ST HELENA

TOURISM STRATEGY

2012 – 2016

July 2011

Contents

EXECUTIVE SUMMARY

St Helena, one of the remotest places on Earth, is an Overseas Territory of the United Kingdom. Strategically important for trade for some 400 years, the island now suffers the problems of many small island economies with a lack of natural resources, diseconomies of scale, net out-migration and a dependence on aid and remittances. The island's only link to the outside world is by ship. Changes in UK Government strategy and policy with regard to the British Overseas Territories, following the change in UK Government in 2010, has placed a focus on providing an improved environment for economic and social development and promoting self-sufficiency. In line with many previous studies of St Helena, it is intended that is achieved through the provision of air access, utilising tourism as the key driver in economic development. The UK Government confirmed in 2010 that it intends to pursue the provision of air access through the construction of an airport. Air access facilitates tourism development, which in the longer term drives economic development thus supporting the objective of moving St Helena towards economic self-sufficiency. This Tourism Strategy provides a roadmap for tourism development in the period running up to the opening of the airport.

St Helena's Tourism Strategy operates under the Vision, Goals and Objectives of St Helena Government, in particular Goal 1 – "a more sustainable and vibrant economy" - and the Strategic Objectives supporting that Goal. The delivery of the Tourism Strategy is now recognised as a National Priority within the National Policy Framework. Consequently, this Strategy supports the delivery of the Goal and the Strategic Objectives. It achieves this through its own set of Principles, Policy Intentions and Objectives that are laid out below.

It is important to recognise that no Strategy should be seen as a static document, and adjustments and changes will be made as required. This Strategy was written at a time when other Government policies and strategies were being developed and discussed, and the outcomes of those policies will further influence this Strategy

Principles

The principles and vision under which the Strategy will operate are

"To develop a desirable, sustainable tourist destination and maximise the visitor experience, thus supporting the wider vision for St Helena"

Policy Intentions

The principles of the Tourism Strategy have been endorsed by the Civil Society, Tourism and Leisure Committee and the Executive Council of St Helena Government. They are set in a context where the focus of policy will be that

- Tourism is mainstreamed in Government planning and strategy
- Tourism is operated in as "green" a manner as possible, with key assets protected and optimised
- Tourism supports the delivery of social, economic and education benefits across the community
- Tourism attracts high quality, high value tourists in low volumes
- Tourism will be the servant of St Helena and not the other way around

Objectives

The principles will be achieved through a series of over-arching Objectives that inform all areas of the Strategy, along with supporting sub-objectives that tie into the respective detailed narratives. These then provide a framework for a series of targets and activities that will action and deliver at a practical, day to day level.

Objective 1:

Ensure tourism is mainstreamed throughout government planning and strategies, and supports St Helena Government's vision and objectives for sustainable economic growth.

This objective will ensure that, as the key driver for economic development, tourism is constantly "top of mind" in all aspects of government thinking. This recognises the importance of addressing tourism issues and implications not just from a high level development position, but also at the level of day-to-day delivery. Government, using this Strategy and other policies, will make it straight forward and profitable to invest in and operate tourism related business on St Helena. Such businesses will then deliver high levels of service and satisfaction to visitors, with consequent benefits. Equally, tourism development will be guided to ensure that businesses and the benefits are spread equitably, and support St Helena's wider goals and objectives.

Objective 2:

Develop and exploit a range of tourism products and experiences that fulfil visitor requirements and maximise revenue, contributing to private sector growth.

This objective will guide the progress towards the provision of a tourism base constructed around the island's core assets of built, natural and historic heritage, but always focussed on providing what the customer wants. Using a range of sources, product, accommodation and capacity development will be supported, particularly in the private sector. In addition, opportunities will be identified and maximised to generate revenue for investors, businesses and government.

Objective 3:

Support the tourism sector (including private sector and non-governmental organisations) deliver improvements in standards and range of facilities, as well as capacities and skill sets, and support appropriate government planning and infrastructure.

This objective will guide progress towards making sure the island as a whole delivers improvements in key areas that allow it to take advantage of the opportunities that air access and increased visitor numbers will present. A key focus will be to educate and provide understanding of the requirements and standards expected by international visitors, and the regulations under which operators and suppliers will operate. Guidance will inform other functions and directorates of government, so they can plan accordingly to address the implications of increased visitors, development and supporting services and staff.

Objective 4:

Deliver appropriate marketing plans to ensure local, visitor, travel industry and investor interest and targets.

The success of air access and tourism development on St Helena will rely on the island being "on the radar" of visitors, investors and the rest of the world. This objective places a close focus on marketing at all levels, to agreed targets, for individual visitors, but also international travel trade and potential investors. Plans and tactics will be developed and implemented to manage and maximise business and revenue from key market segments. The importance of the local market – Saints and other residents on the island - is also recognised, particularly during the period of this Strategy, and changes in the local market and relevant segments will be pro-actively managed through relevant tactical activity.

Objective 5:

Guide tourism in all its aspects to be sustainable, managed within capacity implications.

There is a clear aim that tourism on St Helena should develop and operate in as "green" and sustainable manner as possible, without significantly impacting the key assets that underpin the island's attraction and distinctiveness. Guidance will be put in place to inform and manage development, and linkages made to other Government policies that interface with tourism. This will minimise any impacts, and ensure that visitor numbers – and the services supporting them – do not override principles and policy intentions.

Action Plan

The above Objectives are supported by a set of sub-objectives that tie into the respective detailed narratives of each Section, and which are listed at the end of each Section. These then provide a framework for the Action Plan with timelines. The Action Plan and sub-objectives feed into the annual strategic planning process of government, ensuring that the overall strategy and directorate plans are linked and fully cross-cutting, so that tourism is not operating in isolation.

Funding

At the present time St Helena is characterised by a dependency on grant-in-aid and remittances. The provision of air access will facilitate economic development particularly through tourism, leading towards economic self-sufficiency in the longer term. The thrust of this Strategy is to develop and facilitate (in conjunction with other stakeholders) tourism investment by business and enable investment in the private sector that will create positive economic progress. Opportunities will flow from product developments, new businesses in tourism and service sectors, as well as opportunities that are identified in projects such as the Historic Environment Report. Revenues resulting from these will provide leverage and funding for projects supporting the wider tourism picture, such as built heritage. Some projects with long term benefits for tourism development, especially in the early part of the period covered, may require seed funding or joint funding involving UK government sources, but the intention is that this need should diminish over time as development and the economy increases. Thus the focus of funding will move towards multiple, but largely self-generated, investment sources. Whilst tourism is a key driver, it is recognised that air access will mean other investment and opportunities are enabled across the wider economy, and tourism will dovetail with these. These rafts of opportunities mean that economic progress will be driven by the private sector, creating wealth and benefits for everyone.

Monitoring

Progress in achieving each Objective will be monitored quarterly, to measure the contribution and impact of tourism on the economy.

1. Background

1.1 The island of Saint Helena is generally regarded as one of the remotest places on Earth. Measuring approximately 5 miles (10 kilometres) by 10 miles (17 kilometres) with an area of 47 square miles (122 km^2), it is an oceanic island situated in the tropical South Atlantic Ocean some 1,200 miles (1,800 km) from the west coast of Africa and over 2,000 miles (3,260 km) from the coast of South America. The nearest land is Ascension Island, 900 miles (1,300 km) to the north-west.

1.2 St Helena was formed as a result of volcanic activity which started around 14 million years ago and ended about 7 million years ago. The underlying geology is therefore volcanic, with high sea cliffs, steep sided valleys and limited level ground. The remoteness and isolation allowed a distinct and unique natural environment to develop, which, though affected by Man following the island's discovery, remains a significant and important asset.

1.3 During much of its history, it was of strategic and commercial importance as a staging post on the trade routes. Discovered by the Portuguese in 1502, the island came under Portuguese and Dutch influence, but in 1659 was taken by the English East India Company and remained under their control until 1834 when it passed to the control of the Crown. Following the introduction of steamships and the opening of the Suez Canal, the economic importance of the island declined.

1.4 The strategic importance of St Helena meant that it was extensively fortified and protected. Its location, along with its position on major trade routes, also meant that the British found it especially useful following the Napoleonic wars when Napoleon was exiled on the island until his death. Subsequently, the island was also used at various times to imprison Boers, Prince Dinizulu and a group of Bahrainis. The island has also played a part in key scientific studies undertaken by, for example, Darwin, Halley and Maskelayne. Following the abolition of slavery, St Helena was used as a base by the Royal Navy who intercepted slave ships and liberated the slaves on the island.

1.5 St Helena today is an Overseas Territory of the United Kingdom. It is administered under a Governor, appointed by the Crown, in conjunction with a locally elected Legislative Council. The Saint Helena Government administers the public service.

1.6 The resident population of Saints is a diverse mix of backgrounds, reflecting the history and inhabitants of the island at different times including antecedents from Britain, Africa, China, Madagascar and the Maldives. The current population is around 4,000 people. The lack of natural resources and volume exports, perceived opportunities on island and better jobs away from St Helena has led to many Saints leaving the island to work. A significant number work on Ascension Island, in the Falklands and the United Kingdom. There is also an established resident Saint population in the UK.

1.7 Saint Helena is similar to many other small island economies. These show similar characteristics including distance from large economies, diseconomies of scale, imperfect market competition, net out-migration (particularly of skilled and qualified people in the economically active demographic), capacity issues, limited diversity of resources leading to economic vulnerability and a dependence on aid and remittances.

1.8 St Helena is particularly characterised by a reliance on grant-in-aid administered through the Saint Helena Government and remittances from Saints living overseas. However, grant-in-aid is important in facilitating projects that can directly develop tourism facilities and services, and that would otherwise be impossible to achieve. There is a small private sector. The island's only link to the outside world has been a regular ship service to Cape Town and Ascension (with less frequent voyages to the UK). Indeed, it can be argued that the island is more remote now than 100 years ago when more ships visited the island on a more regular basis.

1.9 Saint Helena's remoteness, along with its remarkable history and environment, has always attracted tourists. This continues today, with visitors coming on the RMS St Helena shipping service. Yachts regularly call at the island, as do occasional cruise ships. However, the biggest barriers to tourism development (and, therefore, to economic growth per se) are the restrictions presented by sea access and the lack of serviced accommodation meeting international visitor expectations.

1.10 Following the election of the current UK Government, changes to policy in respect of the UK's Overseas Territories were implemented. These seek to provide an improved environment for economic and social development and promote self-sufficiency.

1.11 As part of efforts to develop economic and financial self-sufficiency, the UK Government announced in March 2005 its intention to construct an island for the island. The global recession led to the project being "paused" in December 2008. In July 2010 the Secretary of State for Overseas Development confirmed that the UK Government would pursue this project, subject to certain criteria being met. One of the four criteria was that the St Helena Government put in place reforms to create a more business friendly and business attractive environment. Tourism was identified as a key driver for the future economic development of the island. Subsequently a Memorandum of Understanding was signed between the UK Government and St Helena Government, and a reform programme actioned.

1.12 With the progress towards an airport, this Tourism Strategy forms part of the wider work preparing for that outcome. It seeks to identify the objectives that need to be fulfilled to ready St Helena's tourism industry ahead of air access. These objectives cut across a number of different activities on the island, such as infrastructure, land development and other reform areas, as well as development needs of the tourism industry itself. The Strategy also seeks to identify opportunities that would be available to potential investors and business people.

1.13 The 2012-2016 Strategy focuses largely on preparatory work, some of which is already underway through the current Tourism Development Project. It has to be seen also in the longer term context of developing a high quality tourism industry for St Helena, and the fact that several objectives may extend beyond the timeline of this particular Strategy.

1.13 It is intended that the Strategy is a "living" piece of work, that will inform policy development and planning, but which will be adjusted and amended as circumstances dictate and require in the coming period.

Assumptions

1.14 In order to make appropriate recommendations and consider relevant development needs, a number of assumptions have been made within this Strategy.

1.15 The first of these is that the UK Government approves the construction of an international airport for St Helena during the second half of 2011.

1.16 The second is that the construction phase begins relatively speedily after that decision – most probably early 2012.

1.17 The third is that the airport becomes fully operational in 2016. Whilst this latter date is obviously not yet fixed, 2016 is used in order to plan likely numbers and demand for various facilities and services in the Strategy.

1.16 The fourth is that the reforms required under the airport Memorandum of Understanding are successfully put in place, thus creating a more enabling environment for business.

2. Tourism Vision

2.1 St Helena Government has established an overall vision for the island as part of its National Strategy, and this is laid out in the Sustainable Development Plan. This sets out the vision as

“a prosperous, peaceful and democratic society for all achieved through sustainable economic, environmental, and social development leading to a healthy and eventually financially independent St Helena”.

This vision has been reviewed as part of the process for the island’s second Sustainable Development Plan, and has not (at this point) been changed.

2.2 Tourism is identified in the first Sustainable Development Plan, and in many other reports, as a lever for economic development. Its importance in the immediate future is recognised by it being established as a National Priority in the recent policy review, which carries forward to the second Sustainable Development Plan. Thus tourism is established as a key element of the overall national vision, as well as underpinning specific National Strategic Objectives. Both the vision and strategy for tourism are set in this context.

2.3 Within this context, the over-arching principles for tourism focus primarily on meeting visitor expectations – both in terms of soft factors (such as service and environment) and hard factors (such as how planning has allowed accommodation to be developed and environmentally friendliness). These have to be delivered consistently, ensuring that St Helena presents difference. This in turn ensures visitors are satisfied and respond by spending money, thus facilitating support for the wider vision of the island.

2.4 The over-arching principles and vision for tourism can be articulated as being

“To develop a desirable, sustainable tourist destination and maximise the visitor experience, thus supporting the wider vision for St Helena”

2.5 This vision is formulated from feedback that came through during consultations and existing tourism work, as well as being one that has been highlighted in previous reports and studies.

2.6 What is clear within the vision - and how that then feeds through into this strategy and its policy intentions - is how much tourism drives and requires interdependency and mutually reinforcement across many aspects of island planning. This requires tourism to be mainstreamed in every aspect of Government planning and strategy, and this will be a key intention of policy so that tourism is driven forwards. Significantly, the clear intention is that tourism will be the servant of St Helena, and not the other way around – that tourism will be managed to deliver benefits for the island but not over-ride what the island and its people want.

2.7 The core principles of the vision drive further policy intentions for tourism, providing the context in which tourism development and operation will take place on St Helena. These policy intentions inform both the short term and longer term aspirations and objectives around which this Strategy has been developed, and which are clearly incorporated within the detailed sections that follow. Thus, woven into vision and policy intention is the clear desire to ensure that the island's tourism operation is as "green" as possible, with key assets protected and optimised. In addition delivery of comprehensive benefits to as much of the community as possible, not just economic, but also social, employment and education. This predicates towards a low volume of high quality and high value visitors. These aspects are further explored in the sections that follow and drawn out in the objectives that are listed at the end of each section, and which relate back to each section's narrative. Through careful management, tourism development will support equitable economic growth on an island-wide basis so as many people as possible benefit.

2.8 Further detail underpinning the tourism vision is provided in the next two sections.

The St Helena "brand"

2.9 In the latter part of 2010 the Tourism Department, following recommendations in the Tourism Development Plan, finalised a new branding that would be rolled out across a 12 month period to give a consistent look, feel and spirit to the presentation and promotion of St Helena. It was also developed to provide a hook for potential visitors, and was validated amongst travel marketers worldwide.

2.10 As part of this process – reviewing previous studies and feedback from many different parties – a Unique Selling Proposition (USP) for St Helena was identified. A USP is recognised as an important marketing tool in identifying the distinguishing difference of a particular offering. In St Helena's case it was clear that St Helena's USP was that St Helena had lots of very distinct, special and different USPs, none of which could be given precedence over another. The width and depth of these directly led to the branding.

2.11 The branding uses a stylistic outline of the island and a strapline that encompasses what St Helena is all about.

"The most extraordinary place on earth" (originally coined by Barnes in 1817) provides both the hook to potentially interested parties, but also summarises the huge range and diversity of attractions that St Helena has to offer. Indeed it is both extra-ordinary (above and beyond the everyday) and extraordinary (unusual and outstanding).

2.12 Even with airport access there is no reason to change or refine this branding, and the brand and brand styling should continue to be used consistently across all tourism and tourism related activity. Opportunities should be taken to integrate the branding into other outward facing material or activities across Government, where appropriate, to reinforce St Helena as a location as well as a destination.

What is St Helena offering?

2.13 One can answer this question in one way, by saying what St Helena is <u>not</u> offering. It is not a beach-focussed mass-market destination.

2.14 It is a distinct, remarkable, friendly, safe – indeed, extraordinary – place with a tourism offering that is founded on the key natural and cultural assets of St Helena. It provides a range of niche products that in themselves will attract low numbers of high quality, high value visitors but which also, as a sum, will provide a destination that is well placed to take advantage of the trends and developments in international tourism.

2.15 The location of the island, its width of product offering, and its non-beach non-mass market nature predicates towards a core target market that is low in volume but high in value and quality. This point has been emphasised in many previous reports and studies, although it should not be followed exclusively to the detriment of other market opportunities.

2.16 The tourism product and core market segments are detailed in more depth in the sections that follow. But it is also important that there is clarity around what the island offers, and how this appeals to potential visitors who don't come from St Helena. Many Saints cannot see the attraction in the landscape and heritage around them, and do not understand why visitors want to come to St Helena. There is important ongoing work to be done in demonstrating to island residents (especially those who have never been off island) the attractiveness and value of their landscape, heritage and culture, and how this can generate income, wealth and benefit for everyone. Maximising the current "Proud of St Helena" activity would help achieve this objective, extending beyond those working actively in or influenced by the tourism sector, so that Saints understand the value and importance of the assets they have and manage them with enthusiasm and pride.

Tourism Strategy, 2012 - 2016

2.17 This Strategy will feed into the planning and development of the National Priorities and the second Sustainable Development Plan. It will also provide the core requirements of St Helena Tourism Department's Annual Strategic Plan, as well as informing other Directorate Strategic Plans.

2.18 As already noted, this Strategy forms part of the work that needs to be achieved to ready St Helena – not just its tourism industry alone - ahead of air access becoming available. Investment in this future – financially and structurally - is absolutely fundamental to both the success of this Strategy and the wider economic future of St Helena. As noted, this Strategy will inform, influence and integrate with other strategies and planning as part of this process, but must remain a leading reference given the central role that tourism will play in economic development.

