NFME Webinar Series - "Tailoring a New Reality- Employer's Dialogue" Episode 1 - Safe Re-opening and Reviving of Maldives Travel and Tourism 3rd June 2020 16:30hrs

Introduction by Mr. Mohamed Ali Janah – President – National Federation of Maldivian Employers

Welcome everyone, welcome this afternoon, good afternoon, you might be wondering who we are. We are the National Federation of Maldivian Employers - the new entity into the picture. I will just have a small brief about who we are and then introduce our panelists today. So the National Federation of Maldivian Employers was registered in 2018 as the first Federation in the Maldives in representing various industries. We have six founders and part of it are tourism associations including the National Boating Association, the Yachting Association, and the travel agents. Plus we have the Maldives Seafood Processing Association. We have Restaurant Association and Maldives Construction Association. So the intention of this Federation was to establish the tripartite dialogue system that ILO promotes, International Labor Organization. ILO is recognized as one of the partners in the Maldives when it comes to the tripartite concept so that from one side it would be the employees representative, and then employers representative, and the government so the whole concept was to establish industrial relations and when there is, you know, any issue that the dialog concept is the option to choose so we have been working and under the Covid- 19 situation I thought that, we thought, our board thought that it would be very good to start a dialogue to understand you know what are the challenges and possible solutions each industry has so we tried to find a good concept on how to conduct these episodes. Our board came up with this very nice idea that "Tailoring a New Reality- Employer's Dialogue". This would be six editions initially (it was mentioned 6 by error, it is actually 8 editions initally) which would cover the main industries including logistics, construction, fisheries, restaurants, food and beverage. So the first episode today is about travel and tourism and the topic for today is Safe Reopening and Reviving of the Maldives Travel and Tourism. I'm honored to have and privileged to have some of the best minds in the travel and tourism industry in the Maldives. We also had one of our colleagues joining — Thoyyib but he had to run to an urgent meeting with Ministry of Tourism. I will try to give a very brief introduction about our panelists and thank you very much for accepting our invitation out of your busy schedule here spending this 90 minutes with us. We will try to fix 60 minutes for our discussion and open about 30 minutes for Q&A and at the end of the session. We will try to compile the report and then share with the stakeholders, ministers and HE. President what we discussed today as a small report.

Panelists are:

1. Mr. Abdulla Ghiyas Riyaz

Abdulla Ghiyas is PATA Face of the Future 2018 and Chair of PATA Maldives Chapter. He is the former President of the Maldives Association of Travel Agents & Tour Operators (MATATO) and current Vice President.

He is an entrepreneur in leading travel and startup businesses. Director of Inner Maldives Holidays, Ace Travels Maldives, Spence Maldives, Universal Aviation Maldives, and Margaritum.

2. Mr. Sonu Shivdasani

M. Sonu Shivdasani is the co-founder of the world famous Soneva and operates resorts in Maldives and internationally. He promotes luxury tourism and has a career span of over 25 years. He has been observing the Maldives tourism situation and written articles that are very relevant to today's dialogue and his ideas will no doubt help us pave the way forward to re-start Maldives tourism.

3. Mr. Mohamed Khaleel

Mr. Mohamed Khaleel is the CEO of Manta Air and brings 20 yrs of the industry's experience with him. He is also still actively engaged in and oversees the sales and marketing function of Kandima Maldives. His experience of tourism and aviation is critical for our dialogue today.

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| | 4. Mr. Murad Hassan | |
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| | Mr. Murad Hassan is currently the Director of Business Development of Villa Hotels and has had experience in the world famous booking platform, Agoda, for 9 years heading business development for Agoda in UAE, Singapore and Malaysia. | |
| | Now let's start the series right. So I will conduct this session by asking questions from the panelists. I have, we opened up to the public to send us questions, so it's a combination of our own, the Federation's as we had a team preparing us for this day, so it's through these panel of experts and also from the public, the questions were compiled. So, let's start with Mr. Ghiyas as the first today. | |
| Question 1 | I'll just put forward the first question to you Ghiyas,. You ready? Yes, all right. We're going through a transformative period and every destination will need to recreate its tourism from the ground up. What should be the important steps of recovery and resolution?. | 6:05 – 6:18 |
| Answer by Ghiyas | I think obviously we are talking about recovery and resolution. I think it is very important that we talk about where we've come or where we are at right now because this eagerness to go back to this old normal in everyone's in a rush to go back to the old normal, I think not realizing that there were so many thing that was not right about that normal. So I think when we talk about recovery I think this is a good opportunity to be talking about that as well. Now in the Maldivian context let's say in 2019 we had 1.7 million tourists with an average stay of 6.3 days now given our bed capacity of 52199 beds, in contrast to the average stay I think Maldives has a capacity of 3 million tourists a year if we were to fill all the hotels all the beds throughout the year, now it's a different debate whether it's the sustainable thing or whether we have infrastructure resources but if you look at last year's figures that is about 56% of our inventory throughout the year with that 1.7 million we were able to fill so going forward I think it's important that we rethink how we are going to fill these beds and what are we doing so far about it. Taking again in the context about 48 years of history and tourism where we are at this journey and I think it's also very important that we have the government and the private sector coming together and working on this recovery plans whether it is how we are going to return the businesses and economic activities and also the guidelines and SOPs I think need to be more clear and comprehensive, there needs to be processes that needs to be scrutinized in on a micro to a macro level and also understand that these are feasible and practical. There needs to be frameworks created and building blocks that also demystify the rationale behind them each measure and I don't think we have seen that done in the best manner that we could do it. Even in terms of marketing the destination, I think in comparison to what the Maldives is, there's far all better things that we can be doing and we need to | 6:19 - 9:55 |
| Comment by MAJ | The whole concept of this employer's dialogue is to see how we can come out, how we can come out of the situation better and also looking at the local situation we are representing the key industries of the country, and we want to create that situation where more locals get engaged in the economic activities of the country. So that is the whole purpose of these dialogues where our youth can have better opportunities so we come out, we are learning new lessons the hard way. So when we come out with practical steps to make a difference, and not keep doing the same thing, that we were doing before what has happened. | 9:56 – 10:53 |
| Question 2 | How can we implement measures of WHO and MoT guidelines in ways that minimize unnecessary impact on international travel and trade? What would be the impact on these guidelines and how can we go to face the new situation? I was watching a program today and in some countries they appointed some airlines, they appointed clinical officers to manage the health aspect and all. So it's a new position they put in clinical offices | 11:25 – 12:11 |

