

Tourism Master Plan Update

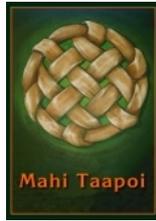
# COOK ISLANDS

# TOURISM

# 2005-15

# A Geotourism Strategy





## **TOURISM MASTER PLAN UPDATE**

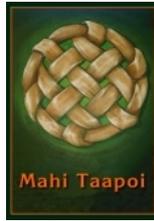
# **COOK ISLANDS TOURISM: 2005-2015 A GEOTOURISM STRATEGY**

**Prepared for the Cook Islands Tourism Corporation**

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**with**

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20<sup>th</sup> March 2006

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Kia Orana Chris

I am pleased to forward the final report of the review of the Tourism Master Plan. The gestation from draft has taken longer than was anticipated but the final version has given due consideration to the feedback on the draft. I am confident that the final version meets the requirement to provide a framework that is aligned with the tourism development principles – that it is *economically viable, socially acceptable, and environmentally sustainable*.

In response to some of the comments in the somewhat limited and partial feedback on the draft I have included some more material on the economics of the geotourist/interactive traveller (with valuable input on the latter from Tourism New Zealand). In terms of the quadruple bottom line this was perhaps the aspect that was least developed as there has been very positive feedback on the social, environmental and cultural implications from nearly everyone with whom geotourism was discussed.

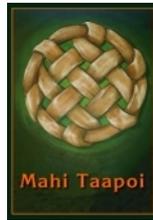
I have also incorporated a prioritisation grid which makes explicit some of the underlying forces which influenced the choice of a geotourism strategy which are worth elaborating. Some of the other comments on the draft I believe arose from the fact that the reviewers did not at the time have access to the appendices which include the full logframe, project profiles, and an indicative budget.

I have retained the brevity and layout of the draft report despite the odd adverse comment. Brevity is important in terms of reaching the wide audience that is essential if the strategy is to work, while the incorporation of large number of pictures is intended to provide clear examples of the various themes of the strategy.

I am aware that the National Geographic Society is interested in exploring ways in which it may be able to assist the implementation of the strategy. I wish you well in this endeavour and thank you for your support and that of your staff during the consultation and preparation of the strategy.

Kia Manuia

Dr Peter  
Managing Director



## EXECUTIVE SUMMARY

Tourism is the most important sector of the Cook Islands economy yet it represents just a trivial part of a large, highly structured, and highly competitive global industry. To succeed, it is simply not enough to be handy to small markets like New Zealand, to be a “safe” destination (if you are long flights from major markets), and to promote the classic fantasy of a South Pacific of blue skies, white beaches, and dusky maidens.

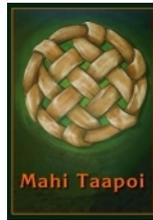
Furthermore, success in tourism cannot be measured just in commercial terms using crude yardsticks like the number of visitors. Tourism affects everyone and everything in the country, to a greater or lesser extent. Because it brings in people from outside with their various demands and their own attitudes, values and ways of doing things, it affects the environment, society and culture.

Tourism has developed in a stop-start manner through the 1990s and 2000s. This has been more due to outside factors, like airline economics (such as the loss of the through route from Frankfurt and London) than anything else. While a range of individuals and businesses have made valuable contributions to developing tourism in the Cook Islands (including such pioneers as Hugh Henry and leading operators like Ewan Smith), the industry is still at the mercy of forces it cannot control.

One of the keys to overall success in tourism development is a clear strategic intent in terms of destination style - quite simply, what type of tourism does the country want? Fifteen years ago the first Master Plan criticized the lack of distinctiveness in what the Cook Islands was offering. The situation has not changed since then, with the Rarotonga (the main face of Cook Islands tourism) developing a middle-of-the-road, rest and recreation style of tourism, with no clear market focus and mundane branding.

If lack of distinctiveness was a problem back in 1991, it is even more so now in a global industry with every country is struggling to differentiate itself, typically with much larger promotional budgets than the Cook Islands. Close neighbour, New Zealand, has realised the value of having a target market and clear positioning. It now has tightly integrated development and marketing strategies to deliver sustainable tourism. All the reasons why New Zealand has focused its approach, including financial constraints and finite resources, are equally relevant in the Cook Islands.

This strategy has a strategic intent that starts with the people and environment of the Cook Islands, not a narrow economic perspective. As such it builds on the goal of the George Ellis-led Aitutaki Tourism Task Force in 1994 of *the development of tourism in a manner that is economically viable, socially acceptable and environmentally sustainable*. It does not, therefore, seek to define targets for numbers of hotel rooms or the carrying capacity of individual islands as the 1991 Master Plan did. These are management issues which can be addressed in a range of ways if the context is right and appropriate mechanisms are put in place. They also need to be dealt with in a systematic way at the individual island level by partnerships between the Island Tourism Organisations and the Island Councils, working within the framework of agreed Island tourism plans.



This broad-ranging approach is essential because of the Cook Islands' dependence on tourism. If the strategy does not work for all Cook Islanders, it will ultimately achieve nothing. As the *materi* says, "*E a'a te mea nui rava atu o teia ao? Ka karanga au e, e tangata, e tangata, e tangata!*" ("What is the most important in the world? I say to you, it is people, it is people, it is people"). In social and economic terms the fundamental question is "*what role will Cook Islanders have in tourism?*" In particular, are indigenous Cook Islanders to be successful owners and managers, just wage workers or perhaps watch what is happening in their country from Australia or New Zealand?

One of the particular challenges is to find a style of tourism that will work throughout the Cook Islands, not just on Rarotonga. Tourism development in the Cook Islands largely equates at the moment to national development. But "rest and recreation" focus on Rarotonga now will simply not work on the outlying islands.

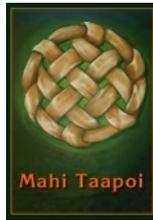
The questions around destination style have been well considered by the Sustainable Tourism Initiative of the National Geographic Society. While simplified, the spectrum between "tourism", "rest and recreation" and "entertainment" destinations usefully shows the slippery slope of unfocused tourism development. The Society advocates instead a form of eco-cultural tourism they call "geotourism". This they define as "*tourism that sustains or enhances the geographical character of a place - its environment, culture, aesthetics, heritage, and the well-being of its residents*".

This strategy takes the National Geographic's definition of geotourism as the starting point and adapts it to local circumstances. It sets the goal as: **to develop tourism that sustains and enhances the well-being of resident Cook Islanders and their environment, society, economy and culture** (a reframing which came about in part through discussions with Sir Geoffrey Henry). Five purposes spell out the goal:

- (1) ensure that resident Cook Islanders benefit from tourism;
- (2) protect and enhance the Cook Islands environment;
- (3) enhance the tourism industry's economic viability;
- (4) protect and enhance the tangible and intangible indigenous culture; and
- (5) implement national and island tourism plans in an efficient, cost-effective, and sustainable manner.

The strategy defines a range of actions needed to meet these purposes. The agenda is large, but so is the task. These actions are summarised in the main report. They are set out in more detail in the Appendices which also includes a Logframe for planning and monitoring. This shows who are the key stakeholders; the indicators used to tell when the action has been achieved; where the information is coming from; and what the action assumes will happen to make it possible. Making the assumptions clear is important because, in some respects, those underpinning the 1991 Master Plan were not robust. A lot of the thinking in the Master Plan was based, for instance, on the completion of the Vaimaanga Hotel and strong government regulation of the industry. Neither of these eventuated.

One of the most important assumptions for this geotourism strategy is that public policy and the public sector is engaged, aligned, committed and resourced. This has not been the case in the past. A concerted approach involving a wide range of stakeholders will be needed to implement the strategy.



During the mid-1990s the Tourism Master Plan Implementation Committee was an effective mechanism for supervising the New Zealand-funded Tourism Master Plan Implementation Assistance Programme. A similar coordinating committee is recommended for the geotourism strategy. This should have wide representation including the Island Tourism Organisations, the Mayoral Forum, and traditional leaders.

In terms of the impact of adopting a geotourism approach, research by National Geographic with the Tourism Industry Association of America and by Tourism New Zealand shows that there is a market for the geotourism destination style. National Geographic, for example, estimates a potential market with strong inclinations towards geotourism of 55 million in the US. A geotourism focus also avoids competing head-to-head with Fiji on price in the R&R resort market (a fight the Cook Islands can't win); playing "me-too" in eco-tourism which the SPTO is promoting across the region; or new, large resort development on islands like Aitutaki.

The geotourism style is broadly compatible with most of the existing accommodation as geotourists/ interactive travellers stay in all types. In New Zealand, 18% of Interactive Traveller visitor nights are spent in backpackers. At the same time more interactive than non-interactive travellers stayed in "Resorts, Luxury Lodges, Retreats". Interactive travellers spent twice as many visitor nights in motels as those classed as "non-interactive". The fact that this type of traveller also tends to be Internet-savvy will also mitigate some of the issues related to the costs of old-style promotions and representation in both wholesale and retail markets.

Adoption of the strategy will also address many of the issues raised in the consultation (the most extensive every undertaken in tourism in the Cook Islands). For example, very few people wanted to see staffing shortfalls in tourism made up by bringing in workers from overseas (with potential social consequences). Most would rather see efforts made to retain and even attract back Cook Islanders. A geotourism approach provides the basis for employing and valuing Cook Islanders in tourism and for long-term economic, social and environmental sustainability.

The geotourism approach also aligns directly with the new environmental initiative embodied in the National Environment Strategic Action Framework. When effectively implemented, many of the measures in the Framework would provide long-term security for a geotourism-based industry.

A geotourism approach for the industry would also address the economic issues related to the high rate of "leakage" of foreign exchange earnings. While it is inevitable that there is a reliance on a fair proportion of imported goods, the "leakage" of tourism revenues is lower for people who stay longer, travel wider, buy local crafts, and consume local foods and beverages.

In conclusion, from an industry perspective, Cook Islands has geotourism resources in abundance. This strategy defines a path for tourism development that will protect and enhance them for the benefit of all Cook Islanders.

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# 1 Introduction

Tourism dominates the economy of the Cook Islands and is the only industry that can currently provide the basis for long term sustainable development. Agricultural exports, a previous mainstay of the economy have declined, as has foreign aid. There are limitations on the extent to which these losses can be substituted by fishing, mariculture, the pearl industry, or offshore banking (though the country is now off OECD (FAFT) Non-Cooperating Countries list). Since the restructuring of the government in the mid-1990s the very simple economies in the Outer Islands have had few commercial options to support their residents and there have been major population losses from most islands. What happens in tourism in the coming years is therefore crucial for the economy as a whole and for each of the islands to a greater or lesser extent.

There has been much talk over the last decade and more about tourism development in the Outer Islands and some been some notable changes. The industry, however, remains largely concentrated on Rarotonga and to a lesser extent Aitutaki. If tourism is to be an instrument of sustainable development beyond these two principal islands then the strategy for its development must be consistent with a national, collective view of tourism resources, not just those

of Rarotonga and Aitutaki. Unless a positive step is made now, the gulf between Rarotonga and Aitutaki on the one hand and the other islands will continue to grow, and the prospects of developing these fragile economies will continue to diminish. Tourism may now feature in the strategic plans for most islands, but in practice the chances of significant development are minimal without a change in the overall direction of tourism development.

In practice, tourism in Cook Islands is at a crossroads. This is nowhere seen better than the choices now before the country on proposed major developments on Rarotonga and Aitutaki. The decisions on these projects will set the pattern for tourism development, and with it the development path for the country, for the foreseeable future.

Approval of the new developments will, to all intents and purposes, commit the industry on Rarotonga and Aitutaki to what the National Geographic Society has called the “rest and recreation” (R&R) style of tourism (see section 3 of this plan). Both projects are of sufficient scale that they will affect the balance of the industry and have a significant impact on their immediate localities. The concerns about these developments cover the full range of po-

tential social, environmental and economic impacts the Society identifies as being typically associated with R&R-style tourism.

In terms of tourism planning, the key issue is that these proposed developments represent a market positioning in which the Cook Islands cannot ultimately be competitive and which ignores its primary resources - its people and their culture.

Rest and recreation-style tourism depends on the **physical** character of a place but not does not generally depend much on its **human** character - its culture and heritage. In this case, the “physical” character is the blue skies, deserted white sand beaches, and palm trees of the classic tropical island experience.

This is typified in the award-winning “*Visit Heaven....*” promotion. In its day it was a brilliant piece of advertising but ultimately what it offers is an illusion. The beach isn’t empty if you go on a boat with 60 other people and the motu are no longer undeveloped once buildings go up to cater for the visitors (what is more, the sand bar turns out to be on Aitutaki when you have booked your stay on Rarotonga!).

The key issue in terms of positioning is that there is little to differentiate the Cook Islands from all the other tropical destinations based on physical characteristics.

Visit Heaven while you're still on Earth.



There are white sandy tropical beaches in countries around the world. What is more, many are easier to get to from major markets than the Cook Islands and have bigger promotional budgets.

Even differentiation on the basis of the mystique of the “South Pacific” only goes so far. Other destinations, particularly Fiji, are much better resourced for R&R-style tourism and have the critical mass that the Cook Islands physically can’t achieve.

The ultimate concern about these proposed developments is their impact on Cook Islands society. The dramatic loss of population following the radical downsizing of the public service in the mid-1990s now means that the tourism industry has started to import workers. The new developments are likely to make this situation worse. Already “*Bula*” rather than “*Kia Orana*” is being heard in some properties.

Further R&R-style development on Rarotonga and Aitutaki will also do little for social and economic development in the Outer Islands. Separated by long distances, with falling populations, skewed age structures, and limited infrastructure, the Outer Islands have even less capability to develop R&R-style tourism or capacity to absorb it. Put bluntly, R&R will not work for the Outer Islands and therefore cannot be the basis of a national strategy.

This new tourism plan defines another path for tourism development based on what the National Geographic Society calls “geotourism” - “*tourism that sustains or enhances the geographical character of a place - its environment, culture, aesthetics, heritage, and the well-being of its residents*”. The path has been identified following the most extensive consultation in the history of tourism in the Cook Islands and careful consideration of the environmental, social and economic issues facing tourism

and the country today.

Because geotourism is grounded in local people, local places, and the local culture, it is relevant throughout the Cook Islands. Development has not proceeded so far yet on Rarotonga to preclude its adoption while outside of Rarotonga and Aitutaki it is in reality the only viable basis for development. While there have been some moves into eco-tourism on Rarotonga, Aitutaki and Atiu the broader base of the geotourism approach provides a better platform for development throughout the islands (especially in light of the modest eco-tourism resources of some islands).

## 1.1 Background

The new Plan is the result of an initiative of the National Tourism Organisation (NTO), the Cook Island Tourism Corporation to review and update of the *Cook Islands Tourism Master Plan (1991)*, along with the *Strategic Guidelines for Tourism Development on Rarotonga (1994)* and *Strategic Tourism Development Plan for Aitutaki (1995)*.

The Brief for the update noted the underlying principles for tourism development in the Cook Islands embodied in these documents call for:

*the development of tourism in a manner that is economically viable, socially acceptable and environmentally sustainable.*

CITC noted that the industry has experienced considerable growth since the late 1990s and development has taken place in a largely deregulated environment. It suggested that there is general recognition that issues of environmental sustainability, economic viability and social acceptability cannot be addressed without proper structures and regulatory procedures being put in place to manage development.

Central to the task was the review of tourism development and its realignment with the three stated underlying principles. The terms of reference indicated that the study should focus on, but not necessarily restrict itself to:

- i) an assessment of the current level of tourism development on Rarotonga and Aitutaki with respect to the carrying capacities of the existing infrastructure;
- ii) future development prospects in terms of critical economic, social, physical and environmental factors with optional development strategies;
- iii) an assessment of development constraints for tourism on each of the islands in the group along with recommendations for sus-



tainable development strategies within the capacities of the island's primary tourism resources;

- iv) a review of the overall Cook Islands tourism product in terms of its international marketability and future positioning;
- v) international and regional aviation trends and their impact on development potential;
- vi) identifying and evaluating special problems areas and issues, which are relevant to the concept of environmentally sustainable tourism development; and
- vii) development of a framework for the operation and management of a tourism development plan to ensure its recommendations are carried out.

CITC stated that it was expected that whilst substantive data and information would be available through desk research, consultation with a broad cross-section of public and private sector interests as well as NGOs via field visits would be necessary.

## 1.2 Project design

This Plan was prepared in two phases. **Phase 1** comprised:

- 1) statistical analysis (tourism, demographic and economic data) and review of reports and background papers;
- 2) consultations with the CITC, tourism industry, government, government departments, NGOs, and the communities in the vaka on Rarotonga;
- 3) visits to all the inhabited Outer Islands (except Nassau, Suwarrow, and Palmerston) to consult with Island Councils and communities, and review status of tourism resources and relevant island economic and social circumstances;
- 4) product analysis reviewing current and emerging product;
- 5) competitor analysis including review of regional tourism trends particularly in terms of



- 6) review of international and regional aviation trends including discussions with Air Rarotonga Air New Zealand and the CEO of CITC;
- 7) analysis of sustainability and preparation of an initial report as a PowerPoint presentation;
- 8) consultation on the first report through meetings with the House of Ariki, Religious Advisory Council, vaka, industry, government departments, and political parties on Rarotonga, members of the industry and villages on Aitutaki and the broadcast (twice) of an hour long television programme, with video tapes for screening in the Outer Islands.

