



Fiji: Enhancing COVID-19 Preparedness for Tourism Recovery

Project Name	Enhancing COVID-19 Preparedness for Tourism Recovery				
Project Number	55172-001				
Country / Economy	Fiji				
Project Status	Approved				
Project Type / Modality of Assistance	Grant				
Source of Funding / Amount	<table border="1"><tr><td>Grant 9228-FIJ: Enhancing COVID-19 Preparedness for Tourism Recovery</td><td></td></tr><tr><td>Japan Fund for Prosperous and Resilient Asia and the Pacific</td><td>US\$ 3.00 million</td></tr></table>	Grant 9228-FIJ: Enhancing COVID-19 Preparedness for Tourism Recovery		Japan Fund for Prosperous and Resilient Asia and the Pacific	US\$ 3.00 million
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Japan Fund for Prosperous and Resilient Asia and the Pacific	US\$ 3.00 million				
Strategic Agendas	Environmentally sustainable growth Inclusive economic growth Regional integration				
Drivers of Change	Gender Equity and Mainstreaming Governance and capacity development Partnerships Private sector development				
Sector / Subsector	Public sector management / Economic affairs management				
Gender Equity and Mainstreaming	Some gender elements				
Description	<p>1. Opening the border, rebuilding safe international movement of people and restoring traveler confidence is essential to the resumption of tourism and economic recovery in the Republic of Fiji (Fiji). The Enhancing COVID-19 Preparedness for Tourism Recovery project will strengthen the capacity and readiness of Fiji to safely reopen to tourists and rebuild the country's economy following the coronavirus disease (COVID-19) pandemic. The project will support Nadi International Airport to reopen with COVID-19 measures and deliver a testing facility for tourists and those working in the tourism industry to reduce the risk of transmission and facilitate international travel under the 'new normal'. The border closure has contributed to unprecedented economic contraction, particularly within the tourism industry which saw 2020 revenues decline by 84.4% compared to 2019. The tourism industry's contribution to the gross domestic product (GDP) decreased from 32% in 2019 to just 10.9% in 2020. The project will benefit the 88,200 people employed directly and indirectly in the tourism industry, 25.3% of Fiji's labor force, many of whom are currently on leave without pay or reduced hours. Women working in the tourism industry are mostly employed in unskilled or low-skilled work and have been disproportionately affected by the COVID-19 pandemic compared to men.</p>				

Project Rationale and Linkage to Country/Regional Strategy

2. In response to the COVID-19 pandemic, the Government of Fiji closed their borders on 26 March 2020. During Fiji's first wave of COVID-19, only 18 cases were recorded. In June 2020, Fiji began allowing limited arrivals of returning citizens and residents with mandatory pre-departure testing and government-managed quarantine. After 364 days of no local or community transmission, Fiji's second wave of COVID-19 cases, confirmed to be caused by the Delta variant, began. As of 10 October 2021, Fiji has recorded 51,499 cases, of which 51,429 have been recorded in this current outbreak. Following a peak in July of a 7-day rolling average of 1,330 cases and 14.6 deaths per million population per day, cases, deaths and hospitalizations have declined significantly to 47 cases and 0.8 deaths per million per day. Fiji has benefitted from strong relationships with bilateral donors and other international organizations to address the immediate needs; however, there is a strong need for planning beyond the second wave and investments to enhance economic recovery, particularly in the tourism industry.

3. Fiji's population is about 895,000; nearly 80% of whom live on Viti Levu, Fiji's largest island. Tourism is estimated to have contributed 32% of Fiji's GDP in 2019 (with direct tourism earnings of about \$1.7 billion annually) with most tourists arriving and staying on Viti Levu. In 2019, Fiji received 894,000 tourists, the majority of whom came from Australia (41.0%) and New Zealand (23.0%) followed by the United States of America (10.8%). The closure of the border resulted in a collapse in tourism arrivals and an unprecedented economic contraction of 15.7% of GDP in 2020; GDP is forecast to contract a further 4.1% in 2021 with an expected rebound of 6.2% in 2022 and 8.0% in 2023. It is estimated that 115,000 people, one-third of Fiji's workforce, are newly unemployed or on reduced work hours. More than 250,000 Fijians have accessed unemployment relief payments with the Fiji National Provident Fund making F\$182 million in payments for early withdrawals and the government subsidizing an additional F\$237 million as of August 2021, for unemployment assistance, assistance given to the micro, small and medium enterprises to support more than 5,000 businesses, and cash assistance.

4. Fiji will officially reopen its borders on 1 December 2021 to Fiji's designated 'travel partners' - countries which have achieved widespread vaccination of their populations. As of 10 October 2021, 96.2% of Fijian adults have received their first dose of COVID-19 vaccination and 80.3% are fully vaccinated. Vaccinations began in September for those aged 15 to 17 years. Of the total population, 69.3% and 55.4% have received their first and second doses, respectively. COVID-19 vaccinations are being provided through bilateral donors and the COVID-19 Vaccines Global Access (COVAX) facility.