2.19 Currently the biggest barrier to increasing visitor numbers (and therefore tourism and wider economic growth) is access, which is restricted to sea routes only. The decision over air access is consequently extremely important, as it will enable significantly more people, including tourists, to visit the island in the longer term. An airport will also provide a schedule of services that will allow for a more regular and sustainable visitor and business pattern, with the generation of more attractions and facilities for tourists.

2.20 However, it is important to ensure that with an air access decision – particularly during the period of this Strategy - backs are not turned on the sea. In the short term, demand is likely to outstrip capacity on the current shipping services, and alternatives must be explored.

2.21 In the longer term there will continue to be a need for some form of sea access for cargo (and potentially passengers on whatever vessels are used). It is also likely that St Helena will become more attractive for yachts and cruise ships, as air access has the potential to allow for flexible travel arrangements, such as fly-cruise and similar options.

2.22 Whilst this Strategy focuses on the period 2012 to 2016, it also looks at estimates for the period that follows, as this will determine much of the development work needed during the period of the Strategy. This is especially applicable to areas such as accommodation and tourism attractions. A key objective of the Strategy therefore is to support and ensure work is in place so investment in tourism is both encouraged and maximised in the coming five years. This will include identifying and working with potential investors and businesses, with relevant partnerships and activities alongside bodies such as SHDA, the overseas representatives of SHG and the proposed overseas economic development team.

2.23 Equally the Plan looks at the different tourist segments that are likely to be visiting the island during the airport construction period. It is important to recognise that all visitors to the island – whether for business or pleasure – are tourists in one way or the other, and presenting and providing appropriate facilities and services will ensure that a key strategic objective of maximising revenue generated from each visitor is achieved.

2.24 This Strategy is therefore broken into separate, but inter-related, sections covering key areas. These broadly follow a logical sequence. The end of each section highlights strategic objectives that flow from its particular focus, and these are then summarised at the end of the document, ahead of the appendices. It should be appreciated that some aspects of the Strategy, its' recommendations and objectives relate to work and/or responsibilities of other parts of the public, private or third sector, and close partnership relationships will continue to ensure fully joined-up thinking, planning and working is achieved in delivery of the Strategy.

2.25 The UK Government's Department for International Development is currently funding a three year (2010 – 2013) £1.2m Tourism Development Project. This Project is based on recommendations in the Tourism Development Plan (Leech, 2009) which focussed on sea-borne tourism. The Project has been revised in the light of the air access decision, although many of the project components remain unchanged due to their fundamental nature in encouraging tourism development.

2.26 To ensure momentum in tourism development is not lost during the overall period of this Strategy, and during the period running up to the opening of the airport, it is recommended that a Tourism Development Project II is planned and put in place to follow the existing Project. This TDP2 should be formatted with a set of costed proposals that further drive tourism, investment and wider economic development on the island, with the target of a project submission to DfID at the end of 2012.

Core Tourism Strategy Objectives

2.27 This Tourism Strategy will therefore deliver five core objectives, which will support the policy intentions and the over arching principles and vision for tourism. Equally, these core objectives will provide a framework for a series of targets, sub-objectives and activities which are formulated in the sections that follow, and which will deliver at the practical day to day level. These five Objectives are

Objective 1:
Ensure tourism is mainstreamed throughout government planning and strategies, and supports St Helena Government's vision and objectives for sustainable economic growth.

Objective 2:
Develop and exploit a range of tourism products and experiences that fulfil visitor requirements and maximise revenue, contributing to private sector growth.

Objective 3:
Support the tourism sector (including private sector and non-governmental organisations) deliver improvements in standards and range of facilities as well as capacities and skill sets, and support appropriate government planning and infrastructure.

Objective 4:
Deliver appropriate marketing plans to ensure local, visitor, travel industry and investor interest and targets.

Objective 5:
Guide tourism in all its aspects to be sustainable, managed within capacity implications.

2.28 As noted above, these objectives inform the detail within the sections that follow, and underpin the targets and activities within the Action Plan (Appendix G).

3. Why Tourism?

3.1 Tourism has been identified as the key driver for the future economic development of St Helena. Before one asks why a tourist should choose St Helena over other destinations, one should rightfully ask why tourism is seen as the key driver.

3.2 Equally, it should be recognised that the attraction of tourists is a <u>means</u> rather than an end.

3.3 As noted previously, St Helena has no significant natural resources, and no volume exports that currently can sustain or grow the island's population and economy. Tourism utilises the resources - built and natural - that are in place on the island, and consequently optimises visitors through their presence and, more importantly, their expenditure to directly input into the economy as well as expand and develop the economy. This can be done through extending the provision of tourism services as well as ensuring that tourism expenditure flows around the economy (the multiplier effect). These expansions will generate further business opportunities, not necessarily directly part of the tourism sector. This would include support services for the tourism sector - such as laundry, transport and similar services – but also businesses supporting the wider business sectors, such as accountants and marketing services, as well as food production and processing.

3.4 All these businesses in turn employ and generate money through the economy, providing income to government through taxes; thus in turn supporting the wider provision of public services.

3.5 Consequently, the tourism focus is – in basic terms - about creating opportunities to separate visitors from their money. In more refined terms, about maximising revenue from each visitor. Objectives and targets should not be about visitor numbers – if they were, then the simple solution is to offer free holidays and the targets would be easily achieved. It is essential that policies and targets are put in place that relate to visitor expenditure, and, ultimately, moving that expenditure around the economy (the multiplier effect). This then has the well-being of the local population at its core. However, it is important to recognise, that the best way to achieve this is to ensure that the range and experience of the tourism product are aligned to visitor needs and are as attractive as possible.

3.6 St Helena is blessed with a wide range of tourism products, either partly developed or still undeveloped. Indeed, a previous study (Tourism Development Plan, Leech, 2009) stated that: "To have such wealth in such a small space would be the envy of much of the rest of the world – entire tourism industries in many countries are built on far less". Other reports concur with such a statement.

3.7 What St Helena does not offer is a beach-focussed mass-market destination; what it has in abundance is a range of niche interest products, all of which can attract sustainable levels of tourists. And in every respect the whole is far greater than the sum of all the parts.

3.8 As highlighted above, the St Helena Tourist Department recognised this in the recent development of its branding, which focussed on the huge variety of tourism product available, highlighting the "extraordinary" range of things to do and see.

Tourism Product

3.9 The range of tourism product that is currently available or that could be developed certainly outmatches many established destinations. These include –

- Historic
  - Napoleon
  - Slave legacy
  - Boer legacy
  - Zulu legacy
  - Bahraini legacy
  - Chinese and other residents legacy
  - East India Company and British Empire
  - Portuguese and Dutch legacies
  - Marine wrecks
  - Astronomy

- Natural Environment
  - Birds
  - Plants
  - Endemic and Conservation
  - Geology
  - Marine

- Well-Being
  - Walking
  - Sub-aqua and diving
  - Sailing
  - Sport Fishing
  - Donkey legacy
  - Mountain Biking
  - Rock climbing and Abseiling
  - Parascending and Microlites
  - Golf
  - Residential Tourism

3.10 This width and depth of product – width of range and depth of product offering – is absolutely crucial to the future development of tourism on the island. It ensures that not all the eggs are in one basket, providing a balance of product offerings. It also aligns with the increasing demand of tourists for experiential and niche offerings, as well as the increasing demands for sustainable and environmentally considerate offerings. These tourism products are fleshed out in more detail in Appendix A with market information and development requirements. Specific major development needs are identified and should be included in the planned Tourism Development Project 2 unless otherwise achievable.

3.11 Whilst there are key elements to the island's tourism product – such as the Napoleonic story – and key opportunities to exploit aspects of the product – such as the bi-centenary of Napoleon's stay on the island – it would be ill-founded to focus on a single aspect of St Helena's tourism product. This extraordinary range of product allows for a significant linkage to trends within international tourism for experiential visits. These trends are particularly important within the target market groups for the island and are examined further in section 6.

3.12 Additionally, it should not be ignored that the island's proximity to southern and western Africa and its general security, low crime levels and institutional structures will make the island of particular interest to residential tourism markets on the African continent and further afield.

3.13 Similarly, it should not be overlooked that St Helena's reasonably constant climate allows positive messages to be created for visitors from both Northern and Southern hemisphere. For example, the St Helena summer covers the winter period of the northern hemisphere and so can be very attractive to those seeking warmer destinations, both standard and longer stays.

3.14 Tourism is also an industry that is built upon many small scale suppliers and businesses, and so is ideally suited to encourage and support the development of a private sector. Whilst this can mean some fragmentation, it also means healthy competition, diversity of product and services and a constant range of opportunity is available. The nature of the island and the variety of niche products further reinforces the opportunities that will be available to the private sector. It is important that, where possible, policies support and facilitate such opportunities.

3.15 A recent study into successful destinations – "The Power of Destinations" – derived a list of the key assets of a demanded (that is one that people want to visit or work in) destination. These were –

Strong Economy	68%
Agreeable climate and environment	67%
Friendly local people	66%
Strong tradition of culture	60%
Widely available entertainment and leisure	60%
Skills base/educated workforce	58%
Exceptional architecture	50%
Good public services	46%
Attractive labour legislation	32%
Strong currency	30%
Attractive employer legislation	30%
Affordable housing	28%

3.16 The report showed that the most successful destinations, whether for business or leisure, blended soft factors, such as environment and architecture, with some key hard factors, such as economic and financial criteria. Blending these holistically means that a destination becomes somewhere people want to be – it creates difference. And difference is the crucial element that makes one destination stand out over another.

3.17 In St Helena's case, along with the romantic charm of remoteness, it is the extraordinary mix of elements – all of which are significant in their own way – that create the essential difference.

3.18 This is further impacted by a culture in the developed world of "been there, done that", thus creating demand for experience. This is not about added-value extras, but a complete experience in which the customer plays their part. Increasingly this includes every element of the visit, from eco-friendly aspects of accommodation and infrastructure to clear understandings that the customer is benefiting in some way the local economy. The vision and thrust of this Strategy is to develop tourism in such a way that these customer requirements are addressed and put in place, through ensuring that all aspects of island planning consider and balance these issues.

3.19 It does also mean that the destination has to play its part, and service suppliers have to raise their game to fulfil the requirements of international visitors. To both support and drive this, quality standards have to be in place across a range of services to ensure that the delivery and experience exceeds what the visitor is expecting.

3.20 The importance of these factors, along with others that are drawn out in other sections of this Strategy, is why one of the key Objectives of the Strategy is –

Objective 3:
Support the tourism sector (including private sector and non-governmental organisations) deliver improvements in standards and range of facilities as well as capabilities and skill sets, and support appropriate government planning and infrastructure.

3.21 St Helena has all these building blocks in place to a greater or lesser extent, and the aim of this Strategy is to ensure that such blocks are of world-class standard, joined together and providing an offering that people will want to visit...not because it is there, but because it is worth visiting.

Sub-Objective 1: Deliver positive experiences for all island visitors (Objective 1)

Sub-Objective 2: Reinforce appreciation of tourism and St Helena's tourism assets in the local population (Objective 5)

Sub-Objective 3: Reinforce the continued development of tourism product by identifying major product development needs and draw up a proposal for Tourism Development Project 2 (Objective 1)

Sub-Objective 4: Ensure quality standards for delivery of tourism services are agreed and implemented (Objective 3)

4. Institutional Development and Management of Tourism

4.1 St Helena Tourism is currently part of SHG.

4.2 The Tourism Development Executive reviewed the institutional arrangements for tourism and made a series of recommendations for changes to provide for both divestment and better stakeholder partnership. These recommendations are to be reviewed once the Chief Executive – Economic Development is in post.

4.3 It has already been identified that tourism will move to the aegis of Economic Development, under the Chief Executive – Economic Development. It is also proposed that a process of divestment should begin during 2011 with the department moving to arm's length from government through the creation of a government-owned company. It is also recommended that a more appropriate Tourist Board structure is created as part of this process. This would be supported by a Tourism Ordinance, laying out the functions of such a Board (as well as areas of regulatory control for tourism services and standards). It is further proposed that during the course of the period covered by this Plan some activities undertaken by the Tourist Board could be fully privatised and divested to the private sector.

4.4 The recommended structure involves greater participation by and partnership with the private sector. As tourism develops and expands, the role that the private sector plays in the management of tourism has to be pro-actively facilitated (and grasped) so that the needs of both visitors and service suppliers are balanced and maximised. The private sector should play an increasing partnership role in supporting policy development and identifying what is required for a growing and successful tourism industry.

4.5 Although much can be undertaken by the private sector, some elements (such as accommodation inspection and grading) will need to be seen to be properly independent, and others – in particular international promotion and marketing - will almost certainly need to be undertaken through a Tourist Board function and partly supported by public sector funding (alongside contributions from the private sector). Particular attention has to be paid to international marketing and networking in order to maintain the momentum that is being achieved by promotional activity under the current Tourism Development Project.

4.6 St Helena has to recognise that it operates in an international context, not in glorious isolation. Whilst visitors will allow a little leeway, the island has to deliver services and quality that are fully international in standard. This does not mean changing the distinct character of the island, but recognising that delivery of services has to meet what visitors require not what is convenient for the supplier. The programme of developing quality standards for tourism services will move a distance in achieving this.

4.7 It is recommended that international tourism marketing expertise is retained to support tourism development on St Helena and to co-ordinate international marketing and promotional efforts during the period of this Strategy, until investment in island human capacity and skills is fulfilled in the medium to longer-term. In the immediate future, it is recommended that the current part-time Sales and Marketing Executive position either has increased time resourced, or is upgraded to a full time position, to support the volume of enquiries and contacts being developed.

4.8 Finally, it is essential that work is followed through from the most recent St Helena Government Policy Framework review, ensuring that the importance of tourism as the key driver for economic development is embedded in both central Government and individual Directorate Strategies. Tourism is, as has been stated, both a key driver and a top priority, thus it is incumbent on SHG and elected councillors to ensure it is understood as a strategic issue, and interfaces fully with planning, other services and infrastructure. This may require Directorates to support the outward tourism delivery through operational activities, which may have budgetary implications. It also requires recognition that delivery supports and encourages wider benefits for the whole of the island population.

Sub-Objective 5:	Divest St Helena Tourism to arm's length from Government and target the privatisation of some functions (Objective 3)
Sub-Objective 6:	Enact a Tourism Ordinance to enable robust and independent management of appropriate tourism standards and regulations (Objective 1)
Sub-Objective 7:	Support capacity building through the retention of international tourism marketing expertise during the period of this Strategy (Objective 3)

5. Tourism related Economic Development

5.1 Tourism's ability to encourage and seed further economic and business development is currently stalled, due to access issues. With a positive air access announcement – but more importantly as the construction phase begins - it is certain that investors will become interested in and ready to invest in island businesses. However, this relies on both the relevant business environment being on place, and also knowledge of opportunities. It is important to realise that many Saints will be unwilling to invest or move until they see the construction phase commence, as they have seen promises around airport construction made many times previously yet unfulfilled.

5.2 What is inevitable is, in the short-term, the island itself will be unable to fulfil demand or skills for many areas. This will mean people will have to come in from overseas, and this strategic requirement has to inform policy within other areas of government such as immigration and labour market needs. The recognition of this issue should drive the short-term management of the requirement, but also the longer-term requirement to train and mentor people to address the relevant skills gaps. This issue is explored further in Section 15 below.

5.3 Thus it will be important that in the short term close attention is paid to facilitating the immigration, investment and general business environments to make the island attractive for business. Similarly, any retention and attraction strategies have to ensure a balance is achieved with other competition, and this reiterates the importance of tourism integrating with other areas of government research and policy, such as housing and labour market. Equally, work will be required – in conjunction with the Bank of St Helena and potentially other financial institutions – to address and improve the access to investment and venture capital, and the attitude to business risk. This will be crucial to ensure that Saint business people are not disadvantaged through difficulty in accessing business capital.

5.4 The airport construction period will provide a major opportunity in itself for business development and opportunity. In partnership with other bodies, such as SHDA, encouragement and support should be given to businesses that could be set up to support the airport construction and continue after construction is complete, particularly where such businesses can easily switch to servicing the tourism sector. This would especially apply to hospitality, catering and entertainment businesses; but would also support those supplying these businesses, such as agriculture and fishing. Support should also be focussed on developing standards of domestic businesses so they can compete successfully in this market. This will sustain significant economic activity through and beyond the construction period, and minimise imbalance after construction ends.

5.5 There should then be a steady move towards far more of a service culture. As tourism development gathers pace towards the airport becoming operational, it will obviously generate its own tourism sector economy. But tourism will also encourage a wider range of supporting service businesses in other sectors. These will also be supporting other business sectors too. These in turn will start to generate and circulate money through the economy.

5.6 As this Strategy progresses, and accommodation, attractions and support services fall into place, then visitor spend and the economic benefits that flow from this will also increase. Injections of money from the tourism sector into the economy is expected to stimulate further rounds of spending. This is called the multiplier effect. Over the course of this Strategy, the multiplier effect is expected to grow as the economy becomes more self sufficient. This further explored below.

5.7 In the short-term work is underway to address some of the imbalance that exists due to the fact that access to almost every island feature and attraction is free of any charge, and no financial input is provided for maintenance of the built heritage. Almost without exception, elsewhere in the world attractions would require payment for entrance. On St Helena there is an opportunity to address this imbalance in an alternative way through the introduction of a “tourism passport”.

5.8 With St Helena being an island with a single (or, in the longer term, limited) point of entry, then a “tourism passport” would make a single charge and give access to all tourist attractions on the island. This would ensure all visitors, whether short or long term, would make a contribution to the upkeep and maintenance of the built heritage and tourist facilities, but also it is proposed that a contribution is also taken for the planting of a tree at the Millennium Forest. This would make a positive link into the island’s environmental credentials. A single charge would also be simple and easy to administer and could be steadily increased as facilities improve. It is important that whilst this creates a new revenue source for Government, appropriate support is returned for built heritage and tourism. The tourism passport can be used provide a mini-guide to the attractions, and tactically as a means to manage visitors towards locations with higher capacities to controlling visitor impact. It is intended that the Tourism Passport should be introduced from the start of 2012.

