

Reopening of borders: Challenges and expectations of the tourism industry

With Mauritius set to re-open its borders from October 2021, Nilen Vencadasmy, Chairman of the MTPA, tells us what this momentous milestone means for the tourism industry, which serves as a major driver for the development of the economy and the local community of the island nation

In the history of the tourism industry in Mauritius, the stakes have never been higher than for the October 2021 reopening of our borders. The stakes are as high as the hopes of all the stakeholders of the sector, from the biggest hoteliers to the villa rental operators, the beach hawkers, skippers, taxi drivers, restaurant owners, street food vendors – as high as the importance of that recovery for the country as a whole.

Indeed, under the impetus of the public and private sectors, our tourism industry has been a major driver for the development of our country and of local communities. It has, obviously, been a vital source of foreign currency. But it has also continuously improved the reality of local businesses because

they are part of the supply chain for the tourism sector. Our industry has also been a regular creator of employment, including for women and the local youth.

The latest data shows that forward bookings as from 1st October, the date of our grand opening to the world, are encouraging – although it is too soon to draw any significant conclusions. We remain nonetheless cautiously confident for our forthcoming high season.

Strong response to pandemic and high vaccination rates

Health being a key travel criteria nowadays, the fact that Mauritius has a strong management of the

pandemic remains a solid lever for our way forward. Praised as one of the best responses to the pandemic on an international scale, observations show that the country's relatively low COVID-19 figures in the last 18 months and our relatively high vaccination rates are, in fact, in line with two of the main reasons why travellers would choose a destination over another.

At the time that I am writing these lines (19th August 2021), 667,063 people have been fully vaccinated in Mauritius, and 772,097 others have received a first dose. We are currently averaging more than 10,000 doses administered daily. Moreover, the government has started administering the approved single dose vaccine. At that rate, it will take less than one month to get 60% of the population fully vaccinated. There is thus, absolutely no doubt that we will attain herd immunity by the time we reopen. Over and above this, we have fine-tuned our contact tracing mechanism, which remains a crucial element of COVID-19 management at a national level.

Expectations of tourist footfalls and revenue figures

After in-depth consultations with experts and stakeholders of the industry and analysis of the data in relation to global travel trends, we expect 650,000 tourists' arrivals during the next 12 months following the reopening. We believe that this is achievable given the strong public-private partnership now in place in the industry and all tourism stakeholders are gearing up for this objective to be attained.

The strong probability in favour of our expectations has been confirmed by experts through various studies, such as a recent one done by a specialised local research firm (AXYS Research). According to this study, during the 15 months following the reopening, the sector could target revenues between Rs 28 and Rs 41 billion. More realistically, our maximum revenue for this period should rise to Rs 32 billion. This is not much compared to the pre-COVID economic input of the tourism industry, but it would still be a solid start on which to build upon.

Again, we remain, however, not overly optimistic, and do not expect a speedy recovery of our tourism industry, as aligned with most of the industry specialists locally and worldwide. Indeed, McKinsey has predicted, in a recent study, that the world's leisure travellers won't get back to pre-pandemic figures before 2024. In Mauritius, if everything goes according to plan, it is estimated that we could get

back to the pre-pandemic results within the next three years.

The four pillars for the tourism industry to bounce back

Through consultations between public and private operators, four important steps emerged as crucial for Mauritius: improving traveller confidence in the destination; understanding and following new market trends and demand drivers; availability of air transport; and, from a longer-term perspective, the commitment to build a more resilient and inclusive tourism sector in the face of rising sustainability. These are in line with international trends for the relaunch of this sector around the world. And those factors are what we have been working upon during the past year.

For several months now, both our public and private sectors have been working hand-in-hand to define a relevant strategy for the relaunch of the industry based on these pillars. Our country has so much to give to visitors. Our beaches and lagoons remain the obvious crowd pullers, but there is so much more to discover. Being in the midst of an international health crisis, we have further improved the country's health security and fine-tuned health protocols. We have understood the value of strict health protocols and this has percolated into our phased reopening strategy which aims at protecting both visitors and local populations. Together with our prudent reopening approach, Mauritius also has the relevant infrastructure, including the requisite health facilities, which few independent island nations can boast of.

The way forward for a tourism and travel revival

Resilience in our sector also stems from the priority given to sustainability and inclusiveness in the tourism sector's ecosystem. The shift towards even more sustainable tourism is taking place as a joint effort where responsibility does not rest solely on the shoulders of the traveller. The local industry already offered attractive sustainable choices, but the pandemic has prompted both the organic and was already offering structured growth of more initiatives.

All in all, the key word for a renewal of the industry is definitely "adaptability". Added to this, innovation and collaboration are key to the recovery of tourism and travel. While the pandemic is far from over, we have been planning not only for a new normal, but for a better one.



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