



**PACIFIC TOURISM
ORGANISATION**

ANNUAL REPORT 2021

A full-page background image showing a person swinging on a rope over a body of water. The rope is attached to a tree branch on the right. Another person is sitting on a higher branch of the same tree. The sky is blue and the water is calm.

VISION

OUR PACIFIC ISLANDS EMPOWERED AND
BENEFITTING FROM SUSTAINABLE TOURISM

MISSION

SUSTAINABLE TOURISM DEVELOPMENT
THROUGH INNOVATIVE PARTNERSHIPS



Contents

Chairperson's Message	4
Chief Executive Officer's Message	6
Board of Directors 2020	10
Acronyms	12
Executive Office	13
Marketing Division	19
Sustainable Tourism & Research Division	29
Finance and Corporate Services Division	37
Financial Statements	41

Chairperson's Message

Talofa Lava



Looking back on 2021, much of the Pacific continued to experience the impacts of the pandemic through strict travel restrictions or complete border closures, national lockdowns and serious outbreaks of COVID-19 in some of our islands. This has had serious and unprecedented implications on the Pacific tourism industry. However, this period has also provided us with a collective opportunity to reset and re-strategize towards a more sustainable and resilient Pacific tourism industry.

On that note, despite the obvious challenges SPTO has continued to deliver key outcomes under the three key strategic priorities recognized in the [SPTO Strategic Plan 2020-2024](#):

1. Marketing the Region
2. Sustainable Tourism Planning and Development
3. Research and Statistics

Importantly, SPTO continued its partnership with NZMFAT Partnership, building on the successful completion of Phase 1, which focused on organisational development and COVID-19 tourism recovery. In October 2021, SPTO and NZMFAT signed the Grant Funding Arrangement (GFA) for Phase 2 which will focus on Pacific Digital Tourism Transformation.

Moreover, SPTO's Board of Directors and Council of Tourism Ministers continued to meet virtually and endorsed the following key strategies:

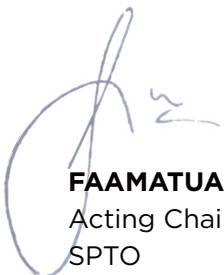
- [SPTO Strategic Plan 2020-2024](#)
- [Pacific Sustainable Tourism Policy Framework](#)
- [Pacific Tourism Statistics Strategy](#)
- [Digital Strategy Framework](#)

These strategies and important partnerships will essentially drive SPTO's efforts in leading the regional recovery of Pacific Tourism. As you will note in this report, 2021 saw the strengthening of existing partnerships and forging of new partnerships so as to deliver innovative and collaborative outcomes for the benefit of SPTO's diverse membership. This has been done in recognition of the need to work cooperatively to achieve a more inclusive,

equitable and sustainable industry for the benefit of our Pacific people.

Finally, I must take this opportunity to acknowledge the efforts of our former Board Chairman Mr. Halatoa Fua. Throughout 2021 Halatoa led instrumental changes within SPTO, assisting in the digital transformation of the organisation and the pivot to sustainable tourism development. Moreover, Halatoa's strategic foresight was critical in securing NZMFAT support which has continued via Phase 2 - The Pacific Digital Tourism Transformation Project. The SPTO family wish him well in all future endeavors.

Moreover, on behalf of the SPTO Board of Directors I would like to thank all of our stakeholders and development partners for their ongoing support as well as the SPTO CEO and team for their resilience, conscientious efforts and achievements in 2021. May 2022 be a promising year for us all.



FAAMATUAINU SUIFUA
Acting Chairperson,
SPTO

Chief Executive Officer's Message

Warm Pacific Greetings



2021 saw the global pandemic take centre stage for the second time yet. For many of us here in the Pacific that meant working remotely and fully embracing the world of virtual meetings. This merging of personal and professional spaces has certainly been challenging, but I strongly believe it pushed boundaries for each of us and ensured a greater degree of resilience for future shocks.

On the global front, ongoing impacts of the pandemic took its toll on the travel and tourism industry and the Pacific tourism sector was no exception. However, I am positive that the challenges we have endured will serve us well on this next leg of the journey, as we prepare to welcome the world back to our Blue Pacific.

As with the rest of the world SPTO has undergone a huge digital transformation, which we see as being more important than ever in our current climate. The digital landscape in the Pacific is rapidly evolving and rightly so, as we seek to keep pace with global trends. SPTO's Board of Directors and Council of Tourism Ministers continued to meet virtually. In 2021, this occurred on three separate occasions; 26th–27th May, 27th October, and 28th October respectively. Key outcomes from these meetings included:

- Election of Mr. Faamatuainu Suifua as Deputy Chairman of the Board of Directors
- Election of Hon. Patrick Arioka as Chairman of SPTO Council of Tourism Ministers.
- The Council of Tourism Ministers also endorsed the following strategies:
 - Revised [Strategic Plan 2020–2024](#)
 - [Pacific Sustainable Tourism Policy Framework 2021–2030](#) (PSTPF)
 - [Pacific Tourism Statistics Strategy 2021–2030](#) (PTSS)
 - [SPTO Digital Strategy 2021–2025](#)
 - Digital Marketing Strategy 2021–2025
 - SPTO Finance Strategy 2022–2024
 - Approval of 2022 AWP, budget and procurement plan
 - Commitment to the Pacific Leader's Sustainable Tourism Statement of Commitment
 - Approval of three-year work plans for the PSTPF and PTSS
 - Approval of revised SPTO organisation structure
 - Approval and launch of SPTO Knowledge Hub
 - Endorsement of HR Policy Review 2020

Despite the challenging environment created by the pandemic, SPTO continued to initiate and influence a range of key activities and forums which included the following:

SPTO COVID-19 Crisis Management and Response

- Micro-Credentials Project for the Tourism Sector
- SPTO Jobs Link Website
- Republic of Korea - Pacific Cooperation Tourism Recovery Project
- Sustainable tourism commitments
 - Global Sustainable Tourism Commitment - Launch of Glasgow Declaration on Climate Action in Tourism at COP 26
 - Pacific Sustainable Tourism Commitment
- COVID Economic Recovery Taskforce (CERT) Meetings
- Private Sector Development Initiative Phase IV (PSDI IV)
- SPTO Crisis Management Sub Committee
- SPTO SME Recovery Toolkit
- Revised Strategic Plan

SPTO Regional and International Advocacy Initiative

SPTO participated in a number of virtual and hybrid meetings, some of which are noted below:

Regional:

- 10th Polynesian Leaders Group
- 51st CROP Heads Meeting
- 52nd CROP Heads Meeting
- 53rd CROP Heads Meeting

- Regional Aviation Ministers Meeting
- Forum Trade Officials Meeting
- Forum Economic Officials Meeting
- Forum Trade and Economic Ministers Meeting
- 51st Pacific Islands Forum Meeting
- PACP Officials and Leaders Meeting
- Kiribati Tourism Restart Forum
- Pacific Islands Tourism Research Symposium

International:

- United Nations Pacific Unite Virtual Concert
- Organisation of African Caribbean and Pacific States (OACPS) Webinar – Jointly Addressing the Challenges of the COVID-19 Pandemic on the Tourism Industry of the members of the OACPs
- UNWTO Workshop on Sustainable Tourism Product Development in the Pacific Islands
- Commonwealth Tourism Seminar
- Pacific Economic Cooperation Council
- 7th Annual Global Multi- Stakeholder Dialogue on SIDS Partnership
- Master Card Virtual Digital Safari
- Glasgow Declaration
- CAPA Live
- 2nd Pacific Exposition 2021
- Korea Pacific SDG Forum



Key Strategic Partnerships

Throughout 2021 SPTO renewed and strengthened relationships with many key partners, donors and stakeholders. In relation to supporting projects and activities for the benefit of members. These key partnerships and included:

- New Zealand Ministry of Foreign Affairs and Trade
- Private Sector Development Initiative
- The Ministry of Foreign Affairs, Republic of Korea
- Ministry of Culture and Tourism of China

- Pacific Islands Forum Secretariat
- New Zealand Maori Tourism
- United Nations Development Programme
- Embassy of the People's Republic of China in Fiji
- SIDS Tourism Organisations Partnership

MOUs Signed:

- Destination Mekong
- ForwardKeys
- MasterCard
- Small Islands Developing States Tourism Organisation Partnership
- The Pacific Community

In moving forward SPTO recognizes that the post- pandemic world will require a different approach to tourism, encompassing:

- Responsible Recovery
- Regional Leadership & Cooperation
- Digital transformation
- Country Solutions
- Global and regional cooperation
- Integrated Approach
- Commitment to Measuring Sustainability
- Sustainable Financing from development partners

The experiences of 2021 have made our Pacific tourism community stronger and more equipped to take on the challenges of the future. Pacific Islanders are resilient people who have weathered many storms, so let us continue to work together to rebuild an industry which serves our region and all of her people.

In closing, I would like to take this opportunity to acknowledge, with deep appreciation, the ongoing support from all of SPTO's partners, the former SPTO Chair, Mr. Halatoa Fua, the SPTO Board of Directors and the hard-working team here at the secretariat in Suva. Without your valuable support and contributions we would not have been able to produce the aforementioned results in 2021. Thank you and I look forward to working with you all in the coming year and beyond.