| | in their respective airports and on the airline. Let's hear from you, what do you think about getting used to this new situation? | |
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| Answer by Khaleel | yeah I think guidelines are quite broad and has provided the basis for individual countries to formulate their own SOPs in such a way that it is practically possible to implement. we should always look at practicality when it comes to having different regulations and SOPs prepared. we must ensure that the guideline really doesn't make us move you know painful and waste the resources and cost estimates huge amount of money. there are many countries actually who are making that this is practically possible to do it. I think I have seen the revised SOP that is done by MOT but still they are insisting to carry a PCR test on every individual tourist that is coming through the country which is practically impossible to do. Having PCR test is not practical solution at this moment. most countries you know that are struggling even to get this PCR tests done on individuals and they are adopting to do the PCR test on only on people who has got symptoms. There is a scarcity of the test kits available across the globe. every country is struggling to get the test kits and the machines and no country in the whole will be able to provide the test for everyone of their citizens so we will have to question ourselves whether is it practically possible for us to make every tourist to do the test on arrival and carry a test certificate, which I don't think it is practically possible. if we make this compulsory then we may have to prepare for an extremely slow recovery than anticipated until the vaccine basically gets developed. I would suggest instead of doing this kind of compulsory things which are not really practical to perform, rather practice to have a safe distance, introduce a hand sanitizer and wear a facemask and then making implement a body temperature through thermal camera on arrival. that will be quite sufficient for us. you see the people who is going to travel to Maldives would have already had to go through the screening process at their home country borders. so we are doing a secondary test here in Maldives. by th | 12:12 – 15:31 |
| Comment by MAJ | kind of unwelcoming message which will harm our industry and recovery process. thank you very much Khaleel, I think this response from you also relates to a question that is coming to the panelists from one of the participants, which says what best practice measures should be taken in resorts to mitigate the risk in the initial phase of the opening. we'll come back to that but I think you had a practical judgment on the situation. let's elaborate on that after hearing from others. | 15:33 – 16:02 |
| Question 3 | Asian Development Bank, estimated that the revenues of Maldives from tourism would decline, in the best-case scenario, by 1.8 per cent of the gross domestic product which correspond to USD 98 million in the best case. Worst case USD 300 million. You have stated that the income loss is exponential. Considering this, is ADB's estimate reasonable if we consider the borders will open in the upcoming 2 months? Based on this, how long would an average resort take to recover from the loss and get back to normal business? Can we get back to normal business anytime soon? how is it for six months from now ? is it one year from now ? how are we going to plan this. how would the resorts plan this? We all have our individual judgments, there are a lot of reports being written. I know we don't have a definite answer, but I think considering the experts around the world , you are in the best place to advise us on this situation, specially the Maldives . | 16:31 – 17:43 |
| Reply by Sonu | yeah so I would say I think the situation is very fluid at the moment and it really changes by the day or the week in terms of the situation and so we've had some very good news recently which is the government launching it's tourism guidelines giving a clear date when borders will open so I think that's all been fantastic but that's just one step in the road to recovery the other steps of course are the other steps of course are firstly demand from clients. So what we've seen our experience is and I've seen this was I'm quite close to sales in our organisation and I'm regularly in touch with some of our travel partners and our sales offices and what I have seen is a considerable amount of demand so that's the next step is clients wanting to travel and to give you an idea the first 18 days of May we had about 90 leads for the two Sonevas in the Maldives um including Soneva kiri as well in Thailand for the three properties between the 18th and the 25th of May we had another 90 leads so in seven days we had the equivalent of what we had in the first 18 days. last weekend we saw 30 leads which is a record for a week even in pre-Covid time so there is definitely interest from people traveling the demands there | 17:44 – 24:08 |

And then the question is the ability so and what we're seeing is that demand is coming for dates out so we're looking at October January 2021 there's some demand for July August and then the next question of course is ability can people travel so if they want to travel they've been cooped up for the last two to three months in lockdown can they travel? and that the ability to travel is changing by the day so you're uncertain as to what will happen there the two aspects of ability is once flights coming in and the second is government's allowing countries to Travel so my view is I'm always a little optimistic is my views is that as the weeks of the days go by you will see more good news in that area so you'll see more airlines resuming flights sooner than planned so at the moment the borders open 1st July, I believe the Middle East airlines are talking about resuming flights around the 7th of July I think those are the first bookings you have from Qatar and Emirates if you want to book a flight into the Maldives it's around the 7th of July there are some airlines like GO I was speaking with a CEO of GO in India they're not only starting until October I understand that British Airways has no plans to restart in the immediate future let's hope that that happens by November so not only Airlines will restart immediately and it'll take a bit of effort we as a country we as the travel industry tour operators travel agents hoteliers we need to try and solicit the airlines and encourage them work with our partners in the other markets too perhaps under right seats get the government to support Airlines by giving them subsidies to come into the Maldives so making it competitive to land in the Maldives than elsewhere in the past it was quite expensive to land in Male' compared with other destinations you also have the issue about traffic so you know I remember I used to take the 10 in the morning flight Qatar flight and I'd always miss my connection because the plane would sort of be about half an hour later be hovering for an hour it would then land and it would take time to take off again so sorting those out and making Male' an attractive place for planes to land is going to be essential and then reaching out to these airlines and encouraging them to accelerate their restart date is going to be important because I have no doubt there will be in the demand they've already seen the demand as I mentioned here's some record pre-Covid in numbers of leads coming but in the short term we need the flights and then the other one is the government's we need governments abroad to make the conditions of traveling abroad less exhausting, so for example at the moment if you returned to the UK as a citizen you have to quarantine for 14 days so no one's going to come here for a week on holiday and then go back and quarantine for 14 days, in China it's the same thing so that's going to need a lot of effort between the government of the Maldives the foreign ministry and the counterparts in our main markets the main markets being China India Russia Germany the UK and Italy we can sort out those six markets and get that going I think that will be fantastic. I see India opening up sooner because there's a very good relationship between this new government thank God and India they've developed a very good relationship with them so I see India reopening very quickly the question is China you know which is the largest market to the country and at this time of year it accounts for a third of arrivals in the summer months so that's going to take a lot of effort it's it's it's not going to be easy it's it's it's as you know Jana you know you're a builder it's very easy to destroy it's very easy to stop and burn down and destroy but it's very difficult to build and it's not gonna be easy but I have every faith in the government I think they've done an amazing job so far it's been a lot of effort from all of us so I think we've gone on to the first step of opening up our boundaries our borders creating guidelines by which those borders will be open but there are many steps to go it's still a long road ahead and when I say long road ahead it's it's over the next 40 days until we get into early July but I have no doubt that if we are proactive over the next 30 days tourism will rebound and in terms of the ADB estimate I suspect that the 1.8 percent is a little optimistic I do see a lot of demand picking up but we've lost a lot of ground so my gut feel is that it'll be somewhere between the 90 and the 300 million but that really depends very much on us you know as the tourism industry in the Maldives and how much effort we do it's all within our hands to to restart tourism