**Phase 2** comprised:

- 9) development of implementation framework;
- 10) development of monitoring system and indicators;
- 11) consultation on the implementation framework through a series of three newsletters; and
- 12) preparation and presentation of the Final Report.

The geotourism strategy was presented to the CITC who adopted it in principle subject to a further round of consultation. At this point Nature intervened in the form of a cyclone. The consultation was delayed and somewhat restricted in input. The contributions were assessed but none

warranted a change in the adoption of a geotourism approach.

## 1.3 Plan development

The review and consultation undertaken in Steps 1-7 identified a range of issues in the current state of tourism and the development path needed to realign tourism with the underlying principles. Tourism on Rarotonga and Aitutaki displays many symptoms of what the National Geographic Society refers to as "destination drift". This reflects the fact that despite the partial implementation of a number of plans, development has been determined by a large number of individual commercial decisions, rather than a collective vision and a plan for tourism.

This led to the conclusion that realignment with the tourism principles was fundamental to the new plan. Furthermore, of the various styles of tourism, these principles are best expressed in the geotourism approach (rather than the more narrowly focused ecotourism or rest and recreation-style).

The idea of basing the new tourism plan on a geotourism approach was favourably received at the many presentations on the results of the consultation. This included presentations to the traditional leaders who affirmed the adoption of an approach grounded in the indigenous Cook Islands culture.

CITC reviewed the presentation and suggested that the draft vision statement be broadened in scope from its original focus on being *the ultimate South Pacific destination for the geotourist/interactive traveller*. A focused target market had been recommended in the draft for various reasons (many directly comparable to those prompting Tourism New Zealand to focus on the “Interactive Traveller”, see page 17). Staff and the Board, however, were concerned that such an approach was too limiting (which has not proven to be the case in New Zealand which has had record growth in recent years).

The new tourism master plan has been developed within the following framework:

- **vision:** to be “the ultimate South Pacific Island experience”;
- the **goal** of tourism planning is to develop tourism in a way that sustains and enhances the well being of resident Cook Islanders and their environment, economy, society, and culture;
- the **destination style** to achieve this will be based on the geotourism approach; and
- the plan is structured to address the **quadruple bottom line** (environment, economy, society, and culture) which is embedded in the definition of geotourism and the principles of tourism planning in the Cook Islands.

## 1.4 Structure of this Report

The rest of the Plan is set out in seven sections:

- **Section 2** takes stock of the current state of tourism and major trends both outside and inside the Cook Islands. A number of the key issues related to environmental management were addressed in the initial report and are not repeated here. Rather, the focus is on issues which inform the choice of development path (the environmental issues, most evident on Rarotonga and Aitutaki, need to be solved regardless);
- **Section 3** deals with two views on emerging tourism markets which are at the core of sustainable tourism development for the Cook Islands. The National Geographic Society calls them “geotourists” while Tourism New Zealand calls them “interactive travellers”. Regardless of the name, the two groups share the same pattern of seeking out experiences that involve interacting with the environment, society and culture of the places they visit. They are specifically interested in the features that are special to a locality, rather than those that can be sampled (and from any industry viewpoint, copied) pretty much anywhere;

- **Sections 4-6** are the heart of the plan defining the goal, purposes, expected results and the actions required to bring them about. It was developed using the Logical Framework Approach. This project tool is widely used in development planning. This approach makes clear ends and means, defines who does what, and spells out how it will be known that the intended purposes and results have been achieved. The choice of actions has been influenced in part by a prioritisation grid analysis. This highlights area with high ability to influence and high impact;
- **Section 7** comments on the development opportunities island by island; and
- **Section 8** draws together the themes developed in the report and revisits the choices now before the country.

This report has been deliberately kept short to present the thinking behind the strategy and the ways it can be delivered succinctly to assist circulation. The previous Master Plan was a substantial document which was not widely circulated. This report is accompanied by a set of appendices which provide more detail on implementation including a full log frame and set of project descriptions.

		Ability to influence	
		Low	High
Impact on industry	High positive	<ul style="list-style-type: none"> <li>Problems (environment, social, political) at competing destinations               <ul style="list-style-type: none"> <li>High level of industry participation in CITC programmes and promotions</li> <li>Appropriate Budget allocation for tourism promotion</li> </ul> </li> <li>Enhanced provision of parks and reserves</li> <li>Valuing of indigenous culture (both contemporary and heritage)</li> </ul>	<ul style="list-style-type: none"> <li>Positioning (as geotourism destination rather than rest and recreation)</li> <li>Promotional strategies (particularly Internet, and strategic partners e.g. National Geographic)               <ul style="list-style-type: none"> <li>Research and development</li> <li>Product quality (through accreditation)</li> <li>Availability of training programmes</li> </ul> </li> </ul>
	High Negative	<ul style="list-style-type: none"> <li>Ownership structure of the industry</li> <li>Lack of alignment of Government (national and Island) government policies and programmes</li> <li>Population loss (particularly from Outer Islands)</li> <li>Threats to environmental quality (Rarotonga and Aitutaki)</li> <li>Inadequate control of land use</li> <li>Inadequate infrastructure</li> <li>Marketing strategies and resources of competing destinations</li> <li>International travel pattern drivers (e.g. value of NZ\$, and fuel costs)</li> <li>Major catastrophes (local e.g. cyclone and international e.g. pandemic, terrorism)</li> </ul>	<ul style="list-style-type: none"> <li>Poor business practice (particularly financial management, marketing and customer relations) in tourism industry               <ul style="list-style-type: none"> <li>Negative public attitudes to tourism</li> <li>Narrowing source markets</li> <li>Benefits of tourism development are narrowly distributed</li> </ul> </li> <li>Low distinctiveness of Cook Islands experience (in particular failure to incorporate Cook Islands' geotourism resources in tourism product)</li> </ul>

Prioritisation grid

# 2 Taking Stock

The goal of tourism planning in the Cook Islands since the George Ellis-led Aitutaki Tourism Task Force in 1994 has to been to generate *“sustainable growth in tourism in a manner that is economically viable, socially acceptable and environmentally sound.”*<sup>1</sup>

The Aitutaki report identified ten barriers to achieving this goal:

- accommodation standards;
- growth limits (in terms of fragile ecosystems);
- constraints on local ownership;
- lack of environmental awareness and protection;
- lack of understanding of the tourism economy;
- lack of motivation;
- threats to cultural integrity;
- need for training/expertise;
- need for enhanced investment vs maintenance; and
- need for enhanced design/aesthetics.

A decade on, and after the most extensive consultation ever undertaken by the tourism sector, it would be fair to say that progress has been made but in many respects, the issues of ten years ago are still with us today.

Two examples illustrate the point. The 1994 report notes in terms of **growth limits** that: *The ecosystem of Aitutaki is fragile and the resource base is limited. Any development, with or without tourism, must be within the capacity of the island to sustain. The planned development for 445 rooms by 1998 would appear to be a level of tourism development which is beyond the sustainable limit of Aitutaki to absorb without causing numerous economic, social, cultural and environmental problems that are detrimental to the interest of both the local community and visitors. This implies*



*that a lower level of development needs to be considered by the people of Aitutaki. If the people of Aitutaki choose a lower limit to tourism development, the community and local entrepreneurs will need to establish controls to regulate the pace and growth of development.*

In 2003 the Aitutaki Tourism Study concluded that: *“the 250 room ceiling set by the Aitutaki Tourism Task Force in 1994 appears to be valid but that some of the issues that the Task Force predicted at that level are already appearing at the current stock of 176. The projection from this study is that if all the rooms currently under construction or associated with the two existing hotels do go ahead, this could rise to 283 by 2005. Issues like training, the impact on the lagoon, and inadequate infrastructure that are already being felt, will be even more pressing by then.”*<sup>2</sup>

Taking a second example, the 1994 Aitutaki report notes in terms of **design/aesthetics** that: *There has been only modest attempts to develop any vestige of Polynesian style or sympathy for the environment. While there are*

*a number of successes, most accommodation would be more in keeping with Mangere (Auckland) rather than a tropical island. Developments which cram as many units as possible onto a property with little sensitivity to the local beauty will reduce the ability of Aitutaki to develop a quality image for tourism.*

While the report was written about Aitutaki, the comments applied and still apply equally well to the other islands in the Cook Islands. There are, for instance, well-known examples of *“developments which cram as many units as possible onto a property with little sensitivity to the local beauty”* (or, indeed, adequate sewerage) on Rarotonga. Few hotels or motels manage to landscape their sites as well as the Pacific Resort properties on Rarotonga and Aitutaki.

<sup>1</sup> Aitutaki Tourism Task Force, (1994), *Strategic Tourism Development Plan For Aitutaki, 1994 to 2000*, 74pp

<sup>2</sup> Phillips, P., and R. Malcolm, (2003), *Aitutaki Tourism Study*, Prepared for the Outer Islands Development Grant Fund Committee, 31pp + Apps

What has changed in the period since the Master Plan was written in 1991 is:

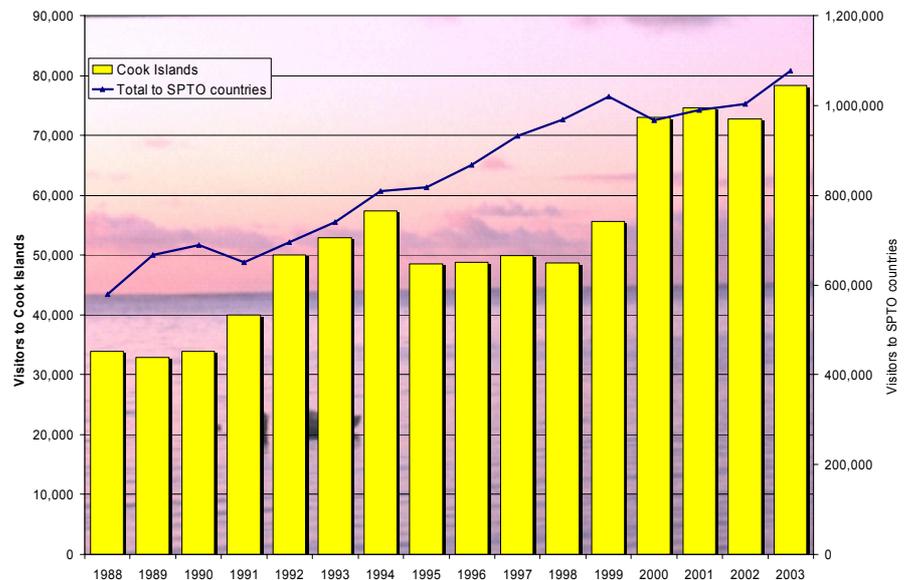
- the scale and the character of the industry;
- the degree of dependence of the Cook Islands' economy on tourism's foreign exchange earnings;
- the loss of population from most of the Outer Islands and the Cook Islands as a whole; and
- the competition from other destinations.

## 2.1 Visitor numbers

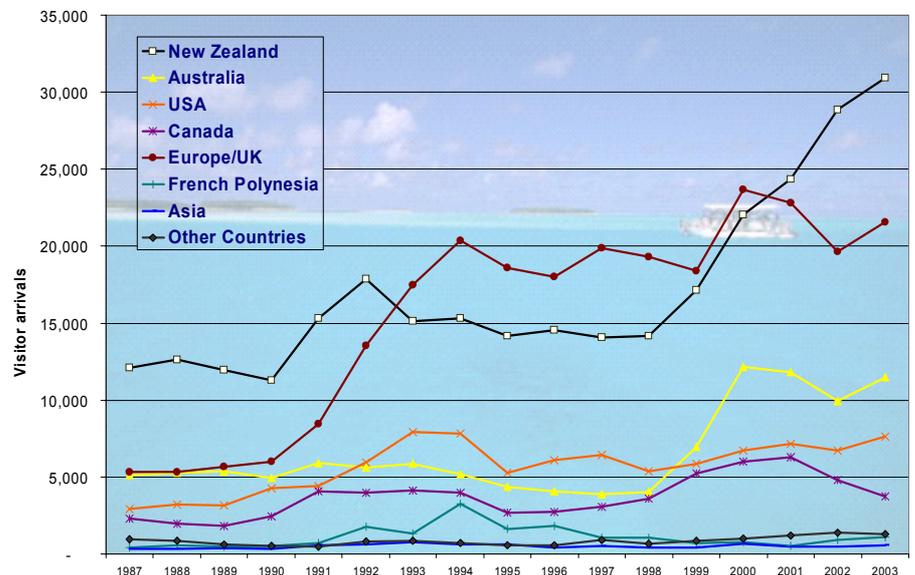
Overall tourism numbers have doubled since 1991. There was an initial burst in the 1991-1994 followed by four years when no growth occurred at all. There was a dramatic surge in 2000 followed by some consolidation. Apart from the dip in the mid-1990s, the Cook Islands have mirrored or exceeded growth rates in the SPTO area as a whole. Both the Cooks Islands (and the wider Southwest Pacific) coped quite well with the effects of SARS and the terrorist incidents in the United States on "9/11" which hit tourism hard elsewhere.

Within this overall pattern of growth there has been a long-term trend towards increasing reliance on the short-haul markets of New Zealand and Australia where much of the growth in the last five years has come from. Between 1998 and 2003 the proportion of visitors from New Zealand alone rose from 30% to 39% while the proportion from Europe and the United Kingdom dropped from 40% to 28%, with numbers of visitors actually falling after 2000.

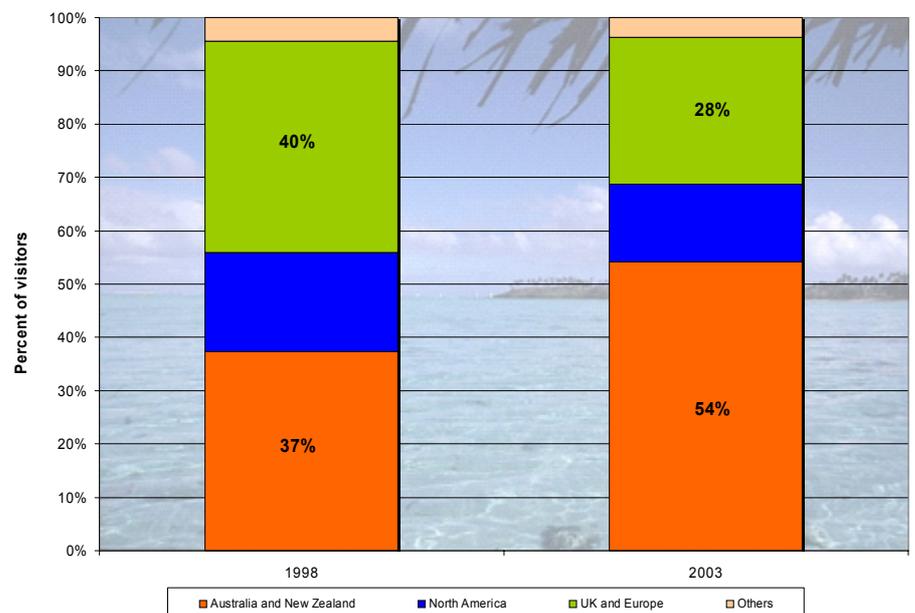
It has been generally accepted (although there is no recent data to confirm this) that the long-haul visitors typically stay in the more expensive accommodation and spend more per head while in the Cook Islands. How this may have changed with the increase in backpacker visitors is uncertain.



Visitor arrivals to the Cooks Islands and SPTO countries (all purposes)



Visitor arrivals to the Cooks Islands by source market (all purposes)



Short and long-haul mix of visitors arrivals to the Cooks Islands (all purposes)

Looking to the wider region, the number of visitors to the SPTO countries increased by two thirds between 1991 and 2003. In global terms tourism in the South Pacific is small with the region receiving less than 0.15 % of world tourist arrivals. The region received 1,076,816 visitors in 2003 (in terms of international tourism the benchmark is set by France which had 75 million international tourist arrivals and an 11% share of worldwide arrivals in 2003).<sup>1</sup>

Within the SPTO region, Fiji has consistently been the market leader over the period since 1991 although its share has been affected by political instability. Without the disruptions of 2000, Fiji could well have reached 500,000 visitors a year by 2003 if growth had followed the long term trend.