Ofa Atua



CHRISTOPHER COCKER

Chief Executive Officer,
SPTO

Board of Directors 2021



Faamatuainu Suifua
ACTING CHAIRPERSON
Samoa

(appointed November 2021)



Halatoa Fua
CHAIRPERSON
Cook Islands

(resigned November 2021)



Christopher Cocker
CHIEF EXECUTIVE
OFFICER



Minnie Tuia
American Samoa



Xi Lin
China



Yolinda Chan
Fiji



Gina Bunton
French Polynesia



Elina Akinanga
Federated States of
Micronesia



Petero Manufolau
Kiribati



Bernard Grundler
Nauru



Sandrine Bellier
New Caledonia



Micah Fuhiniu
Viviani
Niue



Francis Carlos
Domnick
Republic of Marshall Islands



Eric Mossman
Uvovo
Papua New Guinea



Josefa Tuamoto
Solomon Islands
(til September 2021)



Fiona Teama
Solomon Islands
(from October 2021)



Dagnal Dereveke
Solomon Islands
(from October 2021)



Jelino Soares
Timor Leste



Mika Perez
Tokelau



Sione Finau Moala
Tonga



Silaati Filiake
Tuvalu



Adela Issachar Aru
Vanuatu



Marion Kualoa
Wallis & Futuna



Edmund Paoa
Rapa Nui



Brian Kirsch
Fiji Hotel & Tourism Association
Fiji



Robert Skews
Turama Pacific
Cook Islands



Bud Gilroy
Tahiti Yacht Agents
French Polynesia



Akuila Batiweti
Fiji Airways
Fiji



Ali Serhan
Warwick Le Lagon
Resort & Spa
Vanuatu

Acronyms

ADB	Asian Development Bank	PARIS21	The Partnership in Statistics for Development in the 21 st Century
APTC	Australia Pacific Training Coalition	PIC	Pacific Island Country
ASEAN	Association of Southeast Asian Nations	PIFS	Pacific Islands Forum Secretariat
ASEANTA	Association of Southeast Asian Nations Tourism Association	PITRS	Pacific Islands Tourism Research Symposium
ATC	African Tourism Council	PSDI	Private Sector Development Initiative
AWP	Annual Work Plan	PSTPF	Pacific Sustainable Tourism Policy Framework 2021-2030
BOD	Board of Directors	PTSS	Pacific Tourism Statistics Strategy
CEO	Chief Executive Officer	PTWAI	Pacific Tourism Waste Action Initiative
CERT	COVID Economy Recovery Taskforce	PWC	PricewaterhouseCoopers
CMS	Content Management System	RoK	Republic of Korea
COP26	26 th UN Climate Change Conference of the Parties	RTRC	Regional Tourism Resource Centre
COTM	Council of Tourism Ministers	SDG	Sustainable Development Goal
COVID-19	Coronavirus Disease 2019	SIDS	Small Islands Developing States
CROP	Council of Regional Organisations of the Pacific	SIS	Small Island States
CTO	Caribbean Tourism Organisation	SME	Small and Medium Enterprises
EDM	Electronic Direct Mail	SPC	The Pacific Community
EO	Executive Office	SPCA	South Pacific Cruise Alliance
EOI	Expression of Interest	SPTO	Pacific Tourism Organisation
FHTA	Fiji Hotel and Tourism Association	TTPP	Trade, Investment and Tourism Promotion Project
FNPF	Fiji National Provident Fund	UN	United Nations
FRCS	Fiji Revenue and Customs Services	UNCDF	United Nations Capital Development Fund
IOTO	Indian Ocean Tourism Organisation	UNDP	United Nations Development Programme
ITB	Internationale Tourismus Börse	UNESCO	United Nations Educational, Scientific and Cultural Organization
KOIMA	Korean Importers Association	UNOHRLLS	United Nations Office of the High Representative for the Least Developed Countries, Landlocked Developing Countries and Small Island Developing States
LGBTQI	Lesbian, Gay, Bisexual, Trans, Queer and Intersex	UNWTO	United Nations World Tourism Organisation
MCT	Ministry of Culture and Tourism of China	US/USA	United States of America
MOU	Memorandum of Understanding	USP	University of the South Pacific
MSME	Micro, Small and Medium Enterprises		
NTO	National Tourism Organisation		
NZ	New Zealand		
NZMFAT	New Zealand Ministry of Foreign Affairs and Trade		
OACPS	Organisation of African Caribbean and Pacific States		



Executive Office

The Executive Office (EO) is responsible for the overall strategic leadership and management of SPTO's programmes and activities.

In 2021, the EO continued to lead the organisation in progressing partnerships and activities centred on the three strategic priority areas of – marketing the region, sustainable tourism planning and development and research and statistics.

MAJOR DIVISIONAL ACHIEVEMENTS FOR 2021

SPTO COVID-19 Crisis Management and Response

The following key initiatives progressed SPTO's commitment to supporting Pacific Tourism's recovery through effective COVID-19 response initiatives:

- **COVID Economic Recovery Taskforce (CERT) Meetings**
CERT recognized tourism as an important sector impacted by COVID-19 and key issues discussed and pursued by the taskforce included border reopening measures and the establishment of a Pacific bubble
- **PSDI IV**
SPTO continued to work with ADB's Tourism Consultant to finalize preparations for PSDI IV which will focus on tourism, with a particular focus on recovery from the impacts of COVID-19. Stemming from this, the Executive Office facilitated arrangements for members to meet with the PSDI team to discuss potential for support in areas such as border reopening preparations and recovery plans.
- **Crisis Management Sub Committee**
In recognition of PSDI's identification of crisis management as one of the four key areas of the tourism workplan, the SPTO Board of Directors approved the establishment of a Crisis Management Sub Committee. It is envisaged that the Sub Committee will provide high-level support and advice to SPTO prior to, during and post crises.

- **SPTO SME Recovery Toolkit**
The SPTO SME Recovery Toolkit was launched in October 2021, with the aim of assisting tourism SMEs to adapt, rebuild and recover from COVID-19.
- **Revised Strategic Plan**
As the Executive Office progressed the implementation of the NZMFAT funded "SPTO Organisational Development & COVID Tourism Recovery Programme" it recognized the need for a review of the SPTO Strategic Plan, so as to ensure responsiveness to the impacts of COVID-19 and alignment to divisional annual work plans and so forth. The SPTO Board of Directors approved the revised [SPTO Strategic Plan 2020-2024](#) in May, 2021

Outcome: Enhanced strategic leadership and management

Under the leadership of the Executive Office, SPTO's human capital management was enhanced through a series of staff training and awareness sessions which included:

- **7 Habits of Highly Effective People**
With the aim of equipping staff with the skills and resources to work more effectively this training was conducted for all SPTO with subsequent divisional sessions throughout the first quarter.

Moreover, in order to ensure familiarity with the newly developed policies and frameworks under phase 2, the following staff training sessions were organized:

- Risk & Compliance
- Performance Management

- Procurement
- Monitoring, Evaluation and Learning

A staff retreat was organized in Quarter 4 to facilitate a strategic planning and performance management session. This was followed by the SPTO annual Christmas function for staff and their families.

Further to the above, the CEO and Chairman met on a weekly basis throughout 2021 to discuss and manage key strategic issues for the benefit of the organisation and its membership

Outcome: Strengthened governance and reporting

Due to the ongoing impacts of the COVID-19 pandemic, SPTO's Board of Directors and Council of Tourism Ministers met virtually as follows:

- Board of Directors Meeting: 26th and 27th May
- Board of Directors Meeting: 27th October
- Council of Tourism Ministers Meeting: 28th October

Key outcomes of these meetings included:

- Election of Mr. Faamatuainu Suifua as Deputy Chairman of the Board of Directors
- Election of Hon. Patrick Arioka as the Chairman of the SPTO Council of Tourism Ministers.
- COTM endorsement of the following strategies:
 - Revised Strategic Plan 2020-2024
 - Pacific Sustainable Tourism Policy

Framework 2021-2030 (PSTPF)

- Pacific Tourism Statistics Strategy 2021-2030 (PTSS)
- SPTO Digital Strategy Framework 2021-2025
- Digital Marketing Strategy 2021-2025
- SPTO Finance Strategy 2022-2024
- Approval of the 2022 AWP, budget and procurement plan
- Commitment to the Pacific Leader's Sustainable Tourism Statement of Commitment
- Approval of the three year work plans for the PSTPF and PTSS
- Approval of the revised SPTO organisation structure
- Approval and launch of the SPTO Knowledge Hub
- Endorsement of the HR Policy Review 2020

The reporting and monitoring of the organisations performance was ensured via the following reporting mechanisms:

- CEO monthly updates to the Board
- Chairman's monthly Board Bulletins
- Quarterly Divisional Reports
- Quarterly Board Sub Committee Meetings
- Divisional Annual Work Plans

Under phase 1 of the SPTO Capacity Building and COVID-19 Tourism Recovery Programme, funded by the New Zealand Ministry of Foreign Affairs and Trade (NZMFAT), the following SPTO policies and frameworks were strengthened or newly developed:

- Human Resources Policies and Procedures

- Monitoring, Evaluation and Learning Policy and Framework
- Occupational Health and Safety Policy
- Performance Management System
- Procurement Policy
- Risk and Compliance Policy and Framework

These policies and frameworks will ensure that SPTO is a well governed, transparent, accountable and legally compliant organisation.

Outcome: Increased advocacy and engagement

The SPTO Executive division participated in a number of virtual and hybrid meetings, some of which are noted below:

Regional

- 10th Polynesian Leaders Group
- 51st CROP Heads Meeting
- 52nd CROP Heads Meeting
- 53rd CROP Heads Meeting
- Regional Aviation Ministers Meeting
- Forum Trade Officials Meeting
- Forum Economic Officials Meeting
- Forum Trade and Economic Ministers Meeting
- 51st Pacific Islands Forum Meeting
- PACP Officials and Leaders Meeting
- Kiribati Tourism Restart Forum

International

- United Nations Pacific Unite Virtual Concert
- Organisation of African Caribbean and Pacific States (OACPS) Webinar –

Jointly Addressing the Challenges of the COVID-19 Pandemic on the Tourism Industry of the members of the OACPs

- UNWTO Workshop on Sustainable Tourism Product Development in the Pacific Islands
- Commonwealth Tourism Seminar
- Pacific Economic Cooperation Council
- 7th Annual Global Multi- Stakeholder Dialogue on SIDS Partnership
- Master Card Virtual Digital Safari
- Glasgow Declaration
- CAPA Live
- 2nd Pacific Exposition 2021
- Korea Pacific SDG Forum

Outcome: Increased key strategic partnerships

The Executive Office continued to lead the development and strengthening of relationships with key partners, donors and stakeholders throughout 2021. This function is critical to SPTO achieving its mandate and goals, particularly in relation to support for projects and activities for the benefit of members. In 2021, key partnerships and included:

- New Zealand Ministry of Foreign Affairs and Trade (NZMFAT)
- Asian Development Bank - Pacific Sub Regional Office (ADB)
- The Ministry of Foreign Affairs, Republic of Korea
- Ministry of Culture and Tourism of China (MCT)
- Pacific Islands Forum Secretariat (PIFS)
- New Zealand Maori Tourism



- United Nations Development Programme
- Embassy of the People's Republic of China in Fiji
- 14 Press Releases
- 9 Media Interviews
- 12 Public Relations Events attended by the CEO on behalf of SPTO

MOUs

- Destination Mekong
- ForwardKeys
- MasterCard
- Small Islands Developing States Tourism Organisation
- The Pacific Community

Outcome: Ongoing public relations and corporate communications

SPTO's public relations and corporate communications functions were progressed by the Executive Office via the dissemination of information on key achievements throughout the course of the year. This included:

Highlights

As a result of SPTO's on-going commitment to strengthening relationships with new and existing development partners and donors, the following key partnership initiatives were achieved in 2021:

- **NZMFAT Phase 2**
Following successful completion of Phase 1, from October 2020 to August 2021, SPTO submitted a Business Case and Activity Design Document for Phase 2 of the SPTO Organisational Development and COVID Tourism Recovery Programme, under the New Zealand Aid Programme. Consequently,

the Grant Finance Agreement (GFA) for NZMFAT Phase 2 (Pacific Digital Tourism Transformation) was signed in late 2021. Phase 2 is a \$NZD 4,000,000, 4-year project which will run until September, 2025. It will support the SPTO Strategic Plan 2020–2024 by focusing on the following key areas:

- Digitalization of the Pacific’s tourism industry
- Sustainable tourism planning and development
- Strengthening of tourism data/statistical information

Cutting across these three priorities is a [Pacific Digital Tourism Strategy](#) which provides pathways and mechanisms to transform the way tourism in the Pacific is marketed, managed and communicated.

