



**PACIFIC REGIONAL TOURISM CAPACITY BUILDING PROGRAMME (PRTCBP)**

**(Funded under the 10<sup>th</sup> EDF)**

**INCEPTION REPORT AND FIRST WORK PLAN**

**January – December 2012**



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## **List of Abbreviations**

**ACP** – African, Caribbean and Pacific Group of States  
**CROP** – Council of Regional Organisations in the Pacific  
**CSC** – Component Steering Committee  
**EDF** – European Development Fund  
**EU** – European Union  
**EUR** - Euro  
**FIC** – Forum Island Country  
**HRD** – Human Resource Development  
**NTO** – National Tourism Organisation  
**PACP** – Pacific ACP  
**PACREIP** – Pacific Regional Economic Integration Programme  
**PIFS** – Pacific Islands Forum Secretariat  
**PIPSO** – Pacific Islands Private Sector Organisation  
**PITI** – Pacific Islands Trade and Invest  
**PSC** – Project Steering Committee  
**PTSP** - Pacific Tourism Sustainability Portal  
**RAO** – Regional Authorising Officer  
**RTS** – Regional Tourism Strategy  
**SMEs** – Small and Medium Enterprises  
**SPEITT** – South Pacific Economic Integration through Trade Programme  
**SPTO** – South Pacific Tourism Organisation  
**TA** – Technical Assistance  
**ToR/TOR** – Terms of Reference  
**UNWTO** – United Nations World Tourism Organisation  
**USP** – University of the South Pacific  
**USP STHM** - University of the South Pacific School of Tourism and Hospitality Management

## 1. Introduction

### 1.1 Basic Programme Data

<b>Project Name</b>	<b>Pacific Regional Tourism Capacity Building Programme (PRTCBP)</b>
<b>Location</b>	Pacific ACP countries
<b>Duration</b>	36 months
<b>Value</b>	Total: EUR <b>5,917,475.00.00</b> EDF Contribution: EUR4,733,981.00 SPTO co-financing: EUR 1,183,494.00
<b>Key Stakeholders</b>	South Pacific Tourism Organisation, National Tourism Organisations and Ministries of Tourism in PACPs, Port Authorities, other tourism-related public sector bodies, tourism and hospitality training institutes, tourism industry private sector trade associations, tourism SMEs in PACPs
<b>Purpose</b>	To strengthen PACPs' productive capacity in the development of a sustainable tourism sector.
<b>Key Results</b>	The PRTCBP encompasses the following three result areas: <ul style="list-style-type: none"><li>▪ Result Area One – Sector Planning and Policy Development to enhance tourism strategic planning and enabling policies to improve the business environment and private sector growth</li><li>▪ Result Area Two – Market Research and Marketing to increase tourism arrivals and foreign exchange earnings for the region through a market-led approach to tourism promotion and product development.</li><li>▪ Result Area Three - HRD and Capacity Enhancement to improve human capital through regional and country training initiatives in order to enhance the quality and sustainability of the regional tourism products and services.</li></ul>

### 1.2 Status of Programme

The Project Grant Contract between the Contracting Authority, Pacific Islands Forum Secretariat (PIFS), in its capacity as RAO, and the beneficiary and implementing organization, SPTO, was signed on 20 December 2011. The initial pre-financing transfer of funds to the SPTO amounting to Euro 1,196,041 was made on 06/01/2012. Thus, the implementation phase of the project commenced on the 2nd January 2012. The PRTCBP is implemented on the basis of decentralized ex post management.

An inception period of two months (January – February 2012) has been built into the first annual work plan, during which a number of key mobilization and planning needs have been attended to. These initial actions have helped establish the necessary planning, administrative and operational framework within which the Programme will be implemented in a timely and effective manner. Thus the Inception Report and First Year Work Plan Jan – Dec 2012 sets out the beneficiary organisation's activities during the inception period and the results accomplished, outlining the status of the programme at the time of reporting. Although the Grant Contract does not specifically require the SPTO to submit an inception report with its first work plan, it was considered useful to do so.

This Inception report and First Annual Work Plan Jan – Dec 2012 has been prepared by the PRTCBP Project Manager in collaboration with the senior management of the SPTO. In preparing the report and work plan, the SPTO has consulted closely with the RAO, who has provided valuable guidance.

## 2. Executive Summary

Notwithstanding the reduced timeframe of three years, as compared to the originally envisaged four-year duration, SPTO has recast and accommodated the overall programme work plan within the 36-month period allowed by the Grant Contract. Implementation of the Programme within the reduced time frame is considered feasible.

During the inception phase (Jan – Feb 2012) of the Programme, the SPTO liaised closely with the Contracting Authority (PIFS/RAO) and obtained useful clarifications and guidance on EDF rules and procedures and the use of appropriate templates, all of which will be adhered to in implementing the Programme.

Suitable office partitions and new work stations have been erected in the SPTO office to accommodate the proposed project team. In addition, arrangements have been made to procure the necessary equipment for the project team in readiness for the forthcoming induction of team members.

The recruitment process for the proposed project team has been set in motion by advertising the positions in question throughout the region. For the key position of project manager, the SPTO sought assistance from Pricewaterhouse Coopers, Fiji, in assessing applicants and interviewing shortlisted candidates. Mr John Yacoumis has been selected and appointed project manager, assuming his duties on 26 January 2012. Six other posts have also been advertised and SPTO is being assisted in the recruitment process by Maxumise (Fiji) Ltd, an HR consulting company. Applications have been evaluated and shortlisted candidates have been interviewed on 13, 14 and 17 February 2012. Post-interview due process checks are ongoing and it is expected that appointments will be made shortly, with first two appointees starting work in the first week of March, while the remaining appointees are schedule to start work soon thereafter.

The remaining three technical posts, viz. aviation development specialist, cruise tourism development specialist, and ICT specialist, have not been advertised due to their highly specialised nature, but a search and recruitment process to identify suitable candidates will be launched shortly.

Notwithstanding the significant amount of time that has elapsed between the formulation of the Programme and its actual launch, its fundamental philosophy and content remain valid. No substantive changes are needed. However, the following amendments are judged necessary and have been reflected in the Work Plan. No adjustments to the overall Programme budget or the approved budget funds for year one are necessary as a result of these relatively minor changes.

- 1) As the main actor in regional integration and cooperation in the tourism sector, SPTO is expected to coordinate and facilitate joint efforts among all PACPs across a whole spectrum of functions and activities ranging from planning and development to marketing and promotion, from research and statistics to human resource development. In order to achieve sustainable results under this Programme at national level, it is essential that SPTO's own institutional capacity is appreciably strengthened. Therefore, with a view to building capacity within the SPTO, two specific actions have been included under Result Area 1, Activity 1. These are shown in the Work Plan as sub-activities 1.3 Organisational Review and Institutional Capacity Strengthening of the SPTO and 1.4 Strengthening SPTO Research and Statistics Capacity. The outputs from these sub-activities are consistent with the overall objective and purpose of the Programme and include, inter alia:
  - a. Strategic review, assessment and definition of the roles, functions and organizational structure of SPTO to respond more effectively to members' needs
  - b. Review and assessment of the SPTO membership structure and identification of potential new members and membership categories

- c. Consideration of revenues and evaluation of potential sources and methods of funding the operations of the SPTO
  - d. Development of a 5-year business plan for the SPTO
  - e. Re-establishment and strengthening of the SPTO research function and division
  - f. Development, expansion and operationalising of a regional tourism resource centre with online databases available to public and private sector members
  - g. Training SPTO staff in the field of tourism research and statistics and in operating the regional tourism resource centre
- 2) The development and promotion of the cruise tourism sector is a central plank of the Programme. Thus a number of actions will be undertaken to implement key recommendations of the “South Pacific Cruise Shipping Strategy” under **Activity 3: Implement the South Pacific Cruise Shipping Strategy**. These will span marketing and promotion including market research and product development, training and capacity building. The Cruise Shipping Strategy was prepared with Proinvest support in 2007. It is therefore considered prudent to undertake a thorough review and update of the Pacific Cruise Shipping Strategy within the framework of this Programme to take account of developments in the international and regional cruise sectors as well as the impact of co-ordinated activities under the Programme, so as to guide the region’s cooperative actions in the development of the cruise sector in the medium term and beyond. Thus sub-activity **3.6 Preparation of Updated Pacific Cruise Shipping Strategy** has been included in year 3.
- 3) Under **Activity 4: Development of a Regional Tourism Strategy (2014 – 2019) and Assistance with Country Tourism Plans** there is provision for extending assistance to PACPs to support selected countries with their individual tourism sector development plans through technical assistance. In view of the growing interest in the development of the cruise sector, it is expected that selected beneficiary countries will need to develop and promulgate national cruise tourism policies in the near future. Hence, **cruise tourism policies** have been added along with other tourism sector development plans as a specific area in which technical assistance to PACPs will be available under the Programme.
- 4) **Activity 8: Expansion of the South Pacific Travel Trade Specialist Programme** – provides for expanding the existing online programme by adding several new training modules on niche products and markets. Input to these new modules will be generated by the proposed niche market research (Result Area 2, Activity 6). Six niche market studies will be conducted, which means that six new training modules will also be produced. This corresponds to a significant and time-consuming workload which will commence in year one and be completed in year three. Further, the existing modules are 5-6 years old and need to be updated. Against this background, the original provision of also undertaking translations of the training modules is not considered feasible. It has therefore been omitted from the Work Plan.

An updated Logframe has been prepared to reflect more accurately and in more detail the proposed actions and related outputs and outcomes and this is shown in Annex 1.

No other substantive issues or recommendations arise at this stage.

### 3. Review of Project Design

#### 3.1 Project Context

Tourism plays a vital role in the economies of the Pacific ACP countries (PACPs) and in most countries is the major driver of economic growth and foreign exchange earnings. The Pacific Tourism Ministers Vision<sup>1</sup> is that “*Tourism will inspire sustainable economic growth and empower the Pacific people*”.

Tourism is also a major contributor to the Pacific Plan – Pillar One – Economic Growth, and the sector has been identified as a key development opportunity in the EDF10 Regional Strategy Paper 2008-2013 for the Pacific.

At the Pacific Islands Forum Summit in Tonga in October 2007, the FIC Leaders recognized the vital importance of the tourism sector and agreed “*to increase their current levels of support to their tourism industries through human resource development; to prioritize development of infrastructure and transport links in their countries to foster sustainable tourism; to encourage foreign investment in their tourism industries; and to encourage development of regional and sub-regional marketing strategies and brands for major international markets.*”<sup>2</sup>

The South Pacific Tourism Organisation (SPTO) is the mandated regional agency responsible for ‘*marketing and developing tourism*’ in the region. SPTO has 13 Pacific member countries and approximately 200 private sector members from across the region. SPTO is the only CROP (Council of Regional Organisations of the Pacific) agency whose core funding is provided by its members and is one of only two (with Pacific Islands Private Sector Organisation - PIPSO), that has significant private sector representation (at Board and individual membership level).

The tourism sector is an industry which is common to all South Pacific countries, and is a major source of foreign exchange for many countries. For example, in the Cook Islands, tourism produces 90 percent of foreign exchange earnings and 50 percent of GDP. For Samoa, Fiji and Vanuatu tourism it has now passed all other export industries to become the leading income earner, while in the Solomon Islands it is becoming increasingly important as the country recovers from years of civil unrest. In Papua New Guinea, tourism is increasingly important in providing employment in many regions which accommodate few other commercially viable activities.

The major markets for the region are Australia and New Zealand which account for over 50 percent of total arrivals in 2008. North America and Europe account for a further 30 percent, whilst Japan and Asia account for 9 percent, with the Pacific (intra-regional) and other countries accounting for the remainder.

The Pacific tourist industry is overwhelmingly made up of SME operators, with few multinational operators and/or investors compared to other regions. It is overall, a small scale industry with limited capacity to compete globally and, whilst growing, has considerable scope for future expansion. The sector is commonly dependent on the National Tourism Organisations to provide marketing support and guidance and on the intermediaries such as SPTO, to provide broader regional promotion and support.