5.9 Coming back to the wider economic implications, if we look at the suggested visitor numbers, and the relevant visitor types, then potential visitor spend can be calculated. This calculation is shown in detail in Table 1 below. The relevant amounts used as the base cover accommodation and additional spend, and are based on calculations made by Catherine Leech when compiling the Tourism Development Plan, and reviewed for this Plan. The amounts are as follows –

£ 80 per day for “pure” tourist visitor
£ 40 per day for yachting visitor staying on yacht
£ 80 per day for expedition cruise visitor

5.10 In addition, it is estimated that cruise ship day visitors spend approximately £ 10 per person (excluding tours). These figures are not shown in the following tables due to the volatile numbers involved in terms of ships and passenger numbers.

5.11 An estimate of £100 per day has been given for air visitors. This is calculated on the basis of the wider range of hotels that will be available at the upper end of the range as well as encouragement for uplift in spend.

5.12 These amounts exclude any income from immigration (“landing”) fees, which is shown separately. Immigration fee income excludes yacht stays of less than 3 days (72 hours), as such stays are being excluded from immigration fees in order to encourage more yachts (especially those on relocation voyages) to visit. Income from anchorage fees is not shown.

TABLE 1: POTENTIAL VISITOR SPEND

	2012		2013		2014		2015		2016		2020	
	NERA	TDP	NERA	TDP	NERA	TDP	NERA	TDP	NERA	TDP	NERA	TDP
Visitors												
total visitors	1790	1759	2020	2057	2130	2160	2260	2311	2350	4100	7050	8300
landing fees (£000)	20	19	23	24	24	25	26	27	27	55	100	120
tourism passport (£000)	45	44	51	51	53	54	57	58	59	103	176	208
sub total (£000)	65	63	74	75	78	79	82	85	86	158	276	328
air visitors	0	0	0	0	0	0	0	0	1250	2600	5750	6800
average stay (days)	0	0	0	0	0	0	0	0	14	14	14	14
average spend per day (£)	100	100	100	100	100	100	100	100	100	100	100	100
total spend (£)	0	0	0	0	0	0	0	0	1750	3640	8050	9520
yacht visitors	690	690	720	720	750	750	800	800	800	800	1000	1000
average stay (days)	4	4	4	4	4	4	4	4	4	4	4	4
average spend per day (£)	60	60	60	60	60	60	60	60	60	60	60	60
total spend (£)	166	166	173	173	180	180	192	192	192	192	240	240
expedition ships	100	100	300	300	300	300	300	300	300	300	300	300
average stay (days)	2	2	2	2	2	2	2	2	2	2	2	2
average spend per day (£)	80	80	80	80	80	80	80	80	80	80	80	80
total spend (£)	16	16	48	48	48	48	48	48	48	48	48	48
other seaborne	1000	969	1000	1037	1080	1110	1160	1211	0	400	0	200
average stay (days)	6	6	6	6	6	6	6	6	2	2	2	2
average spend per day (£)	80	80	80	80	80	80	80	80	80	80	80	80
total spend (£)	480	465	480	498	518	533	557	581	0	64	0	32
Total Visitor Spend (£000)	662	647	701	719	746	761	797	821	1990	3944	8338	9840

5.13 In terms of economic benefit, it is also important to ensure that spend is circulated around the economy, rather than being lost through leakage. This multiplier effect is an important factor in all industries, but particularly in a service industry such as tourism, where there is a focus on further spend though wages and supplies. In order to evaluate the impact on the economy of increased tourism spend, one must calculate the multiplier effect. The multiplier effect estimates by how much injections of money from the tourism sector contribute to further rounds of spending, for example, hotels using the money spent by tourists on supplies, or tourism workers spending their wages in local shops. It has been estimated that the current tourism multiplier effect on St Helena is as little as 0,3 (the 1997 Tourism Master Plan used 0,68, but this is felt to be too high given the level of current economic activity on the island, so it has been halved). In more developed economies the multiplier is between 2,5 and 3,0 (this is referenced in many tourism studies). It is unlikely that St Helena will achieve such a multiplier level due to the impact of leakage, dependency on imports and foreign capital, and so a move towards a considered multiplier of 1,5 has been applied. Table 2 below shows the potential value of tourism by reflecting the growth of the multiplier as the economy develops.

5.14 In order to achieve these amounts, and indeed get the spend moving, it is important that tourism works closely with both the private sector, development agencies and relevant government directorates to encourage investment in a wider range of retail and hospitality businesses where visitors and service sector businesses can spend their money, as well as in sectors which have the potential to supply the tourism sector and promote import substitution (such as agriculture and fishing). Activity in these spheres will, of itself, also create new business set ups as people see and exploit opportunities, but support and enablement for start-up businesses will be required to increase momentum. It is also incumbent on businesses in the tourism sector to ensure that they operate in a fashion that makes it easy for visitors to spend their money, particularly on one-off occasions such as cruise ship visits and special holidays and events. Tourism will continue to work with other partnership bodies and stakeholders to support the development of business and marketing skills, entrepreneurship and training to support the tourism sector.

5.15 One particular objective here must be to support the production and retail of arts and crafts on the island. This is a key area where visitors are keen to spend their money. Support has been provided through the existing Tourism Development Project to enable stock purchasing to take place (whereas previously crafters had to wait for an item to sell before earning income). This in itself means that crafters are encouraged to devote more time to producing items to sell. However a key aspect is to ensure that there is a high profile “shop window” that promotes the arts and crafts movement, and makes it easy for visitors to purchase. It is essential to facilitate the move of the present invisible outlet at the rear of Broadway House, to a key retail location, which should be located in Main Street.

5.16 There are of course implications for Government income as a result of the economic impact of tourism development. These occur not only through direct income (such as landing fees and taxation on those working in the tourism sector), but also indirectly as visitor spend is utilised by the businesses and individuals who benefit from that spend. An indication of the potential earnings by Government resulting from increased visitor numbers and spend is shown in Table 3 which follows.

TABLE 2: POTENTIAL MULTIPLIER IMPACT ON VALUE OF TOURISM

	2012		2013		2014		2015		2016		2020	
	NERA	TDP	NERA	TDP	NERA	TDP	NERA	TDP	NERA	TDP	NERA	TDP
Total Visitor Spend (£000)	662	647	701	719	746	761	797	821	1990	3944	8338	9840
possible multiplier	0.3	0.3	0.3	0.3	0.4	0.4	0.5	0.5	0.75	0.75	1.5	1.5
Total Value of Tourism (£000)	860	841	911	934	1045	1065	1195	1232	3483	6902	20845	24600

TABLE 3: POTENTIAL GOVERNMENT EARNINGS

	2012		2013		2014		2015		2016		2020	
	NERA	TDP	NERA	TDP	NERA	TDP	NERA	TDP	NERA	TDP	NERA	TDP
Visitors												
total visitors	1790	1759	2020	2057	2130	2160	2260	2311	2350	4100	7050	8300
visitor spend (£000)	662	647	701	719	746	761	797	821	1990	3944	8338	9840
landing fees (£000)	20	19	23	24	24	25	26	27	27	55	100	120
tourism passport (£000)	45	44	51	51	53	54	57	58	59	103	176	208
indirect taxes (£000)	33	32	35	36	37	38	40	41	100	197	417	492
sub total (£000)	759	742	809	829	861	878	919	947	2176	4299	9031	10660
Residents												
direct tourism employment FTE	20	20	20	20	41	41	62	62	482	482	482	482
indirect and induced employment FTE	30	30	30	30	61.5	61.5	93	93	723	723	723	723
Total direct and indirect FTE	50	50	50	50	102.5	102.5	155	155	1205	1205	1205	1205
average income (£000)	16	16	16	16	14	14	12	12	10	10	10	10
tourism derived income (£000)	90	90	90	90	179	179	233	233	1808	1808	1808	1808
income tax rate	25%	25%	24%	24%	23%	23%	22%	22%	20%	20%	20%	20%
direct taxation (£000)	23	23	23	23	45	45	58	58	452	452	452	452
indirect taxes (£000)	8	8	8	8	17	17	26	26	203	203	220	220
stamp duties (£000)	2	2	2	2	10	10	10	10	10	10	10	10
fees, fines (£000)	5	5	5	5	10	10	10	10	20	20	20	20
rental income (£000)	1	1	1	1	3	3	5	5	10	10	10	10
sub total (£000)	38	38	38	38	84	84	109	109	695	695	712	712
Total Earnings via Tourism (£000)	798	781	848	868	946	962	1208	1056	2871	4994	9743	11372

5.17 In order to realise this potential, it is essential to recognise not only that tourism is a key economic driver, but that tourism has to be woven into every aspect of government planning. It therefore is one of the core Objectives of this Strategy –

Objective 1:
Ensure tourism is mainstreamed throughout government planning and strategies, and supports St Helena Government's vision and objectives for sustainable economic growth.

Ensuring this recognition – and more importantly, the commitment to weaving in tourism - will mean the ability of tourism to leverage benefits for the whole of the island is fully maximised.

Sub-Objective 8:	Encourage businesses that can support airport construction and can switch to servicing tourism once construction complete (Objective 4)
Sub-Objective 9:	Introduce single charge "Tourism Passport" to cover admission to all tourism attractions and to create supportive revenue stream (Objective 2)

6. Current Tourism Position

6.1 Whilst it is important to focus on requirements within the destination, the total tourism experience is influenced by what happens in every part of the tourism system. For a destination to be successful it is essential that it should look outside itself, and consider what is happening in its source areas, and access routes, as well as the wider world. It is equally important to look at and understand trends within tourism, and to see how those may impact or influence both the destination and its visitors.

6.2 The Tourism Department undertook a standard SWOT analysis, as part of its recent review of its activities, and it is worthwhile repeating that here.

TABLE 4: SWOT ANALYSIS

Strengths (Internal)	**Weaknesses (Internal)**
• Virtually untouched, undefined product to work with • Under developed – provides opportunity to get the management of resources right • Educated and skilled internal workforce • Outstanding heritage & natural environment	• Limited access to St Helena • Off the main shipping line for cruise ships • Poor landing and marine facilities for yachts and cruise ships • Limited numbers of trained staff in the tourism service sector • Limited luxury accommodation • Limited accommodation for large groups • Lack of locally made quality crafts/souvenirs • Inadequate tourism infrastructure • Facilities and services not geared to meet the needs of international visitors • High level of bureaucracy • Limited office space • Limited understanding and value of tourism in the local community
Opportunities (External)	**Threats (External)**
• Improved access through a) breakwater and b) airport • Increasing demand for sustainable and responsible tourism • Increasing trend in the desire for more remote destinations • Potential desire for heritage-based tourism • Increasing need for tour operators to sell new destinations • Better assistance for private sector • Increase in local awareness of tourism • Increased recognition and value of the economic and social benefits of tourism in the local community • Napoleon bicentenary from 2015 • Tourism Development Project funding	• Fierce competition from other destinations • Loss of skilled industry workforce • Dependency on fossil fuels • Increasing access prices • Decreasing local consumer base • Loss of Island's uniqueness • Loss of traditional skills and culture

6.3 A review has also been undertaken of current trends and forecasts across the tourism industry, particularly where it relates directly to tourism development on St Helena. So this has looked at trends in holiday types, destinations and activity, trends and forecasts in the airline industry, as well as trends within source and potential source markets. Details of the reports and references consulted are listed at the end of this Plan.

6.4 The review highlights a continued increase in tourism globally, and increased air travel for all purposes. With the European and North American markets maturing, growth opportunities are seen in Asian markets as increased wealth, affluence and freedom encourages travel and tourism. In all cases the desire of people to experience a destination is an important trend.

6.5 Europe is still set to drive over 50% of global tourism arrivals by 2020, but Asia will by then represent 30%. Demographics in the West mean that there will be more travellers, with more free time and more money wanting to travel for longer periods. The emerging markets remain difficult to predict according to most observers.

6.6 The emerging far eastern markets represent a major opportunity in the tourism industry, as significant numbers of affluent, new middle class travellers use their desire to travel and their disposable income. China and India have seen important growth in international travel, as have Japan, Singapore and other Asian countries. However, one has to remember that some of these markets are growing from low bases, and in some cases international travel is largely made up of visits to adjoining countries. Even so, there is clear potential here, and it will be important to monitor trends, develop relationships with operators and develop itineraries that will be attractive to these potential markets. The historic links between St Helena and some of these source countries are an ideal starting point.

6.7 Somewhat closer, but also showing growth, the South American market, in particular Brazil, offers real potential. International travel by Brazilians has been boosted by a strong currency and several years of economic growth.

6.8 Although these markets represent a small proportion of world travel currently, they will rapidly develop into major players by 2020. Many of these markets are predicting annual double digit growth, regardless of the global economic position. It is essential that St Helena looks as much to these markets as to the mature tourism markets. In all cases, it will need to both promote its tourism offering and ensure appropriate services are in place to handle the requirements of all potential markets.

6.9 The fragmentation of markets, driving new and adventurous destinations and experiences is a key factor in future tourism development globally. Thomas Cook state that “activity based travel *[has]* shown strong growth and will continue to do so”; whilst Mintel summarise the soft adventure market by 55% of participants being over 40, a good gender split, and over 30% of participants willing to spend over £3000 on a single trip.

6.10 The increasing interest in lifestyle, “green” and sustainable destinations is another important trend in world tourism. There has been wide consensus in the consultations and work in developing this Strategy – and thus woven into the vision – that St Helena’s tourism development will align closely with this trend. This is because of the desire to deliver this type of tourism, and the contributions of Tourism into other planning work has strongly emphasised this.

6.11 All these trends indicate that a well promoted and well developed St Helena is ideally positioned to take advantage of these trends, both with existing and developing tourism product.

6.12 This is further reinforced by work undertaken for the Public Relations component (Component 9) of the Tourism Development Project, in which existing and extended customer markets were identified. Existing customer markets were compiled from existing market intelligence and data, and these are summarised as –

1. **Independent adventurous travellers**: older age profile (50+), well travelled, time and money rich, looking for a travel experience unlike any other; interests may include walking, flora, fauna, history.
    a. A subset of this audience would be those wanting to experience the voyage of the RMS as distinct from the destinations visited.
    b. A subset of this audience would be those specifically seeking out the Napoleonic legacy.
2. **Niche tour operators**: particularly those focussing on walking, birds and nature, history and expedition cruising.
3. **Cruise operators**: particularly small ship and expedition cruising operators.
4. **Travel Agents**: focussing on high quality individual agencies, miniples or homeworkers.
5. **Yacht owners, enthusiasts and relocation companies and crews**: particularly trans-atlantic or round-the-world sailors, those wanting a cruise out from South Africa, and crews and companies relocating yachts through the South Atlantic.

6.13 Currently records about the home country of visitors are not maintained by St Helena Government. St Helena Tourism recently undertook a detailed analysis of 2010 arrivals on the island to establish some baseline data, and further work in this area will continue. The work shows that the home country of visitors coming as "pure" tourists (to visit and for no other reason) split as follows –

South Africa	63%
United Kingdom & Ireland	16%
France	5%
Netherlands	3%
Switzerland	3%
Germany	2%
Australia	1%
United States	1%
India	1%
Italy	1%
Sweden	1%
Other countries	3%

However, if contract staff are included, then the picture changes somewhat, as follows –

South Africa	49%
United Kingdom & Ireland	33%
France	4%
Netherlands	2%
Switzerland	2%

Germany	2%
Australia	1%
United States	1%
India	1%
Italy	1%
Sweden	1%
Other countries	3%

This shows a bias towards the two main market places that would be expected, and a weighting towards English-speaking or mature (ie: highly developed) travel markets. This indicates markets that can be further exploited as core, but there are other significant markets – for example, France and French-speaking markets – that have been largely unexploited in the past. These offer a major opportunity. Equally, the absence of some markets altogether, particularly developing markets, offer further opportunity.

6.14 It should also be recognised that St Helena's close ties with the UK, and both its security and safe and stable lifestyle would be particularly interesting to African residential tourism markets. This is a niche market in its own right, and is one that offers opportunity. Indeed the high value residential tourism market, allied to St Helena's lifestyle, represents a major development opportunity – within appropriate land planning controls – with residential, timeshare and fractional potentials.

6.15 In summary, the current position aligns well with both existing markets and with future trends in global tourism. Consequently, the removal of the key barrier to growth – by the construction of an airport – will see significant benefit result.

6.16 The importance of the sea-borne sectors should not be ignored, and it is important to ensure that services and facilities continue to be developed to attract these groups.
An important move in this regard is any work towards improved and safer landing arrangements, particularly for cruise ship operators. At the same time recent changes to charges for yacht arrivals will encourage more yacht visits, with increased spend and benefit on island. These changes should be extended where possible, with a recognition that benefits will accrue to the private sector and ultimately to Government through spend by such visitors. Investment in facilities should also continue. It is important not to lose sight of the fact that even with an airport a not insignificant number of visitors will still arrive by sea, and a high level of service and welcome should be maintained for them. Work and promotional activity should continue to highlight the island to both potential yacht visitors and cruise ship operators.

6.14 The St Helena Tourism website is about to introduce a new look and feel, bringing it more up to date, and including more information and interactive options, as well as the potential to extend these further in time. It is probably now the most advanced website of any on St Helena. Reports and trends across the travel industry clearly show that more people use the internet for research and booking purposes. It is essential that the tourism website continues to keep up with these trends, and that the Tourism team supports the business sector to exploit the opportunities that exist online. Some form of online booking system needs to be put in place so visitors can check availability and make bookings, and this needs to be explored further within the financial constraints of the island. Promotional activity using search engine optimisation and pay-per-click activity should be continued to reinforce the position of the website in the online world.

6.15 Opportunities to extend the current market position are examined in Section 9 below.

6.16 As with many destinations, the tourism sector is extremely fragmented, and currently largely consists of individuals (either as a company or sole trader) providing services. A Tourism Association exists, seeking to represent the interests of those in the tourism sector, but this has a small membership and several important tourism sector players are not involved. The Tourism Association must develop its activities to attract a wider membership. There are early but as yet unfulfilled indications that the Tourism Association is developing its own strategies to promote tourism, its members' businesses and to attract a wider membership.