- [Pacific Islands Tourism Research Symposium](#)

The inaugural PITRS was convened through a partnership with the NZMFAT, University of the South Pacific (USP), Massey University and partners. The PITRS recognized the importance of Tourism as a key economic driver for Island states and also responded to the need for access to critical research information to guide countries towards tourism reactivation. The Symposium included a wide range of partners and stakeholders including leaders in the area of tourism research and statistics, researchers, practitioners from the public and private sector, development partners, civil society, marketing agencies, data and statistics practitioners, regional and international organisations. It provided a platform for these tourism

stakeholders to discuss the state of play, challenges and opportunities and design the way forward for improving regional coordination in tourism research. Access the PITRS Outcomes Report [here](#).

- [SIDS Tourism Organizations Partnership](#)
SPTO was party to a MOU between [African Tourism Council \(ATC\)](#), [ASEAN Tourism Association \(ASEANTA\)](#), [Caribbean Tourism Organisation \(CTO\)](#), [Indian Ocean Tourism Organisation \(IOTO\)](#) and [Destination Mekong \(DM\)](#).

Under the initiation and leadership of the United Nations Office of the High Representative for the Least Developed Countries, Landlocked Developing Countries and Small Island Developing States (UN-OHRLLS), the six regions collectively agreed to form the Small Islands Developing States (SIDS) Tourism Organizations and in doing so established a SIDS Economic Community across Africa, ASEAN, Caribbean, Indian, Destination Mekong and the Pacific. The partnership will focus on strengthening sustainable tourism in Small Island Developing States, by:

- Creating a system for support, knowledge-sharing, and cooperation among SIDS tourism organizations and stakeholders, as well as;
- Jointly addressing the unique challenges that SIDS tourism sector faces, including those that were mentioned during today’s sessions.

The working group is part of the SIDS Global Business Network under the UN SIDS Partnerships Steering Committee.



Marketing Division

The Marketing division is responsible for promoting the Pacific region as a preferred tourism destination. The core marketing activities of the division include marketing planning, brand management, trade show coordination, digital marketing, cruises sector marketing and programme management.

The division also manages SPTO's Industry Membership Programme and the Pacific Storytelling Pacific Specialist Programme.

The division works closely with creative agencies, development partners and key stakeholders to achieve the following priorities:

- Establishing planning systems that sufficiently caters to the marketing needs of member countries and industry members.
- Establishing a strong link between the Pacific and key long haul, short haul and emerging markets.
- Creating awareness of Pacific segment products
- Managing the Pacific Storytelling Specialist Programme.
- Leading the NZMFAT Digital Transformation Programme
- Managing the Industry Membership programme

MAJOR DIVISIONAL ACHIEVEMENTS FOR 2021

Outcome: Strengthened existing partnerships and establishment of new opportunities

COVID-19 Recovery Response Webinars for SPTO Members

SPTO continued to organise monthly webinars in 2021. Their purpose was to provide insights and learnings regarding travel/tourism from around the globe to SPTO members and other stakeholders. During these unprecedented times, SPTO's webinars are expected to help National Tourism Organisations (NTOs) and tourism sector stakeholders adopt or align their strategies while preparing for the lifting of border restrictions. A total of eight webinars

were organised in 2021. Click [here](#) to view.

Micro-Credentials E-Learning for the Tourism Sector: COVID-19 Socio-Economic Response Project

The e-learning project commenced in July 2020 and ended in March 2021. Micro-credentials are certification-style qualifications individuals choose to study to improve a skill in a particular industry area. They are short, low-cost online courses that provide learners with a digital certification or a 'digital badge' when complete.

Partners for the project included the United Nations Development Programme (UNDP), United Nations Capital Development Fund (UNCDF), the Pacific Tourism Organisation (SPTO), Australia Pacific Training Coalition (APTC) and Fiji Hotels and Tourism Association (FHTA). The main objective was to provide relevant training opportunities to Pacific Island tourism and hospitality businesses and workers who had been impacted by the economic disruption due to the COVID-19 pandemic. Training was designed to help participants find alternative employment. The two modules included in the package were Digital Literacy Essentials and Communication Technologies for Business Success.

Summary of the Micro-credentials programme as of 31st March 2021:

Countries	Target	EOIs Received
Vanuatu	750	772
Solomon Islands	450	451
Tonga	300	313
Kiribati	100	172
Nauru	100	80
Tuvalu	100	136
TOTAL	1800	1924

“Ours is Yours” Campaign

The “Ours Is Yours” concept featured prominently on SPTO’s Consumer site. This section of the website provides direct links to NTO website where consumers get up to date information on the many tourism products & services available. The Marketing Division ran regular Google Ad campaigns on the main website to improve its reach and audience engagement.

Apart from “Ours Is Yours”, SPTO also promoted the #AlwaysPacific campaign. The promotional video for the campaign was shared with the Pacific Islands Centre in Tokyo and it was featured in the FOODEX2021 event, a food trade show where products from the Pacific Islands were exhibited. The event took place from 9th-12th March 2021. The article featured in the Pulse newsletter on Friday 2nd April - PIC Supports Pacific Islands Companies at Virtual FOODEX Japan 2021 - SPTO (southpacificislands.travel). Click [here](#) to view article.

The #AlwaysPacific Promotional video was also shared with Pacific Trade and Invest China along with a special message from the CEO of SPTO. The videos were played at the 9th Macao International Travel (Industry) Expo on 11th July.

Outcome: Ongoing presence and awareness in key long haul and emerging markets

Long Haul Markets

Due to COVID-19 all marketing activities planned for the long haul markets were cancelled. However, SPTO continued to run social media campaigns that reached our target audience as a result of audience

profiling. One such campaign was ‘Discover the Pacific’ that ran in the third quarter. SPTO also provided assistance to member countries (Samoa, Vanuatu, Solomons Islands) with their bookings for ITB Berlin 2022. Samoa and Vanuatu booked their booths at ITB Berlin 2022 along with Fiji, Cook Islands and Tahiti. It was later announced that ITB had cancelled their face-to-face event for 2022.

Emerging Market – Korea

Marketing activities continued in Korea as part of the Trade, Investment and Tourism Promotion Project (TTPP). The COVID-19 recovery project took place from January to December and some activities included:

- Supporting the Pacific-ROK tourism industry through branding and digitalisation
- Development of the Pacific Sustainable Tourism Products Website
- Training and Outreach programmes
- Circulation of the ROK-Pacific Newsletter
- Organising the Pacific-ROK SDG Forum
- Online Marketing

A three-year-agreement for a new project titled Enhancing E-Commerce Opportunities for Pacific SMEs was signed by the Pacific Islands Forum Secretariat and SPTO. The project is aimed at strengthening e-commerce opportunities for Pacific tourism and trade by supporting the Pacific private sector. Specifically, the project aims to support MSMEs, community business clusters in the tourism sector, exporters and export-ready businesses. In doing so, the project is expected to increase tourism and trade through increased visibility of the Pacific as a tourism destination and of



its products to the Korean consumer. The total value of the project is US\$900,000 and includes the following partners:

- Pacific Islands Forum Secretariat (PIFS)
- Pacific Tourism Organisation (SPTO)
- Ministry of Foreign Affairs and Trade (Korea)
- Korean Importers Association (KOIMA)

Emerging Market – Japan

The Marketing Division assisted the Pacific Island Centre (PIC) in Tokyo with a promotional video of Tonga. Ora Town in Gunma prefecture, was a host town for Tongan representatives in the recent Paralympic games and have embarked on promoting Tonga as a holiday destination. The video was supplied by the General Manager of Tonga Tourism Authority. It was screened for school students in September. Click [here](#) to view the promotional video.

SPTO provided details of visitor arrivals

to PIC to support a seminar that will take place on 16th December (hybrid format). As a result, SPTO has been named a partner of the seminar.

• Seminar Title

Covid-19 impacts and perspectives on tourism sector in the Pacific ~ Global tourism trends / Impact on Pacific Island countries / The current tourism situation of the Republic of Palau ~ Click [here](#) for details of the seminar.

Outcome: Development of Pacific segment products

The Pacific Storytelling Specialist Programme review had a strong emphasis on the development of segment products for member countries. The outcome of the review was presented and approved by the Small Island States Sub-Committee, the Marketing Sub-Committee and the Board

of Directors in May.

Travel consultants also continued to access the segment product training on the specialist website that helps them to further promote segment products in SPTO's source markets. The Pacific Storytelling Specialist Programme is also one of the activities under the NZMFAT Phase 2 project. Development and promotion of segment products are also part of the '*Upgrade Digital Content*' activity under NZMFAT Phase 2.

Outcome: Improving market awareness in short haul markets

Due to COVID-19 all marketing activities planned for the long haul markets were cancelled. However, SPTO continued to run social media campaigns that reached our target audience as a result of audience profiling. One such campaign was '*Discover the Pacific*' that ran in the third quarter.