Comments by MAJ

I think we realize how important it is to be engaged especially with the airlines with the various government specially the key countries that are sending inbound tourism to the Maldives so I was I was reading about the case of New Zealand and Australia as a bubble right so I think that's a strategy we can follow and if you have this dialogue with India China Britain and other key markets as you said it's six countries so I think the government they are doing as you rightly said they're taking very good steps right now so I think the engagement with the airlines the engagement with the relevant governments and the agencies I think that would be key for us to succeed in this situation I think it's very well very well said

24:09 – 25:04

| Question 4 | What do you think is the best strategy to market Maldives under the current circumstance and what are our target markets? | 25:37 – 25:47 |
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| Reply by Murad | Yes this is one of the the most important questions to ask what will be the strategy. There are many ways and strategy is a big word especially on the backdrop of a crisis like we are in but I think to start with if you look at if you ask any human being they will always keep questioning what will be the health risk under any circumstance on anything and I think so there are two point that I need to highlight one Sonu also briefly touched about air traffic but the first one will be building the confidence on the healthcare systems that we have in here on the mainland on the resorts and to make sure that the critical and non-critical health care facilities are available to all people who are visiting us so building this and making sure that there is reliable testing mechanism in case it is needed and I also note right now that yes it is not easy and viable to really keep testing people as they come in so that is not an option but do we have built capacity and systems when we can utilize when we can need when we can use when we need it the so do we give a unified message about the healthcare readiness that we have because this is a question that we are asking if you really look at some of the OTA some of them or offline agents or wholesalers they're already building their own mechanisms to ensure that hotels have enough for essential healthcare system setup so they have their own checklist they even employ the expert or external auditors just to check what's going on the resorts before they start sending their people so how do we give this message out as a destination collectively including the resorts the travel agents the National Tourist Board as well so that is the point number one in terms of making sure that we have a good set up to recover | 25:48 – 29:46 |
| | tourism in the near future the other one is traffic like Sonu mentioned we have to incentivize it and of course targeting the key origins that we have key markets that we have we need to make sure that that we incentivize the air traffic that is coming to the maldives for example we know that that the private jets are coming in already and we know that at a small-scale it is working and it has its own confidence level out there and we know that yes this can be scaled but not only from Male' right because we have to open multiple gates to the country so there are many multiple gates now which many gates to the country and I think days there's no option to keep it closed now because if you really try to bring all the people through male' the clogging will really put pull us down The idea will be to incentivize traffic into other entry points in open it up so that those are the | |
| Comments by Sonu | thank you for Murad for all your comments and all that you said earlier mail it makes a lot of sense and I just want to just reinforce what he's saying so um I think he's come he's completely correct that we need to get a happy balance between state from tourism it's a bit like you know the that that symbol of justice you know that you see in the US with the balance and you know we've got to give this action and make people feel comfortable all users say well it's the same time not me it too much hard work and and I think the latest take tourism guidelines that the government put together are free I mean they've been very responsive the latest traffic think he's really address that very well and I think very important we need to increase our testing so you know Murad was saying testing is essential There was a test on arrival I understand from the ministry that the government feel that they don't have the capacity in time to test a what everyone on arrival and I completely sympathize that with that because we actually a made a donation so we've made a difference and five thousand kits and about a 150,000 dollar investment working with a ADK and we placed an order for the Roth lifecycle machine which is meant to be one of the best real-time PCR machine we've been told for the last that we will be given a date when that was machine will be delivered every day we've been told every day every day and as you can imagine there's just so much global demand for test machines that's the challenge is getting them so I think the aspiration is great I think we need to get test machines it is our goal that every guest on arrival will be tested even if the government don't mandate that because we want to create Covid-free Islands I think the talking about the branding and how the Maldives can brand itself as being unique and safe in these times I think this idea of one island one resort the Maldives is unique in that it's naturally isolated by you know 1,100 or whatever you know 1150 whatever islands it is and I think that t | 30:06 - 33:55 |