Sub-Objective 10: Continue to promote St Helena to cruise operators and to yachting markets (Objective 4)

Sub-Objective 11: Maximise online presence and opportunities (Objective 4)

7. Future Tourism Product

7.1 In line with the list laid out in Section 3 above, future tourism product would comprise a range of niche market offerings. These are described in more details in Appendix A, at the end of this document. Within the Appendix each product area is categorised with its potential market. Potential market extensions and developments are examined in Section 9 below. In order to exploit and promote this range of offerings, relevant targeted marketing activities and supporting collateral will be put in place, to attract the discrete market segments as well as providing width of product information at a more general level.

7.2 This, along with elements in other sections of the Strategy, drives and supports one of the core Strategy Objectives –

Objective 2:
Develop and exploit a range of tourism products and experiences that fulfil visitor requirements and maximise revenue, contributing to private sector growth.

7.2 Much of St Helena's tourism is based on its built and natural heritage. The Historic Environment Report, currently being undertaken as part of the Tourism Development Project, will identify all key heritage locations, maintenance needs and potential future re-use. However, if visitors are to be able to experience and appreciate St Helena's heritage, it is important that St Helena Government agrees to financially support a rolling restoration and maintenance programme. Funding through St Helena Government should unlock other funding opportunities from third parties.

7.3 As a result of a UK Government review in 2010, significant changes have been made to the strategies and support for Overseas Territories. As highlighted in DFID's Operational Plan, the Foreign and Commonwealth Office is working with all Government Departments to provide St Helena and the other Overseas Territories access to UK Government Departments. It is intended that this is agreed through the UK's National Security Council in 2011. This should enable expertise and support to be obtained to further support tourism product development from, for example, the Department for Culture, Media and Sport, and the various Lottery funds.

7.4 The Tourism Development Project will continue to operate during the early part of this Plan, and those components will continue to develop and facilitate tourism product. A key objective will be to ensure all components of the Project are delivered.

7.5 Additionally, the period running up to 2015 is absolutely crucial in creating a significant programme that focuses on the bi-centenary of Napoleon's arrival (2015) and death (2021) on St Helena. This presents a one off opportunity to both raise the profile of the island (particularly in conjunction with the proposed exhibition in Paris) and to encourage significant visits. Indeed, the importance of the Napoleonic properties as a whole, and their integration into the St Helena experience cannot be underestimated. This is recognised in the Memorandum of Understanding. A small team is already working on ideas for this programme.

7.6 As part of the discussions and consultation processes for this Strategy a number of important tourism projects have also been highlighted. Investment in these will see both improvement in the tourism experience, but also encouragement and "pump priming" of further businesses, thus driving spend by visitors and economic growth and development across the whole economy. It is important to note that these projects not only support development that has been identified previously, but are spread throughout the island ensuring that benefits and further developments are equally widely spread. These proposals are described in more detail in Appendix B. It is anticipated that some of these will form part of the proposal for the Tourism Development Project 2.

7.7 To encourage and support tourism development, during the consultation processes and work on the Strategy, a list of potential development opportunities was produced. This Opportunities List is given in Appendix C. This list also seeks to provide potential investors with a ready portfolio of possible sites and locations around the island. This portfolio will be marketed through the Economic Development team as part of the work to attract investment.

7.8 In order to advance investor interest in some of these key tourism development sites it is suggested that, in cooperation with key stakeholders and partners, some basic development work is undertaken, either to prepare sites or to install or enhance services and infrastructure.

7.9 This would be undertaken at selected sites around the island, identified by their priority in the Opportunities List. This would enable planning and work to be linked to other Directorates and sections of Government, so necessary changes and prioritisation within their areas could be allowed for and implemented across a common timeline.

7.10 The target here would be to enable a number of development opportunities to be available relatively quickly after the air access decision is made. This would then be able to address the accommodation capacity during the airport construction period, particularly for short-term and medium-term staff, consultants and experts. It should also then help to generate further development enquiries and investor interest, as momentum is seen to be gathering. This should be seen as very specific investment and pump-priming for future development. To ensure island investors are not disadvantaged, it is important to ensure there is encouragement within the local financial market for availability of finance and capital.

Sub-Objective 12:	Execute marketing collateral to support extended tourism product offerings (Objective 2)
Sub-Objective 13:	Utilise expertise and support within appropriate UK Government Departments to enhance tourism development planning (Objective 1)
Sub-Objective 14:	Ensure all components of the existing Tourism Development Project are delivered (Objective 1)
Sub-Objective 15:	Ensure a dedicated programme for the Napoleonic bicentenary is developed and ready for publication by the end of 2012 (Objective 2)

8. Passenger Number Forecasts

8.1 As has been noted previously, the focus of this Strategy is to both sustain existing tourism before the airport comes into operation, but also to get in place much of the tourism development that will be required once the airport is operational.

8.2 To get a measure of the likely demands for services – and consequently the development that will be needed and when – a review has been undertaken of previous studies and current trends that in respect of likely visitor numbers to the island. This has covered the period up to the airport and in the years following, to a point where visitor numbers reach approximately 30,000 in a single year.

8.3 It is also important to consider that some visitors will continue to come by sea, both in yachts and potentially on any replacement ship service. Cruise ship visitors are discounted in this particular section, as they are almost wholly day visitors, although it is recognised such visitors impact on the carrying capacity of the island during the time they are on the island.

8.4 Reviews were undertaken of previous island specific studies, including the Ten Year Tourism Strategy 2005-2015, Access Feasibility Study and the Tourism Development Plan, as well as the Sustainable Development Plan, tourism and airline industry statistics and forecasts. These included general trends and forecasts plus more detailed studies of visitor numbers to other small islands. A full list of referenced sources is provided at the end of this document. For the most part, there has been no reason to alter some of the modelling or assumptions made. In other cases, improved knowledge or recent changes in trends have informed revised calculations, and this is highlighted in the narrative.

8.5 In the period before the airport, the figures used are those calculated as part of the Tourism Development Project (2010-2013). As this is a period where access is by sea only, these figures look at visitor numbers through sea-borne routes. Average year on year growth in this period is approximately 5% per annum.

8.6 These figures are as follows

TABLE 5: ESTIMATE OF VISITORS RUNNING UP TO AIRPORT based on TDP

2009	2010	2011	2012	2013	2014	2015	
1418	*1542*	1666	1759	2057	2160	2311	Total
847 96 475		906 100 660	969 100 690	1037 300 720	1110 300 750	1211 300 800	RMS expedition stopovers yachts

8.7 A key issue over this period is whether demand for places on the existing shipping service will exceed capacity. There are indications that the movement of senior airport engineers and other supporting staff may be high. Added to potentially increased support staff for SHG, potential investors and Saints, as well as tourists wanting to visit the island, either as a matter of course or before the airport is complete, capacity is certain to come under considerable strain. A study is underway to establish if this potential demand is such that additional shipping could be required, either on a fixed term or an ad-hoc basis.

8.8 At the point the airport opens (which is assumed to be 2016), a revised view is being taken.

8.8 This presents two options. Firstly, growth based from existing numbers – shown as "A" in the table below. This shows double digit growth for the first three years of airport operation before starting to increase significantly as specific markets begin to take advantage of air access, and the improved facilities and products available. This model assumes <u>accommodation driven demand</u> and an air service that then matches this demand. This view does not take into account aircraft capacity, and follows both Atkins and Kelly-Robinson.

8.9 The second option – shown as "B" in the table - makes a more logical assumption that, from the start of airport operations, aircraft capacity exists and will consequently increase demand substantially – in essence, the fact that the seats are there means people will fill them. The capacity would create demand both through individuals and tour operators. This model is thus based on <u>flight capacity</u> which must be fulfilled by accommodation capacity, and which drives accommodation growth.

8.10 In line with previous studies, the two options have been calculated at a market level for key sources, based on existing market knowledge and the reports reviewed. This is to estimate potential growth within these markets, which will inevitably be at different rates due to market demands and volumes.

8.11 The respective numbers are shown in the Tables below. The first Table shows the first five years of airport operation, the second shows Years 6 to 16 (when visitor numbers reach 30,000).

TABLE 6: ESTIMATE OF VISITORS ONCE AIRPORT IN PLACE – 2016-2020

revised, based on Atkins/Kelly-Robinson

	2016		2017		2018		2019		2020
	Y1 A	Y1 B	Y2 A	Y2 B	Y3 A	Y3 B	Y4 A	Y4 B	Y5
UK	965	970	1065	1122	1245	1883	1595	2175	2500
Germany	170	170	200	200	236	300	300	400	450
France	200	225	225	281	281	421	350	500	550
RSA	965	970	1065	1122	1245	1883	1595	2175	2500
Other	300	317	327	369	438	613	590	700	800
Total	2600	2652	2882	3094	3445	5100	4430	5950	6800
Operators	*1144*	*1167*	*1355*	*1454*	*1723*	*2550*	*2249*	*3035*	*3536*
FIT	*1456*	*1485*	*1527*	*1640*	*1722*	*2550*	*2181*	*2915*	*3264*
Total	2600	2652	2882	3094	3445	5100	4430	5950	6800

TABLE 7: ESTIMATE OF VISITORS ONCE AIRPORT IN PLACE – 2020-2031

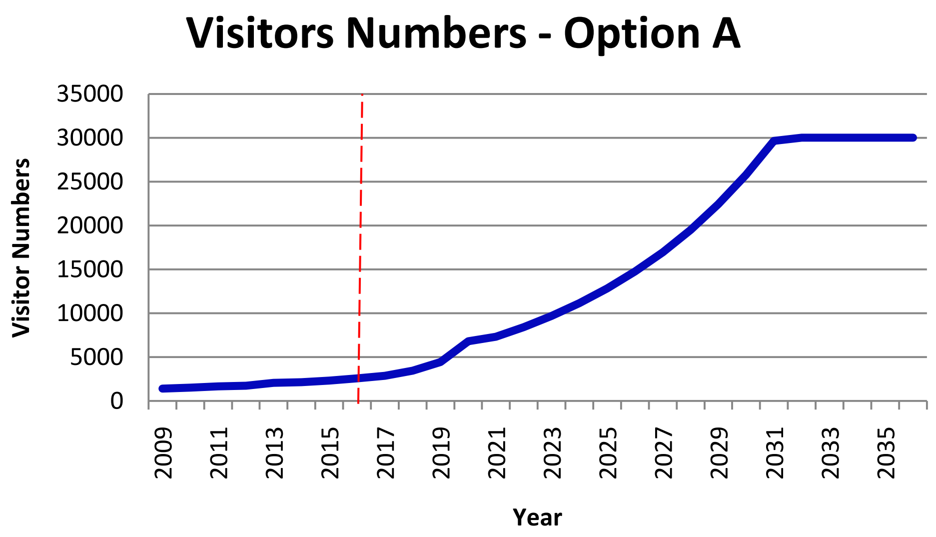
based on Atkins/Kelly-Robinson

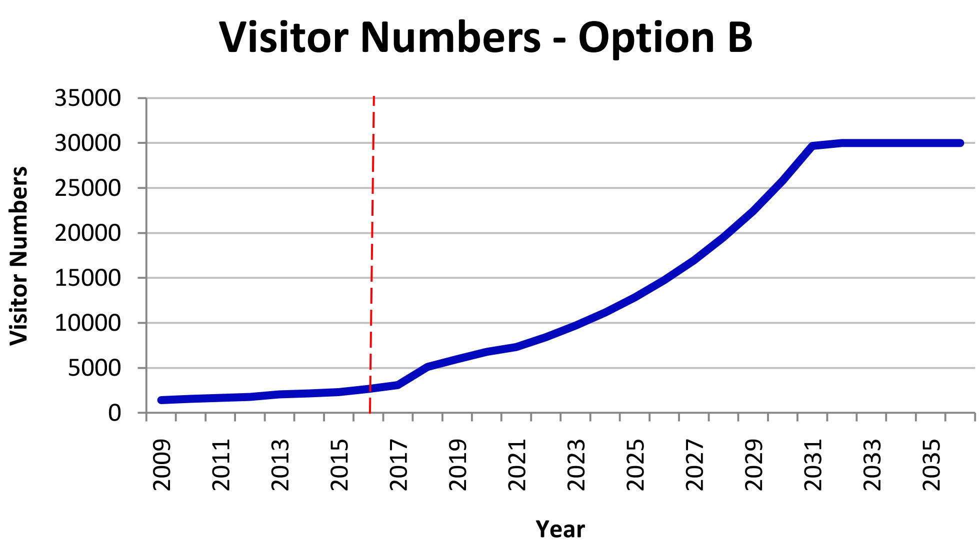
2020	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031
Y5	Y6	Y7	Y8	Y9	Y10	Y11	Y12	Y13	Y14	Y15	Y16
2500 450 550 2500 800										10835 3611 2465 6209 2670	
6800	7331	8431	9696	11150	12822	14746	16958	19501	22426	25790	29659
3536 *3264*										*13301* *12488*	
6800	7331	8431	9696	11150	12822	14746	16958	19501	22426	25790	29659

8.12 As already mentioned, the figures in these tables are based on previous reports by Kelly-Robinson and Atkins. In the first 3 years within Option A, figures were revised upwards from Atkins original numbers to bring them in line with the planned final position from the Tourism Development Project.

8.13 For Option A, the assumption is a weekly flight. Option B broadly follows Kelly-Robinson, with an assumption of a weekly flight, with increasing load factors (ie: the percentage of the seat capacity that is sold) of 60% in Y3 and 70% in Y4. Thus as flight frequency increases in the first few years, arrivals jump up in line with capacity rather than a smooth increase. The expense of filling aircraft seats is likely to mean any operator, whether scheduled or charter, would seek to maximise their load factors.

8.14 The growth pattern from 2012 to 2031 for each of the options would look as follows –





8.15 One aspect of passenger numbers that has to be addressed during the period of this Plan – particularly during the airport construction phase – is how the make-up of different groups are targeted by the tourism function. Until recently tourism has focussed on what could be described as “pure” tourists – those visiting the island for leisure purposes. Since the arrival of the Tourism Development Executive, attention has been paid to the tourism needs of additional tourist groups, such as longer-stay visitors (for example, contract staff) and returning Saints.

8.16 With the construction phase of the airport, it is quite likely that the mix and balance of these respective groups will alter, as demand for space on the RMS increases for construction and support staff. It is recommended that specific tactical plans are put in place to offer tourism services to these different groups, and to encourage them to both undertake tourist activities and to spend money across the tourism and other sectors.

Sub-Objective 16: Maintain visitor number growth in the run up to the airport and develop tactical tourism plans for visitor sub-groups during airport construction period (Objective 4)

9. Market Extensions and Developments

9.1 As part of work undertaken for the Public Relations component (Component 9) of the Tourism Development Project, existing and extended customer markets were identified. Existing customer markets were compiled from existing market intelligence and data, and these have been listed in section 6 above.

9.2 Extended customer markets were compiled assuming that air access received the go ahead. Two considerations were then made – people who would be interested in visiting the island but had been unable previously due to access constraints; and people who would become interested in visiting either due to improved access or to extended tourism products in which they were interested.

9.3 These extended customer groups are –

1. **Independent travellers**: The existing core group would extend to reach slightly younger age groups (probably still in work), where air access provides a better timescale for visits for this wider audience.
2. **Soft and Hard adventure niche tour operators**: wanting to exploit potential opportunities that can be opened up with air access, particularly focussing on soft adventure including sport fishing, sub aqua, mountain biking, rock climbing, alongside extensions to existing product.
3. **Napoleon 200 Anniversary**: individuals and tour operators interested in visiting the island during the Bi-centenary period (2016-2021).
4. **Cruise operators**: larger scale operators where air access may provide fly-cruise opportunities.
5. **Mainstream tour operators**: with “far away” or specialist product offerings.

9.4 In addition, voluntourism is already identified as a new potential market, and work is progressing to facilitate a couple of case study visits that can then be used with the wider audience to put in place a rolling programme. Opportunities will be pursued through OTEP (who are putting a voluntourism skills database in place) and through BTCV, who already operate a successful voluntourist programme.

9.5 The extended customer groups will also be extended across different potential international markets, to extend and exploit opportunities, as identified in Section 6 above. South Africa offers important opportunities. Some promotion is currently undertaken by AWS for the RMS, but a proper promotional campaign should be put in place initially using PR to increase awareness of St Helena. This would leverage both investment and tourism potential.

9.6 Similarly, the Napoleonic legacy offers significant opportunity within the Francophone market. Individual efforts by the Honorary French Consul to bring French-speaking groups demonstrate that potential exists, and this should be maximised both through promotional activity and through building relationships with tour operators or organisers. Work undertaken through the Tourism Development Project will address some existing shortcomings (most importantly language and interpretation), and this should then be built upon to generate visitor interest and numbers, including appropriate promotional materials.

9.7 During the airport construction period, research should be undertaken to establish the potential for creating both two centre holidays (most likely with African destinations, which are complementary and not competitive) and for possible cruise ship itinerary breaks (especially if safer landing facilities can be established) where potentially a South African cruise operator could offer fly-cruise options to or from South Africa and St Helena.

9.8 Once the airport decision has been taken, this will provide a significant lever to begin promotional and follow-up work with tour operators across both existing and extended markets. The Atkins report suggested that there was limited interest by tour operators, with only 6 from 70 operators showing interest. It is suggested that this research may have been too simplistic. Work already undertaken by the Sales and Marketing Executive based in the UK indicates that interest does exist, providing all the elements required by tour operators are in place. This work has focussed very much on nurturing and working with carefully identified tour operators, and has resulted in 13 new potential tour operators and 3 new potential cruise operators to date. Whilst focussing on a small number of operators initially, there is no reason why this should not cascade out as St Helena as a destination becomes much better known through the ongoing public relations activities.

9.9 The importance of the aspects highlighted in this section (as well as other sections) drives one of the core Objectives of this Strategy –

Objective 4:
Deliver appropriate marketing plans to ensure local, visitor, travel industry and investor interest and targets.

9.10 What is crucial to this is that relevant products are in place to service and match demand from these extended market opportunities; therefore it is incumbent upon the private sector to ensure that they are willing to be creative and flexible in responding to potential business opportunities.

Sub-Objective 17:	Develop and implement promotional programmes for St Helena to extended core customer groups, including South African and French markets (Objective 4)
Sub-Objective 18:	Continue to develop and nurture air tour operator contacts (Objective 4)

10. Accommodation

10.1 Of prime importance in supporting the development of the tourism sector is ensuring sufficient accommodation is available to service the predicted visitor numbers. This accommodation also needs to be of a standard that matches the expectations of incoming tourists, and can be easily judged by those tourists (or their tour organisers) before both booking and arrival. Thus standards need to be measurable against similar international equivalents.