5. Reopening of Nadi International Airport with COVID-19 measures. Nadi International Airport is the largest airport in Fiji; in 2019, it handled 97% of Fiji's international arrivals, 86% of whom were tourists. In preparation for reopening Fiji's borders, Fiji Airports received technical assistance (TA) from the Asian Development Bank (ADB) to (i) identify high contact points and explore options for physical distancing and separation between passengers, staff, and other airport users, and (ii) assess how security measures may be modified to reduce the risk of transmission of COVID-19 while preserving aviation security objectives. Following the TA, Fiji Airports requested grant financing to implement recommended measures to safely process and transfer passengers in Nadi International Airport through minor works to provide capacity to isolate passengers and procurement of new and additional equipment to reduce the risk of COVID-19 transmission.

6. Enhancing testing capacity for the tourism industry. At a minimum, Fiji will need to be able to provide pre-departure testing for tourists returning home and for passengers transiting to or from other Pacific island countries for which Fiji is the gateway e.g. Tuvalu, Kiribati, Samoa, and Tonga. Compared to 2019 levels, forecasted tourist revenue and arrivals in 2022 will be about 23.6% and 30%, respectively, rebounding in 2023 to 50% and 80%, respectively. Based on these forecasts, nearly 750 tests per day will be required to meet pre-departure testing for tourists alone in 2022 with more testing for those working in the tourism industry and those with on-arrival test requirements. Fiji's national peak testing capacity is about 4 reverse transcription polymerase chain reaction (RT-PCR) tests per 1,000 population, or 3,500 tests per day; the peak test capacity in Nadi and the surrounding area where most tourists arrive and stay is about 1,200 tests per day. Fiji's capacity to test, trace, control treat, and isolate cases will be critical to reduce the impacts on Fiji's already fragile health sector. The Ministry of Health and Medical Services (MHMS) intends to continue widescale community testing at 2.5 tests per 1,000 population, or 2,200 tests per day, and does not currently have the testing capacity to conduct the considerable asymptomatic testing that will be required to support the tourism industry. To ensure testing is available to tourists and workers in the tourism industry and to reduce the strain on the testing in government labs, Fiji Airways in collaboration with the MHMS will establish a COVID-19 testing facility to co-exist with the newly established Fiji Centre for Disease Control (CDC) lab located on the Fiji Airways Aviation Academy property. The tourism-specific testing will offer asymptomatic testing for tourists, workers in the tourism industry and air crew and airport personnel.

7. With Fiji's heavy reliance on the tourism industry, it is imperative that Fiji is prepared for border reopening and is able to support the expected influx of tourists while maintaining COVID-19 protective measures under the 'new normal'. Support for both Fiji Airports and Fiji Airways to enhance Fiji's capacity to reopen borders with COVID-19 measures will be transformational for Fiji's economic recovery.

Impact	Safely reopen Fiji's borders and rebuild its economy (2021-2022 National Budget Address).
Project Outcome	
Description of Outcome	Rebuilding international tourism travel to Fiji.
Progress Toward Outcome	
Implementation Progress	
Description of Project Outputs	COVID-19 measures at Nadi International Airport enhanced Testing capacity for tourism industry increased Testing facility constructed and goods procured.
Status of Implementation Progress (Outputs, Activities, and Issues)	
Geographical Location	Nation-wide
Safeguard Categories	
Environment	B
Involuntary Resettlement	C
Indigenous Peoples	C
Summary of Environmental and Social Aspects	
Environmental Aspects	
Involuntary Resettlement	
Indigenous Peoples	
Stakeholder Communication, Participation, and Consultation	
During Project Design	
During Project Implementation	
Responsible ADB Officer	Guy, Katherine M.
Responsible ADB Department	Pacific Department
Responsible ADB Division	Pacific Subregional Office in Suva, Fiji
Executing Agencies	Ministry of Economy Level 5x Ro Lalabalavu House 370 Victoria Parade Suva, Fiji
Timetable	

Concept Clearance	09 Jul 2021
Fact Finding	01 Oct 2021 to 02 Nov 2021
MRM	11 Feb 2022
Approval	13 Apr 2022
Last Review Mission	-
Last PDS Update	13 Apr 2022

Grant 9228-FIJ

Financing Plan		Grant Utilization			
	Total (Amount in US\$ million)	Date	ADB	Others	Net Percentage
Project Cost	3.27	Cumulative Contract Awards			
ADB	0.00	-	0.00	0.00	%
Counterpart	0.27	Cumulative Disbursements			
Cofinancing	3.00	-	0.00	0.00	%

Project Page	https://www.adb.org/projects/55172-001/main
Request for Information	http://www.adb.org/forms/request-information-form?subject=55172-001
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