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<sup>1</sup> SPTO Business Plan – 2010 - 2012

<sup>2</sup> Forum Communiqué, Tonga, October 2007

The Pacific Regional Tourism Capacity Building Programme ('the Project') will focus on further development of sustainable tourism in PACPs by supporting a more conducive enabling environment for regional growth through enhanced policy and capacity development as well as increased productive capacity and market access for tourism SMEs.

This focus is directly aligned with the Millennium Development Goals (MDGs) for poverty alleviation; Article 20 (1) (a) of the Cotonou Partnership Agreement 2005 (promoting rapid and sustained job creation, economic growth; and improving access to productive economic activities and resources) and the first pillar of the Pacific Plan – economic growth. Furthermore, it directly responds to the demands of the PACP leaders' Vava'u Declaration which called for increased support for the tourism sector to achieve sustainable growth, as well as the Vision of the region's Tourism Ministers that "Tourism will inspire sustainable economic growth and empower the Pacific people."

The Project will engage with stakeholders in the industry at two levels; by supporting coordination between the relevant regional institutions (SPTO, USP, SPC, PIFS and PIPSO) and at a national level with the national tourism institutions and private sector intermediary organisations, particularly the relevant national tourism industry associations.

### **3.2 Overall Objectives, Project Purpose and Activities**

The PRTCBP is a component of the "Strengthening Economic Integration through Trade (SPEITT) programme and shares its overall objective. Thus the overall objective of the Pacific Regional Tourism Capacity Building Programme is *"to improve PACP economic integration through strengthened national systems and institutional frameworks to develop trade capacity, increase private sector competitiveness and increase international market access in the tourism sector"*.

The purpose of the PRTCBP is *'To strengthen PACPs productive capacity in the development of a sustainable tourism sector'*.

This Programme entails three result areas, as follows:

- Result Area One – Sector Planning and Policy Development
- Result Area Two – Market Research and Marketing
- Result Area Three - HRD and Capacity Enhancement

The three Result Areas of the Programme directly relate to the three focal areas identified in the 'Regional Tourism Strategy for the South and Central Pacific', as follows:

- *Tourism Planning, Investment and SME Development*: to facilitate sustainable tourism development in the Pacific region, with a particular focus on eco-tourism and SME development;
- *Marketing and Market Research*: to increase tourism arrivals and foreign exchange earnings for the region through a market-led approach to tourism promotion and product development; and
- *Human Resource Development*: to improve human capital through regional and country training initiatives in order to enhance the quality and sustainability of the regional tourism products and services.

#### **Result Area 1 will be achieved following the implementation of five (5) activities**

**Activity 1** will focus on building on work undertaken under the PACREIP by strengthening and



standardizing tourism statistical information in the Pacific countries, through short term technical assistance and training on data collection and visitor surveys, undertaking studies on regional and country tourism economic impact analysis and economic linkages and the piloting of Tourism Satellite Accounts in selected countries. All countries collect data. However, these are all at different levels depending on efforts undertaken by countries to collect tourism statistics. The collection is often done in an ad hoc manner through exit surveys. This activity will take existing data and create a more consistent method of collection and at the same time build capacity at a national level.

**Activity 2** will focus on the development of an information base which will assist SPTO and other regional organisations to promote and negotiate with stakeholders in the aviation industry to facilitate the expansion of services to underpin tourism development. This activity will build on ongoing discussions already taking place with airlines in the region and potential airlines outside the region at the Routes Development event for Asia Pacific. The activity will include the development of a Pacific Aviation Strategy through short term technical assistance, including analysis of national and regional aviation priorities, identification and assessment of opportunities for aviation expansion. The results of the Strategy will be presented to potential new market entrants and existing operators at specialist aviation forums.

**Activity 3** will build on work supported by PROINVEST by focusing on the implementation of the key recommendations of the South Pacific Cruise Strategy. Activities will include the development a South Pacific Cruise Information Manual, which identifies infrastructure and other facilities, relevant charges and potential product development opportunities and regional promotion by SPTO to potential new cruise ship operators at the annual international Seatrade event.

**Activity 4:** Development of a Regional Tourism Strategy (2014 – 2019) and Assistance with Country Tourism Plans – This task will focus on the development of a new overarching Pacific Regional Tourism Strategy (RTS) for 2014 and beyond (to replace the existing 2003 – 2013 RTS); this activity will build on the Review of the RTS undertaken under REIP, as well as consolidation of subsector strategies developed (Cruise Shipping under PROINVEST), HRD and Aviation (under this Project) as well as new data and research which will be undertaken in this Project (including the Economic Impact Analysis, Economic Linkages and Market Research). The RTS will develop strategies to enhance sustainability, including the development of pro-poor and rural based tourism and increased economic impacts. Specific country assistance will also be provided at a national level by SPTO to support selected countries with their individual tourism sector development plans through technical assistance.

**Activity 5:** Development of the Pacific Tourism Sustainability Web Portal – Building on recommendations made through the REIP South Pacific Quality Standards activity, the development of a Pacific Tourism Sustainability Web Portal (PTSP) will be undertaken, to provide access to existing information and data on sustainable tourism development and best practice models for industry and government stakeholders. The PTSP will be supported by both SPTO and USP STHM through both the development and implementation phases.

### **Result Area 2 will be achieved following the implementation of three (3) activities**

**Activity 6:** Undertake Regional Niche Market Research – Market research will be undertaken at a regional level on common niche market segments (including diving, fishing, bird watching, surfing, cruising and weddings) and the broader consumer segmentation studies in the major common geographic markets of Australia, New Zealand, USA and Europe. Segmentation studies will include a profile of market characteristics, expenditure patterns and product development opportunities and will be used to support regional and country level marketing and tourism planning.

**Activity 7:** Capacity Building in E-marketing for SPTO and NTOs – The activity will focus on the strengthening of on line marketing at a regional and national level through implementation of the existing SPTO Online Strategy including regional internet based promotions, e-marketing and capacity building for National Tourism Organizations (NTOs). Short term technical assistance will be provided to assist both SPTO and the PACP National Tourism Organisations with enhancements to their existing tourism sites and the training of staff in e-marketing, including the use of social networking sites, database marketing and search engine optimisation. Regional internet marketing will be supported through the implementation of the SPTO Online Strategy including web based promotional activities. In implementing the Online Strategy, SPTO will implement joint regional tourism internet marketing activities in partnership with the Pacific Islands Forum Secretariat (PIFS) through its Trade Offices and also engage with the private sector and the national tourism organizations to maximize the impact through cooperative regional internet based marketing activities.

**Activity 8:** Expansion of the South Pacific Travel Trade Specialist Programme - Building on the existing SPTO Travel Trade online training program by developing niche market training modules in key product areas identified in the SPTO Business Plan (including diving, fishing, bird watching, surfing, cruising, weddings) and online training of overseas travel trade and agents to become certified South Pacific Travel Specialists.

### **Result Area 3 will be achieved following the implementation of two (2) activities**

**Activity 9:** Development of a Regional Tourism and Hospitality HRD Plan – Short term assistance will be provided to develop a Regional Tourism and Hospitality HRD Plan which incorporates an assessment of existing tourism and hospitality training provision at both country and regional level, a demand and gaps analysis across individual countries, as well as an action program for implementation at a regional and country level. A regional workshop will be held to facilitate discussion and dissemination of the results of the Plan.

**Activity 10:** Delivery of Tourism and Hospitality Training Priorities in Selected Countries - Building on the needs identified and gaps analysis undertaken in the Regional Tourism and Hospitality HRD Plan, specific short technical and vocational training for tourism SMEs will be delivered to strengthen products, services and business viability; training will focus on key technical areas where needs have been identified (potentially in areas such as e-marketing and business management) and on the smaller Pacific island countries where no provision currently exists in basic hospitality training. The proposed activities will support existing country initiatives by filling identified training gaps, and support skills development through a programme of industry attachments and scholarships, to regional and national training institutions, where these have been identified as priorities through the HRD Plan.

### **3.3 Required Changes**

Notwithstanding the significant amount of time that has elapsed between the formulation of the Project and its actual launch, its fundamental philosophy and content remain valid. No substantive changes are needed. However, the following minor amendments are judged necessary and useful.

- 1) As the main actor in regional integration in the tourism sector, SPTO is expected to coordinate and facilitate collaborative efforts among all PACPs across a whole spectrum of functions and activities ranging from planning and development to marketing and promotion, from research and statistics to human resource development in the region's tourism industry. In order to achieve sustainable results under this project at national level, it is essential that SPTO's institutional capacity be appreciably strengthened. Therefore with a view to building capacity within the SPTO, two specific and focused

actions have been included under Result Area 1, Activity 1. These are shown in the Work Plan that follows as sub-activities 1.3 and 1.4, namely:

A. **1.3 Organisational Review and Institutional Capacity Strengthening of the SPTO**, the outputs of which are:

- h. Strategic review and assessment of the roles, functions and organizational structure of SPTO to respond more effectively to members' needs
- i. Review and assessment of the SPTO membership structure and identification of potential new members and membership categories
- j. Consideration of revenues and evaluation of potential sources and methods of funding the operations of the SPTO
- k. Development of a 5-year business plan for the SPTO

B. **1.4 Strengthening SPTO Research and Statistics Capacity**, the outputs of which are:

- a. Re-establishment and strengthening of the SPTO research and statistics function and division
- b. Development, expansion and operationalising of a regional tourism resource centre with online databases available to public and private sector members
- c. Training SPTO staff in the field of tourism research and statistics and in operating the regional tourism resource centre

- 2) The development and promotion of the cruise tourism sector is a central plank of the Project. Thus a number of actions will be undertaken to implement the key recommendations of the "Pacific Cruise Shipping Strategy" under **Activity 3: Implement the South Pacific Cruise Shipping Strategy**. These will span marketing and promotion including market research and product development and training and capacity building. The Cruise Shipping Strategy was prepared with Proinvest support in 2007. It is therefore considered prudent to undertake a thorough review and update of the Pacific Cruise Shipping Strategy within the framework of this Project to take account of developments in the international and regional cruise sectors as well as the impact of co-ordinated activities under the Project. Thus sub-activity **3.6 Preparation of an Updated Pacific Cruise Shipping Strategy** has been included in year 3.
- 3) Under **Activity 4: Development of a Regional Tourism Strategy (2014 – 2019) and Assistance with Country Tourism Plans** there is provision for extending assistance to PACPs to support selected countries with their individual tourism sector development plans through technical assistance. In view of the growing interest in the development of the cruise sector, it is expected that selected beneficiary countries will need to formulate and promulgate national cruise tourism policies in the near future. Hence, **cruise tourism policies** have been added along with tourism sector development plans as a specific area in which technical assistance to PACPs will be available under the Project.

- 4) **Activity 8: Expansion of the South Pacific Travel Trade Specialist Programme** – provides for expanding the online programme by adding several new training modules on niche products and markets. Input to these new modules will be generated by the proposed niche market research (Result Area 2, Activity 6). Up to six niche market segment studies will be conducted, which means that six new training modules will also be produced. This corresponds to a significant and time-consuming workload which will commence in year one and be completed in year three. Further, the existing modules are up to five years old and need to be updated. Against this background, the Project’s original provision of also undertaking translations of the training modules into other languages is not considered feasible. It has therefore been omitted from the Work Plan.

### 3.4 Budget and Financing Arrangements

As shown in the table below, the total budget of the PRTCBP is EUR 5,917,475.00, of which EUR 1,183,494.00 or 20% is SPTO’s contribution. EDF funding amounts to EUR 4,733,981.00 or 80% of the total budget.

**Overall PRTCBP Budget by Source of Funding**

Source of Funding	Amount (EUR)	% share
SPTO co-financing	1,183,494.00	20
EDF contribution	4,733,981.00	80
<b>TOTAL</b>	<b>5,917,475.00</b>	<b>100</b>

### 3.5 Assumptions and Risks

Please see updated Logframe in Annex 1 and updated risk management plan in 4.5 below.