| | start to fly in so with big plane so Emirates of course their smallest plane is a triple 7 but you have Qatar who have as we know the a320 we have AT 737s which are single aisle you know the single aisle planes rather than the wide body so that could be a nice way for them to start because what tourists want is frequency of flights and frequency of connections so rather than sort of you know in the in the past Qatar had 3 A350s flying a day Emirates I think four 777s so rather than starting with that why not starting with two 737s you know once a going to maafaru in noonu atoll, the other going to male, smaller aircraft smaller loads less risk you know more frequency so I think I think that's very important so and thank you Murad I really liked what Murad was saying | |
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| Comments by MAJ | I think I think you both are on the same line of thinking which means that we all agree on certain common rules here that that we the fear of flying you know we have to help that you know mitigate that situation and that would that is what would lead to have people coming here right so with good policies with what is going on with the government and the private sector I think Maldives will be able to give that confidence to the travelers that we are doing the right thing and people like Sonu and other resort owners are investing to give that you know security on the health front which is a very good thing so what I was thinking the other day was like when we have the uniform health guideline that is the basic minimum that we follow but that should be a uniform guideline but beyond that we all have the we all have the freedom to make it more attractive.we can keep investing further to make sure that our clients are more comfortable individual resorts can go to any extent right so it doesn't stop us doing those things so I think it's very interesting I mean the discussion is so far very interesting | 33:57 – 35:10 |
| Comments by Khaleel | Something right I would highlight that basically I am NOT fully agreeing to that we have to do a PCR test for every single tourist that is coming to maldives you see we can fo those kind of a tests can possibly be able to perform at a very boutique resorts like Soneva and then very top and luxury resort. But vast majority of Maldives market is mid-range and if we really wanted to build up the volume and have a fast recovery performing a PCR test on every tourist arrival is practically impossible as I said before there is a scarcity of this machine and even available, no country in the world is going to protect the holidaymakers to perform the PCR tests just to let these people go on a holiday and then again we do a second set to test here in Male' that's practically impossible to do we need to find the right balance when it comes to performing the PCR test we have to be a little bit practical in our approach on the road to recovery just having a nice SOP written nice to hear and nice to see on the eyes doesn't really help on the real reality to recover from the normal crisis we will have to face the reality | 35:18 – 36:55 |
| Comments by MAJ | so I think I think yeah I think in the situation the minimum that we have to follow is the WHO guidelines the WTO guidelines and the local guidelines I think when we try to when we try to if you try to follow those that's the this the basic minimum that we should do because that give that would give the international community the travelers that Maldives is ready with you know conformity to the basic guidelines from the international organizations as well as the local organization so I think that's where we should work I mean if you if you have to say anything else Sonu if you want to intervene say what Khaleel is thinking you you want to even have all the machines you already have at security for your travelers on the other side Khaleel has different view so what would you say Sonu, | 36:56 – 38:01 |
| Comments by Ghiyas | see let's look at the numbers I think when you talk about scenarios in the Maldives I think now, I called our Finance Ministry on scenario number three starting in July right and in scenario number three it says that we are expecting for the rest of the year four hundred and sixty two thousand eight hundred and forty six tourists to come because already we have over three hundred and eighty two thousand six hundred and seventy eight so for the rest of the year almost over four hundred thousand tourists so let's say okay in July we are not going to get any tourists in July or we we get some tourists in July but let's say come August we are going to see some numbers and some recent numbers and given the government's forecast of four hundred thousand tourists will come in Scenario 3 for the rest of the year let's say in these five months we bring that four hundred thousand to two hundred thousand and with that also so if you divide it it's about forty six thousand tourists a month which means we need to do 46,000 tests and which means per day we have to do over thousand five hundred tests so I think like I said these are all very good ideas but I don't think | 38:03 – 40:19 |

| | Maldives has yet has the infrastructure I mean we are still struggling to do tests of our own people. I wish we were like Iceland where we could have tested half the country by now but like Sonu was saying getting the test kits and things there's a lot of challenges and again I'm not trying to criticize somebody saying that we're not doing a good job obviously we are doing the best with our resources but I am worried that we would we have enough tests for locals if this happens would we have enough tests for tourists then? because right now I think our capacity with IGMH and ADK is just close to thousand thousand two hundred per day so that is a worry, again trying to be realistic here and I see I hope that we can find a way that we can work something out | |
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| Comments by MAJ | Sonu I want to ask I will ask you because now I think the discussion is on the testing and the health front I think we have different views Khalil has this strong belief that we we can do the PCR testing for everyone right and here right so your intervention and how far should we go on testing and the incoming tourists in bound tourists how can we manage this situation what are we going to do in the resorts itself this is this is health crisis how are going to manage this situation so can you show us a picture of the real situation where we are going to encounter like when okay we open the resorts tomorrow the people from the borders okay with limited flights limiter even with limited fights still we cannot avoid the question of the health aspect because there will be there will be people coming from very infected areas as well so if we if those borders open some countries are opening up we saw the list of countries opening up the other day right sixty countries so if you are allowing our borders to open definitely infected people would come and how are we going to face this real-time situation when we open the borders what are the risks involved I think we would like to hear from you | 40:20 – 41:51 |
| Comments by Sonu | yes no thank you yeah it's you you've raised great points I hear completely what Ghiyas said and Murad I completely understand those points and you know thank you for your comments about testing and being practical so it is I mean it is true in quite a few countries it's difficult to get a test if you don't show symptoms so the current guidelines based on a test being taken seven days before arrival and there are quite a few countries that don't do that because if you if you don't have symptoms because of the scarcity of tests or if you haven't been in contact with someone who's positive they won't test you but that said we've been asking around because you want to help potential clients so we've been in touch with all the markets and you've started to identify companies and most countries at least the six principal markets and you've started to identify companies and most countries at least the six principal markets we're starting to find country companies that will offer testing for our clients so it is a possibility and we've still got another 30 days to go and the testing you know these testing machines are being produced if you think about it you know we started with Covidd in full swing at the end of January that's where America was dodging all of March in all the March Trump was saying its not goonna infect us, everyone was in fact well there were a lot of people infected they just hadn't tested them so they didn't know and so it's only been sort of 60 days really that these companies have started to gear towards testing and for us it's been very important so I've had discussions with experts in virology and infectious diseases from the UK three or four people the United States Singapore etc and companies that provide testing and what I've seen is the capacity has grown enormously of testing machines though I think we will see a growth in terms of answer the question of the testing so at the moment ADK have a baby machine from rosh the lifestyle 96 that does 700 tests aday no 700 a tester day just the AD | 41:52 - 49:41 |