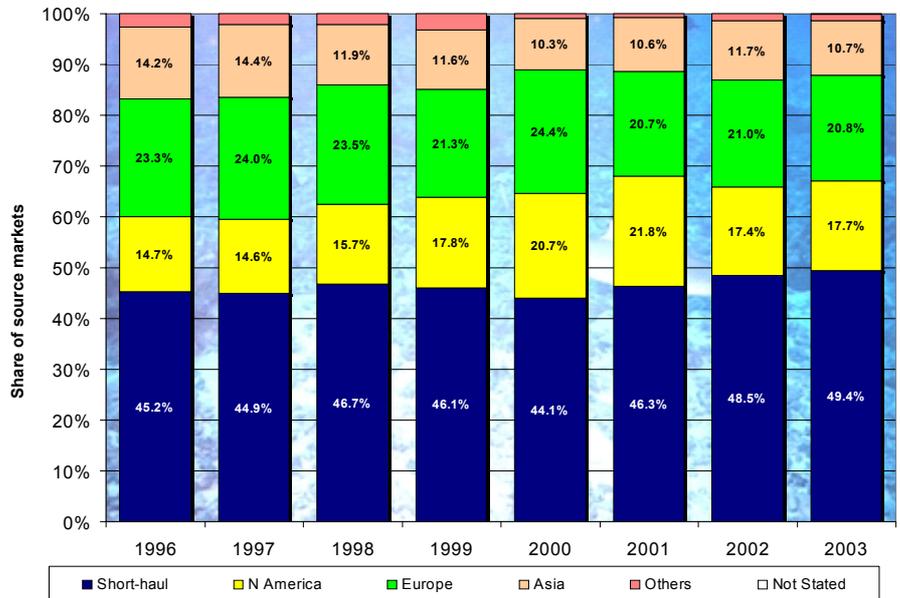
The increasing reliance on the short-haul market for the Cook Islands is also apparent for the SPTO countries as a whole, although the trend is nowhere near as marked. Given the major disruptions that have occurred in international tourism in recent years, it is unclear whether there will be an early return to former levels, especially from Europe.

### 2.1.1 Data issues

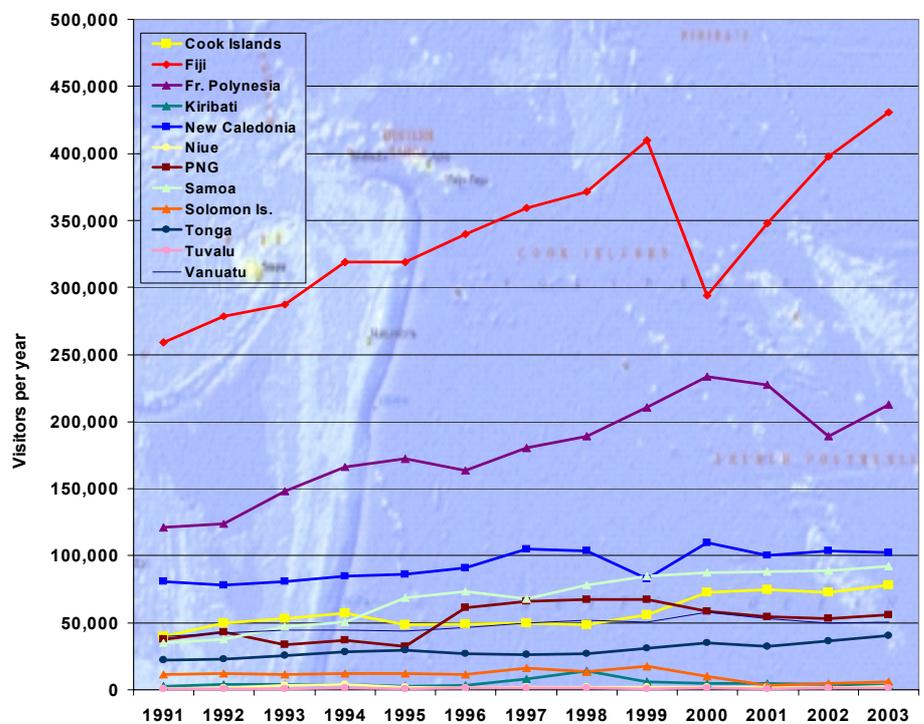
These visitor statistics need to be treated with some caution as the focus on total arrivals obscures some important underlying differences between the performances of various countries.

For example, the proportion of these visitors who were on holiday varies markedly between countries. In the Cook Islands it ranged from 83-87% between 1998 and 2003.<sup>2</sup> Closer to the other end of the spectrum, Samoa reported 88,971 visitors in 2003 but only 27,231 (31%) of them were on holiday.<sup>3</sup> Fiji was closer to the Cook Islands with 77% of its 430,800 visitors in 2003 on holiday.

Fiji's data are also more comparable with the Cook Islands data



Source markets of visitors arrivals to SPTO countries (all purposes)



Visitors arrivals to the SPTO countries (all purposes)

in terms of length of stay with the average for holidaymakers of 8.4 days<sup>4</sup> compared with 9.5 days for the Cook Islands. Both the Cook

Islands and Fiji, however, have lower average length of stay than French Polynesia which was 13.7 days in 2003.<sup>5</sup>

<sup>1</sup> WTO, (2004), Top Tourism Destinations 2003, *World Tourism Barometer*, Vol 2, No. 2, p3

<sup>2</sup> New Zealand, for comparison, had 1,083,686 arriving for holiday/vacation in 2003 out of 2.1 M visitors (51%)

<sup>3</sup> Pacific Regional Information System, [http://www.spc.int/prism/ASP/tour\\_P\\_q.asp?Tour\\_P\\_QuarterOrder=Sorter\\_VFR&Tour\\_P\\_QuarterDir=DESC](http://www.spc.int/prism/ASP/tour_P_q.asp?Tour_P_QuarterOrder=Sorter_VFR&Tour_P_QuarterDir=DESC)

<sup>4</sup> Fiji Bureau of Statistics (2005), *Visitor average length of stay by purpose*, [http://www.spc.int/prism/Country/FJ/stats/Social%20Statistics/social\\_statistics.htm#Migration](http://www.spc.int/prism/Country/FJ/stats/Social%20Statistics/social_statistics.htm#Migration)

<sup>5</sup> Institute de la Statistique de la Polynesie Francaise, (2005), *Durée moyenne de séjour (jours)*, <http://www.ispf.pf/iq30fc55irpyai45y2dkjx55/index.aspx?choix=bref>

## 2.2 Competition

Beyond the vagaries of the data there are some underlying structural issues which may influence the longer term competitiveness of the Cook Islands. These relate to both the market power of existing individual competitors as well as the impact of regional initiatives.

The strongest competition in the region is posed by Fiji which has some significant structural advantages in terms of:

- critical mass of the industry (it plans for a billion dollar turnover in 2007);
- a less dispersed geography;
- more established and more varied tourism infrastructure covering the full range from luxury lodges through middle-of-the-road resorts and hotels to backpackers (and including effective inter-island travel in the Yasawas and Mamanucas);
- a developing national airline and better air links (including a planned fifth flight per week to the US early in 2005); and
- a large labour pool with cheaper wage rates.

It is anticipated that visitor numbers will reach 521,000 in 2005 rising to 557,000 visitors in 2006 and 610,000 visitors in 2007. While Fiji Visitors Bureau has an annual allocation of only F\$13 million, it is estimated that the combined annual value of the marketing campaign by local resorts, hotels, airlines and the Fiji Visitors Bureau is now F\$100million.<sup>1</sup>

It has recently been reported that Vogue magazine named Fiji as one of the most popular tourist destinations in 2004. Vogue apparently ranked Fiji as one of the best alongside Bali and Europe because of its ability to provide travellers with luxurious accommodation at affordable prices.<sup>2</sup> One of the factors in achieving this “affordability” which provides Fiji with a significant competitive advantage is the lower wage rates.<sup>3</sup>



Different challenges are posed by French Polynesia and New Caledonia with their financial support from France. While the former suffered a reverse in 2002, the entry of Air Tahiti Nui has contributed to a revival of its fortunes. A direct link to New York is due to open in July 2005. The Ministry of Tourism is now targeting 300,000 visitors and an expansion to 6000 hotel rooms by 2007. This will be based on association of the French Polynesian brand with quality and authenticity and will utilise the special “*Destination Polynésie*” fund to which the government and principal stakeholders contribute.<sup>4</sup>

New Caledonia on the other hand reached 100,000 visitors in 1997 and then stabilised. It will need some significant initiatives to regain momentum.

While Samoa currently has half the number of holidaymakers as the Cook Islands it could present a significant challenge in the future, in part, in that it is in some respects a more traditional society.

The industry in Samoa shares some similarities with the Cook Islands, with both countries having a limited number of major establishments and several second tier properties (in terms of room numbers) plus many smaller ones. However, Samoa’s National Ecotourism Programme has no direct parallel in the Cook Islands where the focus has largely on the conventional beach/sun/relaxation ex-

perience in Rarotonga and the potential of the “Outer islands” has yet to be fully realised. Rarotonga has the beginnings of eco-tourism and there are emerging operations on Aitutaki and Atiu, but overall the ecotourism potential is under-developed in the Cook Islands.

Paradoxically the potential of using ecotourism as a differentiator for the Cook Islands have been diminished not only by other countries having first-mover advantage<sup>5</sup> but also by the SPTO’s initiative to promote ecotourism across the region through the establishment of a regional Ecotourism Association and improving ecotourism business sustainability as part of the Regional Tourism Strategy.<sup>6</sup>

1 Fiji Times, 09/12/2004

2 Fiji Times, 23/12/2004

3 This is not to imply that the Cook Islands must cut wage rates to compete in this market as this is not the only factor which is in Fiji’s advantage - what it does indicate is that this is a segment which individual properties might compete in but it is unlikely to be effective as a national positioning

4 Ministère de l’Economie et du Tourisme, (1 July 2004), *Le Mot du Ministre*, [www.tourisme.gov.pf](http://www.tourisme.gov.pf)

5 Tahiti Tourism Ministry designated 20 tourist sites for upgrading in 2004 to create “green promenading” places set aside for ecology-minded visitors, SPTO Newsletter, Issue 7, 27/2/04

6 South Pacific Tourism Organisation, (2003), Regional Tourism Strategy for the South and Central Pacific, “Strategy for Growth”, SPTO, 18pp

## 2.3 Industry structure

The development strategy at the heart of the Master Plan 1 involved:

- accommodation to focus on “full service hotels”;
- no significant new tourist development in any location before the year 1994, except for the Sheraton project;
- ‘natural’ increases in properties and new small scale development (up to 10 units) permitted;
- small-mid scale development (12 to 15 rooms) on Manihiki for official/business/traveller-type traffic;
- development of new small-mid scale (i.e. 30-60 rooms) Polynesian-style resorts between 1994 and 2000, in total adding 120 rooms, all on Aitutaki, but no further new development on Rarotonga (apart from the Sheraton) this century; and
- encouragement of tourism development on the outer islands (i.e. except for Rarotonga and Aitutaki) on the basis of ‘for the islands, by the islands, as they want it’.

For various reasons, including the removal of tourism licensing, this strategy has not been followed. The “Sheraton” did not proceed and growth on Rarotonga has combined some of the extension of existing properties anticipated by the Master Plan with the proliferation of smaller properties and the development of house rentals.

The same pattern of small units at the beach has also occurred on Aitutaki. Also on Aitutaki, the Pacific Resort added a new establishment, the resort on Akitua was extended and upgraded along with extensions and additions of other new smaller properties.

While the focus has not been on “full service hotels” as intended, the growth has been more “organic” and easier to absorb than the major step change of a large new resort. It has also meant a

higher level of local participation than might be the case with foreign-funded developments.

The industry is much more complex than it was 13 years ago in terms of the range and sophistication of the services provided. The accreditation scheme now includes:

- accommodation in three classes (hotels/resorts, self-catering, and budget);
- tours/activities;
- restaurants and cafes;
- rental vehicles;
- retail/services;
- taxis; and
- transport/travel agents

The accredited operators already include a number who provide local interpretative and guiding services in the tours/activities category and a sanctuary for the endangered Kakerori on Rarotonga which has a tourism operation - the Takitimu Conservation Area. There is, however, considerable untapped potential for more geotourism services even in the established destinations of Rarotonga and Aitutaki.

## 2.3 Economic impact

The Cook Islands Budget Policy Statement For Financial Year 2003/2004 projected a GDP for 2004/05 of NZ\$212 Million. Based on an estimated 76,616 visitors the Budget Statement projected an income of

NZ\$107 Million from visitor expenditures, or 50% of GDP.

This represents significant growth (in current prices) since the Master Plan was prepared in 1991. Then the Consultants estimated that in 1988 (the latest year for which data were available) gross tourism expenditure was about NZ\$22.7 million. The consultants considered that:

*the minimum contribution of tourism to GDP therefore amounts to approximately 13 percent of the total GDP for 1988 of NZ\$85.5 million. However, taxation should also be included in the impact on GDP which at the maximum would add a further NZ\$11.2 million to retained expenditure. This would imply that tourism contributed at a maximum of 26 percent of GDP. The Consultants have not been able to estimate the extent to which the inclusion of all taxation generated by tourism leads to double counting in the estimation of the contribution of the tourism sector to GDP. Clearly, however, it is likely that the contribution could exceed 20 percent and is clearly a significant economic sector in the Cook Islands.*

The growth from about 20% to 50% of GDP reflected in part the strong growth in tourism-related

<sup>1</sup> RPT Economics Group (1991), *Tourism Master Plan Cook Islands*, Asian Development Bank, Government of the Cook Islands



services. Between 1995 and 2002, the contribution to GDP of Restaurants and Accommodation grew by 180% compared with an average of 55% for the overall economy.

The 2004/05 Budget statement emphasises the importance of tourism stating:

*The economy is almost completely driven by tourism with a correlation statistic between visitor arrivals and GDP of 0.98 where 1.0 is a perfect correlation. Therefore the forecast of tourism arrivals is the single most important factor in determining the accuracy of economic growth in the Cook Islands.*<sup>1</sup>

The 2004/05 Budget includes a projection for 2005/06 of tourism receipts making up 54% of GDP. In this context, the growing reliance on the New Zealand market (page 4) may be of some concern.

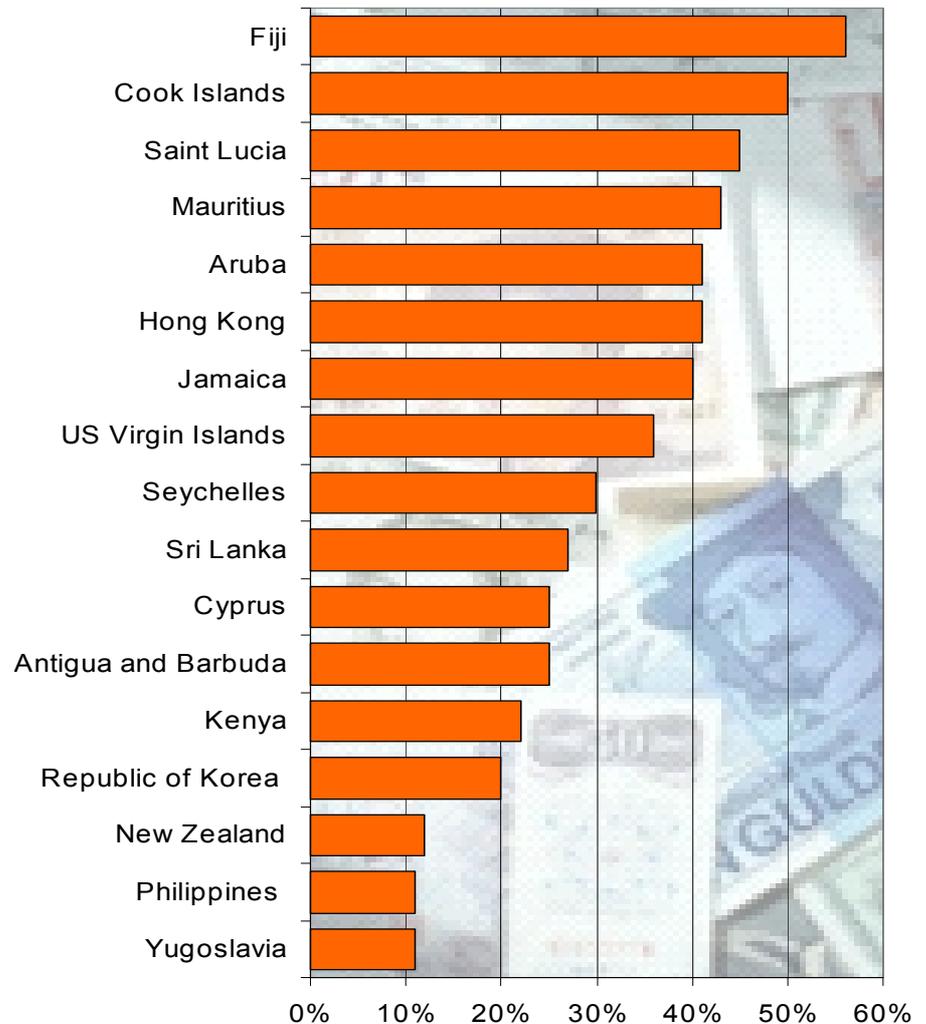
### 2.3.1 Leakage

Revenue from tourism has grown dramatically in recent years with the industry now dominating the economy. But the level of gross earnings only tells part of the story. In fact, the gross earnings from tourism are less important than the net earnings when looking at the direct contribution of tourism to national income. This net income is what is left after taking off all the foreign exchange spending of the tourism industry.