### 3.6 Management and Coordination Arrangements

A Financing Agreement for the broader SPEITT Programme has been signed between the European Commission and the Regional Authorising Officer (RAO). For the PRTCBP, a Grant Contract has been signed between the Secretary General (RAO) of the Pacific Islands Forum Secretariat (PIFS), which is the Contracting Authority of EDF funds, and the Chief Executive Officer of the SPTO, who is the beneficiary of the Grant.

The Project is being implemented through partly decentralised management by SPTO, following the signing of a Grant Contract with the RAO. The Commission controls ex post the contracting procedures. Through the programme estimates, payments are decentralised for operating costs and contracts up to the ceilings indicated in the Grant Contract.

### 3.7 Monitoring, Review and Evaluation Arrangements

A Project Steering Committee (PSC) for the SPEITT Programme, of which PRTCBP is a component, will be convened annually with dedicated sessions for each component of the programme. The CEO of the SPTO will represent the PRTCBP on the PSC.

In addition, a component steering committee (CSC) for the PRTCBP will be set up to oversee and validate the overall direction and policy of the Programme. The CSC will meet at least once a year and prior to the PSC meeting in order to report on the PRTCBP component's progress.

A representative of the RAO and a representative of the EU Delegation for the Pacific will be invited to both PSC and CSC meetings as observers. As indicated above, the CSC meetings will wherever possible be combined with the regular annual review process of each organisation in order to avoid duplication of procedures and review mechanisms in line with the Aid effectiveness principles and the Cairns Compact.

To ensure internal control that the PRTCBP progresses as planned, a Project Management Committee (PMC) meeting will be held quarterly. PIFS and a representative of the EU Delegation may attend these meetings.

As regards the PMC, the SPTO has already made arrangements to set up this Committee, which will comprise the CEO and the divisional managers of the SPTO and the Project Manager. Regarding the PRTCBP Component Steering Committee, whose yearly meeting is not due for another 10-12 months, the CEO has already alerted prospective members and will be providing further information in due course. As far as the PSC is concerned, the SPTO will be guided by the RAO as to the time of its convening and mode of operation.

The Director Economic Governance of PIFS provides oversight in the overall co-ordination of the SPEITT Programme, a component of which is the PRTCBP. In accordance with the provisions of the Grant Contract, PIFS requires of the SPTO annual work plans, financial audits conforming to EDF rules and regulations, six-monthly and annual reports to monitor and evaluate the progress made in implementing the annual work plans.

The CEO of the SPTO is responsible for supervising implementation of the Programme. The appointed Project Manager acts as project team leader and is responsible for the technical management of the Programme.

### **3.8 Progress in Mobilizing Project Team**

The Project Manager, Mr John Yacoumis, has already been recruited and commenced work on 26 January 2012. SPTO was advised and assisted in the assessment and short-listing of applicants as well as in the interviewing and selection of candidates by Pricewaterhouse Coopers, Suva. In addition, nine (9) other project staff are to be recruited to form the project core team. These are: Tourism Investment Officer, Aviation Development Specialist, Cruise Tourism Development Specialist, ICT Specialist, E-marketing Officer, HRD Specialist, SME and Sustainable Tourism Development Officer, Finance Officer, and Administrative Assistant/Support Staff.

Six of the above posts, namely, Tourism Investment Officer, E-marketing Officer, HRD Specialist, SME and Sustainable Tourism Development Officer, Finance Officer, and Administrative Assistant/Support Staff have been advertised throughout the region. A specialized HR consulting company, Maxumise (Fiji) Ltd, has advised and assisted SPTO in the recruitment process. Interviews of short-listed candidates were held on 13, 14 and 17 February. Appointments are expected to be made shortly, with successful candidates taking up their new posts between March and April 2012.

Three technical positions, namely, Aviation Development Specialist, Cruise Tourism Development Specialist, and ICT Specialist have not yet been advertised in the same manner as the other posts, due to their highly specialized nature, but a recruitment search for them will be undertaken shortly to ensure the right candidates are identified and appointed at the earliest opportunity.

## **4. Work Plan for the Period January – December 2012**

### **4.1 Introduction and Overview**

This section presents the work plan for the period January – December 2012, which is the first annual work plan of the Programme. The Work Plan is presented under the three Result Areas and the 10 Activities identified in the Financing Agreement. These are further elaborated in terms of sub-activities. Further, an indication is given of the entire scope of the work plan for the three-year duration of the Project. This is considered necessary and useful in order to provide an overview of the whole project work plan. It is all the more necessary in view of the delayed commencement of the Project and its reduced duration to three years, as compared to the original design of four years. This reduction of the Programme timeframe has required a corresponding compression of the Overall Work Plan, with many activities having to be launched in the early part of the Programme, but which will be completed in subsequent years.

The context for each Project Activity in terms of background and rationale is outlined, as are the desired outcomes. For each sub-activity details are provided as to scheduling, outputs and inputs in terms of lead responsibilities.

As regards the technical content of the Project, two main types of actions will characterise the PRTCBP. First, there are work plan actions that will be carried out by the Core Team and SPTO staff in their entirety. For planning, budgeting and general administrative purposes, these are designated as Internal Programme Actions and will be referenced as such. Secondly, there are work plan actions which require external short-term technical assistance, and these will be the subject of service contracts which will be implemented in accordance with EDF rules and regulations. Both types of Work Plan actions will be based on appropriate terms of reference and will entail corresponding reporting requirements.



## 4.2 Activity Schedule

### **RESULT AREA 1: SECTOR PLANNING AND POLICY DEVELOPMENT**

Activities under **Result Area One** will focus on improvements to sector planning at a regional and country level, including improvements to the business enabling environment through the implementation of key initiatives to support the development of the regional aviation and cruise sectors.

#### **PROGRAMME ACTIVITIES:**

**Activity 1: Build Regional and National Capacity in Tourism Data Collection and Analysis**

**Activity 2: Facilitate Aviation expansion through development and promotion of a Pacific Aviation Strategy**

**Activity 3: Implement the South Pacific Cruise Shipping Strategy**

**Activity 4: Develop a Regional Tourism Strategy 2014-2019 and Assist with Country Tourism Plans**

**Activity 5: Develop the Pacific Tourism Sustainability Portal**

#### **Activity 1: Build Regional and National Capacity in Tourism Data Collection and Analysis**

##### **Context**

The availability of basic tourism statistics across all SPTO member countries is inconsistent, variable and incomplete. The collection is often done in an ad hoc manner through exit surveys. As a result, compilation and dissemination of regional tourism statistics has become impossible and thus valuable opportunities for creating and making available regional statistical databases have been lost. There is an urgent need, first, to assist member countries to collect and compile basic tourism statistics in accordance with international (UNWTO) norms and, secondly, enable the SPTO to develop the necessary procedures and methods to collect statistical data from its member countries and compile regional statistical databases, and also provide appropriate analysis to the tourism industry at large.

To address these twin needs, it is necessary to carry out a review and assessment of the current situation and capabilities in the collection and compilation of tourism statistics in the member countries and at SPTO itself, identify gaps and needs and specify appropriate interventions. Thus Activity 1 will focus on strengthening and standardizing tourism statistical information in the Pacific countries, through short term technical assistance and training on data collection and visitor surveys, building the research and statistics capacity of the SPTO and developing and operationalising its regional resource centre for use by member countries in planning, policy development and destination marketing. In

	<p>addition, member countries will be assisted in the design and execution of visitor surveys.</p> <p>As the main actor in regional integration in the tourism sector, SPTO is expected to coordinate and facilitate collaborative efforts among all PACPs across a whole spectrum of functions and activities ranging from planning and development to marketing and promotion, from research and statistics to human resource development in the region's tourism industry. In order to achieve sustainable results under this project at national level, it is essential that SPTO's institutional capacity be appreciably strengthened. Therefore with a view to building capacity within the SPTO, two specific and focused actions have been included under Activity 1, namely, sub-activity 1.3 Organisational Review and Institutional Capacity Strengthening of the SPTO, and sub-activity 1.4 Strengthening SPTO Research and Statistics Capacity.</p> <p>Given that tourism SMEs are a principal focus of the PRTCBP as a whole, there is provision under this activity for providing focused assistance to small-scale tourism operators. The Pacific tourism industry is overwhelmingly made up of SME operators, with few multinational operators and/or investors compared to other regions. SPTO has identified the need to provide assistance to tourism SMEs in attracting investment, accessing markets, and generally building capacity. Thus, a partnership with PITIC to promote small-scale and independent travel. This partnership with PIFS' PITI Offices will focus on promoting and increasing business for participating small-scale tourism operations with the goal of increasing sales of at least 25% for participating tourism operators by 2015.</p>
<p><b>Outcomes</b></p>	<ol style="list-style-type: none"> <li>a. A sustainable system of tourism statistics, which conforms to UNWTO norms, at national and regional levels that will ensure that there is always good up-to-date information about the tourism sector.</li> <li>b. A modern database system to organise the data generated by the statistical system at both national and regional levels.</li> <li>c. This database system, which will also form a series of baseline measures for a monitoring framework that can be used to measure the wider impact of the PRTCBP, will include: <ul style="list-style-type: none"> <li>• Inbound visitor arrivals statistics (including cruise passenger arrivals)</li> <li>• Inbound visitor expenditure (and trip characteristics) statistics</li> <li>• Domestic trip characteristics and expenditure statistics, where appropriate</li> <li>• Accommodation utilisation statistics</li> <li>• Data on the tourism characteristics and products (supply) including employment</li> <li>• Tourism inventories and associated operational data for attractions (visitor arrivals if appropriate)</li> <li>• An online tourism statistics database</li> <li>• Visitor satisfaction and expenditure surveys, including separate cruise passenger surveys</li> </ul> </li> <li>d. Institutional capacity at national level (NTOs and/or National Statistics Offices) improved in respect of the collection and compilation of tourism statistics including the conduct of visitor surveys so as to ensure their sustainable continuation in the</li> </ol>



	<p>future.</p> <p>e. Improved research and statistics capacity of SPTO and an operational resource centre, enabling it to serve the information and data needs of the industry, both public and private sectors, related regional and national institutions, researchers and students in the region.</p> <p>f. Restructured and strengthened SPTO</p> <p>g. Improved research and statistics capacity of SPTO and an operational resource centre</p> <p>h. Improved investment prospects and market access capabilities for small-scale tourism operators in the Pacific</p>			
<b>Sub-activity</b>	<b>Title</b>	<b>Year</b>	<b>Outputs</b>	<b>Inputs</b>
Sub-activity 1.1	Action Plan for Building a Tourism Research and Statistics Capacity in the PACPs	1	<p>a. Review and assessment of the availability, range and quality of tourism statistics and related tourism research data in PACPs against the UNWTO recommended system of tourism statistics and identification of gaps or deficiencies, if any</p> <p>b. Identification and prioritization of technical assistance needs at national level in PACPs</p> <p>c. Identification of research and statistics capacity building needs and measures at the level of the SPTO</p> <p>d. Action Plan of focused and practical interventions to enhance tourism research and statistics capacity at regional and national level</p> <p>e. ToR for provision of support for national data and statistics (see sub-activity 1.2)</p>	TA, Project team

			f. In the process of carrying out the above, also assess the state of readiness of individual countries to install Tourism Satellite Accounts (TSA). However, PRTCBP will not provide resources for implementing TSAs	
Sub-activity 1.2	Support for National Data and Statistics	1-3	<p>a. Provision of necessary technical skills and tools to NTOs and national statistical departments to collect and compile basic tourism statistics conforming to UNWTO norms</p> <p>b. Assistance in the design and execution of visitor surveys (covering both tourists and cruise passengers) in selected PACPs</p> <p>c. Provision of training to implement basic tourism statistics systems and visitor surveys including analysis and dissemination of data</p>	TA, Project team
Sub-activity 1.3	Organisational Review and Institutional Capacity Strengthening of the SPTO	1-2	<p>a. Strategic review and assessment of the roles, functions and organizational structure of SPTO to respond more effectively to members' needs</p> <p>b. Review and assessment of the SPTO membership structure and identification of potential new members and membership categories</p> <p>c. Consideration of revenues and evaluation of potential sources and methods of</p>	TA, Project team, SPTO staff, NTOs, National Statistics Offices, Private sector members