| | and within day one you're sneezing you're coughing you've got a fever everyone keeps away from you with Covid it because it's so mild that doesn't happen so I think we've got to learn with living with Covid so someone mentioned early and I can't remember do and I apologize for not remembering that this point of fear and FDR when he took power and you know during the Great Depression and he started you know became you know President of the United States in his inauguration speech he said the greatest fear is fear itself and when we look at the put things into context and perspective with this so firstly if you're under 50 experts and infectious diseases I asked all of them same question if you're under 50 what is the fatality rate compared with some of the serious influenzas like there was the one uh1n in in 2018 they said fatality rates the same or less if you're under 50 so it's only the old or the infirm where there's a challenge with the fatality rate then I did some research on the spread so in the United States Center for biodefense in Maryland in one of the White House briefings last week they announced their research and they took the Covid virus they found it in wintery temperatures where the humidity is low 25 degree percent and where the temperatures below 75 degrees Fahrenheit you know it is like Miami you know in the winter months and the half life the virus if it spills on to a surface is 18 hours once you get to 95 degrees Fahrenheit which is what we're experiencing now today in Male' and 80% humidity the half-life is one hour and if you exposed to some UV so if you're in the open air it's two minutes a half-life of the virus in Hong Kong they contact traced people and those who came into COVID patients outside in the open air yeah I came into contact with infected Covid people out of 7,000 people only one caught the infection outside so um there's a lot of fear at the moment and if we're in our climate and if there's if it's in the open air like in our resort and maintaining good hygiene standard | |
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| Comments by MAJ | I think I think I think we all agree that it's like testing is very important and I think the government is on the right track with you know increasing the capacity to test and I think as long as we are aware of what we are doing and we are on that track because we have to protect our tourists you also have to protect our local population we also have to protect our staff so I think when we have a balance on that I think we can move in the right direction we have some important questions we are running out of time I will try to put forward one more question to each panelist and then open up for Q&A | 49:42 – 50:25 |
| Question 5 | my next question would be to Murad I would like to ask you what competetive advantage would Maldives have when everyone else is also planning to open up their borders for tourism at once you know likely in July August you know so we are going to open our borders at once the entire world you know it's like the world is opening up at once it's stopped like competition in different stages it's going to be competition I don't think the world has seen anything like this before everybody wants the you know the tourists back to their own country so what can we do differently as Maldives that's my next question | 50:26 – 51:05 |
| Answer by Murad | excellent so there are few things that we need to shout out loud which is by default given to us by the nature of the tourism industry that we have so for example we we don't get to rub shoulders with many and cross paths as many on the resort islands because the way that we are set up we don't have we don't we're not like a city hotel so luckily you know the they part of the USPs for all | 51:06 – 54:44 |

| | the resorts in the Maldives is seclusion and disconnect I believe sonu you remember that no news no shoes type but this time also with lot less people as well but we somehow lost track of that as a message out into the market from the Maldives some hotels privately they kept pushing it but that is not how Maldives is known anymore yeah of course is for the beach but I think if you really make a recall function work or that specific feature that we have we will be able to get people to start believing in yes yes I'm on a resort but I'm safe because I am I am secluded, I am experiencing very private stay and I'm not going to go through you know city malls and crowded roads this is this is by default what we hear but I think over time what we have done is we have taken our eyes away from the very important key message that we give that private islands where one island one resort by default will not let you burn out and that message has to be reinstated and I think we mentioned the Ministry of Tourism or tourism promotion board going out with a message that actually brings us together now that is kind of the message that we also want to give in the first question that you asked me you know we just discuss about a lot of testing that has to do with us being very secure about tourists coming what is the message that we give to tourists about their confidence right yes so presence of good healthcare system testing mechanisms but the message itself is going to really boost the confidence that we want people that these are the people that will decide to come to the Maldives or not right and that is when we really get the message out but if you really look at collective messaging that we have never done this before we have never had a comprehensive a marketing communication system you know going hand-in-hand with tourism board everyone goes their own way they spend multi-million dollar every year they possibly achieve their goals but as a destination is Maldives I think we have gone divergent and we possibly lost some of | |
|--------------------------------|--|--------------------|
| Comments by MAJ | I think I think all the calls that are going on around the world, in the US, Europe I think first destination all of them they want to visit is Maldives after the lockdown is open right so I think I think you know Maldives is placed in very well because as we understand there are a lot of good booking inquiries happening and as Sonu said you know his own resorts are experiencing I think we all have the same feeling right it's going to be the best destination it's going to be the place that everyone wants to come after the lockdown I think that is the marketing strategy that would be the strategy for us to promote ourselves | 54:45 – 55:32 |
| Addition to statement by Murad | I would add to that by the way is that multiple gate of entry because that's only place of condition that we will ever have hope for a near future and yes maafaru and few other airport if you really | 55:33 – 56:11 |
| Question 6 | start making it mainstream for entry then that will declog the system that we have with the reopening of borders the airlines will play a very vital role in picking up the tourist numbers you know how do you think the travel pick up from what region do we expect the least and highest traffic in the upcoming months what's your you know forecast which airlines would operate who would be keen to connect the Maldives and how would that happen | 56:12 – 56:44 |
| Answer by Khaleel | okay our market research actually shows that people will prefer to domestic and regional travel at this moment sentiment at most at the moment our most positive from India middle east and China but India maybe they will open their border maybe end of July Middle East there is no sign to get open prior September and in China there is a little hope but it's really questionable due to politics Europe definitely is not going to open before November my gut feeling is there will open only for from December onwards but in order to restart actually the tourism in our economy we will have to start immediately to build certain dialogue between the governments from the source markets and together with the tour operators high-level bilateral talks are really required to initiate the air traffic just opening up the border and announcing a date of our border opening is not going to be enough government must consider to lower the fees provided that the incentive for the international carriers to encourage and to make this destination more affordable You see if you read if you watch all the news I would say that most commercial airlines across the globe are already bleeding heavily they would not basically want to fly to Maldives from the start unless there is a significant demand for them and neither they can basically afford to keep half of | 56:45 – 1:03:35 |