10.2 Currently accommodation on St Helena is limited. There is a total of 64 rooms noted by St Helena Tourism – 36 rooms in the serviced sector and 28 units in the non-serviced (self-catering) sector.

10.3 The serviced sector rooms are spread across 5 hotels and bed and breakfast establishments. Only two of the establishments offer en-suite accommodation.

10.4 St Helena Tourism and the St Helena Development Agency are exploring a partnership project to support the upgrading of tourism accommodation particularly en-suite facilities. Wherever possible, serviced tourism development should encourage the provision of en-suite facilities, particularly as this is generally expected by visitors across the world. It is recommended that this project is rolled forward until such time as serviced sector provision is growing through the development of new establishments.

10.5 The nature of the RMS shipping schedule has a significant impact on the business sustainability of the serviced sector, and it is particularly important that the schedule is available between 12 – 18 months in advance to allow for planning. As the shipping schedule moves to one more focussed on the South Atlantic routes this should help, but further consideration has to be given to making the ship operation more tourist friendly over the coming period. Some issues are due to be addressed through the implementation of recommendations in the 2010 Review of the RMS, but others need further study including the management of arrivals and departures, ensuring that booking numbers are shared well in advance and that more pro-active marketing is undertaken for different sailings.

10.6 Decisions by serviced accommodation providers that occur as a result of the shipping schedule can cause considerable impact to visitors, and in some cases have severely dented the confidence of existing and new tour operators. The small accommodation base means that such decisions can have a disproportionate effect across the tourism sector. Every effort should be made to avoid such a position in future, ideally with the encouragement of more accommodation to come on stream.

10.7 The non-serviced sector comprises a selection of 28 individual self-catering properties, of varying standards. Indications are that a small number of additional properties are available to rent, but this is not done through the Tourist Office and tends to be through personal contacts for longer rental periods.

10.8 However, the self-catering sector is one that has potential for relatively quick and extensive expansion. The 2008 St Helena Census showed over 700 empty properties on the island, largely owned by Saints working off island. Recent estimates suggested that a significant number of these are occupied over the holiday periods (especially Christmas) by Saints returning home; but somewhere in the region of 200 properties could be available for bringing onto the rental market.

10.9 A recent Tourist Office campaign to encourage more properties to come forward into the rental market had limited success; but the campaign is being revisited with additional support from the Finance Department who are providing information about offsetting costs incurred when renting against income, thus overcoming many previous barriers. Further support is coming through SHDA who are exploring private sector options for increasing availability of storage facilities for personal effects, thus providing alternatives for property owners and releasing more accommodation onto the market. Other changes and reforms (for example, to utility charges) are likely to make it more attractive to owners of empty properties to consider the rental market. This would also provide opportunities in the property management sphere. The private sector is established in a small way in both the rental and property management areas, and should be encouraged to extend their activities further.

10.10 In alignment with the passenger number estimates in Section 7, an indication of the number of hotels, resorts or other developments that need to come on stream and when can be made. Whilst not attempting to suggest a set development model, it will indicate likely demand for potential investors. This also facilitates planning for Government in identifying the likely timetable for the successful release of existing government properties on to the market.

10.11 Alongside this a calculation can also be made of the number of rooms, bed-nights and overall capacity that is likely to be required, and this is shown in the second Table below.

10.12 Whilst the figures used in these Tables technically fall outside the period of this Strategy, they are needed to establish the likely requirements at the point the airport becomes operational. This then indicates the scale of the development work needed to run in parallel with airport construction in order to fulfil the demand. It is not feasible to wait for the airport to finish construction before supporting development starts; the two must run concurrently so the full economic benefits are maximised.

TABLE 8: ACCOMMODATION REQUIREMENTS

	2020
	Y5
air visitors	6800
additional rooms serviced needed	146
additional rooms self catered needed	108

This could potentially translate into the following additional accommodations

Serviced	5 star	4 star	3 star	2 star	1 star/B&B
potential accommodations	1	1	3	1	2
with rooms	63	15	45	15	8

Self-Catering	3-bed	2-bed	1-bed
potential accommodation	27	10	8
with rooms	80	20	8

TABLE 9: ROOM REQUIREMENTS

	2016		2017		2018		2019		2020
	Y1 A	Y1 B	Y2 A	Y2 B	Y3 A	Y3 B	Y4 A	Y4 B	Y5
pax	2600	2652	2882	3094	3445	5100	4430	5950	6800
based on flight rotations:	1 wk	1 wk	1 wk	1 wk	1 wk	1 wk	1 wk	1 wk	1 wk
pax serviced	100	102	111	119	129	102	165	119	136
pax non-serviced	100	102	111	119	129	102	165	119	136

assume 1.5 pax per room for serviced
assume 2 pax per room for non-serviced
assume 2 week stay on island

rooms serviced needed	67	68	74	79	86	136	110	158	182
rooms self catered needed	50	51	56	60	65	102	83	120	136
current capacity									
serviced	36	36	36	36	36	36	36	36	36
self catered	28	28	28	28	28	28	28	28	28
required uplift to meet potential demand									
serviced	31	32	38	43	50	100	74	122	146
self catered	22	23	28	32	37	74	55	92	108
potential bednight capacity									
additional									
serviced	22,325	23,296	27,664	31,547	36,400	72,800	53,872	88,816	106,288
self cat	16,016	16,744	20,020	22,932	26,572	53,872	39,676	66,976	78,624
total									
serviced	48,533	49,504	53,872	57,755	62,608	99,008	80,080	115,024	132,496
self cat	36,400	37,128	40,404	43,316	46,956	74,256	60,060	87,360	99,008

10.10 From the data in the above tables, it is clear that accommodation developments will be necessary in the run up to the opening of the airport. This is not only to ensure adequate accommodation is available once the airport is fully operational, but significant opportunities will exist – as has already been highlighted – during the airport construction phase, for visiting staff.

Accommodation Development sites

10.11 Considerable thought and discussion has been undertaken during the consultation and preparation phases of this Strategy about what tourist accommodation development might or should be allowed, and where. These discussions have cut across several of the Action Groups, as well as involved the Tourism Workshops and individual stakeholder groups such as the National Trust. Close liaison has been maintained with the other sections of Government that would be responsible for overseeing and supporting tourism development, and contributions have been made particularly into the Land Development Control Plan, including the work on National Protected Areas. Further collaboration will continue as these Plans are finalised.

10.12 It is important to understand and recognise that some development sites had been identified previously, and in many cases these have been retained as the rationale behind their choice has not changed.

10.13 Two sites have long been identified as ones for larger scale development. These originally derived from SHG's Sustainable Development Plan, and continue to be retained. These are at Broad Bottom and at the Devil's Punchbowl. The Broad Bottom site is optioned by the St Helena Leisure Corporation (SHELCO) for a hotel and leisure villa development with golf course. SHDA sourced ideas for the Devil's Punchbowl, and volume estimates below are based on those ideas.

10.14 There is a strong consensus (which has been suggested as core for the new Land Development Control Plan and the Land Disposal Plan) that where possible there should be a range of small boutique-style hotels or restaurants across the island, ideally utilising existing heritage properties (thus potentially bringing back into productive use either unused buildings or changing use from, say, offices to accommodation). It has been proposed that this potential can be encouraged by the release into the market of Chief Secretary housing or other SHG property. It is anticipated this would encourage release or development of other property stock by other companies or private individuals. Such release of Government assets would be controlled and managed through the Land Disposal Plan.

10.15 It was also felt that, on a longer term basis, there should be no reason why significant government buildings such as The Castle or Plantation House should not be considered for alternative development uses.

10.16 There was a positive consensus also that appropriate tourism development of otherwise unused properties, in areas of the island where development might otherwise be precluded (such as the Green Heartland), would be allowed. There is an assumption by almost all stakeholders that it would be preferable to see built heritage used and brought back to life (with appropriate design guidelines and development parameters) than to see properties decline and fall into disrepair.

10.17 It should be noted that it was agreed that, in line with the broad thrust of the Tourism Strategy, all development should be sustainable, minimise environmental impact and maximise green credentials. These elements are highlighted in Section 13 below.

10.18 A list of potential sites was identified by stakeholders. This came out of previous reports and from the forums and consultations held ahead of this Plan. A practical version of this is detailed at Appendix C, as a basis for promotion to investors (some suggestions included privately-owned properties that would be subject to owners' decisions). In the light of the Strategic Plan, indications are given in that list (in conjunction with anticipated accommodation needs) as to which properties might be suited to be used and when. Reference has been made in this process to comments and recommendations made in prior reports such as Kelly-Robinson and the ARS Land Use Report. The list is also in an order of potential priority, so that any actions needed to free up accommodation or to facilitate development can be timetabled.

10.19 A plan for the pro-active marketing of the tourism development opportunities identified in Appendix C will be put in place in conjunction with SHDA and other elements of the Economic Development team. Overseas marketing and promotion can be undertaken through the planned remote investment team and utilising the Diaspora as well as through travel and development network contacts of the Tourism Development Executive and the Sales and Marketing Executive. It is essential that this marketing begins as soon as the air access decision is made, and work should begin immediately on identifying potential marketplaces and marketing opportunities for this activity.

Sub-Objective 19:	Facilitate the development of a range of accommodation in line with desired capacities and standards and its entry within the tourism sector, including rolling programme of upgrading to en-suite facilities in existing serviced sector (Objective 3)
Sub-Objective 20:	Ensure close and pro-active collaboration with other Government Directorates involved in responsibilities relating to tourism development (Objective 1)
Sub-Objective 21:	Draw up detailed portfolio for tourism development opportunities identified in Appendix C, with appropriate encouragement for local finance and capital, and in conjunction with SHDA and Economic Development team pro-actively market this (Objective 4)

11. Heritage

11.1 Previous studies have identified the built and natural heritage of St Helena as the over-arching element of tourism. Indeed, the air access Memorandum of Understanding highlights this very point. The width and diversity of the island's heritage has been highlighted earlier in the range of tourism product this provides. The recent short-listing of St Helena for potential World Heritage Status underlines the importance of the island's diverse heritage.

11.2 The efforts of the St Helena National Trust, and other local bodies, have ensured that funding has been facilitated for several key environmental heritage projects in recent years. These have included the Millennium Forest and Wirebird mitigation.

11.3 The National Trust has also developed its own strategy around built and natural heritage, and which recognises the importance of tourism. This Strategy fully recognises the SHNT Strategy, and takes its objectives and targets into account. Tourism will continue to support the objectives within the SHNT Strategy.

11.4 However, it has also been highlighted that there has been no investment in the maintenance, restoration or development of particularly the built heritage. No detailed record currently exists of the extent or condition of built heritage, although this is being addressed under the revised components of the Tourism Development Project with an Historic Environment Record (HER). Not only will the HER provide a detailed list of heritage locations, it will also highlight any development potential of sites.

11.5 Key historic sites, once identified, should be considered for Conservation Management Plans, which will provide detailed advice and guidance for management and interpretation of such sites. As part of tourism work at both High Knoll Fort and Lemon Valley, Conservation Management Plans have been funded, and these should be allowed for in future, following the completion of the HER. The new Overseas Territories strategy will also provide access to expertise and support in UK Government Departments including the Department for Culture, Media and Sport, English Heritage, and the Lottery.

11.6 To ensure the asset of built heritage is not lost, it is crucial that SHG demonstrates financial commitment to maintaining and exploiting this key element underpinning tourism on St Helena. Whilst pressures on the recurrent budget are fully recognised, a series of built heritage projects could be developed and funded by SHG from accumulated funds. A commitment to a series of such projects, more importantly, should allow partnership organisations to identify and source additional funding. The current lip service paid to the importance of built heritage is not sufficient if this is to be a cornerstone of the future of tourism on the island.

11.7 To support the anticipated programme of works St Helena National Trust has developed a proposal for a Heritage Construction Company that will tender for work but also provide a training platform for traditional construction techniques. This proposal will be supported to ensure that the expertise required for maintaining and exploiting the built heritage is maximised, particularly among Saints.

11.8 In early 2011 St Helena was short listed on the UK list for potential World Heritage Status. Eventual achievement of this status would further reinforce the tourism and economic potential of the island, but considerable work and effort has to be made to present a suitable case and, more importantly, to ensure that benefits ensue. Recent reports looking at benefits of World Heritage Status have highlighted the importance of an integrated approach and it is recommended that resources are allocated to this in the coming years. Assuming the strategic objectives in the Plan are fully supported, this will move much of the underlying requirements for World Heritage Status forwards; but sufficient funding will be needed to resource the application. However, it is recommenced that this work does not begin until 2014/15 when core work around heritage maintenance and tourism development is well underway.

Sub-Objective 22:	Ensure Conservation Management Plans are undertaken for key heritage sites (Objective 5)
Sub-Objective 23:	Following completion of the Historic Environment Record, develop a rolling costed and prioritised maintenance and conservation programme of built heritage projects for funding support by St Helena Government (Objective 1)
Sub-Objective 24:	Resource the development of an application for World Heritage Status from 2014/15 (Objective 5)

12. Interpretation

12.1 A key objective of tourism on St Helena is to ensure an educative delivery to visitors, so their experience provides insight and understanding of the island, and how the many aspects of the island's offerings interact and are or have been dependent on one another.

12.2 When visitors feel connected and engaged with the destination they are visiting – and in particular the community of that destination – then they feel their experience is more authentic, more individual and consequently more memorable. This empathy with the destination can then be maximised not just through increased visitor spend but also through subsequent word of mouth recommendation of a destination – and this is recognised as by far the most powerful tool for encouraging future visits.

12.3 Most visitors are currently left to their own devices in terms of exploring the island. A number of island tours exist, of varying degrees of standards and knowledge, provided by private sector suppliers. Quality standards for these tours will be implemented during the course of 2011, but a wider view of the visitor experience and the messages they take is required for the future.

12.4 The short-term tourism funding in early 2010 allowed a number of interpretative panels to be created and put in place, to provide some simple information at key tourist sites.

12.5 The work undertaken at High Knoll Fort and Lemon Valley (and, indeed, the excavations at Rupert's Valley) provided detailed information about their respective locations. Both the High Knoll and Lemon Valley exercises produced Conservation Management Plans which include recommendations around interpretation of the sites. The planned construction of the Ossuary at Rupert's Valley will again provide a major opportunity for interpretation of a key site and period in the island's history. The Historic Environment Record will identify key heritage locations and their importance. These, along with some existing sites, all provide strong building blocks on which to create a robust "story" to present.

12.6 The Museum of St Helena present a good overview of the island, but is largely reliant on volunteer support, and has only one full-time experienced member of staff (which in itself is a significant risk factor operationally). St Helena Government provides some support for the Museum, but it is recommended that a study needs to be undertaken in conjunction with all stakeholders to address the best ways of placing the Museum on a firm basis for the long term. This should also look at developing links with other appropriate organisations that could provide support and expertise where needed.

12.7 Currently no specialist information is provided about aspects of the island's history, but Tourism is working to produce a consistent series of leaflets to introduce key aspects to visitors.

12.8 It is also fair to say that consequent on all these factors there is little linkage between the various sites, stakeholder partners and other relevant attractions (such as the Museum and the Castell Collection). With some of the resources and information now becoming available it is recommended that an exercise is undertaken to identify and agree key "stories" about St Helena and its history, how those are best delivered to visitors, and the mutual links that can be driven between relevant stakeholders and elements. This should also take into account how any such stories could also be delivered to Saints, building both understanding of their own history but also the value of this legacy as something to present to visitors.

12.9 This can be further extended into developing more active and interesting interpretations for visitors. Evening activity is extremely limited on the island, and there should be opportunities for later Museum opening as well as other tours, walks or visits. Additionally, there could be more sophisticated interpretation at key sites using costumed guides or presenters or possibly even son et lumiere.

12.10 Additionally, the empathy that this generates for the local culture and the local community can be further maximised by ensuring appropriate respect and behaviour from visitors, and will reinforce pride within the community as they realise the seriousness with which their cultural legacy is taken by visitors. This in many respects gives protection to local culture which might otherwise be impacted or eroded by disrespectful tourism.

12.11 Although progress is being made with onshore interpretation, there is also a need for better interpretation of the marine environment and history. The potential for sea based activities is considerable, and air access should significantly increase the demand for these and the ability to deliver them safely. However, no record or detailed study has been undertaken of the historic marine environment (for example, wrecks, remains, etc) around St Helena. This could well provide a platform for developing a tourism product linking to Portuguese and Dutch historic links, as well as diving. It is absolutely crucial that study work is undertaken in James Bay, and the same should apply in Rupert’s or Prosperous Bay should work be targeted there as part of the airport construction. This only addresses short term issues, and a proper marine archaeological study is to be recommended – this may indeed be something that could be undertaken after air access is in place, and improved facilities for diving activities and voluntourism are in place.

Sub-Objective 25:	Work towards ensuring firm long-term financial footing for the Museum of St Helena (Objective 2)
Sub-Objective 26:	Encourage wider range of interpretation for visitors, with close involvement of private sector and the community (Objective 2)
Sub-Objective 27:	Support the study and recording of the historic marine environment (Objective 5)

13. Environmental Implications

13.1 One of the key attractions and advantages of the St Helena tourism product is that it is being built from a relatively undeveloped position, at a time when environmental issues are of importance in the tourism market. It is therefore in a position to utilise and exploit this to its advantage, ensuring that tourism trades in as Fair and “green” way as possible whilst delivering profit to participating businesses.

13.2 It is clear that ensuring the tourism product is environmentally conscious and environmentally friendly is of importance to most people on the island, with an objective that tourism development both within and outside development is “eco-friendly”, minimising impact on the local environment, and using positive environmental thinking to address infrastructure and sustainability issues.

13.3 Other implications follow on from this, and with increasing volumes of visitors and business, it is important that the potential impact of both of these are considered by the medical and veterinary teams on the island.

13.4 As has already been highlighted, the focus of tourism product development is largely niche, and this allows for a strong focus on ensuring these remain compatible with environmental considerations. At the same the overall carrying capacity of individual attractions as well as the island as a whole has to be considered. The rationale of this whole Strategy has been to set objectives and strategies that spread tourism across the whole island, across a range of products; that therefore seeks to minimise impact in any location and manage tourism in a discrete yet pro-active fashion.