			<p>funding the operations of the SPTO</p> <p>d. Development of a 5-year business plan for the SPTO</p>	
Sub-activity 1.4	Strengthening SPTO Research and Statistics Capacity (see also directly related sub-activity 1.2 above)	1-3	<p>a. Re-establishment and strengthening of the SPTO research and statistics function and division</p> <p>b. Development, expansion and operationalising of a regional tourism resource centre with online databases available to public and private sector members</p> <p>c. Training SPTO staff in the field of tourism research and statistics and in operating the regional tourism resource centre</p>	TA, Project team, SPTO staff
Sub-activity 1.5	Strengthen National Capacities in identifying and promoting investment opportunities with emphasis on small-scale tourism operators	1-3	<p>a. Scheme for assisting small-scale tourism operators developed</p> <p>b. Baseline performance data (sales) of participating operators collected and data-based</p> <p>c. Tourism SME investment website and/or other promotional tools developed</p> <p>d. Partnership with PITI and /or other organisations established to promote investment in SMEs</p>	TA, Project team, SPTO staff, NTOs, IPAs, Private sector bodies

## Activity 2: Facilitate Aviation expansion in the Pacific region

<b>Context</b>	Transport is a necessary condition of tourism. For obvious geographical reasons, access
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	<p>by air transport is a prerequisite for the Pacific region with its far-flung island destinations. Clearly, tourism has a vitally important interest in ensuring that adequate and competitive air services are provided throughout the region from its key source markets. SPTO's role is to be an advocate for improved airline services in the region and to be a dialogue partner with the main players in this sector, notably airline companies and their associations and civil aviation agencies.</p> <p>Activity 2 will therefore focus on the development of an information base drawn from the tourism sector's perspective to serve as input to aviation policy making and to airline route development planning by airlines. Such an information base will enable the region's tourism sector to be better represented at key aviation sector events, such as the Routes Development event for Asia and the Pacific, as well as keep beneficiary countries abreast of developments and trends in the aviation sector.</p> <p>In fulfilling this role the SPTO will liaise and cooperate closely with the Association of Pacific Airlines (ASPA) and the Pacific Aviation Safety Organisation (PASO).</p>			
<b>Outcomes</b>	<p>a. A Pacific aviation information base which enables the tourism sector to better represent its interests to the aviation sector for route development and promotion purposes</p> <p>b. Increased awareness of the important role of airline operations in the growth and development of tourism in the PACPs among regional stakeholders</p>			
<b>Sub-activity</b>	<b>Title</b>	<b>Year</b>	<b>Outputs</b>	<b>Inputs</b>
Sub-activity 2.1	Action plan to develop and implement SPTO's role as an advocate for improved and expanded airline services and as a partner dialogue partner with the aviation sector	1	<p>a. Aviation specialist recruited and inducted at SPTO</p> <p>b. Development of a prioritised plan of action to accomplish the objectives of Activity 2</p>	SPTO, Aviation specialist, ASPA, PASO, Civil Aviation Departments
Sub-activity 2.2	Development of an information base on the region's tourism sector to provide input to the aviation sector in general and airline companies in particular	2-3	<p>a. Tourism-related information base for the aviation sector</p> <p>b. Ongoing updating and expansion of the information base</p>	Aviation Specialist, Other core team members
<b>Activity 3: Implement the South Pacific Cruise Shipping Strategy</b>				
<b>Context</b>	SPTO's Regional Tourism Strategy identified the need to further develop the cruise shipping sector in the Pacific through the development and implementation of a Regional Cruise Shipping Strategy, which was prepared with ProInvest support in 2007. Despite recent encouraging growth in regional cruise tourism, in global terms, the Pacific region			

	<p>remains a relatively unexplored cruise destination with a fluctuating number of cruise ships calling into the region. With the region’s cultural richness, diversity and natural beauty and the proximity to the growing Asian, West Coast US and Australian/New Zealand cruise markets, this sector could hold great potential. Against the above background, the overall objective of the Cruise Shipping Strategy was to help expand the cruise tourism sector in the Pacific region. The specific purpose of the project was to prepare a Cruise Shipping Development Strategy which identified opportunities for expansion of, and further inward investment in, the cruise shipping sector.</p> <p>Activity 3 will build on work supported by Pro€invest by focusing on the implementation of the key recommendations of the South Pacific Cruise Strategy; activities would include the development a South Pacific Cruise Information Manual, which identifies infrastructure and other facilities, relevant charges and potential product development opportunities and regional promotion by SPTO to potential new cruise ship operators at the annual international Seatrade event.</p>			
<b>Outcomes</b>	<ul style="list-style-type: none"> <li>a. Improved awareness of the Pacific region’s potential as a cruise tourism destination</li> <li>b. Increased cruise ship visitation to increased number of Pacific ports of call</li> <li>c. Improved cruise tourism product including both facilities and on-shore activities</li> <li>d. Co-ordinated cruise destination policies and practices</li> <li>e. Improved understanding of the international and regional cruise tourism market</li> <li>f. Improved, co-ordinated and sustained regional promotional activities at international cruise shipping events</li> </ul>			
<b>Sub-activity</b>	<b>Title</b>	<b>Year</b>	<b>Outputs</b>	<b>Inputs</b>
Sub-activity 3.1	Fact-finding and Preparatory Mission to Cruise Shipping – Seatrade Miami 2012	1	<ul style="list-style-type: none"> <li>a. Assessment of the most effective manner of the inaugural full-fledged participation in CSM-Seatrade 2013 with a dedicated Pacific exhibition stand</li> <li>b. A brief market intelligence report for distribution to SPTO members, particularly cruise sector stakeholders</li> </ul>	TA, SPTO staff
Sub-activity 3.2	Production and Launch of the Pacific Cruise Shipping Manual	1-2	<ul style="list-style-type: none"> <li>a. Production of first edition of the Pacific Cruise Shipping Manual (in print and electronic formats); local supplies contract(s)</li> </ul>	TA, Project team, SPTO staff

			<ul style="list-style-type: none"> <li>b. Formal launch of the Manual at Cruise Shipping Miami (Seatrade) 2013, which will be the region's inaugural participation, under the SPTO umbrella</li> <li>c. Priority follow-up actions aimed at continuing and reinforcing effective implementation of the recommendations of the Cruise Shipping Strategy defined</li> </ul>	
Sub-activity 3.3	Conduct of cruise market research and intelligence	2	<ul style="list-style-type: none"> <li>a. Assessment of potential cruise market demand for Pacific region and market perception studies of the region conducted in at least two (2) key markets</li> </ul>	TA, Project team
Sub-activity 3.4	Implementation of cruise visitor surveys (product assessments, expenditure patterns)	2-3	<ul style="list-style-type: none"> <li>a. Cruise visitor surveys conducted in three (3) PACPs</li> </ul>	TA, Project team, SPTO staff
Sub-activity 3.5	Implementation of on-shore cruise product development and capacity building	2-3	<ul style="list-style-type: none"> <li>a. Coordinated cruise destination policies and practices</li> <li>b. Advice and assistance to improve and diversify on-shore cruise facilities and activities in beneficiary countries</li> <li>c. Skills improvement training provided to tour local operators, guides, and related employees in the sector</li> <li>d. Stakeholder workshops including training events/materials organised/distributed to disseminate market intelligence and cruise passenger survey findings</li> </ul>	TA, Project team, SPTO staff

Sub-activity 3.6	Preparation of Updated Pacific Cruise Shipping Strategy	3	a. Updated Pacific Cruise Shipping Strategy including stakeholder validation workshop	TA, Project team, SPTO staff, Cruise sector stakeholders
<b>Activity4: Develop a Regional Tourism Strategy 2014-2019 and Assist with Country Tourism Plans</b>				
<b>Context</b>	<p>It is essential that regional integrated actions for the development and promotion of the tourism sector are guided by agreed goals and policies enshrined in a medium term Regional Tourism Strategy (RTS), based on the experience of the current RTS 2003 – 2013. It is therefore desirable that a new medium term regional tourism strategy be developed in close consultation with all key stakeholders.</p> <p>This activity will focus on the development of a new overarching Pacific Regional Tourism Strategy for 2014 and beyond (to replace the existing 2003 – 2013 RTS); it will build on the Review of the RTS undertaken under PACREIP, as well as consolidation of subsector strategies developed (Cruise Shipping under PROINVEST including the outputs of Activity 3 of this Programme), HRD and Aviation (under this Project) and also further benefit from new research data and intelligence which will be undertaken by this project this Project. The RTS will develop strategies to enhance sustainability, including the development of pro-poor and rural based tourism and increased economic impacts.</p> <p>Although the actual preparation and completion of the proposed RTS is scheduled for 2013 (year 2 of the Project), it is essential that preparatory work begins at the outset of the Project, so as to ensure that all necessary data are identified and compiled and all stakeholders are adequately sensitized about this major regional strategic planning exercise.</p> <p>Within the framework of this Activity, assistance will also be provided to enable selected PACPs to update national tourism policies, national cruise tourism policies, tourism development strategies or plans.</p> <p>In addition to the above actions, at the outset of the Programme, an awareness and familiarisation workshop will be organised for all key SPTO stakeholders in order to create a better awareness and understanding of the nature, goals, objectives and mode of operation of the EDF in general and the specific structure and content of the PRTCBP in particular. A better understanding of the EDF and of the PRTCBP will help stakeholders to identify and make better use of complementarities and synergies between regional and national interventions under the RIP and the various NIPs and how the tourism sector relates to other sectors and can best benefit within the framework of EDF assistance. (See also proposed activities under section 4.3 Visibility below.)</p>			
<b>Outcomes</b>	<p>a. An agreed and widely endorsed and supported Pacific regional tourism strategy</p> <p>b. A shared vision of the way forward for the tourism industry in the region</p>			

	<ul style="list-style-type: none"> <li>c. Priority actions and complementary and synergistic roles for SPTO, NTOs, private sector bodies, and other related stakeholders defined and endorsed</li> <li>d. New or updated national tourism policies (including cruise tourism policies) assisted</li> <li>e. Improved understanding of the nature, goals, objectives and mode of operation of the EDF and the PRTCBP in the context of NIPs and the RIP.</li> </ul>			
<b>Sub-activity</b>	<b>Title</b>	<b>Year</b>	<b>Outputs</b>	<b>Inputs</b>
Sub-activity 4.1	EDF Awareness and Familiarisation Workshop	1	<ul style="list-style-type: none"> <li>a. Improved understanding of the nature, goals, objectives and mode of operation of the EDF and the related mechanisms of NIPs and RIP</li> <li>b. Identification of complementarities and synergies between RIP and NIPs so as to maximise support for tourism initiatives at national level</li> <li>c. Awareness and understanding of the role and function of the RAO in relation to the RIP in general and the PRTCBP in particular.</li> <li>d. Clear understanding of the objectives, purpose and work plan content of the PRTCBP and identification of practical ways to ensure involvement and support of beneficiary countries in the implementation of the Programme</li> </ul>	Project team, SPTO staff, NTOS, Other major SPTO stakeholders, PIFS/RAO, EUD for the Pacific



Sub-activity 4.2	Preparation for the development of a new RTS 2014-2018	1	a. Internal systems and processes for the collection and compilation of relevant input data and information  b. Draft terms of reference for the formulation of the “Pacific Regional Tourism Strategy 2014-2018”	Project team, SPTO staff
Sub-activity 4.3	Preparation of “Pacific Regional Tourism Strategy 2014-2018”	2	a. Completed and agreed Pacific Regional Tourism Strategy including stakeholder validation workshop	TA, Project team, SPTO staff
Sub-activity 4.4	Assistance to selected PACPs in preparation of national tourism policies, strategies and plans, including cruise tourism policies	2-3	a. New or updated national tourism policies and plans assisted	TA, Project team, SPTO staff