| | the seats empty and then fly this routes so it's year important actually for us to have a prepar | |
|-----------------|--|-------------------------|
| | the seats empty and then fly this routes so it's very important actually for us to have a proper dialogue between the tour operators in state level and to initiate these routes and to provide specially kind of incentives that are required to do as of now most of nation are focused on regional travel like you said New Zealand and Australia travel bubble, there could be similar bubbles in other parts of the world too. China actually has clearly indicated that their focus at the moment when it comes to tourism is purely on domestic. There is unlikely to see any significant number producing from this market for this summer Another factor could be again the relationship that we have government to government level that actually might play an important role. at the end of the day China actually is one single-source biggest market for Maldives for last few years especially most or the bulk of the industry inventory really depends on the market almost every single hotels depends on Chinese market during summer period our low season so this this summer is definitely not going to happen so we will have to look at how we can really start we have to start a dialogue between the governments in order to initiate this recovery process fast and the government must consider basically to give incentive for the other the international carrier to come instead of going it to our competing destination like Seychelles Mauritius and other places and the other thing that we will also have to look at like Murad has mentioned that opening up different airports regional airports like you also mentioned that dhaalu airport is basically even in dhaalu atoll there are resorts of a very high-end like St Regis, Niyama and those people on average they basically get 40 - 50 jets when annual basis so instead of making them to land in Male' and then having Male' airport congested they can go directly to these places and in Huvadhu atoll you have your airport and there are highend resort there so you instead of making them fly through Male' they c | |
| Comments by MAJ | marketing communication we have to do have a better and more smarter marketing communication strategies in place in order to provide the confidence and comfort for the future potential tourists to come to Maldives so the confidence and comfort is the key for our success and key message has to be there the assurance from the market and destination is very vital to have a fast recovery. I am sure that Mr. Sonu will also agree that His resort basically has quite a good health facility available and they also have a health and safety auditor based in the resort, I would say that most of the hotels, already they have so food and health and safety is one of a critical component even before Covid so that basically we can enhance it and people may not be aware of this but it is there in the resort safe zones, multiple airports, multiple gateways and once Male' area is clear of the infection Male' | 1:03:36 |
| Comments by WAD | airport can start so I think we we are we are very clear on you know where we are heading right how we could manage the situation how we could manage situation under circumstances Ghiyas my next question to you just it's a combination of two questions | 1:34:45 |
| Question 7 | international tourism down by 22 percent in quarter one and could decline by sixty to eighty percent when you distribute across the year what are the possible scenarios that can be expected and prospects of recovery keep downgraded several times since the outbreak ends uncertainty continues to dominate second wave third wave what could be expecting this scenario is there hope for us that we could manage this situation as a country what would be your thought on | 1:34:46 - 1:34:45 |

| Anguar by Chiuga | firstly I would say I maan gaing heak to what I said earlier shout the seeneries you know government | 1.24.46 |
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| Answer by Ghiyas | firstly I would say I mean going back to what I said earlier about the scenarios you know government says there's five scenarios and if you look at I was just looking at the MIRA collection figures and revenue figures I think the last one available was the April figures and if you look at April we had about a receipt of I think 23 million US dollars compared to last year's 55 million and that is about S8 percent decline compared to last year and I'm sure May June this figure is also going to be lower but my point is this is in line with what in WTO is saying between 60 and 80 percent decline that they are seeing and I think at this moment it is very difficult to do a scientific prediction or give some accurate figure on what this could be because there are so many different things so many different moving parts that's at play here obviously the degree of health and economic impact of each source market the frequency and price of flights that we've been talking about and also how these competing destinations other competing destination with more resources how are they going to react and what are they doing all these moving parts makes a huge huge difference in the way we see this and I think countries are obviously in countries really really need to focus on this bilateral discussions that again we've been talking about restarting routes until there is a vaccine out there I don't see recovery being anything close to what it was everyone is saying 2021 is going to be the real year we're going to see some decent numbers not saying that 2020 would not have any numbers but I think I would I would be very cautious about that and I think I would go with what you end up with WTO is saying right now and the second question about the different waves you know whether there is light at the end of the tunnel whether it's the first wave second a third and how are we going to prevent or mitigate this I think firstly I'm not an epidemiologist to be again or health expert is to go into detail in this but all I know is tourism w | 1:34:46 |
| | number one most preferred holiday destination so the appetite is there so definitely definitely there is light at the end of the tunnel and infact I am everyone say that there is a huge flashing light that is with headlights you know that's blinking on Maldives so yeah that's good news | |
| Question 8 | just two more questions we prayer time is approaching so we have to you know be very short. do you think we are spending enough to market and advertise the Maldives under the current situation do we need an additional budget for this | |
| Answer by Murad | yes are we spending enough? enough is a very vague word to use under circumstance like this it's never enough anyways but but I can say that we are not doing nearly enough to really mitigate what's you know what we need to do to mitigate the risks that we are facing and the problems that we are facing due to Covid, now if you really look at other destinations they swung into operation very early on try to stay on top of mind trying to stay into the consideration side of the guests yes we may have the search result set which is really very promising the flashlight I agree with that yes | |