Treasures of the South Pacific (ToSP)

SPTO sponsored the Treasures of the South Pacific programme in partnership with Pacific Trade and Invest Australia. Treasures of the South Pacific is an educational training programme for travel agents based in Australia. The event is coordinated by the Treasures of the South Pacific Committee (consists of 8 Sydney-based NTO offices; Tahiti, Vanuatu, Samoa, Cook Islands, Norfolk Island, New Caledonia, Solomon Islands, and Fiji).

2021 proved a challenging year due to COVID-19 Border closures both domestically and internationally. In addition, mandated restrictions also led to a re-think about what type of marketing was possible and also what was the appropriate spend given the

lack of certainty moving forward. As a result the ToSP moved away from the traditional physical functions that were conducted, and instead more online activities were conducted based on continued awareness and education. Click [here](#) for the review report.

Summary of activities:

- February Agent Surveys
- April Quick Quizzes
- June Webinar Series
- July Traveltalk Advertising
- October Trivia Night

Outcome: Pacific Storytelling Specialist Programme (formerly known as the South Pacific Specialist Programme)

The South Pacific Specialist Programme was reviewed in 2021 by consultants based in Fiji and Barbados.

Key recommendations included:

- Changing the name of the programme from South Pacific Specialist Programme to Pacific Storytelling Specialist Programme
- Updating the curriculum and designing a modern Learning Management System
- Planning and coordinating familiarisation programme
- Developing a Famil Trip Charter
- Hiring a new staff to manage the programme

The review report was approved by the Board of Directors in the May Board meeting.

Discover 8 nights South Pacific Famil to Tahiti

Tahiti famil trip prize winner for 2019, Mrs. Brenda Thomas successfully completed her famil trip in November 2021. She is a travel advisor for Somewhere Now Travel, A travel Agency based in USA. Her trip was put on hold in 2020 as a result of the pandemic.

There were 107 new registrations in 2021. The accumulative total of registered agents for the Pacific Storytelling Specialist Programme in 2021 stood at 3,141. There were 6 new certified agents in 2021 with the accumulative total of certified agents standing at 623 as of December 2021. The ratio of registered agents vs certified agents in 2021 was approximately 0.2 (20%).

Outcome: SPTO website as lead referral site for tourism in the Pacific

Miles Partnership (A New Zealand based Digital agency) was selected to revamp the main SPTO website. The existing website went through a review process which included identifying outdated information and a proposed change in the layout. A new site-map was developed to get a clear picture of how the new website would be setup. The new website was launched in the May Board meeting by the Chairperson, Mr. Halatoa Fua. The number of micro-sites were reduced from four to just two (Corporate and Consumer). The newly designed consumer site has a brief country background and links to National Tourism Organisation (NTO) websites. This feature allows users to get access to up to date information that are published on NTO websites. The corporate website now hosts the Sustainability site and the Pacific Storytelling Specialist

Programme site, which were previously setup as microsites.

The new website has a fresh look with secondary colors extracted from the SPTO brand guideline and has updated information with a more user friendly interface. The new website is built using the WordPress Content Management System (CMS).

In addition, keeping with the naming conventions to be more inclusive of the Pacific, as suggested at the May 2021 BOD meeting, the domain <http://pacificislands.travel> was purchased.

Website Analytics for 2021

The main website performed well judging from the page views, sessions and the total number of users. Total page views stood at 140,097 while total sessions and users for the year were 91,494 and 71,416 respectively.

For the SPTO JobsLink website that was launched by the NZ High Commissioner in February, the total page views for the year was 23,421 while total sessions and users were 11,631 and 9,257 respectively.

Outcome: Optimizing destination exposure through Electronic Direct Mail (EDM)

In early 2021, MailChimp was selected as the preferred email marketing platform for SPTO. A total of 9,614 subscribers were moved from the old platform (Campaign Monitor) to MailChimp. A total of 65 campaigns were sent out which included the Pulse newsletter and webinar invitations. New subscribers for the year totalled 1,179 and the total number of subscriptions were 7,696. SPTO JobsLink

newsletters were also sent out during this period. There were 4 newsletters sent out with a total of 101 subscriptions.

Outcome: Optimizing destination exposure through social media networks

Social media performed well overall with significant growth on all the channels. This was a result of paid campaigns on all social media channels. The analytics below include both organic and paid reach.

- **Facebook**
Facebook registered 24,726 new followers bringing the total number of followers to 79,355 as of December 31st. There were 728 posts on Facebook in 2021.
- **Instagram**
Instagram saw an increase of 152 followers. The year finished with 1,729 followers in total. There were 35 posts on Instagram in 2021.
- **Twitter**
Twitter saw an increase of 1,491 followers. The year finished with 3,862 followers in total. There were 548 tweets on Twitter in 2021.
- **LinkedIn**
LinkedIn saw an increase of 1,334 followers. The year finished with 5,787 followers in total. There were 537 posts on LinkedIn in 2021.
- **Youtube**
YouTube saw a decrease of 150 followers. The year finished with 27,797 followers in total. There were 15 videos uploaded on YouTube in 2021.

Outcome: Industry Membership Programme (formerly known as the Private Sector Membership Programme)

SPTO is dedicated to assisting any organisation, large or small, regional or international, involved in Pacific travel and tourism. Our regional and international membership encompasses NTOs, hotels, resorts, car rental operators, coach operators, travel agents, tour operators, airlines, cruise and dive operators and all other businesses associated with travel and tourism in the Pacific. Members receive an array of services and benefits designed to give them a competitive advantage in the promotion of their products and services.

The Private Sector Membership Programme was reviewed in 2021 by an Australian Consultant.

Key recommendations included:

- Changing the name of the programme from Private Sector Membership Programme to Industry Membership Programme;
- Changing the membership structure and reducing membership levels to three;
- Implementing a Membership Management System
- Hiring a new staff to manage the programme

The review report was approved by the Board of Directors in the May Board meeting.

A total of 9 new members joined the Industry Membership Programme, bringing the total to 115 as of 31st December.



Outcome: Strengthening SPTO's digital capability (NZMFAT Phase 1)

The strengthening of the Digital Capability of SPTO (NZMFAT, Phase 1) was divided into three key activities; Digital Media, Upskilling/ Unit Resourcing and IT Equipment.

Activities under Digital Media included:

- Development of a new Website
- Development of a Digital Strategy
- Social Media Marketing
- Acquire Digital tools

The Website and the Digital Strategy projects were awarded to Miles Partnership (Digital Agency based in NZ) after the Expressions of Interest (EOI) were advertised in December 2020. The draft website design was shared with the SPTO Management team, members of the Marketing Sub-Committee and members of the Small Island States (SIS)

Sub-Committee for feedback. The website was completed on April 30 and launched in the May Board Meeting. Both the website and the Digital Strategy were approved by the Board of Directors.

Social Media campaigns also took place during this period across all channels, resulting in considerable growth in audience reach and engagement (See Social Media Analytics).

Digital tools that were purchased included graphic design software (Canva and Adobe Creative Cloud Suite), online project management tool (Monday.com), online visibility tool (SEMRush) and email marketing tool (MailChimp).

Activities under Upskilling/Unit Resourcing included:

- Recruitment of a part-time digital



marketing staff

- Training session for SPTO staff

A new part-time project staff was recruited in January to assist the Marketing department with Digital Marketing.

Monday.com training was conducted for all SPTO team members. Monday.com is a customizable web and mobile work management platform. It is designed to help teams and organisations increase operational efficiency by tracking projects and workflows, visualizing data, and team collaboration. It includes automation capabilities and supports integrations with other work apps.

Activities under IT Equipment included:

- Server
- Laptops
- Photography equipment

Seven new laptops were purchased for staff members as part of SPTO's ICT upgrade project. A new server was also purchased after a tender process. The server provided faster processing time, bigger storage and more security. Photography equipment included a Digital SLR camera with accessories.

Outcome: Innovative Partnerships – Cruising and Yachting

The Marketing Manager participated in two meetings with the South Pacific Cruise Alliance (September and November) to discuss COVID-19 related news, activities in the Cruise Industry and participation in Seatrade Cruise Global 2022.

SPTO invited Sharron Beck, Board Secretary of the South Pacific Sailing Network to present at its final webinar of the year. The webinar titled "*Take Advantage of the Sailing*

Yacht Tourists Returning Soon to Your Shore” attracted a good number of participants.

Outcome: Increased visibility through effective PR and communications strategies

A total of 14 press releases were published on SPTO’s digital channels.

Press Releases

1. Aviation in the Pacific in the Spotlight for Ministerial Meeting – The press release was included in Pulse on Friday 22nd January and published on the SPTO website the same day.
2. SPTO launches job portal to assist former tourism workers – The press release was published on the SPTO website on Thursday 18th February and included in Pulse on Friday 19th February.
3. The Pacific Tourism Waste Action Initiative a Resounding Success in SIS, 30th April.
4. Pacific Tourism Organisation Optimistic about Tourism Recovery (17th June).
5. Pacific Tourism Family Mourn a Great Loss - 22nd September
6. The CEO provided opening remarks for SPTO & Rosie Academy Virtual Training Certificate Presentation on 19th August.
7. The CEO acknowledged the efforts of the Sustainable Tourism & Research Division for securing the Pacific Eco-Tourism Recovery Initiative, which is a partnership between SPTO, SPC and UNESCO.
8. SPTO gains Global Sustainable Tourism

Council Membership

9. SPTO – UNDP partnership to enable development of Tuvalu Sustainable Tourism Policy - 1st October:
10. SPTO – Destination Mekong Partnership - 8th October
11. Digital Transformation Project to guide Pacific Tourism Recovery Efforts - 22nd October
12. Pacific Tourism Leaders Commit to Sustainable Tourism Transformation - 3rd November
13. SPTO Acknowledge Contributions of Outgoing Board Chairman - 19th November
14. Pacific Tourism Organisation (SPTO) Announces Faamatuainu Suifua as Acting Board Chairman - 10th December



Sustainable Tourism & Research Division

The Sustainable Tourism and Research Division plays a twofold role; in leading SPTO's work towards achieving sustainable tourism development in the region, and in providing data analysis and enabling information sharing with SPTO's membership and partners. Although the COVID-19 pandemic presented numerous setbacks, the Division successfully completed major projects earmarked for the year through innovative remote solutions and engagement of members and wider tourism stakeholders and partners.