13.5 Tourism has been heavily involved in discussions and input for the revised Land Development Control Plan and the proposed National Protected Areas, and it is fully intended that this dialogue continues. The detailed control and regulation of development sits with the Land Development Control Plan and Land Disposal policies, and this Strategy Plan recognises that. Some fine tuning between this strategy and the LDCP may be required as the LDCP and other strategies are finalised across 2011 and 2012.

13.6 As in previous Land Plans, there is a recognition that tourism development is important, and this would be allowed in areas where other development would not be permitted, but with close controls. This reinforces the objective within this Strategy to encourage re-use of heritage buildings across the island for tourism purposes. Another key objective is to ensure that development is spread throughout the island, and not squeezed into enclaves. It is essential that the creation of gated or self-contained developments is avoided, and that visitors are spread out – thus both minimising impact but also ensuring benefit is spread widely.

13.7 Tourism is also committed to ensuring that development happens within a context that is both environmentally sound and sustainable. Senior members of the Tourism team have undertaken training in environmental issues and especially Environmental Impact Assessments, so they fully understand implications and know the processes and methods to address and mitigate potential issues. Relationships with the environmental team on the island will continue to be developed, so that all activity is undertaken collaboratively and with the best overall intentions and benefits in mind.

13.8 It is firmly believed that the fact that tourism development is starting from a relatively low point on St Helena means guidance can be put in place to ensure new development and redevelopment is undertaken in such a way to be a case study in how to achieve tourism development positively. Establishing and putting in place strong parameters means that investors and developers know what is expected of them from the very start. There should be strong focus on the re-use of existing buildings, but for new developments the use of eco-lodge style construction and accommodation should be strongly encouraged.

13.9 Consequently, tourism related development should be undertaken within specific environmental and sustainable guidelines. These should include –

- Minimal environmental and landscape impact
- Close and rigorous control of construction materials
- Use of renewable resources, especially for heating, cooling and lighting
- Use of rainwater and grey water harvesting
- Use of natural methods for black waste treatment
- Encouragement of recycling and composting
- Use of appropriate endemic species for landscaping

13.10 Elements such as these would be driven through the Land and Planning processes, and so, as previously stated, it is important that dialogue is maintained between tourism and the lands team.

13.11 This physical side of things should be reinforced by continuing to encourage strong environmental and sustainable practice on the operational side of tourism. This should include supporting sustainable partnerships that develop local business and skills, and in particular requiring that produce is sourced locally wherever possible.

13.12 Assuming that tourism development is achieved across the island, and also knowing that tourists will want to explore and move around, detailed consideration needs to be given to how this is achieved. The issue of traffic in Jamestown, and the need for a Town Plan, has already been highlighted; and the wider issue of traffic is one that has to be looked at. Two options should also be considered in this regard.

13.13 Firstly, tourists should be encouraged to use public transport to explore the island. However, the current public transport structure and schedule does not support this, and frustrates attempts by tourists to make use of it. A root and branch review of public transport is required that will deliver both services that fulfil local needs but which also support use by tourists. This should include looking at cross-island or round-island services, regular shuttle services to certain island locations and revised schedules.

13.14 Secondly, there is an opportunity to put in place a tourist or hire car transport using environmentally friendly systems. This may be electric or hydrogen powered vehicles, or even may be an opportunity to test different systems. A suitable study should be put in place to examine this.

13.15 One final aspect that flows out of environmental (but also many other) considerations is whether tourist numbers should be capped at an agreed level. This may seem presumptive at a point where airport construction is yet to begin, but is an issue around which discussion should take place at an early stage. Capping numbers would also ensure that capacity issues for the island as a whole are considered and respected, without risking the assets that underpin the tourism difference.

13.16 An holistic approach to management of the destination is a thread running throughout this Strategy – that no one element can be seen in isolation from another, because of the implications that occur. This is due to the size of the island, but also to the nature of the key tourism assets – the natural and built heritage – and the need to ensure these are managed in a way that maximises access whilst protecting their qualities. Whilst such an issue might not become one that has to be addressed for perhaps 15 or 20 years, recognition of the question means that strategic planning (including areas such as infrastructure) can take this into account.

13.17 There is little doubt that some natural and built heritage sites will have capacity issues. Failure to recognise or manage this can lead to significant degradation and potential loss of the site (Lascaux in France is a prime example of this). Potential issues will be identified in Conservation Management Plans, and built into the subsequent management plans. But if we are looking holistically at the island, and the fact that, in many respects, the island *as a whole* is the unique selling proposition, then some capping may well be needed in due course. It is equally important to realise that capping of numbers can, in fact, allow for maximising revenue from visitors as supply is limited against demand.

13.18 Smaller destinations such as Bhutan provide case studies for such a long term option, and this should be part of policy considerations once the airport is operational.

Sub-Objective 28:	Maintain close dialogue with Lands, Environment and other teams to ensure joined-up thinking is ensured across planning and implantation of strategies and policies (Objective 1)
Sub-Objective 29:	Tourism development to be made within strict environmental guidelines and spread throughout the whole of St Helena to minimise impact and maximise benefit (Objective 5)
Sub-Objective 30:	Ensure tourism is a leader in promoting sustainability across St Helena (Objective 5)

14. Infrastructure Implications

14.1 It is fully recognised that many of the objectives laid out in this Strategy, along with details in the appendices (especially Appendix C), have significant implications for the infrastructure of the island over and above that of the airport itself.

14.2 It is also recognised that many of those responsible for infrastructure are already working on the implications that air access will have. Close collaboration and cooperation will be maintained with all those bodies and organisations to ensure there is a constant exchange and sharing of information and views, and that tourism development is also fully taken into account.

14.3 At a top line level the advent of air access, both during the airport construction phase and once the airport is functioning, will mean increased infrastructure requirements for a growing resident population and visitors. This will apply across “big ticket” items such as utilities and roads, but also with smaller (but no less vital for visitors) aspects such as signage.

14.4 As highlighted above, particularly in Section 13, there is a strong view that tourism development should be underpinned with a high standard of environmental considerations. Several of these place the provision of infrastructure services on the developer, especially with a focus on natural and renewable sources of energy and the reuse or recycling of wastes. A desire to minimise infrastructural impact is also sought by spreading tourism development throughout the island. There should be a predilection that the impact on island serviced infrastructure should be minimised as much as possible. Careful monitoring of likely demand should be in place, and it is recommended that as part of any initial relationship with a developer or investor discussions are facilitated between core infrastructure suppliers and the developer.

14.5 However, there are certain aspects that will need addressing. The road network will almost certainly need attention, as higher volumes of traffic will put greater pressure on surfaces and traffic flow. It is recognised that work on this has already begun. This could be mitigated by ensuring a robust public transport system is in place, encouraging visitors and locals to travel using this service.

14.6 Similarly, supplies of produce will need to be ensured. Again strong focus and emphasis is put on fair trading and local production, and support will be given to the development of a wholesaler structure for the supply of produce to businesses. Tourism will push for strong support to be given to the local agricultural, horticultural and fishing industries with immediate effect. Producers will be provided with information so they understand the expected growth and market opportunities they can exploit. This will also be underpinned with an assurance that there are fair prices for producers and consumers, and that the local community is not disadvantaged in supply or pricing.

14.7 Within the public sector, it is essential that tourism, as the key driver for economic growth, is mainstreamed into the strategies of every Government operation. This should not be seen as an obligation, but as a necessity that helps deliver positive benefits for the whole of the island and its residents. The assumption should not be made that Tourism should hold the budget for service delivery, simply because it is enhancing or promoting services in a particular area. Relevant Directorates or operations should understand their responsibilities in supporting a range of services that underpin the tourism industry.

Sub-Objective 31: Minimise the implications of tourism development to island infrastructure (Objective 5)

Sub-Objective 32: Lobby for and facilitate ongoing support of local producers (Objective 3)

15. Skill Set Requirements

15.1 If one considers the various developments laid out in the sections above, and in particular Sections 7 and 10, then a grid can be built up of the likely job requirements and numbers needed. This can be further developed by anticipating the allied and support businesses that will or could be created alongside the tourism developments.

15.2 Developing this still further, from this grid of job requirements the skill set requirements can be identified. These requirements can be utilised in conjunction with other projects that are occurring, in particular the Labour Market Survey, to identify short and long term needs and gaps.

15.3 Although this work will identify the needs and allow these to be addressed in the longer term, in the short term there will be a need to bring in skills and expertise from overseas. It is essential that immigration, investment, taxation and other regulations are made straight forward and attractive to make this process as easy as possible and to avoid any risk of stalling development through a lack of skills in the short term.

15.4 The indicators from this section, as well as from other work undertaken (for example, the Labour Market Survey, Market Forces strategy and SHNT's proposal for a Heritage Construction Company) should thus determine guidance for some of the secondary school courses that should be made available to students, along with adult and vocational training courses that need to be in place, so that local Saints can be trained and qualified as these opportunities come on stream. It should also allow a skills bank for offshore and returning Saints to be maximised, so relevant vacancies can be advertised or potential candidates identified. Such a skills bank should also help investors identify suitable staff from the island.

15.3 Using this methodology, the following Table shows job requirements that can reasonably be assumed to be required in the 5 years running up to the opening of the airport in the tourism sector.

TABLE 10: POTENTIAL JOBS FROM ADDITIONAL ACCOMMODATION

	5 star	4 star	3 star	2 star	1 star/B&B	self-cat
Senior Management	12	2	3	1	2	1
Supervisory	14	3	3	1	2	1
Administration / Finance	10	4	3	1	2	0
Reservations / Reception	10	5	0	0	0	1
Housekeeping	25	5	9	3	2	0
Service - Kitchen, Food, Beverage	50	10	0	0	0	0
Security	10	2	0	0	0	0
Human Resources	6	0	0	0	0	0
Laundry	6	3	0	0	0	0
Cleaners	25	5	9	3	2	2
Guest Facilities	10	3	0	0	0	0
Maintenance and Grounds	30	2	6	1	0	2
Porters	10	3	0	0	0	0
Leisure Facilities	30	0	0	0	0	0
Other	27	3	3	1	0	0
Total	275	50	36	11	10	7

Grand Total	389

Potential jobs from other employment directly related

Restaurants	27
Attractions	6
Sea sports	10
Land activities	10
Retail	20
Total	73

15.4 Using the above tables it is clear that - just to cover these roles - an increase in the region of 25% of the economically active population of the island is needed. Indeed, this single area need represents 10% of the current island population.

15.5 This doesn't take into account the various support businesses that can be expected to be needed, and other areas previously highlighted, such as heritage construction. Whilst one can reasonably anticipate that some investors and businesses will be set up using the proprietors' skills, it is essential that immediate action is taken to put in place appropriate training opportunities both for students (at secondary and tertiary levels) and for those considering or seeking to start up businesses. Tourism will work closely with the Education and Employment Directorate, as well as potential large scale investors such as SHELCO, to support such activity. This has to be given the highest priority to ensure that

Saints are able to take the opportunities that will be presented at senior and middle management levels, as well as at the important customer service levels.

15.5 The above tables indicate that skills will be required in the following areas:

- Hotel management
- Business skills
- Hospitality
- Catering
- Management
- Marketing
- Accountancy
- Sports and Leisure Management
- Sports and Leisure Activities (gym, spa, etc)
- Horticulture
- Logistics and supply chain management
- Tourism
- Modern Foreign Languages

15.6 In addition, the full range of skills for the operation of the airport will be need to be in place. It is assumed in this plan that the Access Directorate will be inputting into this as part of their oversight of the overall airport project.

15.7 An area of concern is to avoid an excessive number of jobs for Saints being at a menial level, and which therefore does not bring those people a longer term advantage from the overall progress and development of the island.

15.8 It is an objective of this Strategy that Tourism will work pro-actively with the Education and Employment Directorate, AVEC and other partners to ensure that appropriate measures are in place to address the potential skill gaps over the next 5 years. Work being undertaken during 2011 by the Strategic Planning Unit should provide further information both about labour needs across St Helena and what skills are currently available, both on island and across the Diaspora, and adjustments to this Strategy will continue to be made as detailed information becomes available.

Sub-Objective 33: Work with Education and Employment teams and other partners to identify skills gaps, and support and facilitate business and other relevant skills training in conjunction with relevant sectors of government (Objective 3)

16. Sustainability

16.1 Whilst sustainability is a term often bandied around within the tourism industry, it is important to understand what its actual meaning is. And, in fact, the true nature of sustainability means that tourism cannot be seen in isolation from other interrelated systems. In the case of St Helena's development, this interrelatedness is absolutely crucial in delivering economic development and benefits to all the residents of the island, as well as a longer term controllable future that is reliant on the desires, abilities and inputs of island residents.

16.2 Sustainable development is perhaps best defined as grounded in achieving an equitable balance between different – and sometimes apparently conflicting – needs and value systems. This balance needs to be achieved between five fundamental principles -

- Economic (efficient production of goods and services)
- Environmental (prudent management of natural resources)
- Social (enhancement of quality of life and equity in wealth distribution)
- Cultural (community values are engaged and respected)
- Visitor (satisfying visitor needs within acceptable parameters)

16.3 This in turn requires significant partnership working, both within the community, and across the private, public and third sectors, in a pro-active and integrated basis that takes into account all the implications of decisions and policies.

16.4 This strategy seeks to apply the principles of sustainability throughout both its thinking and its strategic objectives through the following aims –

- Supporting and meeting the goals of St Helena's national strategy
- Generating appropriate marketing messages and propositions that result in effective communication and impact within appropriate visitor segments
- Attracting high quality visitors, rather than large numbers
- Managing and maximising visitors and their experiences
- Offering high quality services, attractions and products backed by relevant quality standards
- Employing high quality environmental and cultural interpretation

16.5 The fundamental recognition that is given to importance of ensuring sustainability throughout the development of tourism and the wider economy is shown by it forming one of the core Objectives of this Strategy –

Objective 5:
Guide tourism in all its aspects to be sustainable, managed within capacity implications

16.6 This will be achieved in partnership with relevant bodies by implementing policies and decisions that are –

- Long term, to reduce risk and allow consistent and profitable delivery
- Outward looking, to include all stakeholders involved and delivering visitor needs
- Integrated, to identify impacts on other sectors
- Environmental, to recognise effects on the integrity of all aspects of community

16.7 It is emphasised that this route is taken not to the exclusion of profitability or maximising visitor spend; but that profitability is achieved with understanding of implications and thus with a care to preserving and maximising the very assets that provide the means for profit.

Sub-Objective 34:	Seek to work in partnership with all relevant stakeholders and interested parties to understand implications of tourism policies, and to mitigate impacts where necessary (Objective 5)
Sub-Objective 35:	Ensure that profit from tourism activities is achieved with a care to preserving the assets that support that profit (Objective 5)

17. Benefits

17.1 There are many different models to highlight potential benefits from tourism development, ranging from straightforward economic multipliers (as highlighted above) to more complex socio-economic views.

17.2 It will be important to measure the contribution that tourism makes to the economy, and agreement should be made from the earliest opportunity as to how this will be achieved. The experience of many destinations is that there is inconsistency in what is measured and how, resulting in simplistic assessments of tourism benefits. It is recommended that a model using a Tourism Satellite Account is built, as increasingly proposed by bodies such as the OECD and DCMS of the UK Government. Although such a model relies on robust statistical sources, it links tourism to the supply base of the economy. Thus the value of tourism to the economy as a whole can be identified.

17.3 Many reports have identified the fact that current sea access is not sustainable and cannot deliver sufficient benefits to offset part of or all the constant subsidy. Air access delivers practical benefits to the island in many different ways. The most significant of these are –

- Speedier access to St Helena
- Immediate increase in passenger capacity
- Easier access to a relatively undiscovered destination
- Access available to a wider range of travellers (especially cash-rich, time-poor)
- Increased visitor numbers translating into increased spend
- Increased visitor spend engendering increased economic activity
- Increased economic activity engendering increased wealth for all

17.4 Both the construction phase of the airport and the subsequent operation open up major opportunities – and therefore benefits – for the island. This Strategy seeks to facilitate those opportunities, but it is also for the island to seize them and maximise the benefits.

17.5 This Plan aims to put in place a number of fundamental actions that will support the ongoing development of tourism, and of the wider economy, over the next five years, but also ensure that all the key elements for successful tourism delivery once the airport is operational are being put in place ahead of the airport opening. It will be important to put in place a log of activities to monitor and manage this. The process cannot afford to stall, as it will jeopardise the overall economic development and success for the island.

17.6 The over arching benefit of tourism for St Helena will be to underpin the development of the island economy, supporting its move away from aid reliance to one that is more self reliant and self sustaining. The growth of tourism thus becomes an integral contributor to the economy. In the medium term, during the construction phase of the airport, the numbers of visitors (whilst varying in market profile) will support a steady increase in accommodation and services, which in their own right will create increased demand in support services and production. In the long term the airport will allow sufficient numbers and frequency of visitors to support increased accommodation, activities and services. In many cases, there will be benefits as the market focus moves from construction visitors to tourism visitors, with businesses continue to develop their activities towards tourism visitors, or as new businesses are created. Again, these businesses will support a wide range of support services and businesses. This will ensure the base of activity widens, encouraging further business development, investment and competition across the whole economy.

17.7 Additionally, as the range of services develops, the choice that this gives the local community increases. It also provides employment and development of skills and capacity within the local market; and should reverse the trend of migration from the island. This then benefits the island as a whole as the demographic mix of the population becomes better balanced and there is an increase in the economically active sector of the population.

17.8 In turn this larger economic activity by individuals and businesses will drive increased government revenues through direct and indirect taxation, fees and other sources, which can then support public sector services for the whole community. This will allow movement over time towards the UK Government's objective of reducing the financial dependency of St Helena and moving it towards financial self-sufficiency. This, in turn, supports the further objectives of both the UK and St Helena Government's of providing an improved environment for economic and social development through self-sustainability.