| | and yes but it could be a big flood light that's that's what we need and we could shout out. are we doing enough I think we are not why if you really look at what's happening I just saw the article on travel and leisure it's talking about those old first draft information about fifty thousand and one hundred dollar charge and a 100\$ test charge and visa fees so wedidn't do enough we are absolutely nowhere near where we want to be I think we have failed miserably in that area unfortunately it's my friend Thoyyib's area of expertise but I know also what happened to that news going out had nothing to do with him again it went out question is now in the from the marketing perspective did you do what did we do to mitigate the fallout because of something going out like this we didn't we still haven't we are still discussing the news is flashing big all the major outlets picked it picked it up actually we have done more damages because of that I keep in touch with our partners very often all of them call them you know the first reaction is hey how are we gonna sell because there's no filtered mechanism to send a message to those people so what they see is from the from from the news outlet so from the strategic perspective did we do enough? No. do you think we can do I think we can do a lot more, Do they have capacity to do more hundred percent agreed that they have a lot more capacity to do if we really look at you know I don't know how much they spend so I can't really say this enough but I think they need a supplementary budget to to get a share of voice in the international markets it is absolutely necessary but also we have a very small budget compared to many other competing countries so can we actually team up with private sector they spend a lot they spend a lot actually a lot more than collectively lot more than tourism board itself so can we can really team up with private sector and really get some messages in in harmony with the national interest we can do that the the other thing to look at will be inves | |
|-----------------|---|--|
| Comments by MAJ | thank you very much. I think collective effort between the private sector and the government I think if we do that we will do far better than what we are doing right now and I think the spirit is there I think the government and the private sector there is no opportune time then this period for us to join hands together and I think we all are there to support the government in any initiative and I think that's the approach we should take sonu I will just pass the last question to you we approach in the prayer time if we cross the prayer time do you have to pause for five minutes if you have more questions but can you I would appreciate if you can just keep your response within five minutes to my last question and then I will give 15 minutes of quick Q&A and if you have more questions we will pause for five minutes for prayer time and then you know we just try to entertain those questions if not we will finish at 6:15 otherwise you know we will just continue after a small break so the last question so for the panelists from my side | |
| Question 9 | I will combine two questions but it's related to the job sir so what are the necessary actions that are necessary for the socio-economic impact on this pandemic and to accelerate recovery and tourism has been hard hit with in Maldives thousands of jobs lost millions of jobs worldwide mostly you know in Maldives in the tourism sector what partnerships could save the day for us for our workers for the local population for everyone that has been working in that industry what would we do together | |
| Answer by Sonu | yeah sure so I think we've already touched on it so I I don't want to repeat what others have said already so you know how are we gonna get people working again is to get tourists coming that's that for sure I mean that's what we need to do is restart the economy have tourists so we have guests to look after we can employ people to look after those guests I think you know just to build on what Murad said earlier and this idea of uniting as the private sector with the government I think this message of one island one resort is very important you know the sunny side of life needs to take a second how do you say take the backseats at the moment it's not a great message at the moment and we need to add for at least for the next three months just promote one island one resort and it's something that all the private sector and you're right Murad you know we spent I | |

think last year we spent three million dollars between our resorts on marketing sales and marketing I think that's most probably more than MMPRC's entire budget so I believe we're all shouting on the same ship one Island one resort one island one resort I think that's a huge competitive advantage I'm not gonna repeat why it is but because all the other panelists already explained that you know and and alm we're seeing it already so we're seeing it from clients we're getting lots of interesting inquiries people are quite scared want to come in their private jet they want to privatize the island we've never had more private island inquiries before, so I think that's that's gonna be quite important I think Khaleel touched upon another important issue and Khaleel my view on Europe closed until November is that I didn't think that would be the case because a lot of Europe is democracies they have to listen to the voters and the voters are fed up or staying at home some want to travel with in Europe but somewhat also scared about traveling within Europe because it's an area that's had a lot of infections some countries have an overcome it and a lot of European destinations don't offer what the Maldives offers in terms of one island one resort so I saw an article where the government had made an announcement that as early as 1st July bubbles a travel bubble is where people only travel between two countries like only between the EU or between Australia and New Zealand and nowhere else no one else can come into that bubble but a travel bridge is where you have these bilateral agreements as Khaleel mentioned so the UK is about talking about that about having establishing travel bridges by the 1st of July we know very well that this government and president Nasheed you know spent a lot of his time in Europe in in the UK and Minister of Tourism Ali Waheed was in the UK as well there's a very good relationship between the Maldives in the UK and the Maldives as part of the British Commonwealth so I think we need to talk about travel bridges now this point about the government working on bilateral agreements that Khaleel mentioned is very important I think India will be very easy you're Right Khaleel because of the relationship the UK is a strong possibility in the moment you have the UK then you've got the rest of Europe because if the UK has this travel bubble with the rest of Europe and then it's allowing these travel bridges between other countries the fence is broken so then the other European nations are gonna say well if the Brits can go to you know to to to the Maldives why can't the Germans so I think engaging with them travel bridges I think China will be the biggest challenge but I was speaking last week with the Chinese ambassador to the Maldives and explained that the country is already entering to travel bridges so um fast tracks fast track agreements with certain countries where you can you can return from that country as a Chinese citizen you get a test on returning and you only have to quarantine for two days so rather than saying quarantine for 14 days and we have to remember that the Maldives is a big debtor of China the Maldives owes China a lot of money bridges etc airports so the Maldives China wants that cash back anyway it's going to get its cash back is the Maldives having cash and earning money so I think with that and negotiating a fast-track agreement between China and the Maldives and possibly linking each tourists arrival to some repayment of a loan might work because if we think about it China has 300,000 arrivals if everyone spends three or four thousand on a holiday that's a billion dollars the GST on that that the government gets is 125 million so if the government could link some of that money from Chinese tourists you know as X amount per tourists to repaying debt that could help so I think we might find that these travel bridges would work but it's you're completely right the government has to do a lot on that so I think the government needs to take one island one turret one resort as a campaign drop sunny side of life and travel bridges and then yeah and I and I think yes is right I mean he said that the Maldives appeared in the top search in Google indeed Conde Nast Traveler it was the same thing people like this and we just need to spell it out more and the demand is there we need to create the ability and the ability is to create the airlines coming in and to get countries at least the principle six countries you know UK China Russia India Germany and Italy get them to not make it onerous for their citizens to come to us and return and and I think then it's done and then we'll have tourists back and there'll be employment and everyone will be happy