This so-called “leakage” of foreign exchange earnings arises mainly from:

- imports of materials and equipment for construction;
- imports of consumer goods, particularly food and drink;
- repatriation of profits earned by foreign investors;
- overseas promotional expenditures; and
- amortization of external debt incurred in the development of hotels and resorts.

The impact of this leakage varies greatly from country to country depending on their ability to pro-



**Leakage of foreign exchange earnings: Travel and Tourism Analyst No. 3, Economist Intelligence Unit, London, 1992.**

duce the goods and services used by the tourism industry.

The Master Plan consultants estimated that 42 percent of gross tourism expenditure was retained in the Cook Islands, i.e. 58 percent ‘leaked’ overseas. The authors noted that *“While this leakage figure appears high it is typical of small island communities which have a high tendency to import goods and services”*.

A study by *“The Economist”* magazine in 1992 ranked the Cook Islands second of 17 countries in level of leakage with only Fiji having a higher rate (although the Cook Islands figure may not have counted the external debt from what was then called the “Sheraton” project at Vaimaanga). The figure of 50% cited in this 1992 study is lower than that from the Master Plan but of the same order.

There is no up-to-date information about “leakage” of foreign exchange earnings from tourism in the Cook Islands. But there is no reason to believe that the situation has changed much in recent years.

If this is indeed the case, it represents a significant opportunity for tourism to contribute to the wider national benefit by emphasizing locally-produced goods and services. This would help to reduce leakage and boost local production thereby increasing net returns from tourism from any gross level of income. Recent moves in the agriculture sector to grow for the domestic market can be seen to be as positive, especially where they result in import substitution.

<sup>1</sup> Government of the Cook Islands, (2003), *Budget Policy Statement For Financial Year 2003/2004*, 24pp

## 2.4 Development issues

A range of development issues were discussed in the report on the consultation and will not be rehearsed here. Two subjects, however, merit further discussion.

### 2.4.1 Profound public sector influence

The tourism industry is essentially a private sector activity but it is profoundly influenced by public sector policies and programmes. The annual budget allocation to the Tourism Corporation is probably the most obvious. But other departments and agencies have far reaching effects on the quality of the visitor experience.

If the Cook Islands is to realign tourism with the guiding principles of economic, social and environmental sustainability then the public sector must be engaged, aligned, committed and resourced. A number of programmes already under way or under consideration can make a valuable contribution, but more needs to be done in a more effective and focused manner.

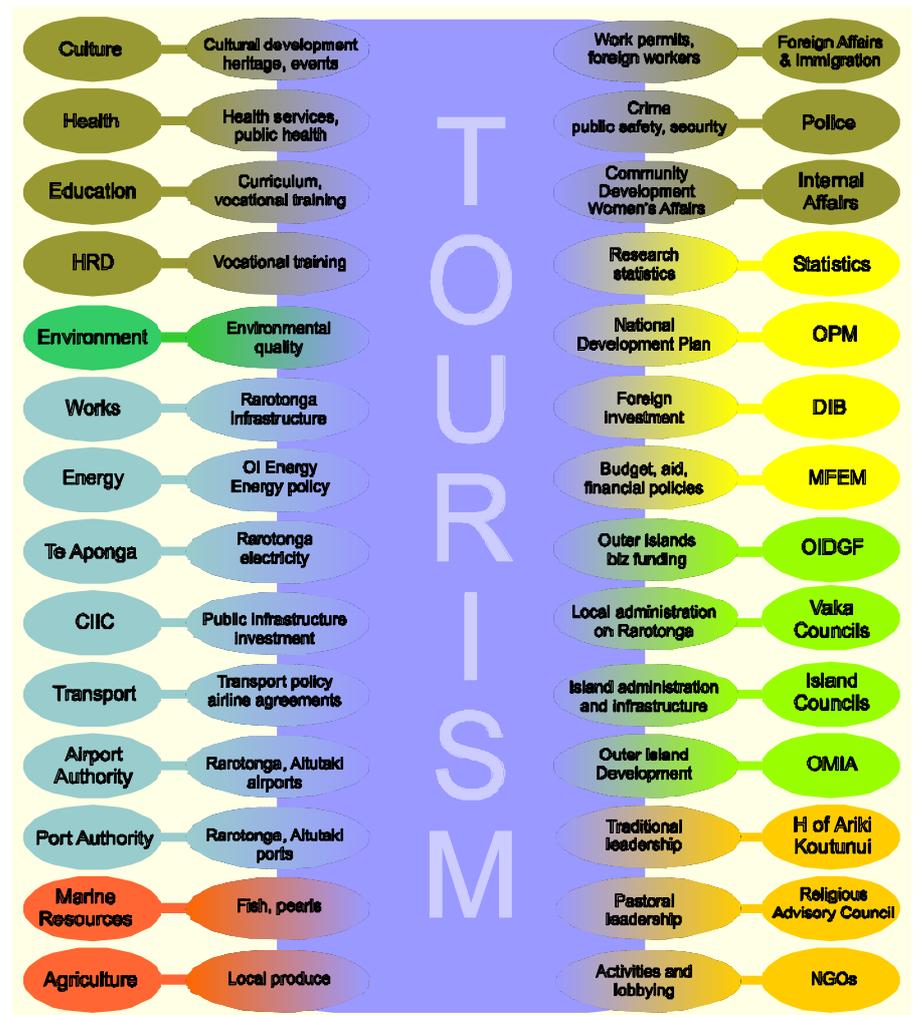
### 2.4.2 People

The people are at the core of the difference between the Cook Islands and other destinations in terms of geotourism. In the front line here are the Ministry of Education, Human Resources Development, and Internal Affairs. Together they cover lifelong education: formal and community-based education and training.

A clear understanding of education and training needs is now required if resident Cook islanders are to prosper in a geotourism-style industry. One outcome may be more emphasis on the skills of guiding and interpretation.

### 2.4.3 Culture

The vitality of the performing arts is unquestioned but other areas of the tangible and intangible



culture need greater protection than they get today. Language and history are clearly vital, just as is the protection of buildings, tracks and other icons. This is an area where a number of departments could all be active including the Ministries of Culture, Works, and Outer Island Affairs as well as island Councils.

### 2.4.4 Infrastructure

Almost all of the utilities are government owned and operated, directly or indirectly. The current deficiencies (especially energy and water) need to be addressed for the benefit of locals and visitors alike. Government also needs to see how it can foster fast Internet access in the Outer Islands given the growing importance of the Internet in tourism marketing and possibility for distance learning and tourism training.

### 2.4.5 Environment

While there has been a dedicated Environment service for many years, environmental issues have arisen for various reasons including the way issues often require collaboration between various levels and agencies of government. The new national environment strategy offers the prospect of better coordination but appropriate resourcing and follow through on mandates and enforcement will remain critical.

### 2.4.6 Outside government

Outside of government, the country's traditional leaders and non-governmental organisations (NGOs) also have a major role to play. The House of Ariki, the Koutunui, and the Religious Advisory Council all exercise authority in parallel to the parliamentary democracy. There are a number of

examples where extremely positive initiatives have been undertaken by these groups. Koutunui, for instance, re-established raui on Rarotonga to protect the lagoon from over-fishing.

## 2.4.7 Internet

One of the most profound changes in the operating environment of the tourism industry since the Master Plan was written has been the development of the World Wide Web.

In 2001 the World Tourism Organisation Business Council predicted that the Internet might account for one in four travel purchase in main markets within five years. In 2004 the Tourism Industry Association of America reported that:

- more than 64 million Americans used the Internet in 2003 to get information on destinations or to check prices or schedules;
- 42.2 million actually booked their travel arrangements online - 8% up on 2002;
- 29% of online bookers made all their travel arrangements online in 2003, vs. 23% in 2002; and
- though the number of online travel planners is flattening out, the number of planners who take the next step and make a booking continues to grow.<sup>1</sup>

This research also showed that 11% of online travellers (or 10 million individuals) claimed to have taken a spontaneous trip that was spurred by an e-mail promotion, discount or offer:

*"I was surprised at the large number of people who say they have registered to receive e-mails or more information from these Web sites, and by the number who said they took a trip they otherwise would not have taken because of an e-mail marketing piece they received. "It seems travel e-mail marketing may be stimulating new travel, rather than travel that would have happened anyway."<sup>2</sup>*

The demographics of visitors to travel sites in the US are also interesting:

Visitors to US Travel Agency Sites by Age December 2003	
18-24 .....	11.3%
25-34 .....	19.1%
35-44 .....	23.6%
45-54 .....	23.5%
55+ .....	22.5%

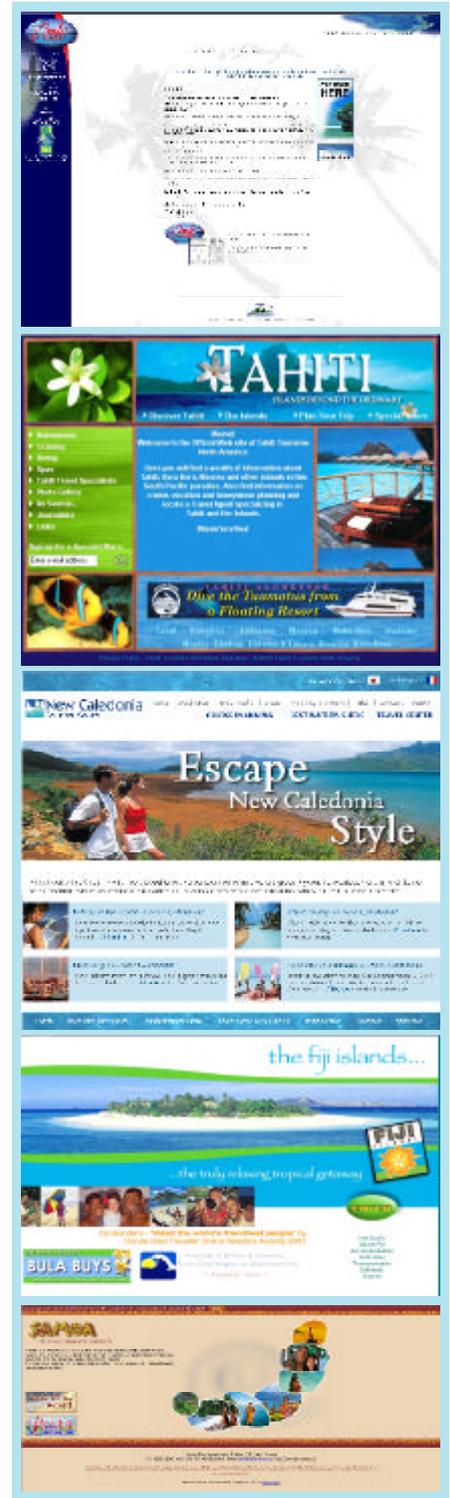
The increase in information searching and booking has been fuelled by the rapid increase in Internet access. By June 2004 23 million households (19.4%) in North America had broadband and a further 53 million (44.4%) had a dial-up connection.<sup>3</sup>

These developments are not restricted to North America. A forecast for Western Europe's on-line travel market suggested it could grow from 0.2 Billion Euros in 1998 to 20.2 Billion Euros in 2006 having already reached 11.2B in 2003.<sup>4</sup>

SPTO has recently noted that: *"there is a continued trend towards direct distribution of the tourism product, which has been further enhanced through the advent of low cost carriers to several Pacific destinations. We predict that this trend will continue, as Pacific operators improve their Internet offering and product distribution to allow consumers to deal directly with them."<sup>5</sup>*

The Cook Islands is currently letting itself down with its website. It has a somewhat bland look and feel and limited functionality. Sites from competing destinations have a range of useful features including:

- look-up for the US for local experts by zip code ;
- extensive links to provide background information which people use in their research;
- brochure requests;
- electronic postcards (helps build database); and
- detailed descriptions of individual islands.



- 1 Robyn Greenspan, (2004), Internet High on Travel Destinations, ClickZ Stats, <http://www.clickz.com/stats/sectors/travel/article.php/3304691>
- 2 Andrea M. Stokes, Tourism Industry Association of America, cited in Greenspan (2004) *op. cit.*
- 3 Ted Schadler, (2004), *Broadband is the energising force of the Internet today*, Forrester Research, 14th July
- 4 C.H. Marcussen (2004), *Trends in European Internet Distribution of Travel and Tourism Services*, Centre for Regional & Tourism Research Denmark
- 5 SPTO Press Release 29/11/2004

## 2.5 Outer Islands

The focus of tourism development has primarily been Rarotonga and to a lesser extent Aitutaki. There has also been modest growth in recent years on Atiu, Mauke and Mangaia. Elsewhere tourism development is isolated with public service travel a sometimes significant source of income.

The Outer Islands share a generic set of issues which need to be addressed in planning tourism development:

- tyranny of distance, particularly to the Northern Group (unlike, for instance, the close proximity of the motu in the Yasawas);
- falling populations which ultimately pose a threat to the social fabric of the islands;
- skills and capacity constraints (one of the consequences of the restructuring of the Public Service was that skilled private sector people left because of the smaller markets for services);
- inadequate infrastructure with electricity supply, fuel, water supply, and solid waste disposal recurrent issues;
- decline in other economic activities reinforcing a negative spiral in the island economies
- under-utilised resources (includes land and buildings) which in some cases are degenerating beyond the point of recovery;
- high cost of imported goods, to individual islands and the Cook Islands as a whole;
- management and budget issues for Island Councils which typically have limited funds for capital development;
- land issues both in terms of the structure of ownership on three islands where loans cannot be secured against the land; and the tendency for other landowners to take an interest when one is making an income of a parcel; and the inability of families to

- agree on what to do with a property that sees them rot away;
- inadequate protection of heritage resources from lack of manpower, inclination or in some cases understanding of their intrinsic and extrinsic value;
- inadequate environmental protection;
- limited access to development capital and the associated perceived threat of “outsiders” with money who have the resources to develop new ventures that the locals do not thereby excluding them from benefiting from the development of their island;
- modest range of rest and recreation tourism resources
- lack of promotion and inadequate packaging; and
- limited knowledge of the tourism industry which is reflected in various ways including:
  - supply-side focus - all too often products and services are developed with little understanding of the market, typically by copying someone else;
  - some poor quality operations which in turn provide poor role models for potential new entrants; and
  - failure to appreciate that visitors experience the whole of an island not just the

tourism sites and that, for example, a poorly-managed landfill is inconsistent with trying to develop ecotourism.

These issues are common in the development of remote islands and do not represent fatal flaws. However, they are a constraint on the pace of development.

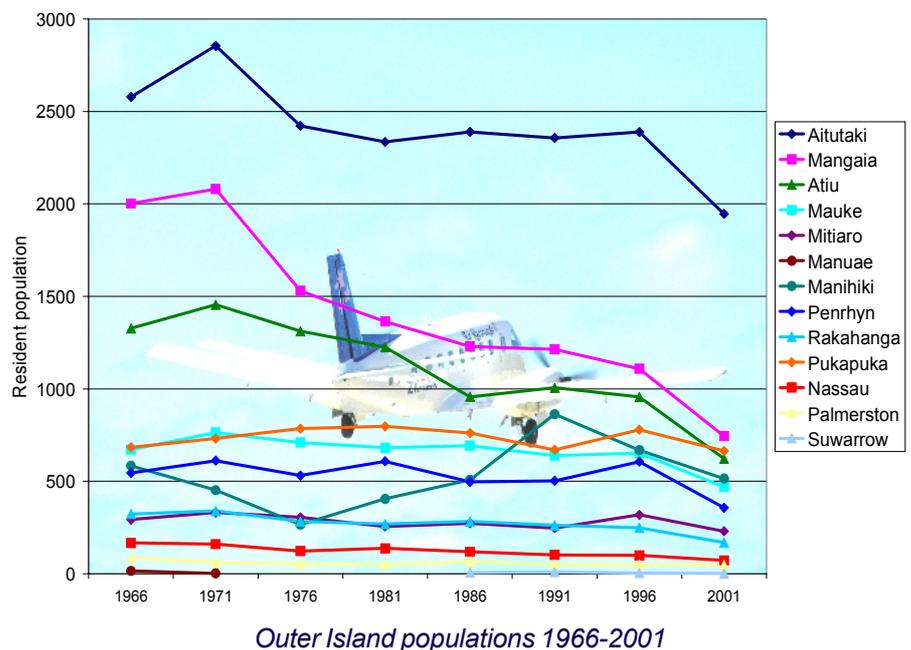
### 2.5.1 Population

A central issue in development planning for the Outer Islands is the marked decline in population in recent years. All of the Outer Islands lost population between 1996 and 2001, some dramatically:

#### Population loss 1996-2001

Penrhyn .....	41%
Atiu .....	35%
Mangaia .....	33%
Rakahanga .....	32%
Mauke .....	28%
Mitiaro .....	28%
Nassau .....	27%
Manihiki .....	23%
Aitutaki .....	19%
Pukapuka .....	15%
Palmerston .....	2%

This is part of a longer term trend with Mangaia now down to 36% of its maximum population and most of the islands with less than 60% of their maxima.



The population changes have resulted in skewed demographic structures which also have development implications.