### Activity 5: Develop the Pacific Tourism Sustainability Portal

<b>Context</b>	<p>Sustainable tourism development best practices need to be compiled and made available to the region’s tourism industry for guidance in both the development of new projects and the operation of existing enterprises, including SMEs.</p> <p>Building on recommendations made through the PACREIP South Pacific Quality Standards activity as well as drawing on other related sources at regional and global level, the development of a Pacific Tourism Sustainability Web Portal (PTSP) will be undertaken, to provide access to existing information and data on sustainable tourism development and best practice models for industry and government stakeholders. Thus, the outputs from this activity will help enrich the SPTO tourism resource centre, the establishment and strengthening of which is also envisaged under this Project (see sub-activity 1.4). The PTSP will be supported by both SPTO and USP STHM through both the development and implementation phases.</p>			
<b>Outcomes</b>	<p>a. Pacific Tourism Sustainability Web Portal (PTSP) completed and available to PACPs</p> <p>b. Increased use of sustainable practices in the development and operation of tourism facilities and services in the Pacific</p>			
<b>Sub-activity</b>	<b>Title</b>	<b>Year</b>	<b>Outputs</b>	<b>Inputs</b>
Sub-activity 5.1	Conceptualisation and	1	a. Agreed concept for the	TA,

	specification of the Pacific Tourism Sustainability Portal (PTSP)		PTSP	Project team, SPTO staff
Sub-activity 5.2	Design, preparation and uploading of the PTSP	2-3	a. Completed and operational PTSP	TA, Project team, SPTO staff

**RESULT AREA TWO – MARKET RESEARCH AND MARKETING**

Activities under **Result Area Two** will focus on strengthening the tourism research base of the region to improve market intelligence and building increased market awareness and marketing efficiencies, through the implementation of focused e-marketing initiatives.

**PROGRAMME ACTIVITIES:**

**Activity 6: Regional Niche Market Research**

**Activity 7: Capacity Building in E-marketing for SPTO and NTOs**

**Activity 8: Expansion of the South Pacific Travel Trade Specialist Programme**

<b>Activity 6: Regional Niche Market Research</b>	
<b>Context</b>	<p>The Pacific region lacks specific market research at both regional and country levels. Consequently, the tourism industry in the region cannot benefit from relevant research information and data to help optimize its development planning and particularly its destination marketing activities. With increasing competitive pressures in the international tourism market, the availability of relevant and focused research information and intelligence are essential preconditions of success. In parallel with the basic tourism statistics systems and visitor surveys proposed under Result Area 1 (see sub-activity 1.2), it is necessary to supplement the flow of actionable research information and data through market-based research studies. The results of these actions will also help enrich the proposed regional tourism resource (see sub-activity 1.4).</p> <p>It is proposed to conduct niche market studies to supplement and enhance the overall body of tourism research material that SPTO will disseminate to its members and the tourism industry at large through the proposed online resource centre. These niche market studies will, among other things, profile market characteristics, expenditure patterns and product development opportunities and will also provide practical guidance to access the niche market segments concerned. Thus, this activity will lead to more focused and effective planning and marketing strategies.</p> <p>Market research will be undertaken at a regional level on common niche market segments</p>

	<p>(including diving, fishing, bird watching, surfing, cruising, and weddings) and the broader consumer segmentation studies in the major common geographic markets of Australia, New Zealand, USA and Europe. Segmentation studies will include a profile of market characteristics, expenditure patterns and product development opportunities and will be used to support regional and country level marketing and tourism planning.</p> <p>Within the framework of this activity it is also proposed to assist SPTO in the creation of a regional tourism image library as well as assisting member NTOs in beneficiary countries to expand or create their own national tourism image libraries. The region lacks quality images at both regional and country level. The current SPTO image library is outdated and the commencement of this activity will build and enhance the image library for SPTO and its member countries. An updated image library will help SPTO member countries improve the quality of marketing efforts online and offline through quality promotional images. The image library will also help in updating existing websites as well as creating new ones, notably for tourism SMEs.</p> <p>The proposed image library will be in digital format with images catalogued in a suitable database. In the case of the SPTO, the regional image library will form a constituent part of the regional tourism resource centre (see sub-activity 1.4).</p>			
<b>Outcomes</b>	<ul style="list-style-type: none"> <li>a. Increased availability of relevant, specific and actionable market research information and data</li> <li>b. Improved and more focused tourism industry product planning and marketing</li> <li>c. Diversification of the regional market mix through the development of new niches</li> <li>d. Enriched and diversified Pacific destination product through the development of new products for niche markets</li> <li>e. Increased market opportunities for tourism SMEs in Pacific ACPs</li> <li>f. Improved marketing efforts, enhanced travel trade promotional material and e-marketing including SMEs</li> </ul>			
<b>Sub-activity</b>	<b>Title</b>	<b>Year</b>	<b>Outputs</b>	<b>Inputs</b>
Sub-activity 6.1	Preparation of niche market research programme	1	<ul style="list-style-type: none"> <li>a. Agreed detailed programme of research in consultation with NTOs and other key stakeholders and partners</li> <li>b. Completion of ToR for TA (see sub-activities 6.2 and 6.3)</li> <li>c. Launch of tender for TA</li> </ul>	TA, Project team

Sub-activity 6.2	Conduct of three (3) niche market studies (tbc under 6.1)	1-2	<ul style="list-style-type: none"> <li>a. Completion and submission of three (3) niche market study reports</li> <li>b. Dissemination to members in both hard copy and electronic formats</li> <li>c. Uploading onto regional resource centre website</li> </ul>	TA, Project team, SPTO staff
Sub-activity 6.3	Conduct of additional three (3) niche market studies (tbc under 6.1)	3	<ul style="list-style-type: none"> <li>a. Completion and submission of additional three (3) niche market study reports</li> <li>b. Dissemination to members in both hard copy and electronic formats</li> <li>c. Uploading onto regional resource centre website</li> </ul>	TA, Project team, SPTO staff
Sub-activity 6.4	Pacific island destinations image library	1-2	<ul style="list-style-type: none"> <li>a. Production of high-resolution digital images for a regional image library and also for NTOs in PACPs</li> <li>b. Creation of online databases for the regional and national image libraries</li> </ul>	TA, Project team, SPTO and NTO staff

### Activity 7: Capacity Building in E-marketing for SPTO and NTOs

<b>Context</b>	<p>E-marketing is essential to the success of a tourism destination and individual tourist products. It is therefore necessary to ensure that the full potential of online technologies and applications are available to and effectively deployed by the SPTO and its member NTOs. At the same time, it is generally acknowledged that there is a need to improve regional e-marketing tools and techniques.</p> <p>This Activity will thus focus on the strengthening of online marketing at a regional and national level through updating and implementation of the existing SPTO Online Strategy including regional internet-based promotions, e-marketing and capacity building for National Tourism Organizations (NTOs). Short term technical assistance will be provided to assist both SPTO and the PACP NTOs with enhancements to their existing tourism sites and the training of staff in e-marketing, including the use of social networking sites, database marketing and search engine optimisation.</p>
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	<p>In implementing the Online Strategy, SPTO will carry out joint regional tourism internet marketing activities in partnership with the Pacific Islands Forum Secretariat (PIFS) through its Trade Offices (see also sub-activity 1.5) and also engage with the private sector and the national tourism organizations to maximize the impact through co-operative regional internet-based marketing activities.</p> <p>The Activity will also provide support to tourism SMEs in three pilot countries (Fiji, Tonga and Kiribati). A review of the pilot “Market Readiness Assessment (MRA)” of the e-marketing capacities of tourism accommodation providers that was conducted in 2010 by SPTO in Fiji, Tonga and Kiribati will be undertaken and the implementation of recommendations to support SME e-marketing readiness and market access in the three countries will be undertaken (see also sub-activity 1.5).</p>			
<b>Outcomes</b>	<ul style="list-style-type: none"> <li>a. Updated SPTO Online Strategy</li> <li>b. Improved PACPs destination marketing through internet-based tourism promotions at regional and national levels</li> <li>c. Increased e-marketing capacity at SPTO and member NTOs including the use of social networking sites, database marketing and search engine optimisation</li> <li>d. Enhanced marketing and promotion of the tourism industry, notably SMEs, through co-operative online marketing with PIFS trade offices</li> <li>e. E-marketing enabled SMEs in three pilot PACPs</li> </ul>			
<b>Sub-activity</b>	<b>Title</b>	<b>Year</b>	<b>Outputs</b>	<b>Inputs</b>
Sub-activity 7.1	Update of the SPTO Online Strategy	1	a. Updated regional online strategy and road map for implementing priority actions in the field of tourism e-marketing	TA, Project team
Sub-activity 7.2	Review and revamping of the existing SPTO website	1-2	a. Improved and expanded SPTO website, to include members only section and incorporate the regional tourism resource centre, i.e. serve both consumer information and promotion needs and also functions as a corporate website (see also 1.3 and 1.4)	TA, Project team
Sub-activity 7.3	Advice and assistance to PACP NTOs to improve their websites	2	a. Improved national tourism websites	TA, Project team, NTOs

Sub-activity 7.4	Training of SPTO and PACP NTO staff in e-marketing applications including use of social networking sites, database marketing and search engine optimisation	2-3	<ul style="list-style-type: none"> <li>a. Training in e-marketing for SPTO and PACP NTOs delivered</li> <li>b. Use of increased online tools such as social media, database marketing etc enabled</li> </ul>	TA, Project team, NTOs
Sub-activity 7.5	SME e-marketing support initially in three pilot PACPs (Fiji, Tonga, Kiribati) and subsequently extending it to other beneficiary countries	1-3	<ul style="list-style-type: none"> <li>a. Training in e-marketing and website development and management delivered</li> <li>b. Content development and professional digital content collection (photography and travel writing) carried out (see also 6.4)</li> <li>c. Support to enable SMEs to utilise the internet including use of e-commerce enabled websites and to connect to the market(s) provided</li> </ul>	TA, Project team, SPTO staff

### Activity 8: Expansion of the South Pacific Travel Trade Specialist Programme

<b>Context</b>	<p>SPTO's South Pacific Specialist programme was first designed 5-6 years ago. It is a fairly limited programme in terms range and content. Further, it has not undergone any updating or expansion since its inception. Unsurprisingly, the programme's penetration in the target markets in terms of registration and completion rates by travel retailer personnel has been low. Thus, a potentially powerful tool has not yielded the potential benefits to the region in the form of certified, and therefore knowledgeable and motivated, travel retailers in the various target markets.</p> <p>This activity is intended to assist in reviving and expanding the Pacific Specialist Programme through various focused interventions. Building on the existing SPTO travel trade online training programme by developing niche market training modules in key product areas identified in the SPTO Business Plan (including diving, fishing, bird watching, surfing, cruising, weddings, etc.), and online training of overseas travel trade and agents to become certified South Pacific Travel Specialists.</p>
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<b>Outcomes</b>	<ul style="list-style-type: none"> <li>a. Updated and expanded online Pacific Specialist Programme</li> <li>b. Improved and expanded network of certified, knowledgeable and motivated retailers selling the Pacific</li> <li>c. Increase in-market knowledge and sales support for the Pacific as a destination and of individual tourism products</li> </ul>			
<b>Sub-activity</b>	<b>Title</b>	<b>Year</b>	<b>Outputs</b>	<b>Inputs</b>
Sub-activity 8.1	Production of Specialist Programme training materials	1	<ul style="list-style-type: none"> <li>a. Production of training materials (manuals, etc) to make available to enrolling participants</li> </ul>	Project team, SPTO staff (local supplies)
Sub-activity 8.2	Review, assessment and road map for improvement and expansion of the Pacific Specialist Programme	1	<ul style="list-style-type: none"> <li>a. Identification of needs and definition of course of action for the improvement and expansion of the Pacific Specialist Programme completed</li> <li>b. ToRs for required TA inputs and other necessary actions completed and approved</li> </ul>	TA, Project team, SPTO staff
Sub-activity 8.3	Promotion of increased enrolment on existing online Pacific Specialist Programme at ITB and other venues	1	<ul style="list-style-type: none"> <li>a. Delivery of training and awareness workshops and other initiatives for travel retailers in target markets</li> <li>b. Increased enrolment in existing programme</li> </ul>	SPTO staff, NTOs
Sub-activity 8.4	Updating of existing online training modules	1-2	<ul style="list-style-type: none"> <li>a. Updated and improved online training modules uploaded on special website</li> </ul>	TA, Project team, SPTO staff, NTOs
Sub-activity 8.5	Production of new training modules on Pacific niche tourism products (with input from 6.2, 6.3 and 6.4)	2-3	<ul style="list-style-type: none"> <li>a. New training modules on a series of niche tourism products produced and added to Specialist Programme</li> <li>b. New modules uploaded on special website</li> </ul>	TA, Project team, SPTO staff, NTOs

Sub-activity 8.6	Roll-out and promotion of expanded Pacific Specialist Programme	3	<ul style="list-style-type: none"> <li>a. Targeted promotional activities to create awareness and interest in newly expanded Specialist Programme</li> <li>b. Monitoring systems devised and implemented to track progress and measure targeted increase in enrolment</li> </ul>	Project team, SPTO staff
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**RESULT AREA THREE - HRD AND CAPACITY ENHANCEMENT**

Activities under **Result Area Three** will focus on strengthening regional HRD policy and the skills base for tourism SMEs.