Q&A

Question 1

but yeah thank you so much I think we can finish this off in the next 15 minutes because I have filtered down the questions because we had so many questions but I have filtered down some of it answered responded through conversation so I'll just read out the questions and then any one of you can pick up if you feel like we could answer that so the first question is after filtering I have taken about seven questions so the first one is do you think the Maldives are ready when we reopen on July do you think it's too soon

I think we're ready it's not big we are not getting people in thousands to arrive a day okay we will and and it will be a good start because it will be slow one and then we will know exactly what we are missing what we need to do it'll be yeah there it has to start it has to start now when it is low and we have to scale it up to a level where we see a sustainable demand can be handled so if you really look at it if there any demand coming in it I think there may be few flights that may start but of course the feeder markets are not opening up he gate so the relative arrivals that you would see starting from July August up to September will stay low if we haven't seen any of the major airline announcing their next ten or twenty destinations and Maldives is in that at least but we see tourists said you know keeping us at the top of their consideration so the incompatibility the mismatch is very frightening because flights are not while people are so should we start can be handled it I think we can

all right very positive okay the next question is even be expecting that there will not be a significant expected recovery until October later what more should the government do to support the tourism industry workers is it reasonable to expect the resource to support their workers for six months while they remain closed

yeah maybe I can I can give some answers to this yes please you can yeah one thing that I wanted highlight said is basically to open up the research yes we are ready to open from 1st of July but I think government need to relook at how we going to open up the resorts instead of basically opening all the resorts together I would suggest basically stagger the resorts opening and ask for voluntary delay in certain resorts to open in order and give certain incentive for them basically not to open on 1st of July rather push it back to September November or the later part of this year so this basically will help us to meet the kind of demand and supply if we open all the resorts together what's going to happen is there is going to be huge you know price competition which is going to happen and then nobody is going to win here neither the government nor the private sector will win because we going basically dumped the price like anything and then the GST component there are many that government is going to get is going to be half of what theyre going to get if we really don't have that kind of a competition so I would suggest basically the government to start initiating inhibit dialogue with the resorts in order to defer certain resorts to open it a later time not to open all the resorts together going back to this the staff I think that's a very difficult question to answer some of the people you know we've been basically told that over the years most of the civil society basically have been made to believe that no soon are resorts are ready and open from the day one they are very cash rich, the idea of resorts are both swimming in a cash is not really correct, we are not really plucking the money from the tree that is basically being grown on the resort itself the industry has been through a very tough I would say last couple of years even before this crisis and there is again a huge competition due to certain explosion in the destination inventory so that's basically one thing that I want to highlight, the best basically would have but the scenario is already cold if the government would have taken a proper action way back in February in March where they could basically waive off the rents for the resorts in order to mitigate the kind of a redundancy that we may have seen across different resorts they would have basically gotten assurance that to keep those the least amount of money to retain the stuff so I think we will basically have to look at how we can really manage I don't think that anybody really wanted to fire anybody at any time because most of these people have been working with certain companies for a very long time but it's not really possible for anyone to continuely to retain the employees without basically having received any revenue for so long example basically the everywhere else in the world the redundancy is happening it's not only limited to Maldives alone you look at the example of Richard Branson who basically is Virgin airline he basically file bankruptcy and requested state to wreak rescue that basically proof that no business is basically shot free from this crisis so everybody is in deep trouble but we can come out if we have a proper constructive dialog between private sector and introduce a proper realistic stimulus packages in order to keep the employment level high that's the key thing we need urgently to raise the capital we need to basically government must borrow the money from abroad and at a lower rate then redistribute that with the margin to private sector where government can earn a profit by lending those money to the private sector to stay to keep the economy going this is only the way that I can see to avoid this economic potential economic disaster that we're going to face within the next few months

all right thank you very much I think we have come to an end on the deliberations today it has been the time is never enough we have gone beyond our 190 minutes schedule that we program we are

almost up to the evening prayer time so I think we will try to conclude our first edition today it has been very useful the bottom line here is that the Health Protection Agency is the Maldives is still under national state of health emergency so we have to follow the instruction and guidelines coming out from the health protection agency it is a must that we follow the guidelines set up by the HPA and - Director general health services secondly the Minister of Tourism is doing a lot of work engaging the stakeholders so I think continuing the collective effort the private sector and the important stakeholders in industry and listening to all of us I think that would help us to come out positively out of the situation our engagement today I am sure a lot of questions that were unanswered before we started before 4:30 p.m. today I think a lot of you know misconceptions a lot of doubts, fears that we had in mind and in the and so on several fronts including the employers and employees I hope what we did today here in this discussion would contribute as you know some kind of response to those fears or questions that you might have had till now we will summarize our discussion we will prepare small report make it available on our website and we also have given our email address which is secretariat@nfme.mv you could send any further questions to our panelists through on our team of experts and we would be happy to mail back because we do not doubt the scientific evidence or you know the science that is there in front of us but as industry experts we will definitely you know work together - you know work together to make this country a better place from the private sector we will support you will compliment with all that is being done by the Minister of Tourism and and his Excellency the president we are fully behind what government is doing and as the national federation employers and the president and Exco what we are doing here is to only compliment what the government is doing so we will be there for you we'll be there for everyone and I hope that we have contributed to the society to the industry into the country in whatever small small way we can thank you very much yes thank you very much sue thank you honey you thank you thank you Maura very very interesting, I have I have enriched myself today. I leave a better person I'm also an investor and stakeholder in the tourism industry any many of you do not know that although I am regarded as the contractor as a builder but then we also I also have own stakes in the industry so I think I speak from the heart for the industry just like all of you I know and thank you very much for all those participants, we had over 60 participants from the beginning to the end which means the enthusiasm has been there and home Facebook live we had about 30,000 watching so appreciate your appreciate your patience and we have seven more episodes on various industries so the next one is on 10th July same time on the construction industry looking forward to have all of you and if we made a mistake if we had something that wasn't if you said something that wasn't right we would love to have your feedback once again thank you very much and please expect Federation National Federation to do more thank you all very much thanks thank you