Sub-Objective 36: Agree and support the development of a measurement model for tourism's contribution and value (Objective 1)

APPENDIX A: TOURISM PRODUCT LIST

Product Area	Market(s)	Existing Product	Development Needs and Opportunities
Historic			
Napoleonic Legacy	French and European visitors Well educated Above average income Well travelled Older age group Also appeals to all other visitors due to close tie with island history	3 core Napoleonic sites Limited Opening Guided Tours	Multi-lingual guidance (currently being sourced and implemented) Longer Opening Times (being actioned) Costumed Tours Extension of Napoleonic links to wider island tours Integration of Bertrand's Cottage Dedicated promotion of Francophone markets
Slave Legacy	European, American, African visitors Well educated Well travelled Potential appeal to younger and middle aged groups Academic tie-ins	None, other than Lemon Valley and Ruperts	Ossuary Dedicated interpretative material Guided and Self-Guided Tours Archive links Research support Test themed itinerary? Dedicated promotion to N American market
Boer Legacy	S African visitors Well educated Older age group Academic tie-ins	Knollcombes cemetery Deadwood and Broad Bottom camp sites	Multi-lingual guidance Dedicated interpretative material Guided and Self-Guided Tours Archive links Research support Dedicated promotion to S African market
Zulu Legacy	African visitors Well educated Academic tie-ins	Rosemary Hall, Maldivia, Francis Plain House	Multi lingual guidance Dedicated interpretative material Self-Guided Tours Archive links Research support Dedicated promotion to African market

Product Area	Market(s)	Existing Product	Development Needs and Opportunities
Bahraini, Chinese and other Legacies	Middle Eastern visitors, especially Bahrain Chinese visitors Maldivian visitors Academic tie-ins	Munden House, Maldivia, Chinese properties and cemeteries	Multi-lingual guidance Management of tour groups Dedicated interpretative material Archive links Research support Dedicated promotion to individual markets
East India Company Legacy	British, European and African visitors Well educated Well travelled Above average income Older age group Also appeals to all other visitors due to close tie with island history	Wide range of historic and heritage sites	Maintenance of built heritage sites Dedicated interpretative material Guided and Self-Guided Tours Archive links Research support Test themed itinerary?
Portuguese and Dutch Colonial Legacies	European visitors Well educated Well travelled Above average income Older age group	None	Research and identify relevant information and sites Dedicated interpretative material Archive links Link with marine history
Marine Wrecks	British, European and African visitors Well educated Well travelled Above average income Potential appeal to younger and middle aged groups Academic and Conservation tie-ins	Very limited – diving access to Papanui wreck	Potential tie-in with project to identify and map marine wrecks around coast Improved diving facilities to support deeper dives Research support
Astronomy	Worldwide visitors Well educated Possible academic tie-ins Also appeals to all other visitors due to close tie with island history	Limited – ruins of Halley's Observatory, plus location of Maskelyne's Observatory	Possible rebuild of Halley's Observatory Self-Guided Tours Research support Development of star gazing evenings for visitors and Saints thanks to lack of light pollution

Product Area	Market(s)	Existing Product	Development Needs and Opportunities
Natural			
Birds	Worldwide visitors Well educated Well travelled Above average income Academic and Conservation tie-ins	Tours offered by SHNT Existing itineraries by inbound tour operators Interpretative material in place	Reinforce existing activity Voluntourism programmes
Plants	Worldwide visitors Well educated Well travelled Above average income Academic and Conservation tie-ins	Tours offered by SHNT Existing itineraries by inbound tour operators Interpretative material in place	Reinforce existing activity Voluntourism programmes
Conservation	Worldwide visitors Well educated Well travelled Above average income Strong appeal to younger age groups Academic and Conservation tie-ins Also appeals to all other visitors due to core attraction	Tours offered by SHNT Existing itineraries by inbound tour operators Interpretative material in place	Reinforce existing activity Implement regular tour Voluntourism programmes Test themed itinerary?
Geology	Worldwide visitors Well educated Well travelled Above average income Focussed appeal may be more academic? Academic tie-ins	None	Research and identify relevant information and sites Dedicated interpretative material
Marine	Worldwide visitors Well educated Well travelled Academic and Conservation tie-ins Also appeals to other visitors due to general interests	Dolphin and seabird tours Some interpretative material in place	Reinforce existing activity – regular tours Voluntourism programmes Possible turtle watching?

Product Area	Market(s)	Existing Product	Development Needs and Opportunities
Well-Being			
Walking	Worldwide visitors Well educated Well travelled Above average income Potential appeal to younger and middle age groups Easy walks and trails will appeal to other visitors as alternative activity	Range of post-box walks Guided Town walk Heart-Shaped Waterfall trail	Extended range of easy walks Improved maintenance and waymarking of all walks Short themed trails
Sub-Aqua and Diving	Worldwide visitors Enthusiasts Above average income Potential appeal to younger age groups	Limited diving available Dive courses available	Identify suitable dive sites Improved facilities including recompression chamber Suitable dive boats Medical facilities Address control of discharges
Sailing	Worldwide visitors Well educated Well travelled Above average income Potential appeal to younger and middle age groups Opportunity to encourage domestic market	Limited moorings Basic facilities in place Issues with ferry service Landing Fees being withdrawn for short stays to encourage more visits Bi-annual Governor's Cup Yacht Race from South Africa	Additional moorings Improved facilities and services Support SHYC in introducing sailing for young people on island
Sport Fishing	S African plus some worldwide Well travelled High Spend	Very limited	Clear identification of grounds and species Dedicated craft and skippers Back up facilities including rescue Dedicated promotion to S African market
Donkey Legacy	Would appeal only to visitors as additional attraction	None	Guided long distance walks where donkeys carry luggage

Product Area	Market(s)	Existing Product	Development Needs and Opportunities
Mountain Biking	Worldwide visitors Well educated Above average spend Potential appeal to younger age groups	None	Dedicated trails and support services need to be in place Focussed PR campaign to highlight destination and product
Rock Climbing	Worldwide visitors Well educated Above average spend Potential appeal to younger age groups	None	Dedicated pitches and support services need to be in place Medical support Focussed PR campaign to highlight destination and product
Parascending	Worldwide visitors Well educated Above average spend Potential appeal to younger age groups	None	Dedicated areas and support services need to be in place Medical support Focussed PR campaign to highlight destination and product
Golf	Worldwide visitors Well educated Well travelled Above average income Older and middle age groups	Basic 9 hole course with limited facilities, but has cachet of most remote course in the world	High quality 18 hole course included as part of SHELCO project High end hotel and resort accommodation Possible two centre golf holidays linked with S Africa
Residential Tourism	Worldwide visitors, but especially South Africa and UK Well educated Well travelled Above average income Older and middle age groups	None	High quality building in appropriate locations, suitable for whole or fractional purchase Range of support facilities especially leisure Improved shopping Improved evening time activities Range of facilities need to be easily accessible across island to avoid self-contained entities developing

APPENDIX B: PROPOSED TOURISM PROJECTS

B1. Longwood "tourism hub"

B1.1 Longwood is already a key tourism location on St Helena, being the location of Longwood House, Napoleon's home in exile. Longwood House, one of the French Properties, is already the subject of a major restoration programme starting in 2011, and this fully integrates into that. There is a major opportunity to create the area around Longwood Green (currently bordered by Longwood House, Longwood Dairy and Longwood supermarket) into a tourism hub, with a range of facilities that would benefit visitors and the local community. This could be further reinforced during and after airport construction.

B1.2 St Helena National Trust have proposed a restoration of Bertrand's Cottage (Longwood Farmhouse), and it is recommended that this property (currently an SHG property) is leased to SHNT on a long lease to support this undertaking. A long lease would allow SHNT to commit funds to make Bertrand's an additional visitor attraction at Longwood, tying into the Napoleonic legacy. This potential could be further reinforced if the Cottage was used to display some of the Longwood collection during the time that Longwood House was being restored.

B1.3 Adjacent to Bertrand's is Longwood Dairy, and it is recommended that the part closest to the Green is converted to accommodation, an eating establishment or craft centre. This could then tie in with ongoing horticultural activity in the rest of the site, with encouragement for a farm shop or similar outlet for local producers. These combined developments would encourage further activities in Longwood.

B1.4 It is also proposed to re-align the road to its original route, which would rectify existing safety issues, improve access for residents as well as visitors, and allow Longwood Green to be extended right up to Longwood House. This would provide a major community focal point as well as a welcoming series of tourism attractions.

B2. Restoration of Woody Ridge flax mill

B2.1 The flax legacy is an important one for the island, and one that is clearly visible as visitors travel around. Apart from a small display in the Museum, there is little to explain to visitors about this important industry. However, machinery and buildings still remain, and it is proposed to facilitate the restoration of Woody Ridge mill (owned by Solomons). This is in an easily accessible location, and would in fact encourage visitors to a part of the island that is relatively undiscovered. Offers of machinery and interpretative information have also been made. It would create a new tourist attraction, and visitors would certainly be interested to understand the historical context of the flax industry.

B2.2 This could be further reinforced by linking with St Helena's Active Participation in Enterprise (SHAPE). Whilst it may not be practical to process flax at Woody Ridge, the use of flax by the clients at SHAPE and the resulting souvenirs – as well as the whole concept of SHAPE – would provide mutual support for both projects. It may be possible to process a small amount of flax using modern machines at Woody Ridge that could then supply SHAPE.

B3. Jamestown

B3.1 Until the airport is complete Jamestown will remain the gateway to St Helena, and even after completion it will be the main centre for visitors as well as island residents. The town was described in 2010 as “the quintessential Atlantic port” as it retains much historical character yet remains a living and lively place, and maintaining the balance between the historical and the reality is important. However there is no doubt that issues need to be addressed to make Jamestown generally more attractive and welcoming.

B3.2 The Tourism Development Project is already underwriting a component to improve the pavements and some parking issues, as well as lighting, within Main Street. The consultation process for this component highlighted wider points that require addressing, not least traffic and parking and the over-use of prime retail (and historic) locations for government offices. It is recommended that a detailed strategy for Jamestown is put in place through the Land Development Control Plan to provide policy guidance and actions for the town.

B3.3 This should also include encouragement for better use of buildings to provide a wider range of locations and facilities in the town. St Helena Tourism has already made a capital bid through SHG for the conversion of the former PWD Store in Grand Parade to a new library, possible retail space and climate controlled archive storage (in conjunction with the Archive Digitisation component of the Tourism Development Project). Further encouragement will be given to enhance Grand Parade, alongside plans within Crown Estates, targeting 1,2,3 Main Street, the Gaol, the PWD yard and Rickmers.

B4. Slave Heritage

B4.1 The excavations and work undertaken at Rupert’s Valley (under air access mitigation) and at Lemon Valley (developing a Conservation Management Plan under the Tourism Development Project) have clearly demonstrated not just the importance of St Helena’s Slave legacy internationally, but the wealth of historical evidence that continues to exist. The international importance this has is clearly shown in the strong interest shown by the International Slavery Museum in Liverpool, UK, to host an exhibition about St Helena’s role, and these discussions and negotiations towards that exhibition will continue to be pursued.

B4.2 It is equally important that the historical importance of these sites is both preserved and maximised for academic and tourism potential. Indeed, this may open up another niche market with Afro-American and academic tourists, and opportunities should be examined for linkages between the Museum and other academic institutions. The planned Ossuary in Rupert’s Valley will provide a key interpretative centre, and this will be further reinforced with the artefacts and supporting display material in the St Helena Museum following the ISM exhibition. The Lemon Valley Conservation Management Plan will provide guidance and recommendations for future development, interpretation and management of that location. It is recommended that all the key elements are pulled together into a substantive and comprehensive project plan for developing the slave legacy strand of St Helena’s tourism offering.

B5. Recompression Chamber and Scuba Diving

B5.1 Diving is a small but popular sport on St Helena. The marine environment surrounding the island is outstanding, both from natural and a man-influenced (wrecks, etc) perspectives. There are real opportunities to develop this product area, but these are limited by the current need to practise safe diving.

B5.2 The installation of a recompression chamber would allow development of diving to be expanded significantly. The quality of the diving, the clarity of the water, the marine life and the potential to explore new sites would attract world-wide attention.

B5.3 This would also support a better appreciation of the marine environment, and would facilitate the recording and exploration of the historic marine environment.

B6. Ladder Hill Guns

B6.1 This area immediately to the west of Ladder Hill Fort offers a superb vantage point, and has considerable interest for visitors, with two guns and the original magazine complex.

B6.2 The area has been closed off in recent years due to safety reasons connected with the cliff edge and the storage of explosives, as well as works connected with the rock fall projects.

B6.3 Working with the Department of Infrastructure and Utilities, the objective would be to ensure that any explosives are removed to an alternative secure location, and then that the area is made safe and attractive for visitors and residents alike. This work could also tie in to the current community project, supported by the Tourism Development Project, that is enhancing the Half Tree Hollow area.

B6.4 There is also the added advantage that access would also be made available to the tennis court in the same location, which would provide additional recreational facilities for the island.

B7. Ladder Funicular Railway

B7.1 This idea has long had popular support and becomes increasingly attractive and logical when viewed alongside traffic issues in Jamestown (and suggestions for park-and-ride schemes), the considerable attraction that Jacob's Ladder currently provides, the current community tourism project enhancing Half Tree Hollow and linking through to High Knoll Fort, and the high priority being given to the redevelopment of Ladder Hill Fort as a potential hotel and leisure development.

B7.2 There would be a strong opportunity to develop this as an environmentally sustainable attraction by using rainwater harvesting or even grey water from Ladder Hill Fort as the transportation mechanism. The funicular would be used by both tourists and locals to access Jamestown or Half Tree Hollow, and would certainly be an additional tourist attraction. It is proposed that a feasibility study be undertaken for this.

B8. Seafront and James Bay

B8.1 The seafront between Banks and Lemon Valley has been the subject of a study, driven by SHDA, but the recent works on the Wharf and the new passenger terminal have made it difficult to progress activity relating to Jamestown waterfront. However, with these works coming to an end, there should be an holistic review of seafront use, to include the leisure use of James Bay. The increasing focus of commercial and passenger activity on the eastern side of James Bay gives the opportunity, along with stakeholders involved, to develop a detailed plan for the use of James Bay, possibly with designated areas for different users.

B8.2 This could allow a leisure focus to be given to the West Rocks area of the Bay, splitting commercial craft away from leisure activity. By developing a small jetty or landing stage at West Rocks, unrestricted access for dinghies, windsurfers, swimming, fishing and other leisure activities could be given (and it may be appropriate to extend this to diving also). This does have implications for sand extraction, but that may need to be reviewed due to the inevitable changes in the Bay and recent developments relating to availability of alternative base materials for use by the local construction industry. Moving the leisure focus to West Rocks would also present extended opportunities for businesses in the existing Leisure Park.

7.20 It may also be possible to create opportunities with some of the buildings along the Wharf to be made available for alternative use, which could include retail, bars and small food outlets.

7.21 As indicated, it is recommended that a detailed usage concept plan for James Bay is facilitated. This will enable appropriate plans to be made and opportunities to be exploited as that development progresses.

APPENDIX C: TOURISM DEVELOPMENT OPPORTUNITIES

as at May 2011

This list is not intended to be definitive, and may change in light of the Historic Environment Report

Site	Location	Property Type	Attributes	Potential use	Internal Requirements	Priority
Wranghams	Upper Sandy Bay	C18 house in 3 acres	Historic building in grounds, could be extended or extra accommodation in grounds	Boutique hotel, B&B, residential – expressions of interest currently sought	n/a	High – on market
Rock Rose	Between Sandy Bay and Levelwood	Solomons – ruined house plus former flax mill in 64 acres	Complex of buildings	Boutique Hotel, B&B with mill converted to cafe or restaurant – expressions of interest currently sought		High – expressions of interest being sought
Prospect House	Alarm Forest	Solomons - C18 house	Overlooking James Valley	Boutique Hotel, B&B, residential – currently undergoing refurbishment	Undergoing refurbishment	High – under refurbishment
Broad Bottom	Between St Pauls and Blue Hill	SHELCO – identified resort development site	Green field site	High end resort with hotel, villas, golf course		High – outline planning permission expected
Bertrand's Cottage	Longwood	C18 house – important Napoleonic ties	Part of Longwood Tourism Hub, adjacent to Longwood Dairy	Cafe, Study Centre, Display Centre, SHNT, temp use for Longwood House	Extend lease to SHNT, refurbishment requirement	High – within 3 months
Brick House	Jamestown	C18 house – currently Government offices	Only brick built property in Jamestown, well located	Guest House or B&B	Need to relocate current functions	High – within 12 months
Ladder Hill Fort	Ladder Hill	Historic fort complex	Outstanding sea views, immediately above Jamestown	4* hotel, restaurant, with possible self-catering apartments on far side of road	Need to relocate current residents, relocate fire station, some possible work	High – within 12 months

Site	Location	Property Type	Attributes	Potential use	Internal Requirements	Priority
PWD Yard	Jamestown	Stores and Workshops, part of Castle complex	Range of conveniently sized units	Retail, Cafes, Bars, Craft shops	Need to relocate current functions	High – within 12 months
Bleak House	Ladder Hill	House		Residential	Reacquisition from Social Services – review condition and status	High – within 12 months
Southerns	St Pauls	House		Residential	Reacquisition from Social Services – review condition and status	High – within 12 months
Longwood Diary	Longwood	Former farm building alongside Longwood Green	Part of Longwood Tourism Hub and would tie in with Bertrand's Cottage	Cafe, Retail, Study Centre, Voluntourism base	Acquisition from ANRD, part of wider plan for Longwood	Medium – 18-24 months
Woody Ridge Flax Mill	Levelwood	Solomons - Former Flax Mill	Would move tourists into part of island not normally visited	Museum, Cafe, Retail	Create flax mill attraction	Medium – 18-24 months
1/2/3 Main Street	Jamestown	Offices, previously residential	Prime location site on Main Street, Jamestown	Retail, Boutique Hotel(s), B&B	Relocation of existing users	Medium – 24 months
Round Tower	Half Tree Hollow	Storage	Historic stone built monument	Restaurant, Cafe	Relocation of existing users	Medium – 24 months
Lemon Valley	Lemon Valley	Ruined cottages	Historic cottages in important historic seaside site	Short-term holiday rental	Rebuild and some servicing of two cottages, pass on operation to private sector	Medium – 24 months (in line with Lemon Valley project)
New Ground House	New Ground	Has land to allow to possible expansion		Boutique Hotel, B&B	Relocation of existing tenant	Medium – 24 months+
Sydenham	Scotland	Historic house		Boutique Hotel, B&B	Relocation of existing tenant	Medium – 24 months+
West Rocks, Seafront, Wharf	Jamestown	Range of development opportunities along seafront and wharf	Prime locations on seafront	Retail, Bars, Cafes, water sports, sea based activities	Dependent on Breakwater Project	Medium – 24 months+

Site	Location	Property Type	Attributes	Potential use	Internal Requirements	Priority
Cliff Top	Ladder Hill	House	Outstanding views, close to Ladder Hill Fort	Boutique Hotel	Relocation of existing tenant	Medium – 24 months+
Red Roof	Ladder Hill	House	Outstanding views, close to Ladder Hill Fort	Boutique Hotel	Relocation of existing tenant	Medium – 24 months+
Luffkins Tower	St Pauls	C18 House with grounds for expansion		Boutique Hotel	Relocation of existing tenant	Long Term
Devil's Punch Bowl	Alarm Forest	Identified resort development site	Green field site	Resort of eco-lodges – SHDA have draft concepts	Identification of potential investor	Long Term
Piccolo Hill	Longwood	Complex of houses	Fully serviced site with quality views	Redevelopment opportunity for residential or complex of eco-lodges	Relocation of existing tenants	Long Term
Mundens House	Jamestown	House in poor condition – accessibility issues?	Outstanding sea views	Restaurant, Cafe		Long Term
Prosperous Bay Beach	Prosperous Bay	Potential small scale complex of eco lodges – access issues?	Sea side site close to airport	Complex of eco-lodges	Feasibility study	Long Term
Thompson's Valley	Blue Hill	Potential small scale complex of eco lodges – access issues?	Sea side site	Complex of eco-lodges	Feasibility study	Long Term
Plantation House	St Pauls	Landmark C18 house with grounds	Landmark property	High end hotel, boutique hotel	Replacement residence for Governor	Long Term
The Castle	Jamestown	Landmark historic building	Landmark property with sea views	High end hotel or boutique hotel	Replacement office space for Government	Long Term

The above list contains only Government and Solomons owned properties. Other privately owned property could well be made available if market conditions were suitable, and other ruined properties might well reach the market.