**PROGRAMME ACTIVITIES:**

**Activity 9: Development of a Regional Tourism and Hospitality HRD Plan**

**Activity 10: Delivery of Tourism and Hospitality Training Priorities in Selected Countries**

<b>Activity 9: Development of a Regional Tourism and Hospitality HRD Plan</b>	
<b>Context</b>	<p>The Pacific Regional Tourism Strategy has concluded and recommended that increased support to the region’s tourism sector for the development of human resources is critical. Skills shortages are common and the level of training availability and capacity at country level varies significantly.</p> <p>Thus the focus of this activity will be to improve the co-ordination of HRD across the region to utilise resources more effectively and improve training standards. Initially, this focus will be on the development of a regional HRD Plan, agreed and supported by all stakeholders. The proposed Regional Tourism HRD Plan will then provide a solid platform for the provision and co-ordination of training activities, including under this Project (see Activity 10 below).</p> <p>The activity will focus on preparing a Regional Tourism and Hospitality HRD Plan. This HRD Plan will incorporate an assessment of existing tourism and hospitality training provision at both national and regional level, a demand and gaps analysis across individual countries, as well as an action plan for implementation at a regional and</p>



	country level.			
	The Action Plan will among other things define the respective roles of the public and private sectors in the development of human resources for the tourism industry, determine in particular the roles of existing and planned training institutes and academic institutions as training delivery mechanisms alongside industry-based training modalities. Further, the roles of the SPTO and member NTOs in the field of HRD will be defined to enable them to work with other stakeholders in a more focused and effective manner.			
<b>Outcomes</b>	<ul style="list-style-type: none"> <li>a. An agreed, clear and actionable regional tourism human resource development plan</li> <li>b. Clarified and synergistic roles of all stakeholders and partners in tourism HRD</li> <li>c. Delivery of training and skills development programmes in selected subjects/disciplines facilitated</li> <li>d. Enhanced HRD capacity in the region's tourism sector</li> <li>e. Improved professional and occupational standards in the region's tourism industry</li> </ul>			
<b>Sub-activity</b>	<b>Title</b>	<b>Year</b>	<b>Outputs</b>	<b>Inputs</b>
Sub-activity 9.1	Preparatory work for launching the Regional Tourism and Hospitality HRD Plan project	1	<ul style="list-style-type: none"> <li>a. Research and consultation and co-ordination with NTOs and other key stakeholders to provide to the design of the Pacific Regional Tourism and Hospitality HRD Plan undertaken</li> <li>b. ToR and tender documents preparatory to inviting tenders for TA finalised</li> </ul>	Project team, SPTO staff
Sub-activity 9.2	Preparation of Pacific Regional Tourism and Hospitality HRD Plan	1-2	<ul style="list-style-type: none"> <li>a. Completed and approved Pacific Regional Tourism and Hospitality HRD Plan</li> <li>b. Agreed priority action plan provided including stakeholder validation workshop</li> <li>c. Identification of tourism and hospitality training providers and resources in the region to whom</li> </ul>	TA, Project team

			training programmes can be outsourced	
Sub-activity 9.3	Dissemination of Regional Tourism HRD Plan	2-3	a. Distribution, presentation and clarification of findings, conclusions and recommendations of HRD Plan so as to obtain stakeholder validation and support	Project team, SPTO staff, NTOs

### Activity 10: Delivery of Tourism and Hospitality Training Priorities in Selected Countries

<b>Context</b>	<p>Building on the needs identified and gaps analysis that will be undertaken in the preparation of the Regional Tourism and Hospitality HRD Plan (see Activity 9 above) and based on its prioritised recommendations, specific short technical and vocational training for tourism SMEs and other key sub-sectors and occupational groups in tourism will be delivered to strengthen products, services and business viability.</p> <p>Training will focus on key technical areas where needs have been identified (potentially in areas such as e-marketing and business management) and on the smaller Pacific island countries where no provision currently exists in basic hospitality training. The proposed activities will support existing country initiatives by filling identified training gaps, and support skills development through a programme of industry attachments and scholarships to regional and national training institutions, where these have been identified as priorities through the HRD Plan.</p>			
<b>Outcomes</b>	<ul style="list-style-type: none"> <li>a. Priority training organised and delivered</li> <li>b. SMEs and other key occupational groups in tourism in smaller PACPs benefited from training inputs facilitated through the PRTCBP</li> <li>c. Improved service standards</li> </ul>			
<b>Sub-activity</b>	<b>Title</b>	<b>Year</b>	<b>Outputs</b>	<b>Inputs</b>
Sub-activity 10.1	Implementation of short-term training programmes in prioritised skill areas and smaller PACPs	2-3	<ul style="list-style-type: none"> <li>a. Plan specifying the modalities of the delivery of prioritised training</li> <li>b. Monitoring and assessment system devised for proposed training and skills development programmes</li> </ul>	TA, Project team, SPTO staff

			c. Ten (10) short-term training programmes delivered in PACPs	
Sub-activity 10.2	Implementation of programme of industry training attachments and scholarships	2-3	a. Training attachments and scholarships provided to priority target occupational groups in smaller PACPs	Project team, SPTO staff, NTOs
Sub-activity 10.3	Evaluation of training and skills development programmes conducted under the Project	3	a. Report on quantitative and qualitative evaluation of training delivered under the Project	Project team

### 4.3 Communication and Visibility Actions

Project outputs will be communicated directly to decision makers at regional meetings and during country visits. Emphasis will also be placed on producing media articles and features on key issues to inform policy makers and public opinion. In addition, targeted press releases and articles in general and specialized media, including broadcast media, about the Project will be produced periodically and disseminated. EU financial support will be highlighted in all activities, reports and media releases. Promotional material about the Project featuring the EU will also be produced and distributed. Specific visibility and communication actions include, but will not be limited to, the following:

- All project stationery will carry the EU flag as per the specifications included in the EC Guide on Visibility
- The title of the Project will appear on letterheads and similar material with the statement: Funded under the 10<sup>th</sup> EDF
- All project outputs such as reports and other materials will incorporate the standard acknowledgements of EU/EDF funding
- An information and awareness leaflet on the Project, with the standard acknowledgement of the EU/EDF, will be produced in both print and electronic form for wide distribution
- A large portable stand-up display with the Project name and EU/EDF features will be produced for use at Project-related events such as workshops, seminars, conferences and meetings
- A large banner with similar content and for the same uses will also be produced
- An information and awareness workshop on EDF and the PRTCBP will be organised for SPTO board of directors and other key stakeholders during the first six months of the Project

In addition, at the outset of Programme implementation, an awareness and familiarisation workshop will be held for all key SPTO stakeholders in order to create a better awareness and understanding of the nature and goals of the EDF in general and the specific structure and content of the PRTCBP in particular, as well as the potential complementarities and synergies between the RIP and the various NIPs in support of the tourism sector.

### 4.4 Activity Schedule and Budget for Year One

The budget for First annual Work Plan (EDF contribution only) is shown below.

**PRTCBP Work Plan Budget for Year 1 (EDF contribution only)**

Items	Costs	
	(in EUR)	FJD
Human Resources (Salaries and per diems for missions/travel)	527,667	1,320,146
Travel (international and local)	94,500	236,425
Equipment and supplies	109,600	274,203
Local office	38,400	96,071
Other costs, services	305,950	765,443
Visibility Actions	12,500	31,273
Contingency/ reserve	10,430	26,094
Administrative costs	96,994	242,665
<b>TOTAL</b>	<b>1,196,041</b>	<b>2,992,320</b>

A more detailed breakdown of the whole project budget is shown in Annex 2, while Annex 3 presents a budget breakdown by programme activity and year. The latter, in addition to year one, shows the budget breakdown for years two and three, partly because several activities extend beyond year 1 and partly in order to give a more complete overview of the budgetary allocations for the entire Programme period for this important aspect of the Programme.

A tentative timing of Work Plan Activities is shown in Annex 4. In view of the fact that several activities span more than one year, the schedule shows, in addition, 2012 and 2013.

#### **4.5 Updated Risk Management Plan**

By design, timely and successful implementation of the PRTCBP depends to an unusually high degree on a large core project team comprised of a project manager and eight other specialists including a finance officer, all of whom, except the project manager, are to be recruited from within the Pacific region. The key issue in this connection is the possibility of delays in recruiting and inducting all members of the team, or even the potential of failure to identify and appoint suitable candidates for some of the specialist positions.

Such an eventuality will inevitably affect adversely timely implementation of the Work Plan. Depending on the severity of the risk, the SPTO will take the following measures to mitigate the impact of such an eventuality.