The dependency ratio is a measure of the percentage of a population who are considered too young or too old to work.<sup>1</sup>

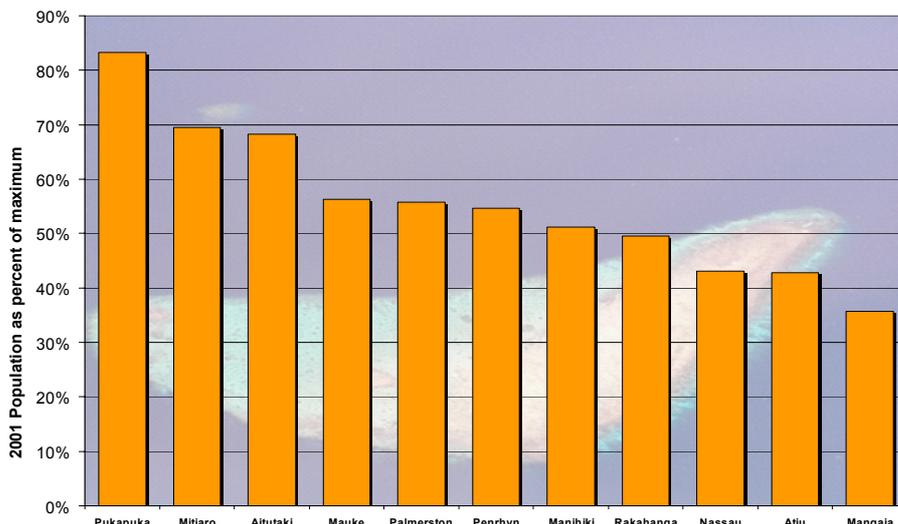
Dependency ratios for four Outer Islands (Nassau, Palmerston, Pukapuka and Mitiaro) exceeded 100% in 2001. Manihiki had the lowest dependency ratio with 56%, but this was still 2% higher than New Zealand's.

Nassau (129%), Pukapuka (96%) and Palmerston (90%) are particularly high in terms of child dependency while Palmerston (38%), Mitiaro (23%), Mangaia (21%) and Atiu (19%) have high, old age dependency ratios.

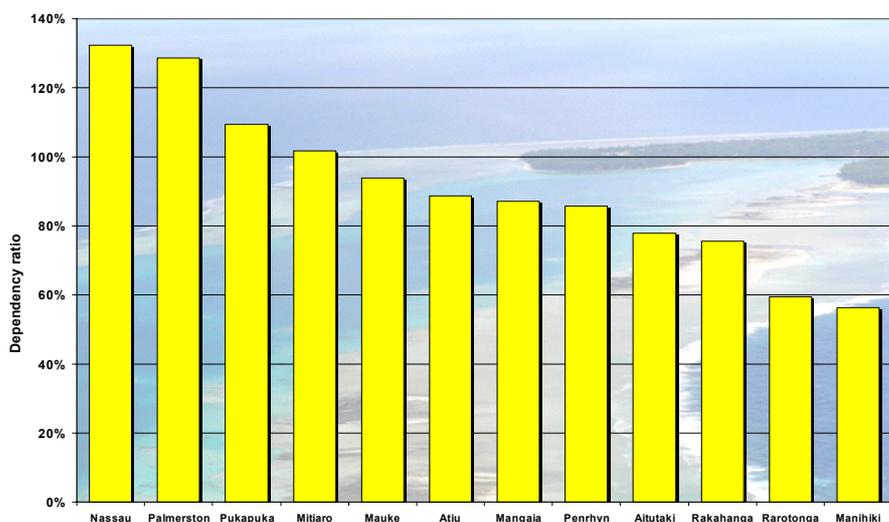
The population structure of the Outer Islands also differs from Rarotonga in terms of gender balance. The ratio of males to females between the ages of 15-64 varied from a high of 141 males to 100 females on Manihiki to a low of 95:100 on Mangaia and Mauke and 96:100 on Rakahanga.

This has implications for the tourism labour force as does the extent to which people are already employed by the government. This ranged from 20% on Manihiki with its pearl industry, to 90% on Pukapuka, Nassau and Rakahanga. The balance between public and private employment would change with new opportunities but there might need to be an inducement to shift from the apparent security of the Public Service.

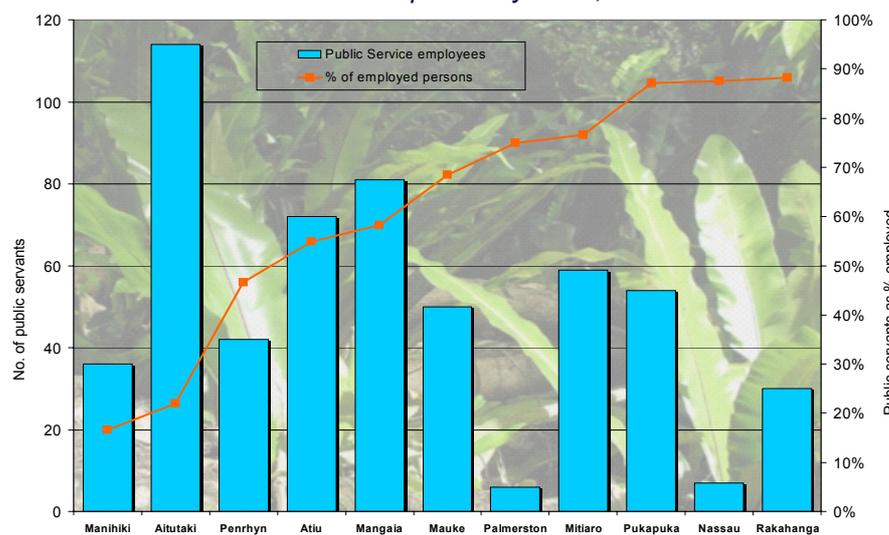
<sup>1</sup> It is calculated by adding the number of individuals aged below 15 and above 64 and dividing the sum by the number of individuals aged 15 to 64.



Outer Island 2001 population as percentage of maximum population



Outer Island dependency ratios, 2001



Public service employment in the Outer Islands, 2001



# 3 Choosing a tourism style

Central to the long term future of tourism in the Cook Islands (and with it in many respects the future of the country) is the style of the destination - essentially how it positions itself.

The National Geographic Society broadly classifies tourism into three destination styles<sup>1</sup>:

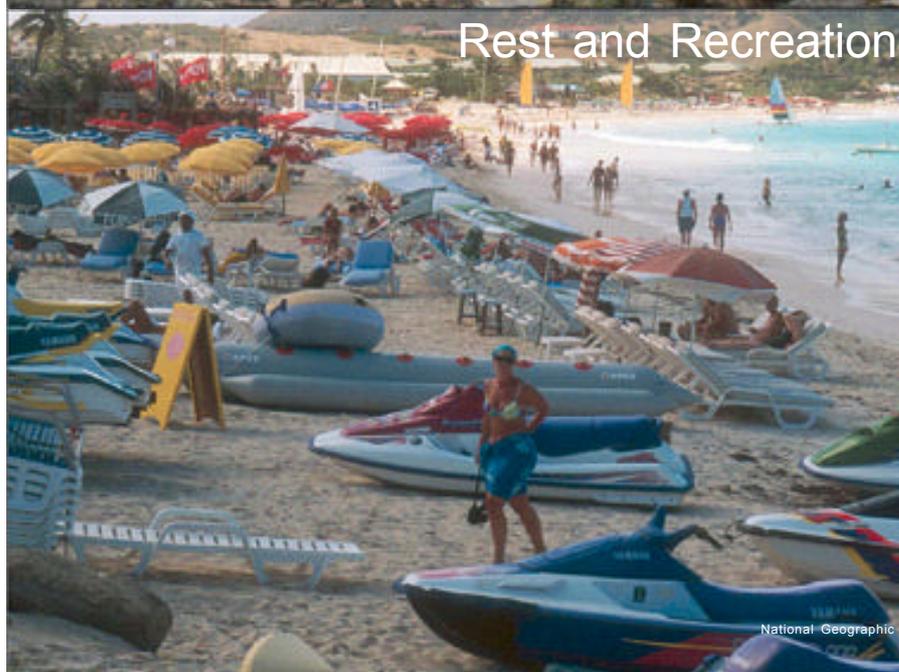
- touring
- rest and recreation, and
- entertainment.

This classification is useful in thinking about where the Cook Islands is currently positioned in the marketplace.

The **touring** style depends on both the human and physical character of a place. It is typified by, but not limited to, the early stages of tourism development before it becomes industrialised. Typical activities include sightseeing, history, hiking, photography, and eating local cuisine.

The tourism style is characterised by diffuse impacts and support for small business. The key characteristic of this destination style is that it requires protection of nature and heritage and needs architecture, landscapes, cuisine, etc., distinctive of the locale. Its based on the particular features of a place that differentiate it from elsewhere. Typically, therefore, it is not just, for example, a beautiful lagoon but the way the local people in relate to this aspect of the environment. There are lots of lagoons - differentiation in large part comes from the elements of local economy, culture, and heritage of human occupation.

The **rest and recreation** style depends on the physical character of a place but does not generally depend much on the human character of a place - human culture or heritage. Activities include



coastal resorts, walking round a golf course (rather than in the bush), downhill skiing (rather than the low tech. cross-country skiing), water sports, and vacation homes. Associated with it are a risk of sprawl, environmental impacts, and opportunities for architecture, landscaping, cuisine, that suit the locale.

The third destination style,

termed **entertainment**, does not depend on the character of a place at all. This style is typified by theme parks, outlet malls, amusement parks, convention centres, sports arenas, and casinos. Entertainment style tourism changes

<sup>1</sup> [www.world-tourism.org/newsroom/conferences/presentations/Jonathan%20Tourtellot\\_pres.pdf](http://www.world-tourism.org/newsroom/conferences/presentations/Jonathan%20Tourtellot_pres.pdf)

the nature of the locale; it is high impact, and a high employment generator (although many jobs are menial). This is mass tourism with high traffic.

The critical lesson that the National Geographic draws from this is that if development is unchecked and unguided, then the destination style will drift from “touring” to “rest and recreation” and towards “entertainment.” This is because the path of development is determined by a large number of individual commercial decisions rather than a collective vision and a plan for tourism.

### 3.1 Geotourism

National Geographic has developed the concept of “geotourism” to connote *“tourism that sustains or enhances the geographical character of a place - its environment, culture, aesthetics, heritage, and the well-being of its residents”*.

Geotourism is therefore wider than the (as yet) better known concept of “ecotourism” as it includes both people and their environment. This is reflected in the range of resources for geotourism:

- flora and fauna;
- heritage;
- scenic places;
- traditional architecture;
- local crafts;
- arts;
- cuisine; and
- dance.

A striking aspect of the work on geotourism is the results of a study the National Geographic did in 2003 with the Tourism Industry Association of America. This identified 55 million people in the US who had travelled in the past three years as prime candidates for geotourism<sup>1</sup>. Clearly geotourism-type experiences are already a major driver for travel, even if most of the travel to date has been domestic in the US.

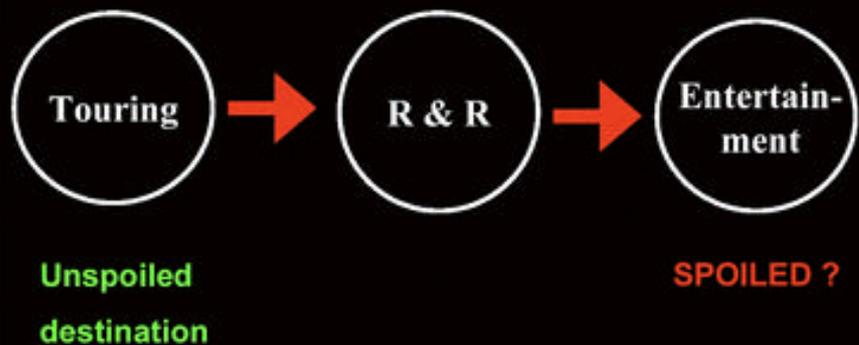
<sup>1</sup> The Executive Summary is available at <http://www.tia.org/survey.pdf>



National Geographic

## DESTINATION STYLE DRIFT ...

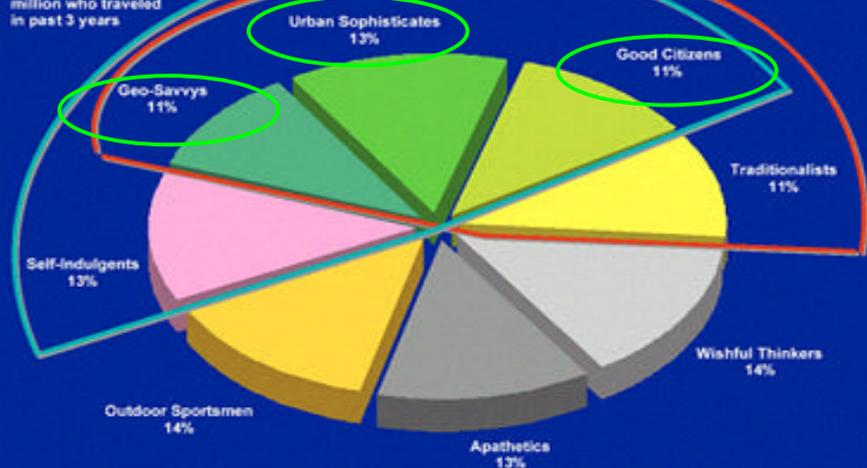
if development unchecked, unguided



National Geographic

### SEGMENT SIZE

Percent of 154 million who traveled in past 3 years



National Geographic, Tourism Industry Association of America

### 3.2 Interactive Travellers

While the National Geographic has been defining the new geotourist, Tourism New Zealand (TNZ) have over the last couple of years been re-focusing their promotions onto a group they call “*interactive travellers*”. This group strongly resemble geotourists as they:

- are regular international travellers
- consume a wide range of tourism products/services
- seek out new experiences that involve interacting with nature, social and cultural environments
- respect the environment, culture/ values of others;
- don't mind planning and booking holidays directly;
- prefer authentic products and experiences;
- are health conscious;
- enjoy outdoor activity;
- are sociable, like to learn and to ‘connect’ with others; and
- have high levels of disposable income.

Market research for TNZ suggests that Interactive Travellers make up a small but significant part of the population. Estimates vary from 5.8% in the USA, through 7.4% in the UK, to 8.9% in Australia (an interesting statistic in the light of new air connections).

Tourism New Zealand focuses its promotion on the Interactive traveller for four reasons:

**1. Financial constraints:** *New Zealand has a limited budget for promotion to would-be visitors. The bigger the target, the further the budget is spread and the less impact it will make. TNZ's marketing will be more effective with a bigger impact with a smaller target.*

**2. Finite resources:** *New Zealand can't increase the amount of natural tourism assets it has. Rather than trying to simply increase the volume of visitors, we need to focus our messages on the people who most appreciate what we have,*



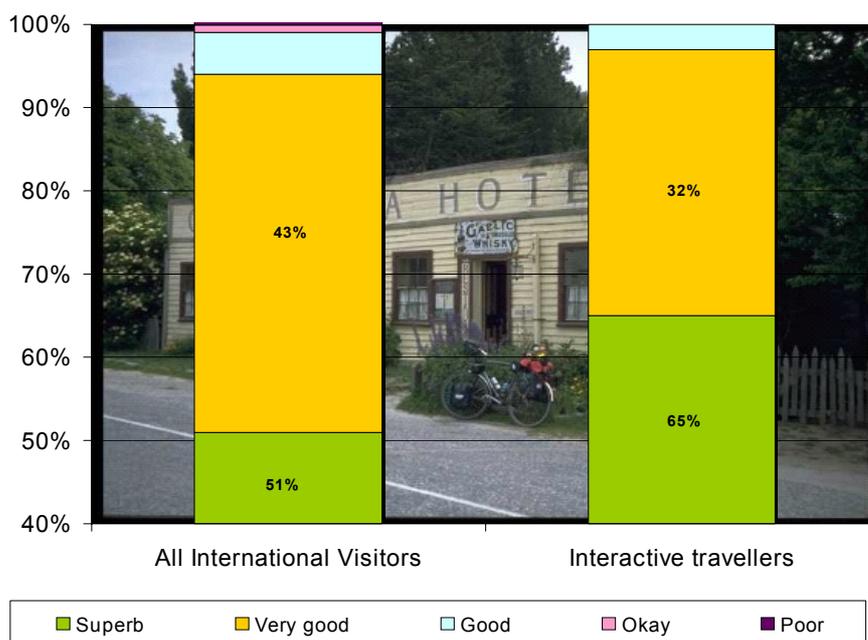
*and can help us to maintain a high quality visitor experience.*

**3. Proposition match:** *As a place to have a holiday, New Zealand is more attractive or relevant to some people than others. It's logical to attract the visitors who have the greatest chance of being highly satisfied.*

**4. Strategy 2010:** *New Zealand has four long term goals for tourism that it believes will be easier to meet if it target markets: (1) provide a world class, sustainable visitor experience, (2) develop a compelling brand; (3) match brand*

*promise and product delivery; and (4) optimise yield, seasonality and regional spread.*

Aotearoa-New Zealand has experienced dramatic growth in recent years. While it is impossible to determine the contribution of the marketing programme to this growth, there is some research which suggests that the strategy is working. Surveys suggest that visitors classified as “interactive travellers” have higher satisfaction with their visit to New Zealand compared with all international visitors (see graph below).