APPENDIX D: ASSUMPTIONS USED IN TABLES

This Appendix provides details of the assumptions and calculations used in the various Tables throughout the Plan.

Table 1: Potential Visitor Spend

Landing fees calculation is based on a fee of £16; 80% of yacht visitors are assumed to stay less than 72 hours so are excluded.

Tourism Passport estimated at a consistent £25 per person.

Total Visitor Spend excludes landing fees and tourism passport (as this is regarded as government revenue).

NERA refers to figures provided through DFID; TDP refers to figures calculated as part of the Tourism Development Project

Table 2: Potential Multiplier Impact

Multiplier assumption based on probable progress toward accepted level

Table 3: Potential Government Earnings

Landing fees and Tourism Passport as in Table 1

Indirect taxes for Visitors estimated at 5% of total spend (to cover food, souvenirs, tours and the company taxes that hotels and other operators would incur)

Direct employment is estimated from existing employment plus additional jobs identified in Table 10; assumption that initially 20% of workforce qualify for income tax moving to 50% of workforce

Assumption that average income for income tax calculation will fall as more people qualify for income tax and as more people qualify this will be at the lower end, thus lowering the average; assumption that tax free allowance remains at £7,000; assumption that Government will move from 25% rate to 20% rate of income tax

Indirect taxes calculated at 10% of post-tax income (baseline is £3,900 as per 2009 Statistical Year Book), increasing by 2% per annum

Table 5: Visitors up to Airport

Based on calculations for Tourism Development Project Memorandum

Table 6: Visitors once Airport in place

Individual market assessments based on estimates of potential growth and current volumes

Option A based on Atkins figures, revised (upwards) for first 3 years to align with numbers at end of Tourism Development Project

Option B uses Kelly-Robinson flight assumption, of 170 seat aircraft with varying load factors and flight frequency as demand increases.

Table 7: Visitors once Airport in place

Figures reflect Atkins

Table: 8: Accommodation Requirements

Room requirements derived from Table 9

Split across categories based on similar assumptions to Kelly Robinson and previous reports on desired accommodation mix

Table 9: Room Requirements

Passenger numbers derived from numbers per flight rotation, but assumption made that peak will have twice the demand of off-peak, so room calculation based on peak period demand; assumption that numbers split equally between serviced and non-serviced accommodation

Bed-night capacities calculated at maximum occupancies throughout

Other assumptions noted in Table

Table 10: Potential Jobs

Splits based on industry norms for staffing, Kelly-Robinson report, indications from SHELCO

APPENDIX E: RISK ASSESSMENT

This appendix examines the key risk factors likely to affect the Tourism Strategy, their possible impacts and the probability that they will occur.

The Table below describes the risk factors identified and ranks the impact of a risk factor alongside the probability of it actually occurring. Wherever possible, mitigatory measures have been identified for risk factors and these have been built into the Strategy, or would be brought into play should the likelihood of a particular risk occur.

Risk	Impact	Probability	Mitigation
Airport cancelled	high	low	Refocus on sea borne tourism opportunities. Review all strategies
Airport decision delayed	high	medium	Refocus on sea borne tourism opportunities during delay. Refocussed tactical activities to encourage sea borne tourists.
Shelco project cancelled or delayed	high	medium	Identify and target potential investors through Economic Development offshore team
Insufficient serviced accommodation in short-term	high	medium	Pursue options with self-catering accommodation. Discuss block booking or management contract options with serviced accommodation providers to guarantee capacity.
Local resistance to changes and reforms	high	medium	Involve stakeholder participation. Ensure regular communications and updates highlighting outputs and reasons.
Resistance to Quality Standards	medium-high	medium	Involve stakeholder participation. Offer awareness programmes of international requirements and expectations
Resistance to Accommodation Standards	medium-high	medium	Involve stakeholder participation. Offer awareness programmes of international requirements and expectations
No local interest in accreditation programme and/or tourism development (eg: no interest from private sector in improving service levels)	medium-high	medium	Involve stakeholder participation from the onset. Offer awareness programmes to highlight the benefits of accreditation programme and create incentives to participate. Ensure training timing matches availability of relevant staff.

Inbound Operator concerns over liability and health and safety issues	high	high	Examine feasibility of supporting public liability insurance for suppliers in interim period. Identify and work to mitigate health and safety concerns.
Cannot retain key staff	medium-high	low-medium	Ensure staff are provided with competitive employment package and career development.
Insufficient Saints to fill skills requirements	medium	high	Encourage returning Saints with appropriate skills. Encourage short term inward recruitment or employment.
Skills or resources unavailable to deliver activities	high	high	Encourage returning Saints with appropriate skills. Encourage short term inward recruitment or employment.
Lack of skills for built heritage projects	medium-high	high	Encourage development of local training as part of project tender and contract requirements. Utilise inward recruitment and capacity building on short term basis.
Recurrent budget pressures impact delivery of services	medium	medium	Ensure tourism is mainstreamed in all government strategies and service delivery budgets given due priority
Recurrent budget pressures impact built heritage projects	medium	medium	Ensure importance of maintenance of built heritage is given high priority within government planning, and projects are seen as investment in tourism development not expenditure
Insufficient capital available on island for developments	medium-high	medium-high	Work closely with Economic Development team and partners such as BOSH and SHDA to provide range of extended finance options and access to capital. Examine possibilities for credit unions and other supportive bodies.
Low take up by investors	high	medium	Ensure regular communication programme of positive news and information around development and opportunities. Ensure offshore team network with all potential investors.
Business environment does not enable/promote private sector growth/investment	medium-high	low-medium	Provide ongoing input into policies for investment, tax regime and tourism development.

Low take up by private sector	high	high	Ensure regular communication programme of positive news and information around development and opportunities. Develop pro-active initiatives with partnership bodies such as SHDA.
Adverse publicity around airport impacts investor interest	medium	low-medium	Ensure regular communication programme of positive news and information around development and opportunities
Other sectors which support tourism product (eg: farming, fishing, arts and craft etc) reduce in size as workers migrate to other sectors etc.	medium-high	medium	Provide ongoing input into ensuring enabling business environment with sympathetic tax regime. Promote and educate traditional skills in schools. Support relevant sector employees to develop their products and services in line with market forces and offer appropriate marketing support.
No stakeholder cooperation	high	medium	Involve local stakeholders from the onset and promote their vested interests where appropriate
Costs of local services/resources required for activities escalates	medium-high	medium	More transparent tendering processes with benchmarking. Import services and resources where appropriate and cost effective to do so
Cannot gain planning approval	high	low-medium	Prepare strong cases with local stakeholder buy-in and support
Anti-social behaviour and/or vandalism impacts on enhanced areas	high	medium	Increase local awareness of the problem, improve signage and/or Police and Security enforcement. Enforcement to include rectification of damage through community service
Medium term shipping schedule becomes less tourism friendly	high	medium-high	Persuade niche operators to sell St Helena with a shorter lead time. Organise or facilitate themed tours in conjunction with private sector. Utilise ecommerce opportunities and support online booking facilitities
RMS fares increase and make St Helena uncompetitive	low-medium	medium	Feed into scheduling strategies. Utilise yield management and tactical pricing strategies
Lack of capacity on the RMS and/or Ascension airbridge	medium-high	medium-high	Promote discount travel via Cape Town and examine alternative transport options

RMS is not fully operational during project timeframe	high	medium	Resources transported or chartered via alternative means where cost effective or appropriate to do so. Identify potential vessels.
Mix of travellers on RMS changes	medium	high	Develop tactical campaigns to target different segments whilst on island. Introduce focussed campaigns for contract staff and similar long stays.
Adverse global events occur that impact on tourism market	high	low-medium	Stimulate local use of tourism facilities
Insufficient accommodation available for visitor numbers	high	medium	Ensure pro-active programmes in place to highlight potential demand and opportunities before they become issues
Airport is not operational in 4-6 years	low	medium-high	Extend seaborne tourism strategy
Visitor numbers do not meet projected volumes	medium-high	low-medium	Ensure international promotional campaigns ongoing and networking and negotiations with tour operators to optimise visitor numbers in line with transport availability. Work with air operator to optimise volumes and flights.
Restoration of Longwood House and 2016 Napoleon project in France impact negatively on Napoleonic product on island.	medium	medium	Work with French Consul to plan activities to mitigate impact, eg: photographic exhibitions of transported artefacts – utilise space for international exhibitions or other dynamic alternative uses.
Cruise ship and yachting market deteriorates	medium-high	low	Increase efforts to stimulate interest in St Helena as a desirable cruise and yachting destination in relevant markets.
Data and measurement techniques fail to meet requirements	medium-high	high	Mainstream tourism requirements into statistical requirements throughout government. Identify and ensure data needs to provide Tourism Satellite Account are fully prioritised and resourced.
Weather or natural disaster (rockfall, landslides, rough seas) prevents or delays outdoor activities from taking place	medium-high	low	Plan seasonal works and construction when developing timeframe. Develop alternative activities to compensate. Jamestown rockfall project mitigates against minor rock falls to Jamestown.

Money that is spent on island from tourists leaks overseas	high	medium-high	Ongoing input to ensure investment policy addresses this

APPENDIX F: REFERENCES

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Extensive reference has also been made to travel trade publications and online sources including Travel Trade Gazette, TTG Asia, Travel Weekly, World of Cruising, Travel Market Report, S Africa Travel News, e-tid, travelmole, travelwires

APPENDIX G: ACTION PLAN

Objective		Sub-Objective	Outcome	Tactic	Timeline
1	Ensure tourism is mainstreamed throughout government planning and strategies, and supports St Helena Government's vision and objectives for sustainable economic grow th				
		1	Visitor Experience score is consistently 95% at "Good" or Above	deliver positive visitor experiences; commence feedback schemes as part of Quality Standards implementation	immediate
		3	Approval and Implementation of Tourism Development Project 2	Agree next stage projects and draw up proposal for DAPM negotiations; achieve agreement w ith DFID over project	Dec 2011 for DAPM; 2013 - 2016 for TDP2
		6	Tourism Ordinance enacted	Work w ith AG Chambers to produce Tourism Bill and support guidance through Legislative Council	Q2 2012
		13	Build specialist capacity across range of tourism related activities	Utilise expertise and support w ithin appropriate UK Government Departments as new OT Strategy is implemented; support NGOs in tapping into relevant expertise (SHNT, A&C)	
		14	Existing TDP is delivered	Maintain existing momentum w ith TDP projects	2011-2012
		20, 28	Tourism services fully embedded across government	Work w ith all Directorates to ensure that areas of tourism support w ithin respective recurrent budgets are fully supported w ith resources and funding to deliver high quality service	
		23	Plan for built heritage in place	Work w ith Crow n Estates on plan for maintenance and opportunites for built heritage; identify potential opportunities and invest then release, or release, properties for development	Apr 2012
		36	Measurement of tourism's contribution to the economy	Agree and support development of tourism measurement model; Statistics team to gather and collate data;	FY2012/13 onw ards
2	Develop and exploit a range of tourism products and experiences that fulfil visitor requirements and maximise revenue, contributing to private sector grow th				
		9	Revenue source to help support maintenance of built and natural heritage	Introduce Tourism Passport scheme	1 Jan 2012
		12	Extend range of marketing collateral	Extend range of printed guides; utilise existing audio guide resource to extend tour offerings; Deliver range of self-guided tour programmes for slavery and boer legacies	Dec 2012
		15	Napoleonic Bi-Centenary programme finalised	Coordinate w ork of Longw ood Support Group, and liaise w ith Honorary French Consul to develop programme of events, activities and visits to run across the Napoleonic Bi-Centenary	Dec 2011 for draft programme; promote programme 2012 onw ards; roll-out from 2015
		25	Work tow ards long term financial footing for Museum	develop long term strategic plan for Museum; engage w ith SHG and UKG expertise to develop fund raising strategy; examine opportunites accruing from international Ruperts exhibition; possible fund raising support for Museum	2012-15
		26	Encourage w ider range of interpretation for visitors	train new guides; encourage and support innovative w ays of delivering interpretation (costumed guides; cultural activities); introduce tours into new locations (Lemon Valley) as access is improved; examine opportunites accruing from international Ruperts exhibition	2013

Objective		Sub-Objective	Outcome	Tactic	Timeline
3	Support the tourism sector (including private sector and NGOs) deliver improvements in standards and range of facilities, as well as capacities and skill sets, and support appropriate government planning and infrastructure				
		4	Quality Standards in place for range of tourism services	Agreement of standards by end-Sept 11; implementation of standards across 2012	Dec 2012
		5	Divestment of Tourism	Move towards divestment of tourism; arm's length government-owned company in place by April 2012; review areas of tourism work suitable for divestment in medium term	Apr 2012
		7	Support capacity building through retention of international tourism marketing expertise	Uplift SME time allocation to 10 days per month (immediate); Build in relevant support to TDP2 proposal	immediate - 2013
		19	Facilitate development of accommodation range	ongoing engagement with LDCP; ongoing engagement with SHELCO; pro-active promotion of development opportunities; programme of upgrading to en-suite facilities in serviced accommodation	2012-2015
		32	Lobby ongoing support for local producers	Chef-Patron partnership project; annual Food Festival; support award within SHDA entrepreneurship competition; increase profile of Buy Local campaign; engagement with ANRD over agriculture and fishing policies	2011-2015
		33	Train 200 Saints in range of business and hospitality skills	Work with private sector; Ongoing dialogue with AVEC; Education and Employment to put appropriate training and support in place to ensure opportunities are maximised for Saints but without risking skills requirements for developing businesses; work with SHELCO on hospitality school project	2012-2015

Objective		Sub-Objective	Outcome	Tactic	Timeline
4	Deliver appropriate marketing plans to ensure local, visitor, travel industry and investor interest and targets				
		8	Encourage businesses that can support airport construction and subsequently swicth to tourism sector	Work with SHDA and other stakeholders to highlight opportunities; high profile campaign on island and in diaspora once airport decision confirmed	2011-2012
		10, 16, 18	Increase visitor numbers from 1759 in 2012 to 4100 in 2016	Develop targeted marketing activities for market segments across airport construction phase; ongoing promotional and marketing campaigns to key trade sectors and individuals	2012-2016
		11	Maximise online presence and opportunities	launch new look and feel website; extend social media opportunities; test and roll out PPC and online campaigns; achieve 100,000 website hits by Apr 2012; encourage local businesses to exploit online opportunities such as TripAdvisor; introduce blog to website	2011-2013
		17	Implement promotional programmes to extended customer groups	Targeted programmes for S Africa and France; retain PR services of Keene across period; engage PR company in S Africa; Utilise SME in additional engagement with cruise and tour operators	2012-2016
		21	Pro-active marketing of tourism development opportunities	Tourism Development Opportunities Portfolio in place for Sept 2011; work with other stakeholders (Investment, Immigration, Lands, SHDA) to develop comprehensive Investment Portfolio; Overseas Team in place	2011-2015
5	Guide tourism in all its aspects to be sustainable, managed within capacity implications				
		2, 35	Local appreciation of tourism and tourism assets	Continued development of Proud of St Helena campaign; continued support for community-driven tourism focussed projects; Longwood hub within TDP2	ongoing
		22	Ensure Conservation Management Plans undertaken for key heritage sites	Deliver 2 more CMPs; ensure engagement with Lands team; agree CMP policies for existing sites and roll out	2012-2014
		24	Resource development of WHS application	agree development process during 2013; ensure supporting plans (built heritage maintenance, interpretation, etc) in place; obtain political and governmental buy-in; establish target application date	2014-15
		27	Support study and recording of historic marine environment	facilitate working group to establish plan of action; engage with appropriate academic institutions; develop voluntourist opportunities; ensure recompression chamber part of TDP2	2014-2016
		29, 34	Detailed Guidelines for Tourism Development in place	Work with Lands and Infrastructure teams and other stakeholders on relevant plans and supporting documentation	Apr 2012
		30	Ensure tourism is a leader in promoting sustainability across St Helena	ensure public transport review to provide better services; consider whether tourism numbers should be capped; encourage recycling and alternative transport uses	2011 onwards
		31	Minimise implications to island infrastructure	Work with Lands and Infrastructure teams and other stakeholders on relevant plans and supporting documentation; ensure ongoing engagement with potential developers from early process; ensure all documentation makes development guidelines and preferred practices clear	2011