- Re-prioritise and re-schedule work plan activities
- Assign additional duties and responsibilities to other team members, to the extent possible
- Increase direct involvement of SPTO professional staff in the implementation of work plan activities
- Have increased recourse to external short-term TA service contracts where appropriate

## Annexes

### Annex 1: Updated Logical Framework – PRTCBP

	<b>Intervention Logic - Project Description</b>	<b>Objectively Verifiable Indicators of Achievement</b>	<b>Sources of Verification</b>	<b>Assumptions</b>
<b>Overall Objectives</b>	<i>“To improve PACP economic integration through strengthened national systems and institutional frameworks to develop tourism industry capacity, increase private sector competitiveness and increase international market access in the tourism sector.”</i>	<ul style="list-style-type: none"> <li>- Tourism volume increase by 5% pa against 2011 baseline</li> <li>- Cruise ship calls and cruise passenger arrivals increase by 5% pa against 2011 baseline</li> <li>- Growth in tourism revenues</li> <li>- Enhanced viability of tourism SMEs</li> </ul>	<ul style="list-style-type: none"> <li>- Tourism statistics reports from governments, and international organizations</li> <li>- Visitor survey results</li> <li>- Special studies</li> </ul>	Data will be accurate, up-to-date and available
<b>Project Purpose</b>	<i>“To strengthen PACPs productive capacity in the development of a sustainable tourism sector”.</i>	<ul style="list-style-type: none"> <li>• Increase in regional tourism arrivals by 16% by 2015 over 2011</li> <li>• Regional Tourism Strategy endorsed</li> <li>• Up to six new niche tourism markets researched and accessed by regional SMEs</li> <li>• Increase in online tourism portal traffic by 50% by 2015 over 2011</li> </ul>	<ul style="list-style-type: none"> <li>- National tourism statistics and surveys</li> <li>- Research reports</li> <li>- SPTO internet portal statistics</li> </ul>	<ul style="list-style-type: none"> <li>• Global tourism market trends continue</li> <li>• PACPs continue to prioritise tourism</li> <li>• Private sector cooperation and support</li> <li>• Tourism SME support and cooperation</li> </ul>
<b>Results</b>	<ul style="list-style-type: none"> <li>• Result Area One – Sector Planning and Policy Development</li> <li>• Result Area Two – Market Research and Marketing</li> </ul>		<p><b>Means:</b> HR: Equipment, Training, Travel, and Operations: Visibility:</p>	<p><b>Costs</b> 1,751,000  2,642,000 50,000</p>

	<ul style="list-style-type: none"> <li>Result Area Three – HRD and Capacity Enhancement</li> </ul>	Eligible Indirect: Contingency: <b>Sub-total:</b> <b>SPTO co-financing:</b>  <b>Overall Total:</b>	290,000 --- <b>4,733,981</b> <b>1,183.495</b>  <b>5,917.476</b>
<b>Activities</b>  <u><b>Result Area One – Sector Planning and Policy Development</b></u>  Activity 1: Build Regional and National Capacity in Tourism Data Collection and Analysis  Activity 2: Facilitate Aviation expansion through development and promotion of a Pacific Aviation Strategy  Activity 3: Implement the South Pacific Cruise Shipping Strategy  Activity4: Develop a Regional Tourism Strategy 2014-2019 and Assist with Country Tourism Plans  Activity 5: Develop the Pacific Tourism Sustainability Portal   <u><b>Result Area Two – Market Research and Marketing</b></u>  Activity 6: Regional Niche Market Research		<u><b>Outcomes</b></u>  - A sustainable system of tourism statistics at national and regional levels - Restructured and strengthened SPTO - Improved research and statistics capacity of SPTO and an operational resource centre - Improved investment prospects and market access capabilities for small-scale tourism operators in the Pacific - Improved tourism input to aviation sector and the process of route development and promotion in the Pacific region - Improved awareness of the Pacific region’s potential as a cruise tourism destination - Increased cruise ship visitation to more ports of call - Improved cruise tourism product including both facilities and on-shore activities - An agreed and widely endorsed and supported Pacific regional tourism strategy - New or updated national tourism policies (including cruise tourism policies) in place - Pacific Tourism Sustainability Web Portal (PTSP) completed and operational - Increased use of sustainable practices in tourism facilities and services in the Pacific   - Increased availability of market research information and data - Improved tourism industry product planning and marketing	

<p>Activity 7: Capacity Building in E-marketing for SPTO and NTOs</p> <p>Activity 8: Expansion of the South Pacific Travel Trade Specialist Programme</p> <p><b><u>Result Area Three – HRD and Capacity Enhancement</u></b></p> <p>Activity 9: Development of a Regional Tourism and Hospitality HRD Plan</p> <p>Activity 10: Delivery of Tourism and Hospitality Training Priorities in Selected Countries</p>	<ul style="list-style-type: none"> <li>- Diversification of regional market/product mix through development of new niche markets/products</li> <li>- Increased market opportunities for tourism SMEs in Pacific ACPs</li> <li>- Improved e-marketing including SMEs</li> <li>- Updated SPTO Online Strategy</li> <li>- Improved PACPs destination marketing through internet-based tourism promotions at regional and national levels</li> <li>- Increased e-marketing capacity at SPTO and member NTOs including the use of social networking sites, database marketing and search engine optimisation</li> <li>- Enhanced marketing of tourism industry, notably SMEs, through online marketing with PIFS trade offices</li> <li>- E-marketing enabled SMEs in three pilot PACPs</li> <li>- Updated and expanded online Pacific Specialist Programme</li> <li>- Improved and expanded network of certified Pacific Specialists</li>   <li>- An agreed regional tourism HRD plan</li> <li>- Clear and synergistic roles of all stakeholders and partners in tourism HRD</li> <li>- Delivery of training and skills development programmes in selected subjects/disciplines</li> <li>- Enhanced HRD capacity in the region’s tourism sector</li> <li>- SMEs and other key occupational groups in tourism in smaller PACPs benefited from training inputs</li> <li>- Improved service standards</li> </ul>		
<p><b><u>Key Performance Indicators</u></b></p>			
<p><b>Indicator</b></p>	<p><b>Baseline (2010/11)</b></p>	<p><b>Target</b></p>	<p><b>Without Project</b></p>
<p><b>Result:</b> Increased regional tourism arrivals in small-scale and independent tourism markets</p>	<p>To be determined from 2010/11 performance data of participating SMEs</p>	<p>Small-scale and independent tourism increase by 25% by participating operations by 2015</p>	<p>Small-scale and independent tourism operators see no growth in business.</p>



Increased online regional tourism portal traffic	SPTO to establish accurate baseline data of website traffic for 2010/11	Online regional portal traffic increase by 50% over 2010/11 baseline	Regional tourism portal traffic remains stagnant or declines
Increased and improved flow of tourism market research and intelligence flowing to members	Considered minimal in 2011/12	-Increased number of new market research studies carried out -New visitor surveys carried out/facilitated by SPTO/PRTCBBP -New cruise visitor surveys carried out facilitated by SPTO/PRTCBBP	Continuing lack of adequate market research and intelligence to aid industry planning and operations
Increased enrolment and completion of Online Pacific Specialist Programme	Baseline data in form of registrations and certifications maintained by SPTO	20% annual increase after re-launch of updated/expanded online programme	Stagnant or declining numbers of foreign travel retailers showing interest in online training programme
Enhanced tourism skills and capacity	To be determined by SPTO in the specific fields/disciplines in which training is provided	Number of tourism operations and industry personnel participating in training offered/facilitated by Project	Skills development and capacity building remain stagnant

## Annex 2: Budget for the Action

Costs	Unit	# of units	All Years		Unit	# of units	Year 1		FJD	Rate
			Unit rate (in EUR)	Costs(in EUR)			Unit rate (in EUR)	Costs(in EUR)		
<b>1. Human Resources</b>										
1.1 Salaries (gross salaries including social security charges and other related costs, local staff)										
<b>1.1.1 Technical</b>										
Tourism Investment Officer (SPTO)	1	36	1,700	61,200	1	12	1,700	20,400		51,038
Aviation Development Specialist (SPTO)	1	36	2,500	90,000	1	12	2,500	30,000		75,056
Cruise Ship Tourism Development Specialist (SPTO)	1	36	2,500	90,000	1	12	2,500	30,000		75,056
ICT Expert	1	36	3,500	126,000	1	12	3,500	42,000		105,078
E-Marketing Officer (SPTO)	1	36	1,100	39,600	1	12	1,100	13,200		33,024
HRD M (SPTO)	1	36	1,700	61,200	1	12	1,700	20,400		51,038
PRTCBP Project Manager	1	36	3,500	126,000	1	12	3,500	42,000		105,078
PRTCBP Finance Officer	1	36	1,100	39,600	1	12	1,100	13,200		33,024
SME and Sustainable Tourism Development Officer	1	36	1,700	61,200	1	12	1,700	20,400		51,038
1.1.2 Administrative/ support staff	1	36	500	18,000	1	12	500	6,000		15,011
SPTO 7 Core Staff-Cofinancing	1	36	22,333	804,000	1	12	22,333	268,000		670,497
<b>1.2 Salaries (gross salaries including social security, other staff benefits, charges and other related costs, expat/int. staff)</b>	<b>1</b>	<b>3</b>	<b>691,667</b>	<b>2,075,000</b>	<b>12</b>	<b>691,667</b>	<b>691,667</b>	<b>691,667</b>		<b>1,730,450</b>
1.3 Per diems for missions/travels										
1.3.1 Abroad (staff assigned to the Action)										
1.3.1 Abroad (staff assigned to the Action)	1	720	200	144,000	1	100	200	20,000		50,037
1.3.2 Local (staff assigned to the Action)										
1.3.2 Local (staff assigned to the Action)	1	160	200	32,000	1	40	200	8,000		20,015
1.3.3 Seminar/conference participants										
1.3.3 Seminar/conference participants	1	8	38,000	304,000	1	2	38,000	76,000		190,141
<b>Subtotal Human Resources</b>		<b>2,555,000</b>		<b>1</b>		<b>795,667</b>		<b>1,990,643</b>		
<b>2. Travels</b>										
2.1. International travel	1	3	84,500	253,500	1	1	84,500	84,500		211,407
2.2 Local	1	3	10,000	30,000	1	1	10,000	10,000		25,019

transportation												
<b>Subtotal Travel</b>			<b>283,500</b>			<b>94,500</b>				<b>236,425</b>		
<b>3. Equipment and supplies:</b>												
3.1 Purchase or rent of vehicles	1	1	70,000	70,000	1	1		70,000	70,000		175,130	
3.2 Furniture, computer equipment	1	3	27,600	82,800	1	1		27,600	27,600		69,051	
3.3 Machines, tools...	1	3	10,000	30,000	1	1		10,000	10,000		25,019	
3.4 Spare parts/equipment for machines, tools	1	3	4,500	13,500	1	1		2,000	2,000		5,004	
3.5 Other (please specify)												
Utilities (SPTO) Co financing)	36		1,350	48,600	1	12		1,350			16,200	
<b>Subtotal Equipment and supplies</b>			<b>244,900</b>			<b>125,800</b>				<b>274,203</b>		
<b>4. Local office</b>												
4.1 Vehicle costs	1	36	800	28,800	1	12		700	8,400		21,016	
Office rent (SPTO Co financing)	36		4,100	147,600	N/A	12		4,100			49,200	
4.3 Consumables - office supplies	1	36	2,200	79,200	1	6		2,000	12,000		30,022	
4.4 Other services (tel/fax, electricity/heating, maintenance)	1	36	3,200	115,200	1	6		3,000	18,000		45,033	
<b>Subtotal Local office</b>			<b>370,800</b>			<b>87,600</b>				<b>96,071</b>		
<b>5. Other costs, services:</b>												
5.1 Publications <sup>9</sup>	1	3	1,000	3,000	1	1		1,000	1,000		2,502	
5.2 Studies, research <sup>9</sup>	11	180	10,000	1,800,000	7	84		3,304	277,500		694,265	
5.3 Expenditure verification	1	3	3,000	9,000	1	1		3,000	3,000		7,506	
5.4 Evaluation costs			0		N/A				0			
5.5 Translation, interpreters	1	3	4,000	12,000	1	1		4,000	4,000		10,007	
5.6 Financial services (bank guarantee costs etc.)	1	3	2,250	6,750	1	1		2,250	2,250		5,629	
<b>5.7 Costs of conferences/seminars<sup>9</sup></b>												
Incidental	1	8	2,500	20,000	1	2		2,500	5,000		12,509	
Venue Hire	1	8	2,000	16,000	1	2		1,800	3,600		9,007	
Catering	1	8	2,800	22,400	1	2		2,800	5,600		14,010	
Stationeries	1	8	2,320.00	18,560	1	2		2,000	4,000		10,007	
Marketing and Promotion (Co financing)	1	36		5,091.50		12			5,092		61,098	
<b>Subtotal</b>						<b>367,048</b>						
5.8. Visibility actions <sup>10</sup>	1	4	12,500	50,000	1	1		12,500	12,500		31,273	
<b>Subtotal Other costs, services</b>			<b>3,040,204</b>			<b>12,500</b>				<b>796,716</b>		
<b>All Years</b>						<b>Year 1</b>						
<b>Costs</b>	<b>Unit</b>	<b># of units</b>	<b>Unit rate (in EUR)</b>	<b>Costs(in EUR)</b>	<b>Unit</b>	<b># of units</b>	<b>Unit rate (in EUR)</b>	<b>Costs(in EUR)</b>	<b>Unit rate (in EUR)</b>	<b>Costs(in EUR)</b>		
<b>6. Other</b>												
<b>Subtotal Other</b>												