Data source: Tourism New Zealand, (2003), *What New Zealand's Ideal Visitor Wants*, PowerPoint Presentation Roadshow Master, p45

### 3.3 Strategic fit

All of the arguments put forward in New Zealand to target market interactive travellers also apply at least equally in the Cook Islands. For example, the Tourism Corporation has just over \$3 million for all marketing activities (compared with TNZ's \$60 million for brand promotion) and the Cook Islands has 240 km<sup>2</sup> of land compared with New Zealand's 268,680 km<sup>2</sup>.

A range of other characteristics of the Cook Islands contribute to a strategic fit for the Cook Islands with geotourism including the:

- complex (but fragile) ecosystems including lagoon, atoll and high islands;
- rich culture and welcoming people with strong cultural mores of hospitality. Perhaps the hardest to find of the geotourism resources is traditional architecture. Some heritage resources have been destroyed in the recent past such as the Avarua Church cemetery, and the Momoiri Track on Atiu; or damaged such as Kea's grave on Mauke. Some other resources are stressed, such as carving which is threatened by shops selling mass produced imports. Other resources are in good shape, as seen in the vitality of the Maeva Nui celebrations;
- preponderance of boutique and middle-of-the-road accommodation (with notable exceptions), well adapted to the market demand;
- Internet-savvy status of geotourists which makes it possible to reach them relatively inexpensively with a best-practice website and well-managed, Net-based promotions;
- multi-destination opportunities with Aotearoa-New Zealand which is promoting long-haul travel to the South-west Pacific to geotourists.

One of the benefits is the geotourism focus is that it also sorts

out how "quality" is to be defined. The aspiration to appeal to a "quality", and higher yield markets dates back to the 1991 Master Plan. Choosing to focus on geotourism now makes this a more clearly identifiable group than simply people who spend more money *per se*. By targeting people who will value local culture and environment it defines "quality" in terms visitors who will pay for unique local experiences and artefacts. The bonus is that by buying locally produced goods and services, the revenue stays in the country.

#### 3.3.1 Inclusive approach

Geotourism is a positive choice as the focus of the promotion of the Cook Islands which is compatible with much of the smaller-scale R&R development seen to date. The geotourism focus avoids competing head-to-head with Fiji on price in the R&R resort market - a fight it can't win) or playing "me-too" in eco-tourism which is SPTO is promoting across the region.

The geotourism style is suitable for a wide range of accommodation types. In New Zealand, 18% of Interactive Traveller visitor nights are spent in backpackers. At the same time more interactive than non-interactive travellers stayed in "Resorts, Luxury Lodges, Retreats" (95,516 vs. 50,643). Interactive travelers spent twice as many visitor nights in motels (1,765,042 vs. 859,032). Overall, more interactive travellers to New Zealand stayed in commercial accommodation than non-interactive travellers (60% vs. 48%).

One of the implications of geotourism is that Aitutaki and the Outer Islands can develop **without targeting the larger R&R resort market**. Geotourism will allow these islands to develop at a sustainable pace in a manner consistent with local resources and, particularly importantly, in line with their limited access to capital. This opens up the possibility of high lev-



els of local ownership and a significant portion of the benefits staying on the islands.

### 3.3 Economic implications

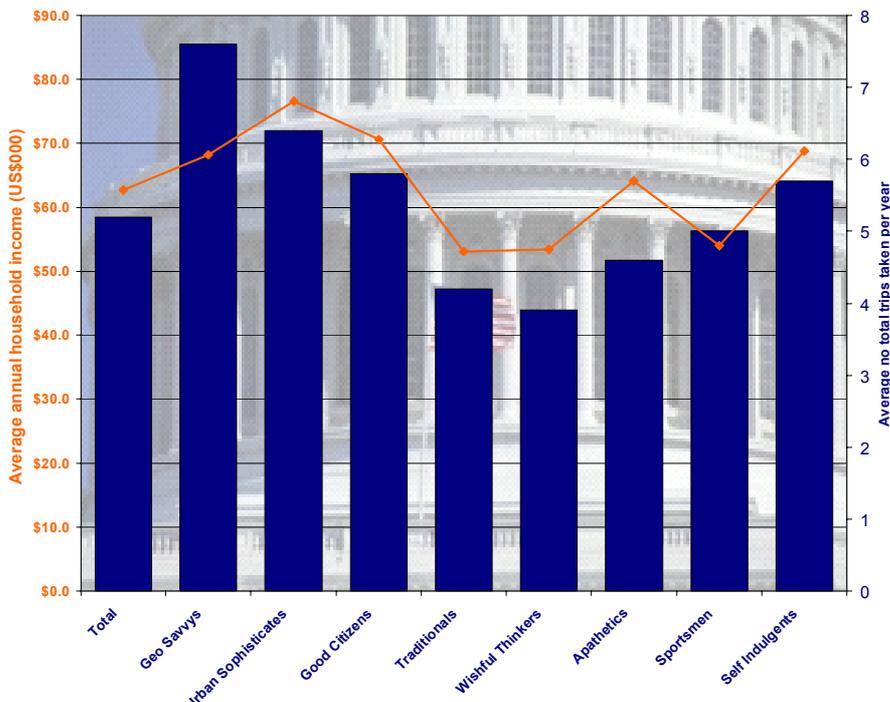
There is a reasonable concern that a change in strategy from R&R to geotourism might in some way put at risk the country's income from tourism. Research by both the National Geographic Traveller with the Tourism Industry Association of America, and by Tourism New Zealand suggests that this concern might well be misplaced.

It has already been noted that data collected in the US study identified a market of 55 million in the US with strong inclinations towards geotourism. The survey showed that the key segments, the "Geo Savvys," "Urban Sophisticates" and "Good Citizens", had above average household incomes and travelled more regularly. The survey also identified another 58 million who constituted a potential market for geotourism.

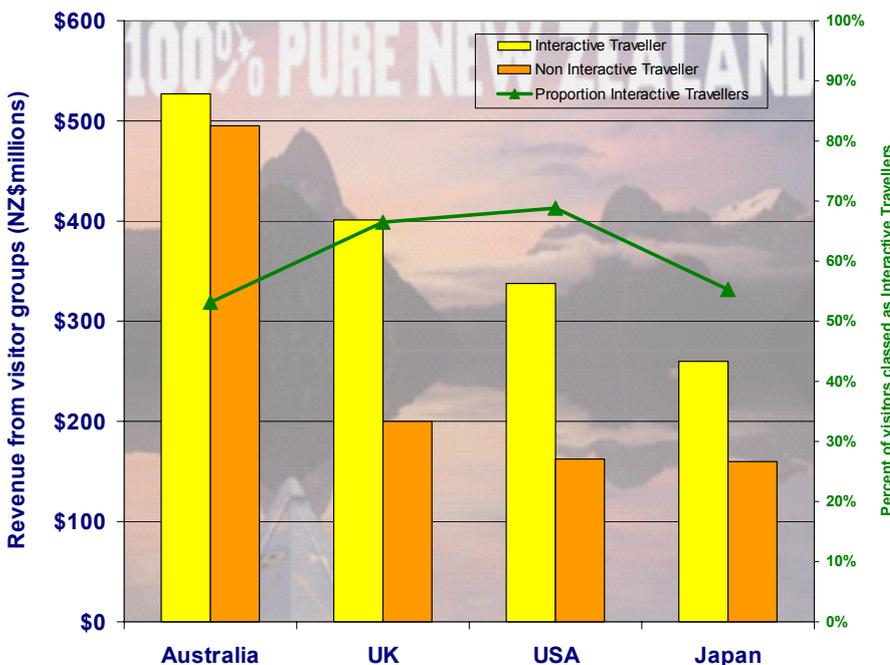
Among these groups, the Geo Savvys comprise:

- 16.3 million adults
- 43 years average age
- US\$68,220 average household income; 38% US\$75K+
- 41% have kids in household
- 74% work full/part-time
- 12% retired
- 24% Older Parents, 16% Young Parents, 14% Working Older Couples, 13% Middle Parents
- average 7.6 past-year trips
- average 5.3 past-year leisure trips
- 58% are past-year business travellers
- 65% are past-year air travellers
- 44% travelled internationally in past 3 years.

Progress in attracting geotourists has already been made in New Zealand (under the guise of "Interactive Travellers"). An analysis of four key markets, Australia, UK, USA and Japan shows that overall Interactive Travellers already make



Travel frequency and household income (NGT/TIAA)



Revenue from Interactive and Non-Interactive Travellers and proportion of visitors classified as Interactive travellers by source market (TNZ)

up 59% of visitors from these four countries. The market share of Interactive travellers varies from 53% for Australia to 69% for the USA. When the spending levels of these visitors is taken into account, Interactive Travellers contribute significantly more than non-Interactive travellers to national tourism revenues (double in the case of both the UK and the USA).

Another significant feature of

the Interactive Traveller is their travel patterns within New Zealand. Almost two thirds of Interactive Travellers (62%) visited secondary regions compared with only 38% of the Non-Interactive Travellers. This results in a spread of spending away from the metropolitan centres into the provinces (much as geotourists can be expected to have a higher propensity of travel to the Outer Islands).

# 4 Structure of the new Plan

The new plan has been developed using the Logical Framework Approach. This is a project planning and management tool widely used in development planning (see panel overleaf). This approach makes clear ends and means and it spells out how it will be known that these ends have been achieved. It also allocates responsibility between three groups for each of the activities in the Plan.

## 4.1 Goal of the Plan

The goal for the new tourism plan is to **develop tourism that sustains and enhances the well-being of resident Cook Islanders and their environment, society, economy and culture.**

The goal reorders National Geographic's definition of geotourism to put the stress on the people while retaining exactly the same intent.<sup>1</sup> This has been done, in part, to reflect the vulnerability of Cook Islanders in their own land. It also recognises that the people are the essential basis for differentiating the Cook Islands from other tropical locations. As the *materi* says, "E a'a te mea nui rava atu o teia ao? Ka karanga au e, e tangata, e tangata, e tangata!"<sup>2</sup>

This focus has echoes of the positioning strategy proposed in the 1991 Tourism Master Plan: "the presentation of the Cook Islands as a uniquely different South Pacific island country using the romance, mystery and adventure of the region as a backdrop setting for the special Cook Islands' features i.e. the people - their Polynesian origins, their dress, music and dance, handicrafts and special skills (e.g. the war canoes being built for the 1992 Pacific Arts Cultural Festival, traditional fishing methods), individual persons of the

*Cook Islands (e.g. traditional leader, politician, dancer of the year, successful tourism manager, tour guide, entertainer, sportsman); .. the lifestyle and general relaxation-inducing ambience - practice of not locking cars or houses, custom of greeting everyone you meet, wearing of eis etc."*

This positioning has not been used consistently over the last 13 years. In some cases the imaging has contained nothing that is distinctively Cook Islands at all, see the front of "The Cooks Appetiser". This has only the generic tropical island features (i.e. those that should be the "backdrop setting") and an imported, glass fibre boat (the *mama* on Mauke working on her *tivaevae* seen in the lower photo is much more typical of the Cook Islands).

In some respects this is disappointing in that the message was re-emphasized in the *Strategic Guidelines for Tourism Development on Rarotonga* in 1995. The *Guidelines* reported research showing that:

"People are interested in discovering new areas and definitely the South Pacific is one of them. It can offer a mixture of sun and beaches, but that is not what is important because we can find that too in the Caribbean and Indian Ocean. For the Europeans, the excitement of this region is to discover different cultures. The kindness of the people here is a big, big advantage. The great attraction of the Pacific Islands is definitely the people."<sup>4</sup>

<sup>1</sup> Geotourism is defined on page 15

<sup>2</sup> "What is the most important in the world? I say to you, it is people, it is people, it is people"

<sup>3</sup> RTP Economics, (1991), *op. cit.*,

<sup>4</sup> Marie Christine Inaudi, cited in *Islands Business Pacific*, August 1995, p.50



## 4.2 Plan purposes

The five **project purposes** of the Plan are designed to achieve this overall goal. These purposes are to:

- 1) **ensure that resident Cook Islanders benefit from tourism**
- 2) **protect and enhance the Cook Islands environment**
- 3) **enhance the tourism industry's economic viability**
- 4) **protect and enhance the tangible and intangible indigenous culture**
- 5) **implement national and island tourism plans in an efficient, cost-effective, and sustainable manner.**

Taken together these objectives cover all three elements (economic, social and environmental) of the 1994 Aitutaki Plan's tourism

goal while following best practice in separating out the cultural dimension - also reflecting its importance in geotourism development.

## 4.3 Implementation

The final purpose of this plan covers the process of implementation. This was not fully addressed in the 1991 Master Plan and led to some delays in implementation. The tourism industry took an important initiative by setting up a Master Plan Implementation Committee. This committee and a Joint Management Group made up representatives of New Zealand Ministry of Foreign Affairs and Trade (the funder) and the Cook Islands Government oversaw an implementation assistance programme that ran from 1994-1998.

## 4.4 Actions

One difference between the logframe used in this project and some others is that the actions have been subdivided into three. This identifies how responsibility for various activities might be allocated.

These three levels distinguish between actions:

- that are the **core business** for the industry;
- to which the industry can **contribute**; and
- that require that **other parties** (particularly government departments) to be engaged, aligned, committed and resourced.

Splitting the activity cells this way reflects the range of stakeholders in tourism development.

## Introduction to the logframe

A **Logframe** is a matrix containing 16 main cells in which information is entered detailing the project.

Reading *down* the logframe (the vertical logic) sets out what the project will do in increasing detail from overall goal through to specific activities:

- **Overall Goal:** the broad aim to which the project will contribute, its importance to society and how it fits into wider policies;
- **Project Purpose:** the specific objectives to be achieved;

- **Expected Results:** the results of the activities undertaken in the project;
- **Actions:** the specific activities to be undertaken to achieve the results.

Reading *across* the logframe (the horizontal logic) spells out how you will know when something has been achieved:

- **Intervention Logic:** the reasons why a project is being carried out;
- **Objectively Verifiable Indicators:** measures of success of the project;

- **Sources of Verification:** the sources of information used to assess the success of the project.

The final column, containing the **Assumptions**, sets out the external factors that are crucial for the project's success but which are outside of the projects' control. Some assumptions need to be made about things that can have profound effects. One fundamental assumption is that a major cyclone will not hit Rarotonga and disrupt the implementation of the Plan.

	Intervention Logic	Objectively verifiable indicators	Sources of verification	Assumptions
Overall Goal				
Project Purpose				
Expected Results				
Activities				

# 5 Purposes and Results

The following sections address the vertical logic of the logframe working down the first column from the goal through the purposes to the results and the activities.

The results for each of the five purposes are discussed in turn setting out some of the thinking that has led to their inclusion in the new Master Plan.

## 5.1 Purpose 1

The first purpose is to ensure that resident Cook islanders benefit from tourism. A range of impediments to this were identified during the consultation. The results reflect what it would look like when these are overcome.

The first of the results, **1.1**, recognises that there needs to be a Cook Islands face to Cook Islands

tourism, and that the culture can best be expressed by the locals.

While there may be short-term labour shortages which prompt the industry to import workers, doing so changes the nature of the product and service. Being greeted by “*Bula*” rather than “*Kia Orana*” is a tiny though powerful symptom of the threat that such expedients pose to the potential for geotourism in the Cook Islands.

Result **1.2** is also at a relatively high level - it is about ownership of the industry by resident Cook islanders through business development. Whether this is starting from scratch with a new business, or taking over a major establishment, it is the same underlying theme of Cook Islanders not simply being wage workers in the

main industry in their own country.

**1.3** recognises that tourism is, in practice, a complex international business which requires a range of skills and knowledge to be competitive in the international marketplace and deliver excellence in customer satisfaction. Furthermore, geotourism requires a fresh look at the required skills and understandings from the conventional wisdom of “rest and recreation” style development in the Cook Islands to date.

Result **1.4** recognises that collective initiatives are required in some cases to provide a platform for the involvement in tourism of individuals and small businesses. Three such initiatives from the NZODA-funded implementation assistance programme are

## 1 Ensure that resident Cook Islanders benefit from tourism

### EXPECTED RESULTS

- 1.1 The tourism industry is staffed almost exclusively by resident Cook Islanders
- 1.2 Resident Cook Islanders participate directly in tourism through business development
- 1.3 Resident Cook Islanders have the skills and knowledge needed to prosper in a geotourism style industry
- 1.4 Community tourism projects are undertaken which produce tangible benefits for all three Rarotonga vaka and all Outer Island communities
- 1.5 Resident Cook Islanders understand and value the tourism industry
- 1.6 The tourism industry acknowledges and respects the values of island communities in development initiatives



Punanga Nui on Rarotonga, the Orongo Centre on Aitutaki, and the craft market on Mauke.