SUSTAINABLE TOURISM MAJOR ACHIEVEMENTS FOR 2021

Outcome: Enhanced clarity of shared vision for regional sustainable tourism development through the PSTPF

Responsibility for sustainable tourism rests with us all. It requires partnership and a truly collaborative effort between countries and across Government, industry, civil society organisations, development partners and communities. The collective effort of our members and sector stakeholders enabled the development of a shared vision for a prosperous, resilient and inclusive tourism post pandemic as articulated in the [Pacific Sustainable Tourism Policy Framework 2021-2030](#) (PSTPF).

Co-funded by the United Nations Development Programme (UNDP) Inclusive Growth Programme and the New Zealand Government, the PSTPF sets out the vision, policies and actions needed for the transformation of tourism to make it more sustainable and provide greater benefits to the people of the Pacific.

- Over 1,000 stakeholders from 11 countries registered on www.solevaka.org during the stakeholder consultation process
- 17 SPTO Member Countries participated in at least one of the PSTPF consultations, information exchange and forum discussions since the first regional workshop in March 2020.
- 50 sets of comments received from stakeholders on the drafts

The process brought together a coalition of sustainable tourism actors from NTOs, other Government agencies, Regional Working Group Members, Development Partners, CROP Agencies, Private Sector and international organisations including UNWTO to provide input into the development of the Policy Framework. Alongside the Framework, the Board and Council also endorsed the [2021-2024 Action Plan](#) and [Communication Strategy](#). A world's first, the development of the PSTPF was guided by the Sustainable Tourism Sub Committee with technical support provided by the PSTPF and PTSS Regional Working Group. Endorsement was made by the Council of Tourism Ministers in October 2021.

Outcome: Pacific tourism leaders' commitment to region-wide transformation to sustainable tourism

The PSTPF calls on all partners and stakeholders to co-ordinate and collaborate to advance this vision for sustainable tourism through a series of policies and actions that focus on:

- supporting prosperous and resilient economies
- empowering communities
- amplifying and promoting culture
- accelerating climate action
- protecting ecosystems and
- building resilience

This was demonstrated via a call for high level commitment from Pacific tourism leaders represented by Council of Tourism Ministers. The Federated States of Micronesia, New

Caledonia, Samoa and Niue became the first four (4) countries to sign up at the October Council Meeting. This was followed by pledges from eight (8) countries including Cook Islands, Fiji, French Polynesia, Kiribati, Solomon Islands, Timor Leste, Tonga and Vanuatu. An Industry Commitment has also been prepared and is envisaged that the call for pledges will be issued in due course noting current hindrances faced by the industry as a result of the COVID-19 pandemic.

The Pacific Leader's Sustainable Tourism Commitment (SOC) is inspired by the Pacific Island countries industry, Civil Society, Development Partners, and global agencies who are committed to advancing sustainable tourism across the Pacific by 2030. Acknowledging that Pacific values and practices have ensured the sustainability of natural resources for hundreds of years and will continue for generations to come, the SOC instils these philosophies into the way the Pacific Island Countries plan for, develop and manage tourism operations. The summary of the commitment can be viewed [here](#) and a copy can be accessed [here](#).

Outcome: Increased capacity of Pacific tourism SMEs to plan for and promote sustainable and responsible recovery

In support of efforts towards strengthening the capacity of tourism Small Medium Enterprises (SMEs) to recover from the pandemic, the Building Resilient Tourism Futures Project supported the development of the SPTO SME Recovery Toolkit. Funded by the US Embassy Fiji Economic Recovery Grant, the project was launched in Quarter 1 and the Travel Foundation and

SPTO Partnership helped mobilise the five beneficiary countries of Fiji, Kiribati, Nauru, Tonga and Tuvalu who were represented by NTO representatives and private sector stakeholders to support the development of content via extensive research and stakeholder consultation. Building on the Travel Foundation Are you ready for Business Toolkit, the SPTO SME Recovery Toolkit is a useful resource for tourism SMEs regardless of where they are on the development spectrum. The Toolkit entails seven (7) chapters which focus on the following areas:

- [Chapter 1 - Evolving market trends](#)
- [Chapter 2 - Designing and adapting products](#)
- [Chapter 3 - Health, safety and security](#)
- [Chapter 4 - Pricing](#)
- [Chapter 5 - Access to market and getting ready for business](#)
- [Chapter 6 - Customer service](#) and
- [Chapter 7 - Online sales and marketing](#)

The project was launched in October 2021 through a members' webinar and can be accessed for free via SPTO's website by clicking [here](#).

Outcome: Enhanced diversification of the tourism offering through the Pacific Ecotourism Recovery Initiative

Through a tripartite partnership between SPTO, UNESCO and SPC underscored the value of innovative recovery approaches for the tourism sector. The closure of international borders elevated the recognition of domestic tourism as well as meaningful engagement of communities in the way countries plan for and



manage tourism. The initiative saw the pooling of funding resources to carry out a preliminary feasibility assessment of establishing 'geoparks' in the Pacific. Rolled out in the four (4) countries of Fiji, Samoa, Tuvalu and Vanuatu, the preliminary assessment noted a strong appetite from communities, industry and Government stakeholders for pursuing Geopark development. The following sites were assessed with the support of NTOs, industry and relevant line Ministries responsible for geoscience programmes at national level:

- Samoa: Savaii Island
- Tuvalu: Funafuti Atoll
- Vanuatu: Gaua Island, TORBA Province
- Fiji: Site to be confirmed for provisional options of Viti Levu, Savusavu and Taveuni

The assessment aimed at identifying development opportunities, potential risks

and challenges as well as the feedback from community and industry stakeholder groups. The full assessment report including country profiles for the four countries were compiled and can be accessed [here](#). The report was launched in October 2021 via a stakeholder webinar. This initial phase of the initiative sets the foundation for further community consultation and full feasibility assessments. Of the 169 UNESCO Geoparks in the world, none is found in the Pacific hence this initiative sets to open doors for future development and conservation opportunities for the Pacific people and their natural and cultural resources.

Outcome: Improved stakeholder understanding of Sustainable Tourism Product Development

A new partnership between SPTO and the UNWTO this year saw the successful co-hosting of the UNWTO Sustainable Tourism

Product Development Workshop in Fiji and virtually on 31 March. The workshop was attended by 92 participants, from 20 countries, organisations and the private sector.

The workshop was an opportunity for SPTO members and partners to share experiences and initiatives on sustainable product, digitalization opportunities and intra-regional travel. The coordination role of the division from planning to execution was essential in making the workshop a success. The workshop has built on the research partnership between SPTO and UNWTO where a study was carried out in 2019/2020 on sustainable product development for the sector. Key highlights from the workshop can be downloaded [here](#).

- Trained 125 participants comprising women, men, youth, LGBTQI and people with disabilities
- Introduced new crafting skills
- Provided crafting tools for all participants
- Enabled the formulation of new partnerships between tourism and other sectors e.g. environment
- Raised awareness on waste management, plastic pollution, environmental conservation and sustainable tourism and
- Provided a platform for NTOs to engage strongly with communities and key players at national level on shared interests in protecting the natural resources that tourism depends on

Outcome: Increased capacity of PICs response to plastic pollution challenges whilst sustaining livelihoods through the Pacific Tourism Waste Action Initiative

Building on the initial plastics repurposing training workshops rolled out in Galoa Fiji, Tuvalu and Kiribati, this year saw the expansion of the same trainings across the Pacific despite travel restrictions. The year kicked off with the delivery of the delivery of a face to face training in Taveuni and Savusavu in northern Fiji, followed by virtual trainings for the Federated States of Micronesia, Marshall Islands and Nauru. The trainings were co-funded by SPTO and the Pacific Island Forum Secretariat through the Joint CROP SIS Attachment Programme. Coordinated by SPTO and facilitated by Fiji Creative Consultant Warwick Marlow, the initiative:

Outcome: Upskilling of tourism industry personnel through capacity building programmes

As the tourism sector prepares for reopening, the SPTO in collaboration with the PIFS Joint SIS Attachment Programme and Rosie Academy Fiji successfully delivered two (2) industry trainings this year in the area of (i) Service Excellence and (ii) Destination Marketing for Inbound Travel.

Held virtually over the period July - August, the trainings benefitted a total of 58 participants from the Federated States of Micronesia, Tokelau, Republic of the Marshall Islands, Nauru, Tuvalu and Kiribati as well as Tonga, Fiji, Solomon Islands and Samoa. This assistance enables an all-encompassing approach to tourism reactivation, which would help countries build back better,

post-pandemic. Noting the importance of understanding the value of service as well as strategic marketing techniques, the trainings attracted a diverse group including policy makers, front office, sales and marketing personnel from Government and private businesses, business owners and senior managers.

and intelligence". The PTSS development was guided by the SPTO Sustainable Tourism and Research Sub Committee with technical advisory support provided by the multi-stakeholder Regional Working Group for the PSTPF and the PTSS. This work was jointly funded by PARIS21 and the New Zealand Government.

RESEARCH MAJOR ACHIEVEMENTS FOR 2021

Outcome: Shared vision for the development of tourism statistics in the region through endorsement of the PTSS

The region's first, [Pacific Tourism Statistics Strategy 2021-2030](#) (PTSS), is another key milestone for SPTO and its Member Countries. The PTSS was developed in parallel to the PSTPF noting the importance of integrating activities and approaches particularly for Pacific Island Countries who are heavily impacted by data, systematic and capacity gaps in tourism statistics for development. Collectively, sector stakeholders from tourism and statistics had come together this year to forge a clear vision and pathway for improving tourism statistics in the Pacific.

Endorsement was provided by the Council of Tourism Ministers at its October Meeting following the active participation of stakeholders from across 16 Member Countries. The shared vision of the PTSS is for *"An empowered Pacific benefitting from sustainable tourism that is informed by regular and high quality tourism statistics*

Outcome: Improved access to tourism statistics for planning and decision making

The Division continued to support information needs of Members through the compilation and dissemination of Quarterly Visitor Arrivals Snapshots. Further, a regular analysis of outbound market trends have been shared on a monthly basis throughout the year via the Market Watch. In relation to COVID-19 impacts snapshots, two reports were disseminated for the information of countries as part of the bi annual Board Meetings. Despite human resource constraints and data access challenges, the Division has managed to provide information services which are central to the planning at country level.