<b>7. Subtotal direct eligible costs of the Action (1-6)</b>	<b>5,595,204</b>		<b>1,483,115</b>		<b>3,394,058</b>
8. Provision for contingency reserve (maximum 5% of 7, subtotal of direct eligible costs of the Action)	3	10,430		31,290.00	-
<b>9. Total direct eligible costs of the Action (7+ 8)</b>	<b>5,626,494</b>		<b>1,483,115</b>		<b>3,710,538</b>
10. Administrative costs (maximum 7% of 9, total direct eligible costs of the Action)	3	96,994	<b>290,981.00</b>	0	0
<b>11. Total eligible costs (9+10)</b>	<b>5,917,475</b>		<b>1,483,115</b>		<b>3,710,538</b>

**Annex 3: PRTCBP Work Plan Budget Estimates by Activity and Year – Allocation of Overall Budget Line 5.2 Studies, Research etc.**

		Year of action	EUR			
			Year 1	Year 2	Year 3	Total
	<b>Result Area One: Sector Planning and Policy Development</b>					
<b>Activity 1</b>	<b>Build Regional and National Capacity in Tourism Data Collection and Analysis</b>					
Sub-activity 1.1	Action Plan for Building a Tourism Research and Statistics Capacity in the PACPs	1	15,000	--	--	15,000
Sub-activity 1.2	Support for National Data and Statistics	1-3	15,000	55,000	55,000	125,000
Sub-activity 1.3	Organisational Review and Institutional Capacity Strengthening of the SPTO	1-2	7,000	33,000	--	40,000
Sub-activity 1.4	Strengthening SPTO Research and Statistics Capacity	1-3	8,000	22,000	15,000	45,000
Sub-activity 1.5	Strengthen National Capacities in identifying and promoting investment opportunities with emphasis on small-scale tourism operators	1-3	10,000	35,000	25,000	70,000
<b>Activity 2</b>	<b>Facilitate Aviation expansion in the Pacific region</b>					
Sub-activity 2.1	Action plan to develop and implement SPTO's role as an advocate for improved and expanded airline services	1	--	5,000	5,000	10,000
Sub-activity 2.2	Development of an information base on the region's tourism sector to provide input to the aviation sector	1-3	5,000	10,000	10,000	25,000
<b>Activity 3</b>	<b>Implement the South Pacific Cruise Shipping Strategy</b>					
Sub-activity 3.1	Fact-finding and Preparatory Mission to Cruise Shipping – Seatrade Miami 2012	1	15,000	--	--	15,000
Sub-activity 3.2	Production and Launch of the Pacific Cruise Shipping Manual	1-2	15,000	25,000	--	40,000
Sub-activity 3.3	Conduct of cruise market research and intelligence	2	--	60,000	--	60,000
Sub-activity 3.4	Implementation of cruise visitor surveys (product assessments, expenditure patterns)	2-3	--	45,000	45,000	90,000
Sub-activity 3.5	Implementation of on-shore cruise product development and capacity building	2-3	--	30,000	30,000	60,000
Sub-activity 3.6	Preparation of Updated Pacific Cruise Shipping Strategy	3	--	--	60,000	60,000
<b>Activity 4</b>	<b>Develop a Regional Tourism Strategy 2014-2019 and Assist with Country Tourism Plans</b>					
Sub-activity 4.1	EDF Awareness and Familiarisation Workshop	1	25,000	--	--	25,000
Sub-activity 4.2	Preparation for the development of a new RTS 2014-2019	1	10,000	--	--	10,000
Sub-activity 4.3	Preparation of "Pacific Regional Tourism Strategy 2014-2019"	2	--	40,000	--	40,000
Sub-activity 4.4	Assistance to selected PACPs in preparation of national tourism	3	--	--	50,000	50,000

	policies, strategies and plans, including cruise tourism policies					
<b>Activity 5</b>	<b>Develop the Pacific Tourism Sustainability Portal</b>					
Sub-activity 5.1	Conceptualisation and specification of the Pacific Tourism Sustainability Portal (PTSP)	1	5,000	15,000	--	20,000
Sub-activity 5.2	Design, preparation and uploading of the PTSP	2-3	--	10,000	10,000	20,000
	<b>Result Area Two: Market Research and Marketing</b>					
<b>Activity 6</b>	<b>Regional Niche Market Research</b>					
Sub-activity 6.1	Preparation of niche market research programme	1	10,000	--	--	10,000
Sub-activity 6.2	Conduct of three (3) niche market studies (tbc under 6.1)	1-2	10,000	80,000	--	90,000
Sub-activity 6.3	Conduct of additional three (3) niche market studies (tbc under 6.1)	3	--	10,000	80,000	90,000
Sub-activity 6.4	Pacific island destinations image library	1-2	20,000	55,000	--	75,000
<b>Activity 7</b>	<b>Capacity Building in E-marketing for SPTO and NTOs</b>					
Sub-activity 7.1	Update of the SPTO Online Strategy	1	20,000	--	--	20,000
Sub-activity 7.2	Review and revamping of the existing SPTO website	1-2	10,000	60,000	--	70,000
Sub-activity 7.3	Assistance to PACP NTOs to improve their websites	2	--	60,000	--	60,000
Sub-activity 7.4	Training of SPTO and PACP NTO staff in e-marketing applications including use of social networking sites, database marketing and search engine optimisation	2-3	--	20,000	20,000	40,000
Sub-activity 7.5	SME e-marketing support initially in three pilot PACPs (Fiji, Tonga, Kiribati) followed by extension to other PACPs	1-3	15,000	35,000	20,000	70,000
<b>Activity 8</b>	<b>Expansion of the South Pacific Travel Trade Specialist Programme</b>					
Sub-activity 8.1	Production of Specialist Programme training materials	1	5,000	--	--	5,000
Sub-activity 8.2	Review, assessment and road map for improvement and expansion of the Pacific Specialist Programme	1	10,000	--	--	10,000
Sub-activity 8.3	Promotion of increased enrolment on existing online Pacific Specialist Programme at ITB	1	20,000	--	--	20,000
Sub-activity 8.4	Updating of existing training modules	1-2	7,500	12,500	--	20,000
Sub-activity 8.5	Production of new training modules on Pacific niche tourism products (with input from 6.2, 6.3 and 6.4)	2-3	--	20,000	30,000	50,000
Sub-activity 8.6	Roll-out and promotion of expanded Pacific Specialist Programme	3	--	--	20,000	20,000
	<b>Result Area Three:</b>					
	<b>Result Area Three: HRD and Capacity Enhancement</b>					
<b>Activity 9</b>	<b>Development of a Regional Tourism and Hospitality HRD Plan</b>					
Sub-activity 9.1	Preparatory work for launching the Regional Tourism and Hospitality HRD Plan project	1	10,000	--	--	10,000
Sub-activity 9.2	Preparation of Pacific Regional Tourism and Hospitality HRD Plan	1-2	10,000	50,000	--	60,000

Sub-activity 9.3	Dissemination of Regional Tourism HRD Plan	2-3	--	15,000	10,000	25,000
<b>Activity 10</b>	<b>Delivery of Tourism and Hospitality Training Priorities in Selected Countries</b>					
Sub-activity 10.1	Implementation of short-term training programmes in prioritised skill areas and smaller PACPs	2-3	--	60,000	65,000	125,000
Sub-activity 10.2	Provision of programme of industry training attachments and scholarships	2-3	--	50,000	50,000	100,000
Sub-activity 10.3	Evaluation of training and skills development programmes conducted under the Project	3	--	--	10,000	10,000
<b>Total</b>				<b>277,500</b>	<b>912,500</b>	<b>610,000</b>
<b>Visibility</b>		1-3	12,500	20,000	17,500	50,000

**Annex 4: Tentative Timing of Work Plan Activities – Pacific Regional Tourism Capacity Building Programme**

Activity		Programme Year and Quarter											
		2012				2013				2014			
Sub-activity		Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4
	<b>Result Area One: Sector Planning and Policy Development</b>												
1	<b>Build Regional and National Capacity in Tourism Data Collection and Analysis</b>												
1.1	Action Plan for Building a Tourism Research and Statistics Capacity in the PACPs												
1.2	Support for National Data and Statistics												
1.3	Organisational Review and Institutional Capacity Strengthening of the SPTO												
1.4	Strengthening SPTO Research and Statistics Capacity												
1.5	Strengthen National Capacities in identifying and promoting investment opportunities with emphasis on small-scale tourism												
2	<b>Facilitate Aviation expansion through development and promotion of a Pacific Aviation Strategy</b>												
2.1	Recruitment of a Pacific Aviation specialist to lead this activity over the duration of the Programme												
2.2	Formation and activation of a regional aviation task force												
2.3	Development and Promotion of a Pacific Aviation Strategy												
3	<b>Implement the South Pacific Cruise Shipping Strategy</b>												
3.1	Fact-finding and Preparatory Mission to Cruise Shipping – Seatrade Miami 2012												
3.2	Production and Launch of the Pacific Cruise Shipping Manual												
3.3	Conduct of cruise market research and intelligence												
3.4	Implementation of cruise visitor surveys (product assessments, expenditure patterns)												
3.5	Implementation of on-shore cruise product development and capacity building												
3.6	Preparation of Updated Pacific Cruise Shipping Strategy												
4	<b>Develop a Regional Tourism Strategy 2014-2019 and Assist with Country Tourism Plans</b>												
4.1	EDF Awareness and Familiarisation Workshop												
4.2	Preparation for the development of a new RTS 2014-2019												



4.3	Preparation of "Pacific Regional Tourism Strategy 2014-2019"													
4.4	Assistance to selected PACPs in preparation of national tourism policies, strategies and plans, including cruise tourism policies													
5	<b>Develop the Pacific Tourism Sustainability Portal</b>													
5.1	Conceptualisation and specification of the Pacific Tourism													
5.2	Sustainability Portal (PTSP) Design, preparation and uploading of the PTSP													
<b>Result Area Two: Market Research and Marketing</b>														
6	<b>Regional Niche Market Research</b>													
6.1	Preparation of niche market research programme													
6.2	Conduct of three (3) niche market studies (tbc under 6.1)													
6.3	Conduct of additional three (3) niche market studies (tbc under 6.1)													
6.4	Pacific island destinations image library													
7	<b>Capacity Building in E-marketing for SPTO and NTOs</b>													
7.1	Update of the SPTO Online Strategy													
7.2	Review and revamping of the existing SPTO website													
7.3	Assistance to PACP NTOs to improve their websites													
7.4	Training of SPTO and PACP NTO staff in e-marketing applications including use of social networking sites, database marketing and search engine optimisation													
7.5	SME e-marketing support in three pilot PACPs (Fiji, Tonga, Kiribati)													
8	<b>Expansion of the South Pacific Travel Trade Specialist Programme</b>													
8.1	Production of Specialist Programme training materials													
8.2	Review, assessment and road map for improvement and expansion of the Pacific Specialist Programme													
8.3	Promotion of increased enrolment on existing online Pacific Specialist Programme at ITB													
8.4	Updating of existing training modules													
8.5	Production of new training modules on Pacific niche tourism products (with input from 6.2, 6.3 and 6.4)													
8.6	Roll-out and promotion of expanded Pacific Specialist Programme													
<b>Result Area Three: HRD and Capacity Enhancement</b>														
9	<b>Development of a Regional Tourism and Hospitality HRD Plan</b>													
9.1	Preparatory work for launching the Regional Tourism and Hospitality HRD Plan project													
9.2	Preparation of Pacific Regional Tourism and Hospitality HRD Plan													
9.3	Dissemination of Regional Tourism HRD Plan													

10	<b>Delivery of Tourism and Hospitality Training Priorities in Selected Countries</b>														
10.1	Implementation of short-term training programmes in prioritised skill areas and smaller PACPs														
10.2	Provision of programme of industry training attachments and scholarships														
10.3	Evaluation of training and skills development programmes conducted under the Project														
<b>Visibility actions</b>															