Before downsizing of the Public Service in the mid-1990s a government job combined (apparent) security with respectability. In some quarters, tourism was not perceived as a long term career. Now, tourism-related jobs are becoming one of a small range of employment opportunities. Result **1.5** recognises that it is essential that tourism's value and role is un-

derstood and appreciated by everyone - from a school leaver thinking about a career to the Cabinet when it allocates funds for tourism development and promotion.

The final result in this set, **1.6**, lies at the heart of geotourism development. While island communities welcomed the prospect of tourism during the consultation, they wanted to ensure that it does not change them in the process by valuing money over people. Sunday observance is a case in point,

but this is symptomatic of deeper concerns.

The core issues relate to the pace, scale and style of development. They are relevant throughout the Cook Islands in terms of both absorptive and carrying capacity, but are of particular concern in the islands with little tourism development. If the pace or scale of development get out of hand, as they would even on Aitutaki with another large hotel, they will destroy the islands as we know them.

## 2 PROTECT AND ENHANCE THE COOK ISLANDS ENVIRONMENT

### EXPECTED RESULTS

**2.1 Tourism industry operates in an environmentally sustainable manner**

**2.2 Environmental quality is protected and enhanced to support a geotourism approach**

**2.3 Outstanding natural resources are protected and public access is secured**

### 5.2 Purpose 2

Environmental quality is one of the key underpinnings of geotourism development. Purpose 2 aims to protect and enhance the Cook Islands environment. This is a task in which the industry can play a role but also one which involves a range of government agencies and the population of the Cook Islands at large.

It has been recognised for some time that there are number of respects in which the general level of legislation and regulation in the Cooks Islands does not include some of the mechanisms to achieve good environmental outcomes found elsewhere and that these problems may be compounded by lack of enforcement of some of the controls that exist.

Result **2.1**, that the tourism industry operates in an environmentally sustainable manner, is something that can be done irrespective of issues that might be arising elsewhere in the public and private sectors. There are many aspects of development including site coverage of buildings, proximity to the

beach, adequacy of sewage treatment, recycling, use of low impact detergents, energy efficiency, water efficiency etc., on which the industry as a whole can take a lead (rather than just a number of isolated examples).

Result **2.2** recognises that while there is much the tourism industry can do, it can't solve all the environmental issues on its own, yet environmental quality is essential if the geotourism approach is to succeed in the Cook Islands.

The third environmental outcome, **2.3**, is that outstanding natural resources are protected and public access to these is secured. In the past there have been various proposals to privately develop premium resources like Suwarrow and Manuae to the detriment of the resource and access. Access to other premium resources, like the rainforest highlands of Rarotonga, also needs to be secured for both locals and visitors.



### 3 ENHANCE THE TOURISM INDUSTRY'S ECONOMIC VIABILITY

#### EXPECTED RESULTS

- 3.1 The Cook Islands are effectively marketed as a geotourism destination
- 3.2 Air services are enhanced in terms of connections and frequency
- 3.3 An extended range of geotourism products
- 3.4 Continuous improvement in quality of services and hospitality offered to visitors
- 3.5 High local content in purchases made by the tourism industry
- 3.6 Visitor safety and security is maintained
- 3.7 Disaster management and recovery planning addresses the full range of credible risks
- 3.8 Infrastructure on each of the islands meets the needs of the tourism industry
- 3.9 Tourism industry makes effective use of Information Technology
- 3.10 Research supports the on-going development of the industry

#### 5.3 Purpose 3

Economic viability of individual businesses and the industry as a whole lies at the core of the long term future of tourism in the Cook Islands. At the strategic level, the focus on geotourism is to position the industry in a market niche in which it has a strong chance of success. At the tactical level, the expected results for Purpose 3 cover a range of outcomes that are the economic keys to achieving that success.

One of the challenges is to market the Cook Islands effectively as a geotourism destination, **3.1**. Repositioning is not a trivial task and is one that goes beyond conventional promotional strategies.

Central to industry viability is the ability for visitors to get here conveniently, even if they are from long-haul markets. While there are a few cruise ships now visiting the Cook Islands which could in future make a useful contribution to the industry, enhanced air services are central to long term success of the industry, **3.2**. This is true in terms of long-haul, regional, and domestic services. All three face issues of scale which puts some limits on services, though the adaptability of the small domestic fleet shows the potential of innovative thinking.

Once the visitors are here, more geotourism products will be

required to inform and entertain them, **3.3**. There is a small but growing number of such products. The trend to bigger boats on the Aitutaki lagoon (in the R&R mould) is also leaving gaps for smaller operators capable of interpreting the lagoon and reef.

The on-going improvement of service quality presents one of the biggest philosophical challenges faced by the industry, **3.4**. The move from licensing to the voluntary accreditation scheme has been a success, even if the scheme has not been developed to its full potential.

The problem is that there are only limited sanctions against delinquent operators. Furthermore, the prime sanction available of accreditation being removed has not been applied rigorously enough. There have also been gaps between the accreditation scheme and basic regulations, such as the building codes, which have allowed inappropriate developments. The fundamental issue is whether it is necessary to return to some form of regulation (which affects all operators) to address the inadequacies of a few.

Beyond this there are opportunities now to build on the accreditation scheme so that operators are better informed and the high performers are appropriately acknowledged.



The growth of commercial fishing in Cook Islands waters in recent years has made a small but useful contribution towards achieving higher local content in the purchases of the tourism industry, **3.5**. Some of the opportunities lie in working with local suppliers to make sure that the right products are available. In other cases it may be better to make a small change to the design of a tourism product so that a local item can be used rather than an imported one. Swapping locally-grown salad vegetables for imported cabbages on the Aitutaki cruise boats would be another small but useful step.

The Cook Islands is a safe destination. The importance of ensuring that visitor safety and security is maintained, **3.6**, is apparent in the impact of troubles in other places. There does not need to be significant loss of life as with Bali for the effects to be quite dra-

matic - witness the 28% drop in visitor arrivals to Fiji after the coup in 2000. In the Cooks the main concern is petty theft, from and in some cases by, visitors.

Natural or man-made disasters tend to have a low profile, in part because the implications are too difficult to contemplate. It is important, however, that disaster management and recovery planning addresses the full range of credible risks, **3.7**. This is especially the case in terms of cyclone damage (for which some businesses cannot get insurance).

A geotourism focus will in some ways reduce the pressure on infrastructure development because it is less resource intensive than the R&R and entertainment style tourism. That said, infrastructure on each of the islands must still meet the needs of the tourism industry, Result **3.8**. Such crucial infrastructure includes airports and

telecommunications as in these cases the industry needs cannot be met by alternative technologies. Also vital is good health care.

A key issue is that infrastructure must meet customer expectations. While lower service levels for electricity might be tolerable on a remote Outer Island, tourism on Rarotonga and Aitutaki has now developed with the expectation of continuous supply within a narrow voltage range. It is also important that while meeting the needs of the tourism industry, the interests of the locals are not neglected. The state of water supplies on a number of islands, particularly Aitutaki and Atiu have been cause for concern for a number of years.

There are also opportunities to make a virtue of infrastructure development in terms of supporting and enhancing the geotourism promotion. The promotional benefits should be factored in when con-



sidering the economics of investments such as the wind turbine on Mangaia and solar power on other islands.

The Internet information revolution of the last decade and the development of web-based commerce makes it essential that the tourism industry makes effective use of Information Technology, Result 3.9. Building this capacity will go some way to combating the problems of the distance from market, difficult connections and expense of overseas promotions for the Cook Islands in general and the Outer Islands in particular.

At the same time there are still opportunities to improve business efficiency by computerisation which eases access to professional advice.

Result 3.10 directly targets the key issue of information without which no business or industry can hope to succeed. While Statis-

tics and CITC do a useful job with limited resources, the industry as a whole has very few collective information resources.

The biggest gaps lie in market research both in terms of understanding market dynamics, and understanding the visitors. The information gathered via the arrivals cards is extremely limited in profiling visitors unlike the more extensive form they replaced which also included an exit survey of visitor satisfaction.

The yardstick of tourism success, the number of visitor arrivals, is clearly inadequate. Its replacement with a wider basis of measurement of success is long overdue.

Measures such as gross turnover, used to describe industry performance, can also be deceptive if not matched with an understanding of the leakage of foreign exchange earnings.



## 4 PROTECT AND ENHANCE THE TANGIBLE AND INTANGIBLE INDIGENOUS CULTURE

### EXPECTED RESULTS

4.1 Culture and heritage are appreciated for their intrinsic value

4.2 Arts and culture are a key element in the geotourism promotion of the Cook Islands

4.3 Cultural activities employ a larger number of people and boost GDP and export earnings

### 5.4 Purpose 4

The key result in the cultural sphere is 4.1, that culture and heritage are appreciated for their intrinsic value. Without this the cultural and heritage resources central to geotourism will continue to be lost or damaged. Ultimately protection of the culture in tangible (artefacts, buildings, tracks, etc.) and intangible (language, dance, stories, etc.) forms depends on the individuals and communities. If they don't appreciate the importance of what is uniquely Cook Islands, there is no platform for any financial gain from geotourism.

As part of the shift to a geotourism focus, Result 4.2, arts and cul-

ture will assume a much higher profile in international promotions. This will work for all the islands not just Rarotonga, although one of the first opportunities is to continue to grow the Maeva Nui festivities with more follow-up activities.

Greater attention to arts and culture can also be a platform for more employment in the creative industries, Result 4.3. This is now a key platform for economic growth in many post-industrial economies, such as the UK where it they generated estimated revenues of £112.5 billion in 2001.<sup>1</sup>

<sup>1</sup> Department of Culture Media and Sport, (2001), *Creative Industries Mapping Document*, London



## 5 IMPLEMENT NATIONAL AND ISLAND TOURISM PLANS IN AN EFFICIENT, COST-EFFECTIVE, AND SUSTAINABLE MANNER

### EXPECTED RESULTS

- 5.1 National geotourism strategy is implemented
- 5.2 Island tourism strategies are implemented
- 5.3 Planning environment, island plans, legislation and regulation are aligned with geotourism approach
- 5.4 Tourism organisations at the national and island levels are appropriately resourced to promote the destination and support the development of the tourism industry

### 5.5 Purpose 5

The final set of outcomes relate to the implementation of tourism planning at the national and island levels, Results 5.1, and 5.2.

After a delay of three years implementation of parts of the 1991 Master Plan was managed by a joint government-industry committee (see section 4.3).

Achieving the effective implementation of the national and island plans requires some form of cross-sectorial supervision as well as a public service that is engaged, aligned, committed and resourced. This supervision will be required in part to avoid silo thinking and patch protection.

Co-ordination will also be necessary to address the gaps in legislation and regulation which allow inappropriate tourism development, Result 5.3. While the industry could be regulated to improve performance, some of these like health, building, and sewage disposal are relevant to the wider community and should only be addressed on an industry-specific level as a last resort.

Result 5.4 seeks appropriate resourcing for national and island tourism organisations to promote the destination and support the development of the tourism industry. In 2003/04 the CITC budget appropriation was \$3.3 Million. It was anticipated that in that year that gross tourism income would be \$106.5 Million. While this does not account for industry investment in

promotion, there must be serious questions as to how long this level of benefit vs. cost can be maintained against strong competition.

Clearly, implementation of elements of this Plan will require significant additional resources. It will similarly require careful scrutiny of tourism development budgets including POBOCs to ensure that they are aligned with the Plan.

Between 1994 and 1998 \$3.3 million of aid funding from New Zealand specifically targeted at tourism assisted with the implementation of parts of the 1991 Master Plan. Since these funds were redirected at the behest of the Cook Islands Government, the volume of visitors has increased by more than a half but there has been no external funding supporting tourism development.

Recognising its growing significance to the economy, tourism development is now part of the strategic plans of almost all the Outer Islands. If the situation is difficult at the national level, at the island level it is even more difficult. In practice, Island Councils typically do have neither the operating budget nor the expertise to deliver on the aspirations set out in their own strategic plans.

The emergence of local tourism industry groups on a number of islands including Aitutaki and Atiu in some cases can provide inputs of experience and expertise (although this is far from guaranteed even on islands with modest tourism development). But neither they nor the Councils currently have much in the way of resources for new initiatives.



# 6 Actions

The following sections set out the actions required to deliver the goal, purposes and results set for the new tourism plan. There are a series of panels which are headed by the intended result with the actions set out below.

These are colour coded as follows. Those:

that are the **core business** for the tourism industry to which the industry can **contribute**

that require **other parties** (particularly government departments) to be engaged, aligned, committed and resourced.

## 6.1 Purpose 1

There are a number of businesses in the Cook Islands who actively pursue their own policy of employing resident and returning Cook Islanders and providing recognition, attractive wages/salaries and benefits packages, and career paths. These companies recognise the value of a committed workforce and look for ways to reward their staff. These go beyond remuneration (even though some pay regionally-competitive salaries and wages) to include a range of benefits such as transfers to Auckland in the case of medical emergencies, and discount purchases.

The first action, **1.1.1**, is designed to foster this approach across the industry to ensure that a geotourism approach can, in practice be delivered.

One way in which the Cook Islands content of the labour force can be maintained or increased is through recruitment of Cook Islanders with tourism and hospitality skills, **1.1.2**. While there have been previous unsuccessful attempts to encourage people back, a new industry policy targeting the issues that encourage people to leave or not to come back (**1.1.1**) might assist.

The actions **1.1.3-5** are essential institutional changes to complement the industry's initiatives. The latter recognise that there may be a case for foreign workers in

**1.1 The tourism industry is staffed almost exclusively by resident Cook Islanders**

**1.1.1 Develop an industry employment policy committed to employing resident and returning Cook Islanders and providing recognition, attractive wages/salaries and benefits packages, and career paths**

**1.1.2 Develop an international promotion to attract Cook Islanders with tourism/hospitality skills to return**

**1.1.3 Minimise number and duration of stay of permits issued for foreign workers in tourism**

**1.1.4 Require localisation plan as part of any approval of foreign worker**

**1.1.5 Implement financial performance bond for localisation plans**



some instances, but plans are required for localisation of these positions within a specified time, **1.1.4**, and most importantly, there is some measure of sanction against non-performance, **1.1.5**.

Four actions, **1.2.1-4**, are designed to facilitate the participation of resident Cook Islanders in tourism through business ownership. The first two require an upgrading of the services currently provided by SBEC designed after a product development needs analysis of all operators and community groups involved in tourism has been undertaken. The revision of the OIDGF scheme, **1.2.3**, could well be a joint venture between CITC, TIC, MFEM, and OMIA. It needs to be carefully scrutinised how assistance can be provided to Outer Island communities- an element of the current scheme that has not reached its potential. Action **1.2.4** would meet the desires of some Outer islanders in particular to see some restraints on newcomers with capital developing limited local resources at the expense of locals.

Tourism training has a solid platform with the HTTC and there is also some hospitality and tourism training in the schools. Both of these areas need to be reviewed in conjunction with HRD, **1.3.5**, and the Ministry of Education, **1.3.6** respectively. The latter also needs to contribute to a wider review of the school curriculum both in academic and vocational terms as it relates to geotourism, **1.3.7**. This relates in particular to the greater emphasis on Cook Islands culture and heritage and developing craft and interpretation-related skills and capabilities for geotourism.

With these enhanced training programmes in place, efforts should be made to ensure gender equality in training and mentoring, **1.3.2**. There should also be encouragement, perhaps through a scholarship programme for management training so that Cook Islanders can progress into senior positions, **1.3.3**. It is also essential that training programmes are delivered regularly in the Outer Islands, **1.3.4**, which have great geotourism potential.

- 1.2 Resident Cook Islanders participate directly in tourism through business development**
  - 1.2.1 Develop an enhanced small business assistance programme focusing on geotourism, based on training and product development needs analysis of all operators and community groups involved in tourism**
  - 1.2.2 Prepare a tourism development kit of business tools, methods, templates and resources for operators and communities including feasibility study format and base data**
  - 1.2.3 Revise Outer Island Development Grant Fund Scheme to facilitate geotourism business development and community tourism projects**
  - 1.2.4 Revise DIB investment rules in tourism to foster local ownership of all aspects of the tourism industry including two year residency qualification prior to participation in the industry**
- 1.3 Resident Cook Islanders have the skills and knowledge needed to prosper in a geotourism style industry**
  - 1.3.1 Revise HTTC training programmes to reflect priorities of geotourism development and the need for enhanced productivity**
  - 1.3.2 Promote gender equality through training policies and support programmes for business women**
  - 1.3.3 Extend management training opportunities both locally and at overseas institutions**
  - 1.3.4 Deliver regular tourism and hospitality training in the Outer Islands**
  - 1.3.5 Undertake needs analysis for staff tourism training**
  - 1.3.6 Review school tourism curriculum**
  - 1.3.7 Review school curriculum to assess contribution of both academic and vocational training to geotourism focus especially in relation to culture, history, hospitality, and interpretation with a strong Cook Islands focus**



The new Plan envisages a much extended role for the NTO in terms of tourism development.

The NZODA-funded assistance programme showed the value of community tourism projects, **1.4.1**. There is significant potential for their development on each island, such as the revival of the homestay programme on Mitiaro and new community-run accommodation on Pukapuka.