Outcome: Improved access to tourism information and data

Recognising the challenges faced by SPTO in relation to the standard of its Regional Tourism Resource Centre (RTRC), the Division this year had undertaken a revamp of the RTRC which was successfully renamed the SPTO Knowledge Hub and launched at the Board of Directors October meeting. As part of the handover process, a User Acceptance Training (UAT)" has been



planned for delivery in February 2022. With the new Hub, the project has enabled the improvement of:

- user-interface and experience;
- site administration and management and the
- compilation and presentation of resources

Outcome: Well-informed tourism sector stakeholders navigate uncertainty through research and knowledge based actions and partnerships in building Pacific tourism forward

The 2021 year ended on a high note for the Division following the successful delivery of the inaugural Pacific Islands Tourism Research Symposium (PITRS). Made possible through the funding support of the New Zealand

Government and close collaboration with Massey University and the University of the South Pacific, the PITRS was proposed to bring together a wide range of partners and stakeholders including leaders in the area of tourism research and statistics, researchers, practitioners from the public and private sector, development partners, civil society, marketing agencies, data and statistics practitioners, regional and international organisations.

The Symposium was envisaged as a platform for these tourism stakeholders to discuss the state of play, common challenges and opportunities whilst also initiating discussions on the way forward for improving regional coordination in tourism research. Several objectives were achieved including the following:

- Stakeholders obtained a better understanding of research activity and

information available

- Identified research and information needs to inform policy development, business and destination recovery planning and to provide direction to research institutions and organisations
- Inspired meaningful dialogue and partnerships between researchers and practitioners
- Established recommendations for consideration in the development of a robust and inclusive cooperation framework to address gaps in collaboration, understanding of stakeholder roles, capacities and future opportunities
- Identified pathways to link research effort and tourism statistics and data improvement initiatives in line with the vision and objectives of the PTSS and the PSTPF.

Coordinated by SPTO under the guidance of the multi-stakeholder Steering Committee, the Symposium was attended by a total of 161 participants. It was delivered via four main sessions on Tuesday 30th November and Wednesday 1st December, 2021. The Outcomes Video Report can be accessed from the following links:

1. [Session 1: State of Play Tourism Research Overview Highlights](#)
2. [Session 2: State of Play - Tourism Research Initiatives in the Pacific region Highlights](#)
3. [Session 2: Tourism Research in the Pacific Space: Highlights from Agritourism and Doing Tourism Better Breakout Session](#)
4. [Session 2: Tourism Research in the Pacific Space: Highlights from the Responding to Change and Sustainability and the Pacific Space Breakout Session](#)
5. [Session 2: Tourism Research in the Pacific Space: Highlights from the Pacific culture and tourism in the region and the Innovation and focus on people Breakout Sessions](#)
6. [Session 3: Tourism Sector Research Needs and Barriers Highlights](#)
7. [Session 4: Development of Roadmap for Tourism Research Partnerships Highlights](#)



Finance & Corporate Services Division

Led by the Finance and Corporate Services Manager, the division oversees support services in the areas of accounting, information and communication technology and administration. The division aims to provide accurate and timely information for effective decision making and deliver high standard of corporate services.

MAJOR DIVISIONAL ACHIEVEMENTS FOR 2021

Outcome: Robust Financial Services

Timely and accurate monthly financial reports for both core and donor projects were developed to monitor SPTO's financials at both the divisional and organisational level. Furthermore, the Finance Division implemented changes to monthly financial reporting templates to include forecasts and progress on key projects to improve transparency and consistency. The financial information was also consolidated into quarterly reports and a monthly Chair's Bulletin which were shared with the SPTO Board of Directors.

Despite the uncertainty presented by the impact of COVID-19, the division continued to improve the financial position of SPTO in 2021 by maintaining a surplus budget. The Division continues to develop and implement organizational budget scenarios and cash flow forecasts to better manage SPTO's financial resources.

Moreover, the division ensured that SPTO accounts are maintained and independently audited by PricewaterhouseCoopers (PWC) to meet Fiji accounting standards. The audit conducted for the 2021 financial accounts resulted in an unqualified audit opinion where the auditor concluded that the organisation's financial statements are fairly and appropriately presented without any identified exceptions and in compliance with accounting standards.

In addition, Spot check audit of the Inclusive Growth Regional Programme (UNDP funded

project) was carried out by EY (External Audit Firm) during the year which resulted in nil issue.

Outcome: Finance Strategy 2022-2024

The finance strategy 2022-2024 was developed to diversify funding sources, identify revenue generating opportunities and ensure robust financial management of the organization. The previous finance strategy 2019-2021 has been pertinent in sustaining the organisation throughout the financial difficulties faced in 2019 and during the COVID-19 pandemic. The organisation's new strategic direction which is underpinned by the strategic priority areas of digital marketing, sustainable tourism and research and statistics has given SPTO the opportunity to grow its revenue base. Furthermore, because of the challenges of securing competitive donor funds and the limited regional funding opportunities that are available, it is imperative that SPTO's Finance Strategy effectively guides the organisation through a donor funding framework that is innovative in its approach to establishing a broader donor pool. Finally, the Finance Strategy aims to assist SPTO in developing robust financial policies and implementing measures to ensure funding is managed efficiently and effectively.

Outcome: Strengthening SPTO's Procurement Policy

SPTO undertook a comprehensive review and update of the procurement policy to achieve high standards of professionalism, transparency, accountability and

responsibility while maximizing efficiency, effectiveness and flexibility in the procurement process within a system of checks and balances. The revised procurement policy aims to acquire quality goods and services at competitive price which reflects 'value for money' benefit for the SPTO. The role and risks surrounding the procurement function has evolved over the years and review and update of the contents of this policy and procedure document was pertinent.

Furthermore, the review of the policy and procedure document has aligned SPTO's procurement policy with applicable laws, standards and best practice initiatives for the appropriate and effective discharge of procurement function of SPTO. The SPTO procurement policy review was supported by New Zealand Foreign Affairs & Trade Aid Programme (NZMFAT) under the Organisational Development and COVID Tourism Recovery Programme phase 1 funding.

Outcome: Government Membership Payments

The Finance and Corporate Services division issued SPTO's government members with membership invoices in the 1st quarter of 2021. Although the impacts of COVID-19 presented understandable challenges in terms of membership payments in 2021, 16 countries had fully paid their 2021 membership fees. Constant follow-ups were also done with member countries throughout the year with regards to the membership fees. Moreover, the issue of unpaid membership dues totaling FJ\$333, 438 owed by Timor Leste, Nauru and Rapa

Nui was elevated to the ministerial level by the Board Directors in the October Board meeting. The Council of Ministers in the October meeting endorsed the recommendation of the Board of Directors to temporary pause all the benefits to Timor Leste, Nauru and Rapa Nui.

Outcome: Efficient Administrative and Personnel Support

The processing of salaries, management allowances and supplier payments are other key services undertaken by the division. Ensuring that the organization was in compliance with the policies and procedures of Fiji Revenue and Customs Services (FRCS) and Fiji National Provident Fund (FNPf), the 12 months lodgements and payments of Pay As You Earn Tax (PAYE), Contractual Provisional Tax (PT) and FNPf deduction were done on a timely basis. Staff welfare, via medical insurance, term life policies, leave entitlements and other benefits were also maintained by the division.

Sound expertise and advice provided to all the Divisions in relation to Terms of Reference, Procurement matters, Memorandum of Understanding, internal policies and frameworks.

In addition, the division continued to improve and maintain internal ICT systems. Major upgrade of the ICT system was carried out during the year with the assistance of the NZMFAT Phase 1 funding.





Financial Statements

PACIFIC TOURISM ORGANISATION SPECIAL PURPOSE FINANCIAL STATEMENTS 31 DECEMBER 2021

Report on the special purpose financial statements	42
Approval of the special purpose financial statements	46
Independent auditor's report	47
Income statement	50
Balance sheet	51
Cash flow statement	52
Notes to and forming part of the special purpose financial statements	53

REPORT ON THE SPECIAL PURPOSE FINANCIAL STATEMENTS

In accordance with a resolution of the Board of Directors, we herewith submit the balance sheet of the organisation as at 31 December 2021, and the related income statement and cash flow statement for the year then ended and report as follows:

1. Directors

The following were directors of the organisation from all member countries at any time during the financial year and up to the date of this report:

- Cook Islands - Mr. Halatoa Fua [Chair] (resigned on 19 November 2021)
- Samoa - Mr. Faamatuainu Suifua [Acting Chairperson] (appointed on 19 November 2021)
- American Samoa - Ms. Minnie Tuia
- China - Mr. Xi Lin
- Fiji - Ms. Yolinda Chan
- French Polynesia - Ms. Gina Bunton
- Federal State of Micronesia - Ms. Elina Akinaga
- Kiribati - Mr. Petero Manufolau
- Nauru - Mr. Bernard Grundler
- New Caledonia - Ms. Sandrine Bellier
- Niue - Ms. Micah Fuhiniu-Viviani
- Republic of the Marshall Islands - Mr. Francis Carlos Domnick
- Papua New Guinea - Mr. Eric Mossman Uvovo
- Solomon Islands - Mr. Josefa Tuamoto til September 2021
- Solomon Islands - Ms. Fiona Teama & Mr. Dagnal Dereveke from October 2021
- Timor Leste - Mr. Jelino Soares
- Tokelau - Mr. Mika Perez
- Tonga - Mr. Sione Finau Moala
- Tuvalu - Mrs. Silaati T Filiake
- Vanuatu - Ms. Adela Issachar Aru
- Wallis & Futuna - Ms. Marion Kualoa
- Rapa Nui - Mr. Edmund Paoa

Private Sector Representative include the following:

- Fiji Hotel and Tourism Association - Brian Kirsch
- Turama Pacific - Robert Skews
- South Pacific Cruise Alliance (SPCA) - Bud Gilroy
- Fiji Airways - Akuila Batiweti
- Warwick Hotels - Ali Serhan

2. Principal activity

The principal activity of the organisation is to promote and develop the tourism industry in the Pacific and foster regional co-operation between the member countries, the tourism operators and the private sector.

REPORT ON THE SPECIAL PURPOSE FINANCIAL STATEMENTS - continued

During the year ended 31 December 2021 there has been no material change in the nature of the organisation's activities or in the classes of activities in which the organisation has an interest.

3. Operating results

The surplus in income over expenditure for the financial year was \$204,557 (2020: \$392,550).

