to ensure that travel is safe and secure.
- To rebuild consumer confidence in travel to and within the United States.
- Objective 1- Ensuring the safety and security of travel by supporting federal government efforts and regulations in relation to airport and airline security.
- Objective 2- Rebuilding confidence among travellers
  - Promotional campaigns/ Customer communication
    - NTA will be involved in an industry-wide promotional campaign along with other leading travel associations to summarise, on a national level the steps that the travel industry and federal government are taking to ensure that travel is safe and secure.
• NTA members should: communicate with their customers the steps they are taking to promote safety and security; at an organizational level focus on tightening security on tours and at destinations and attractions; consider holding discussions with your tour groups to discuss travel safety in an attempt to ease fears.

- Public/ Media Relations
  • Industry wide public relations campaigns at a national, regional and local level through radio and television shows.
  • Members are encouraged to develop a local or individual campaign for their business through radio, TV and print media.

- Members are encouraged to initiate and participate in member-to-member partnering opportunities, such as:
  • Tour operators who have experienced cancellations on a tour may partner with other tour operators who can provide customers so that the entire tour will not be cancelled;
  • Multiple members may come together to create a tour that they would not be able to operate by themselves.

- Research
  • NTA is conducting member surveys to assess the impact of September 11 on the business operations of its members, particularly the economic impact of cancellations
  • The NTA is working with a number of organizations including:
    • Federal government for recovery packages for the industry;
    • The Travel Industry Association of America for an overall travel industry initiative;
    • American Bus Association, United States Tour Operators Association and United States Motorcoach Association in terms of developing packaged travel initiatives.

Pacific Asia Travel Association
• PATA engaged STRATFOR, a strategic forecasting organization, to prepare a range of scenarios for the post-September 11 outlook for travel and tourism in East Asia and the Pacific.

International Airline Pilots Association
• Authorised boycotts of countries that promote terrorism or who fail to provide adequate security.

Travel Security Policy Council
• The formation of government leaders and travel industry executives who support a number of activities including the compilation of statistics on economic losses from terrorism and an information clearing house.

The American Society of Travel Agents
• Has formed a task force to study the effects of terrorism on the tourism industry and to determine what realistic steps can be taken to improve safety and alleviate public concern.

Cornell School of Hotel Administration and The Centre for Hospitality Research at Cornell University
• Conducted surveys with over 1200 general managers of companies in the US to gauge their reactions to September 11 and what they anticipate the future will bring.
consequence: The outcome of an event expressed qualitatively or quantitatively, being a loss, injury, disadvantage or gain. There may be a range of possible outcomes associated with an event.
cost: Of activities, both direct and indirect, involving any negative impact, including money, time, labour, disruption, goodwill, political and intangible losses.
crisis: Any situation that has the potential to affect long-term confidence in an organization or a product, or which may interfere with its ability to continue operating normally.
disaster: A catastrophic event that severely disrupts the fabric of a community and requires the intervention of the various levels of government to return the community to normality.
emergency: Any occurrence which could threaten the safety or security of people, cause major damage to property or equipment, significantly disrupt activities, expose an organization to adverse publicity and/or results in a claim against the organization.
event: An incident or situation, which occurs in a particular place during a particular interval of time.
hazard: A source of potential harm or a situation with a potential to cause loss.
incident: An occurrence that is having (or is likely to have) a significant adverse impact on your business and/or the business of others.
issue: A known problem or concern with the potential to become an incident and/or crisis.
likelihood: Used as a qualitative description of probability or frequency.
loss: Any negative consequence, financial or otherwise.
organization: A company, firm, enterprise or association, or other legal entity or part thereof, whether incorporated or not, public or private, that has its own function(s) and administration.
risk: The chance of something happening that will have an impact upon objectives. It is measured in terms of consequences and likelihood.
risk acceptance: An informed decision to accept the consequences and the likelihood of a particular risk.
risk analysis: A systematic use of available information to determine how often specified events may occur and the magnitude of their consequences.
risk avoidance: An informed decision not to become involved in a risk situation.
risk management: An iterative process consisting of well-defined steps which, taken in sequence, support better decision-making by contributing a greater insight into risks and their impacts. The risk management process can be applied to any situation where an undesired or unexpected outcome could be significant or where opportunities are identified.
risk management process: The systematic application of management policies, procedures and practices to the tasks of establishing the context, identifying, analysing, evaluating, treating, monitoring and communicating risk.
stakeholder: Any external element that contributes to or may influence the success of operations/ business (partners, service providers, regulators, customers, consumers, etc).
AICST was established in mid 2002 by the APEC Tourism Working Group and the Tourism Ministers of the 21 economies of APEC. Its role is to identify and research the major issues that are likely to impact on tourism in the Asia Pacific region in the next 10-15 years. AICST is a cooperative organisation of Economies, Universities, and the Tourism Industry. From its research projects, it aims to deliver high quality information to guide Government policy development and Industry decision making to enable tourism to grow sustainably and to deliver positive outcomes for Economies, Communities, Visitors and Tourism Industry Operators.

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