4. Reserves

No transfers to reserves were recommended by the directors in respect of the year ended 31 December 2021.

5. Provisions

There were no material movements in provisions during the year apart from normal amounts set aside for items such as doubtful debts, depreciation and annual leave.

6. Bad and doubtful debts

We have taken reasonable steps before the organisation's financial statements were made out to ascertain that all known bad debts were written off and adequate provision was made for doubtful debts. At the date of this report, we are not aware of any circumstances which would render the amount written off for bad debts, or the amount of the provision for doubtful debts, inadequate to any substantial extent.

7. Current assets

We took reasonable steps before the special purpose financial statements were made out to ascertain that the current assets of the organisation were shown in the accounting records of the organisation at a value equal to or below the value that would be expected to be realised in the ordinary course of business.

At the date of this report, we are not aware of any circumstances which would render the values attributable to the current assets in the organisation's special purpose financial statements misleading.

REPORT ON THE SPECIAL PURPOSE FINANCIAL STATEMENTS - continued

8. Impact of COVID-19

The World Health Organisation continues to maintain COVID-19 as a global pandemic due to the emergence of new variants of the virus. Fiji experienced a resurgence in local community transmission of the Delta variant from April 2021, with various public health and security measures enforced by the Ministry of Health and Medical Services. Until November 2021, economic activity and labour mobility was significantly impacted by movement restrictions. Notwithstanding this, there is increasing optimism on increased level of economic activity and a more rapid economic recovery following opening of Fiji's borders to international tourists in December 2021.

In response to the economic impact of the COVID-19 outbreak, the Organisation will be conservative in incurring expenses to avoid unnecessary outlays. To keep abreast of developments and being situationally aware, regular consultations and discussions with business stakeholders are on-going. The Organisation continues to carefully monitor and assess its business operations and finances daily and will undertake further actions as appropriate.

The Directors and management believe that the Organisation has sufficient financial resources to be able to successfully manage its business risks despite the current uncertain economic outlook due to the COVID-19 pandemic.

Apart from the above, no other matters or circumstances have arisen during the financial period which could significantly affect the operations of the Organisation.

9. Basis of accounting

We believe that the basis of preparation of the special purpose financial statements is appropriate and the organisation will be able to continue its operations for at least 12 months from the date of this statement. Accordingly, we believe the classification and carrying amounts of the assets and liabilities as stated in these special purpose financial statements to be appropriate.

10. Other circumstances

At the date of this report, we are not aware of any circumstances not otherwise dealt with in this report or special purpose financial statements which would render any amounts stated in the special purpose financial statements misleading.

REPORT ON THE SPECIAL PURPOSE FINANCIAL STATEMENTS - continued

11. Unusual transactions

The results of the organisation's operations during the financial year have not in the opinion of the directors been substantially affected by any item, transaction or event of a material and unusual nature other than those disclosed in the special purpose financial statements.

12. Events subsequent to balance date

No charge on the assets of the organisation has arisen since the end of the financial year to the date of this report to secure the liabilities of any other person.

No contingent liability has arisen since the end of the financial year to the date of this report.

No contingent or other liability has become enforceable or is likely to become enforceable within a period of twelve months after the end of the financial year which, in the opinion of the directors, will or may affect the ability of the organisation to meet its obligations as and when they fall due.

13. Directors benefits

No director of the organisation has, since the end of the previous financial year, received or become entitled to receive a benefit (other than a benefit included in the total amount of emoluments received or due and receivable by directors as shown in the organisation's special purpose financial statements) by reason of a contract made by the organisation or related corporation with the director or with a firm of which he is a member, or with an organisation in which he has substantial financial interest.

Dated 9th day of May 2022.

For and on the behalf of the Board



Chief Executive Officer

Acting Chairperson

APPROVAL OF THE SPECIAL PURPOSE FINANCIAL STATEMENTS

In the opinion of the Directors, the special purpose financial statements set out on pages 8 to 16 are drawn up so as to give a true and fair view of the state of affairs of the Pacific Tourism Organisation as at 31 December 2021 and of its results and cash flows for the year ended on that date.

The Directors and Management believe the basis of preparation of the special purpose financial statements and the classification and carrying amounts of assets and liabilities as stated in these special purpose financial statements are appropriate.

The special purpose financial statements are approved in accordance with a resolution of the directors this 9th day of May 2022

For and on behalf of the Board



Chief Executive Officer



Chairperson



INDEPENDENT AUDITOR'S REPORT

To the members of Pacific Tourism Organisation

Report on the Special Purpose Financial Statements

Opinion

We have audited the accompanying special purpose financial statements of (referred hereafter as "financial statements") of the Pacific Tourism Organisation (the 'Organisation'), which comprise the balance sheet of the Organisation as at 31 December 2021 and income statement, and cash flow statement for the year then ended and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying financial statements are prepared, in all material respects, in accordance with the accounting policies as described in Note 1 to the financial statements.

Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Independence

We are independent of the Organisation in accordance with the ethical requirements of the International Ethics Standards Board for Accountant's Code of Ethics for Professional Accountants (IESBA Code) that are relevant to our audit of the financial statements in Fiji, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the IESBA Code.

Emphasis of Matter - Basis of accounting

We draw attention to Note 1 to the financial statements, which describes the basis of accounting. The financial statements are prepared in accordance with the accounting policies described in Note 1 to the financial statements. As a result, the financial statements may not be suitable for another purpose. Our opinion is not modified in respect to this matter.

Other Information

Management is responsible for the other information. The other information comprises the information included in the Directors' Report on the Special Purpose Financial Statements but does not include the financial statements and our auditor's report thereon.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent

INDEPENDENT AUDITOR'S REPORT - continued

with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibility of Directors and Management for the financial statements

Directors and Management are responsible for the preparation of the financial statements in accordance with the accounting policies as described in Note 1 to the financial statements, for determining that the basis of preparation is acceptable in the circumstances, and for such internal control as the Directors and Management determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Directors and Management are responsible for assessing the Organisation's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Directors and Management either intend to liquidate the Organisation or to cease operations, or has no realistic alternative but to do so.

The Directors and Management are responsible for overseeing the Organisation's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with the ISAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with the ISAs, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Organisation's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Directors and Management.
- Conclude on the appropriateness of the Directors and Management use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt



INDEPENDENT AUDITOR'S REPORT - continued

on the Organisation's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Organisation to cease to continue as a going concern.

We communicate with the Directors and Management regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Restriction on Use

This report is made solely to the Organisation's members. Our audit work has been undertaken so that we might state to the Organisation's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Organisation and the Organisation's members as a body for our audit work, for this report, or for the opinions we have formed

9 May 2022
Suva, Fiji

A stylized, handwritten-style signature of 'PricewaterhouseCoopers' in blue ink.

PricewaterhouseCoopers
Chartered Accountants

INCOME STATEMENT

	Note	2021 \$	2020 \$
Income			
Members' contributions		1,281,629	1,314,231
PRC donation		977,743	943,751
Activity income		333,035	224,419
Travel industry membership		-	28,485
Other income	8	619,747	263,535
Total Income		3,212,154	2,774,421
Expenditure			
Depreciation		27,971	25,067
Doubtful debts expense		57,464	95,914
Activity costs	9	1,708,070	1,049,262
Salary and other staff costs		781,953	766,137
Administration and other operational costs		432,139	445,491
Total expenditure		3,007,597	2,381,871
Surplus for the year		\$204,557	\$392,550

The above income statement should be read in conjunction with the accompanying notes.

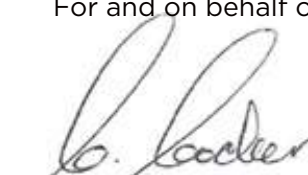
BALANCE SHEET

	Notes	2021 \$	2020 \$
ASSETS			
Current assets			
Cash and cash equivalents	2	1,125,730	1,469,679
Government membership fees in arrears	3	198,106	26,860
Other debtors and prepayments	4	100,832	136,027
Total current assets		1,424,668	1,632,566
Non-current asset			
Term Deposits		504,671	82,864
Plant and equipment	5	85,20	34,873
		589,878	117,737
Total assets		2,014,546	1,750,303
EQUITY			
Accumulated funds	7	1,345,377	1,139,644
Total equity		1,345,377	1,139,644
LIABILITIES			
Current liabilities			
Amounts received in advance		-	2,713
Creditors and accruals		486,036	167,025
Intercompany		1,443	1,444
Total current liabilities		487,479	171,182
Non-current liabilities			
Donor grant – deferred income	6	181,690	439,477
Total non-current liabilities		181,690	439,477
Total liabilities		669,169	610,659
Total reserves and liabilities		\$ 2,014,546	\$ 1,750,303

The balance sheet should be read in conjunction with the accompanying notes.

These special purpose financial statements are approved in accordance with a resolution of the Board of Directors.

For and on behalf of the Board of Directors.


Chief Executive Officer


Chairperson

CASH FLOW STATEMENT

	Notes	2021 \$	2020 \$
Cash flows from operating activities			
Receipts from member countries		1,278,916	1,278,726
Receipts from donor funded workshops/conferences		51,208	1,788,522
Payments to suppliers and employees		(1,595,768)	(2,136,816)
<i>Net cash from operating activities</i>		<u>265,644</u>	<u>930,432</u>
Cash flows from investing activities			
Purchase of plant and equipment		(78,305)	(26,697)
<i>Net cash used in investing activities</i>		<u>(78,305)</u>	<u>(26,697)</u>
Net increase/(decrease) in cash		(343,949)	903,735
Cash and cash equivalents at the beginning of the year		<u>1,469,679</u>	<u>565,944</u>
Cash and cash equivalents at the end of the year	2	<u>\$1,125,730</u>	<u>\$1,469,679</u>

The cash flow statement should be read in conjunction with the accompanying notes.

NOTES TO AND FORMING PART OF THE SPECIAL PURPOSE FINANCIAL STATEMENTS

1. Summary of significant accounting policies

Set out below is a summary of the significant accounting policies adopted by the organisation in the preparation of the special purpose financial statements. These policies have been consistently applied by the organisation except where otherwise stated.

(a)Basis of accounting

These financial statements are Special Purpose Financial Statements ('financial statements') and it reflects the activities of SPTO's Main and Revenue Accounts. The special purpose financial statements have been prepared in accordance with the accounting policies described below. They have been prepared on the basis of historical costs and except where specifically stated, do not take into account current valuations of non-current assets.

(b)Plant and equipment

Property, plant and equipment are stated at historical cost less depreciation. Historical cost includes all expenditures that are directly attributable to the acquisition of the asset.

Plant and equipment acquired through the various projects undertaken by the organisation and which are funded by donors are capitalised as the organisation's assets at the Board's valuation.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the organisation and the cost of the item can be measured reliably. The carrying amount of the replaced part is derecognised. All repairs and maintenance are charged to the income statement during the financial period in which they are incurred.

(c)Depreciation

Depreciation is calculated on a straight-line basis so as to write off the cost of each asset over its estimated useful life.

The depreciation rates in use are:

Furniture, Fittings & Equipment	20.0%
Computer Equipment	33.3%
Motor Vehicle	20.0%

(d) Donor grants

Grants from governments and other donors are recognised at their fair value when there is a reasonable assurance that the grant will be received, and the organisation will comply with all attached conditions.

Grants relating to costs are deferred and recognised in the income statement over the period necessary to match them with the costs that they are intended to compensate.

Grants relating to the purchase or acquisition of property, plant and equipment are included in liabilities as deferred revenue and are credited to the income statement on a straight-line basis over the expected lives of the related assets.

(e) Foreign currency

All amounts in foreign currencies at balance date are translated to Fijian dollars at the rates of exchange prevailing at year end. All transactions during the year denominated in foreign currencies are translated at rates prevailing at the transaction date.

Exchange differences are brought to account in determining the results for the year.

(f) Employee entitlements

The amounts expected to be paid to employees for their pro-rata entitlements for annual leave are accrued annually at current wage rates.

(g) Reporting currency

The special purpose financial statements are presented in Fijian dollars, which is the functional and presentation currency of the organisation.

(h) Revenue recognition

Subscription income is brought to account on an accrual basis. Any subscriptions received in advance are carried forward in the balance sheet under current liabilities. Subscriptions in arrears are taken up as receivables.

(i) Cash and cash equivalents

Cash and cash equivalents include cash on hand, demand deposits and other short-term highly liquid investments with original maturities of three months or less.

(j) Comparative figures

Where necessary, comparative figures have been changed to conform to changes in presentation in the current year.

NOTES TO AND FORMING PART OF THE SPECIAL PURPOSE FINANCIAL STATEMENTS - continued

2. Cash and cash equivalents

Cash and cash equivalents comprise of:

	2021	2020
	\$	\$
Cash on hand	400	400
Cash at bank	1,125,330	1,469,279
	<u>\$ 1,125,730</u>	<u>\$ 1,469,679</u>

3. Government membership fees in arrears

Fees in arrears	436,068	264,822
<u>Less:</u> Provision for doubtful debts	<u>(237,962)</u>	<u>(237,962)</u>
	<u>\$ 198,106</u>	<u>\$ 26,860</u>

4. Other debtors and prepayments

	2021	2020
	\$	\$
Other debtors and prepayments	100,832	206,374
<u>Less:</u> Provision for doubtful debts	<u>-</u>	<u>(70,347)</u>
	<u>\$ 100,832</u>	<u>\$ 136,027</u>

5. Plant and equipment

(a) Plant and equipment are included on the following bases:

	2021	2020
	\$	\$
Furniture, fittings and equipment		
• at Board's valuation	3,031	3,031
• at cost	36,987	36,759
	<u>40,018</u>	<u>39,790</u>
<u>Less:</u> Accumulated depreciation	<u>(39,330)</u>	<u>(39,790)</u>
	<u>688</u>	<u>-</u>

NOTES TO AND FORMING PART OF THE SPECIAL PURPOSE FINANCIAL STATEMENTS - continued

Computer equipment		
• at Board's valuation	96,359	30,465
• at cost	114,581	109,076
	210,940	139,541
<u>Less: Accumulated depreciation</u>	(126,421)	(104,668)
	84,519	34,873
Motor vehicle		
• at Board's valuation	36,768	36,768
• at cost	-	-
	36,768	36,768
<u>Less: Accumulated depreciation</u>	(36,768)	(36,768)
	-	-
Total plant and equipment		
• at Board's valuation	136,158	70,264
• at cost	151,568	145,834
	287,726	216,098
<u>Less: Accumulated depreciation</u>	(202,519)	(181,225)
	<u>\$ 85,207</u>	<u>\$ 34,873</u>

(b) The depreciation policy adopted is set out in note 1(c).

(c) The organisation also acquires plant and equipment through the various projects undertaken and which are funded by donors. In accordance with note 1(b), these assets are capitalised in the organisation's special purpose financial statements at values recommended by the Board based on costs incurred by the donors to acquire these items.

(d) Reconciliation of plant and equipment

	Furniture, Fitting & Equipment	Computer Equipment	Motor Vehicle	Total
	\$	\$	\$	\$
Carrying amount as at 31 December 2020	-	34,873	-	34,873
Additions	833	78,350	-	79,183
Disposals	-	(878)	-	(878)
Depreciation	(145)	(27,826)	-	(27,971)
Carrying amount as at 31 December 2021	<u>688</u>	<u>34,873</u>	<u>-</u>	<u>34,873</u>

NOTES TO AND FORMING PART OF THE SPECIAL PURPOSE FINANCIAL STATEMENTS - continued

6. Donor grant – deferred income

	2021 \$	2020 \$
Opening balance	439,477	7,305
<u>Add:</u> Grant received during the year (at Board's valuation)	-	-
: NZMFAT received during the year	204,316	274,200
: Grant – SIS Attachment Programme received during the year	-	126,880
: Micro – Credentials Project received during the year	10,600	36,975
: US Federal Assistance Award	25,011	-
: Tourism Research Symposium	76,697	-
: Tourism Promotion Project	751,525	-
: UNESCO	16,000	-
: PTWAI Fiji	30,356	-
<u>Add:</u> Donated Assets	68,310	-
<u>Less:</u> Amortization on donated assets	(7,603)	-
<u>Less:</u> Transfer to other income during the year	(1,432,999)	(5,883)
	<u>\$ 181,690</u>	<u>\$ 439,477</u>

7. Accumulated funds

The accumulated funds is reconciled as follows:

Opening balance – 1 January	1,139,644	747,094
(Deficit) / Surplus in income over expenditure for the year	204,557	392,550
Add: Other adjustments	1,176	-
Closing balance – 31 December	<u>\$ 1,345,377</u>	<u>\$ 1,139,644</u>

NOTES TO AND FORMING PART OF THE SPECIAL PURPOSE FINANCIAL STATEMENTS - continued

8. Other Income

	2021	2020
	\$	\$
Exchange Gains/(Losses)	(5,331)	(42,179)
Funds from NZMFAT Project Account	477,010	77,350
Interest Income	8,009	5,179
Other Income	11,248	15,320
Program Management Fee	128,811	67,265
Voluntary contributions from member countries:		
Tahiti Tourism	-	125,000
Wallis and Futuna	-	15,600
	<u>\$ 619,747</u>	<u>\$ 263,535</u>

9. Work Programme/Activity Cost

	2021	2020
	\$	\$
NZMFAT Project Activity Costs	471,945	77,350
Marketing Events/Activities	496,007	219,736
Other Core/Project Activities	65,758	64,474
Tourism Promotion Project-Funded by Korea	674,360	687,702
	<u>\$ 1,708,070</u>	<u>\$ 1,049,262</u>

10. Income taxes

The organisation is exempt from income taxes in accordance with the Second Schedule of the Diplomatic Privileges and Immunities Act, 1971.

11. Principal activity

The principal activity of the organisation is to promote and develop the tourism industry in the South Pacific and foster regional co-operation between the member countries, private sector and the tourism operators.

The organisation's registered office is situated on level 3, FNPF Place, Victoria Parade in Suva.

NOTES TO AND FORMING PART OF THE SPECIAL PURPOSE FINANCIAL STATEMENTS - continued

13. Commitments and contingent liabilities

(a) There were no commitments as at 31 December 2021 (2020: \$Nil).

(b) There were no contingent liabilities as at 31 December 2021 (2020: \$Nil).

14. Employee entitlements

	2021	2020
Provision for annual leave	\$ 49,813	\$ 31,305
Average number of employees during the financial year	16	17

15. Impact of COVID-19

The World Health Organisation continues to maintain COVID-19 as a global pandemic due to the emergence of new variants of the virus. Fiji experienced a resurgence in local community transmission of the Delta variant from April 2021, with various public health and security measures enforced by the Ministry of Health and Medical Services. Until November 2021, economic activity and labour mobility was significantly impacted by movement restrictions. Notwithstanding this, there is increasing optimism on increased level of economic activity and a more rapid economic recovery following opening of Fiji's borders to international tourists in December 2021.

In response to the economic impact of the COVID-19 outbreak, the Organisation will be conservative in incurring expenses to avoid unnecessary outlays. To keep abreast of developments and being situationally aware, regular consultations and discussions with business stakeholders are on-going. The Organisation continues to carefully monitor and assess its business operations and finances daily and will undertake further actions as appropriate.

The Directors and management believe that the Organisation has sufficient financial resources to be able to successfully manage its business risks despite the current uncertain economic outlook due to the COVID-19 pandemic.

Apart from the above, no other matters or circumstances have arisen during the financial period which could significantly affect the operations of the Organisation.

NOTES TO AND FORMING PART OF THE SPECIAL PURPOSE FINANCIAL STATEMENTS - continued

16. Events subsequent to balance date

No charge on the assets of the organisation has arisen since the end of the financial year to the date of this report to secure the liabilities of any other person.

No contingent liability has arisen since the end of the financial year to the date of this report.

No contingent or other liability has become enforceable or is likely to become enforceable within a period of twelve months after the end of the financial year which, in the opinion of the directors, will or may affect the ability of the organisation to meet its obligations as and when they fall due.





PACIFIC TOURISM ORGANISATION

Level 3, FNPF Place,
343-359 Victoria Parade
Private Mail Bag, Suva, Fiji.
T | +679 330 4177
F | +679 330 1995
E | tourism@spto.org
W | www.spto.org



[PacTourismOrg](https://twitter.com/PacTourismOrg)



[PacificTourismOrg](https://www.facebook.com/PacificTourismOrg)



[southpacifictourism](https://www.instagram.com/southpacifictourism)