Another NZODA-funded programme successfully implemented by local counterpart Rairi Rairi was the “Kia Orana” tourism awareness programme. It included a successful series of television programmes which provide an effective way to reach people. This could also be usefully revived, **1.5.1**, given the new direction in tourism development and the absence of any similar programme for some years.

Aligned with this industry awareness programme is an enhanced careers promotion package for schools, **1.5.2**. It is essential that school leavers have a good understanding of the industry and how it can be a starting point to for a variety of different careers.

Action **1.5.3** recognises that landowners will participate in some developments through their landholding and seeks to ensure that they are aware of the full range of issues when negotiating leases.

The “Kia Orana” programme has the general population as its primary audience. There also needs to be a specific information programme targeting existing and intending tourism businesses covering the philosophy and methods of geotourism development and particularly the significance of local customs, practices and values, **1.6.1**. This needs to be conducted around all the islands and then be available for new entrants into tourism so that there is a thorough appreciation of the geotourism approach that lies at the heart of this new Plan.



**1.4 Community tourism projects are undertaken which produce tangible benefits for the three Rarotonga vaka and all the Outer Island communities**

**1.4.1 Facilitate design and development of community tourism projects on each island (CITC)**

**1.5 Resident Cook Islanders understand and value the tourism industry**

**1.5.1 Revive and extend “Kia Orana” tourism industry awareness programme**

**1.5.2 Develop enhanced tourism career promotion package for schools**

**1.5.3 Develop information package to assist landowners to prepare appropriate terms and conditions where land is leased for tourism purposes**

**1.6 The tourism industry acknowledges and respects the values of island communities in development initiatives**

**1.6.1 Implement information programme for existing and intending tourism businesses on geotourism development, particularly the significance of local customs, practices and values**



## 6.2 Purpose 2

One of the most rigorous ways in which the industry can ensure that it operates in an environmental sustainable manner is to adopt an internationally recognised accreditation scheme such as Green Globe 21, **2.1.1**. Implementation can be facilitated in a number of ways, Actions **2.1.2-4**, to enable the industry to achieve the required standards as quickly as possible, rather than each business re-inventing the wheel in terms of the local implementation of an international scheme. This work needs to be part of a better specified mandate for the NTO in tourism development.

Such is the situation in the Cook Islands, particularly the pace of development on Rarotonga, that there will be instances where some properties do not, and probably cannot be remodelled in the short-term to fit with environmentally and culturally appropriate design standards. Recognition that these properties are working towards compliance will be important.

Activity **2.1.5** is a significant step moving away from the simplistic measurement of industry performance in terms of visitor arrivals and gross earnings.

All of the actions on Result **2.2** fall under the responsibility of government agencies including Environment, Health, Works and the Police. The idea of establishing a more comprehensive regulatory environment for development planning and environmental protection, **2.2.1**, has been talked about for years but nothing has come of it. Nonetheless some restraints are still necessary, even if they conflict with the widely held view that Cook Islanders can do anything they like with their land, with little or no regard for wider consequences.

At present the issues are primarily limited to Rarotonga and Aitutaki where there is more pres-

### 2.1 Tourism industry operates in an environmentally sustainable manner

**2.1.1 Adopt internationally recognised environmental accreditation scheme for use in the Cook Islands**

**2.1.2 Develop templates for environmental policies for tourism businesses and community tourism ventures**

**2.1.3 Provide practical assistance to operators to implement environmentally responsible business operations as part of environmental accreditation including use of alternative sources of energy, conserving energy (including electricity and liquid fuels), applying water conservation and recycling techniques, minimizing production of solid waste material, and eliminating the use of detergents containing phosphorous compounds**

**2.1.4 Adopt environmentally-and culturally responsible design standards and guidelines for the industry on land development and building location and construction (especially vis-à-vis protection of native flora and fauna and hazard areas, particularly in the coastal zone)**

**2.1.5 Establish industry-wide reporting on environmental outputs and outcomes**

### 2.2 Environmental quality is protected and enhanced to support a geotourism approach

**2.2.1 Develop enforceable mechanisms to control land use including: protection of the inland areas; coastal protection (both in terms of building within 30m of HWM and the construction of structures); hazard zone management; vegetation protection; landscape standards; hill-side development standards; sign standards; wetland protection; off-street parking; and residential performance standards**

**2.2.2 Vehicle noise and emission standards are reviewed, amended as appropriate, and enforced**

**2.2.3 Introduce regulation to graduate motor vehicle taxes by engine size**

**2.2.4 Ban the import of jetskis**

**2.2.5 Enforce appropriate sewage treatment and discharge standards**

**2.2.6 Develop assistance programme to enhance the quality of domestic sewage treatment**

sure for development. Atiu and perhaps Mangaia could be the next in line, although most likely in relation to individual properties rather than general development.

Actions **2.2.2-3** relate to the impact on the environment of petrol and diesel engines and the protection of an appropriate ambience for geotourism (as well as the quality of life for local residents). Traffic

noise has now reach unpleasant levels with the growth in the number of cars, trucks, trikes, and bikes, and the lack of adequate mufflers on some vehicles.

The introduction of a graduated motor vehicle tax based on engine size, **2.2.3**, will leave people the choice to buy the larger vehicles that some want, but recognise the resource demands of large en-

gines operating inefficiently on short trips and their greater impact upon the roads.

The pattern of land ownership in the Cook Islands means that there is very little land held in public ownership for conservation or recreation purposes. A transfer of ownership is not needed to provide long-term protection as this can be put in place by a range of mechanisms including the purchase of easements, promotion of covenants, etc.. What is needed is that outstanding natural resources are protected and public access is secured, **2.3.1-4**. Some of the groundwork required, such as that for a Cloud Zone National Park on Rarotonga, has already been done some years ago under the NZODA-funded implementation assistance programme.

The proposal for a National Biodiversity Centre, **2.3.5**, is part of a suite of measures designed to extend the information available about the natural environment and promote environmentally responsible visitation, **2.3.6-7**. Such a centre would build on the fine work done by the Cook Islands Natural Heritage Project. It would also provide a platform for government and non-governmental agencies and a new visitor attraction aligned with the geotourism approach.

### 6.3 Purpose 3

The ten result areas for Purpose 3 which focus on the economic viability of the tourism industry comprises 51 actions.

The first set, **3.1.1-6** relate to the effective marketing of the Cook Islands as a geotourism destination. This repositioning has significant implications for the way that the Cook Islands are branded and imaged, **3.1.1**. The positioning and imaging has an "R&R" orientation, even with the inclusion of some aspects of the indigenous culture. While this may be consistent with the increasingly cosmopolitan at-



#### **2.3 Outstanding natural resources are protected and public access is secured**

**2.3.1 Develop a network of national parks and reserves including a Rarotonga Cloud Zone Park, Manuae, Suwarrow, and Takutea**

**2.3.2 Secure public access to the beaches and lagoons by the establishment of reserves and access points at prime locations**

**2.3.3 Protect traditional access ways to beaches in particular easements between properties**

**2.3.4 Secure the rights of public access to the inland tracks**

**2.3.5 Develop a national biodiversity centre**

**2.3.6 Prepare an environmental code of conduct for promotion through CIRC website and distribution to visitors**

**2.3.7 Prepare detailed information about ecotourism sites (similar to Rarotonga mountain tracks book), including codes of conduct pertaining to specific natural sites**

mosphere in Rarotonga, it does little to differentiate the Cook Islands from other destinations or to promote most of the islands.

There are a number of actions elsewhere in the Plan which provide some of the "content" for the promotion of the Cook Islands' geotourism focus. The development of a network of national parks and reserves, 2.3.1, is a case in point. The inauguration of the park system and then the opening of each major park provides newsworthy events for general as well as specialist media.

The development of a new,

best-practice website **3.1.2**, is a recognition of the importance of a good web presence for the target market, as well as other holiday-makers. It will also provide the platform for a range of other initiatives, including the promotion of repeat visits, **3.1.6**, (in conjunction with enhanced visitor research).

Increased effectiveness in the use of the Internet and the new positioning will not negate the role of overseas representation in the marketing strategy but it will need to be reviewed to ensure that it is properly aligned with the next direction and methods, **3.1.3**.



The development of an integrated approach to overseas promotions and events by the industry and culture groups, **3.1.4**, is essentially an efficiency measure which seeks to maximise cultural and promotional values of these trips. While it may not always be possible to combine such trips (or to add pearls and cuisine and other attractions), when it can be done it will add value to the community and tourism industry funds.

Action **3.1.5** is, in essence, a capacity building project aimed at assisting small operators to promote themselves in a manner which is properly aligned with the national geotourism promotion.

The provision of air services is principally a private business activity in which the Ministry of Transport has a policy role. The possibility of launching a state-owned airline has been discussed but the regional precedents are mixed and the desired outcomes can likely be achieved by other means, such as risk sharing on new connection, with lower financial exposure.

Some of the enhancements in services sought **3.2.1-3**, are contingent on business decisions by international and domestic airlines **3.2.4**. CITC, the Minister and industry representatives can and do lobby effectively for international service upgrades. There is also regular monitoring of capacity and

### 3.1 The Cook Islands are effectively marketed as a geotourism destination

**3.1.1 Review and revise branding, positioning and imaging consistent with geotourism approach of emphasising local people, local culture and environment**

**3.1.2 Develop new, best practice, website and associated Internet-based promotional system which integrates national and island-specific marketing**

**3.1.3 Review approach and methods of CITC's overseas representation**

**3.1.4 Develop an integrated approach to overseas promotions and events by the industry and culture groups from the islands to maximise cultural and promotional values**

**3.1.5 Provide design guidelines for geotourism promotion materials for small operators**

**3.1.6 Develop systematic programme to encourage repeat visits using a web-based database**

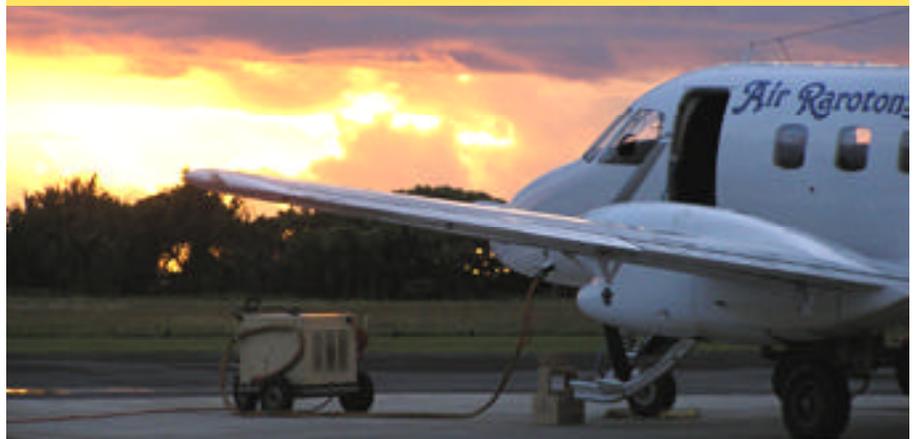
### 3.2 Air services are enhanced in terms of connections and frequency

**3.2.1 Continue to actively manage relationships with Air New Zealand and other carriers to secure appropriate air services**

**3.2.2 Encourage provision of adequate regional air services**

**3.2.3 Encourage increased frequency in inter-island flights**

**3.2.4 Support is given to airline initiatives to enhance services by securing new bilateral and multilateral agreements**



useful interventions have been made by CITC when available seats are inadequate.

Significant developments, which are subject to commercial confidence, which could have important implications in terms of connections, and frequency of services, are underway at the time of writing.

On the domestic front the upgrading of Manihiki airport should

assist in the provision of services to the Northern Group. An on-going issue in the Southern Group is how to build frequency with limited passenger numbers. While there is a certain "chicken and egg" aspect to the problem, a national geotourism focus should help generate passenger traffic. Greater sales of Outer Island produce to Rarotonga market could also create increased freight loadings.

A central issue of tourism development in the Cook Islands like many other places is that many new entrants have a limited understanding of the business. Action **3.3.1** complements the island-wide analysis provided by action 1.1.5 by ensuring that existing and aspiring industry members and government are properly informed about the process of geotourism product development. Key issues of scale and island carrying capacity need to be addressed by both developer and the Island Councils as regulators to ensure sustainable development.

There is already modest numbers of yachts and cruise ship visiting the Cook Islands. These markets can be expanded, **3.3.2** and **3.3.3**, without major increases in the demand for infrastructure beyond some dedicated facilities in the harbours. Some consideration may need to be given to alternate landing points on Rarotonga to cater for varying sea conditions.

The Accreditation Scheme has grown over the last eight years to become a key element of quality assurance for tourism in the Cook Islands. It now covers a range of tourism services and a significant number of businesses.

It will be appropriate to review the scheme to align it with the geotourism focus, **3.4.1**. As part of this review it would be appropriate to revise it to fill the gaps left by current legislation and regulation, particularly relating to building standards, health and environment. While Action 2.2.1 is intended to develop enforceable mechanisms to control land use, it would be prudent to include these matters in the accreditation scheme in case new national-level controls are delayed.

Action **3.4.2** is probably the most contentious in the whole Plan in that it focuses attention on the divided opinions about the relative efficacy of market forces and regulation. While few operators wish to go back to the onerous licens-

### 3.3 An extended range of geotourism products

**3.3.1 Develop guidelines for geotourism product development to assist existing and aspiring industry and government including central issue of scale of individual and collective development and island carrying capacity**

**3.3.2 Encourage the further development of yachting, including the provision of adequate mooring facilities and waste disposal systems on selected Outer Islands**

**3.3.3 Expand cruise ship tourism on a selective basis**

### 3.4 Continuous improvement in quality of services and hospitality offered to visitors

**3.4.1 Review accreditation scheme to meet geotourism focus and interface with other legislation and regulation, particularly relating to building standards, health and environment**

**3.4.2 Enhanced sanctions against operators who do not meet the minimum standards of the accreditation scheme**

**3.4.3 Introduce Cook Islands Geotourism Awards based on Tourism Industry Association of New Zealand model**

**3.4.4 Establish industry benchmarking scheme to assist industry to monitor performance and profitability**

ing system that it replaced, there is now debate on the accreditation scheme's lack of effective sanctions.

Currently the sole sanction is expulsion from the scheme. It could be argued that if this were properly enforced and there was sufficient value in being a member of the scheme, this should be enough. Lax operation and inadequate resourcing to develop the scheme further has meant that this is not the case.

Going back to some form of regulation is a big step as it inevitably brings with it a level of bureaucracy. The alternative is to move from a passive treatment of non-members to a more active one. For instance, operators not meeting minimum standards could be "blacklisted" by the NTO rather than ignored.

On the positive side, action **3.4.3** is designed to acknowledge high standards of performance. The New Zealand Tourism Industry Association model is advocated as a starting point as it is a comprehensive system based on an

internationally recognised business evaluation process. Participation has value for businesses by taking them through a guided assessment process which could also be used as the basis for the benchmarking scheme, **3.4.4**. There are promotional benefits for the category winners.



Actions **3.5.1-6** target directly the issue of the leakage of foreign exchange earnings. At the same time giving prominence to local produce and artefacts is a key element on delivering the geotourism experience which, above all, emphasises the value of the local people and local production (NB the emergence of contemporary indigenous cuisines in a number of countries).

There are a series of actions, **3.5.3-6**, that focus on the supply side to ensure that there is closer integration between the demand side represented by tourism, and production. Local products could be further differentiated by the development of a certification programme for organic production.

Visitor safety and security is currently high in the Cook Islands and the way of life, scale, and isolation will do much to ensure that this stays the case. But the industry cannot afford to rest on its laurels, if not the least because of the exposure this would create to litigious visitors. Besides measures related to their own products and services, **3.6.1**, attention needs also to be paid to risk in public places which may increase with geotourism, **3.6.2**.

The actions involving the Police, **3.6.3-6**, and Health and Internal Affairs, **3.6.8**, are staff intensive and need to be adequately resourced. Plans for an air ambulance, being finalised at the time of writing, should address **3.6.7**.

Larger risks to the industry are posed by major natural and man-made disasters. While such events are infrequent, they can cause major disruption to the industry and the wider economy and society as seen all too graphically on Niue. Beyond the ever-present risk of cyclones (catalogued recently by Don Dorrell), even events such as the collapse of the undercarriage of a large jet on the runway could create problems. An industry plan is needed, **3.7.1**.

### **3.5 High local content in purchases made by the tourism industry**

**3.5.1 Encourage restaurants and hotels to promote contemporary Pacific cuisine and to use local products in menus**

**3.5.2 Develop supply chains with accredited local artisans**

**3.5.3 Growers are assisted to meet demands of tourism industry and local market through demonstration programmes, advice, and access to capital**

**3.5.4 Encourage greater local processing of agricultural products, including juices and preserves**

**3.5.5 Develop local market for organic fruit and vegetables with certification programme**

**3.5.6 Review import duties on products and services that have the potential, if tariffs are reduced/removed, to make a significant improvement to the local environment**

### **3.6 Visitor safety and security is maintained**

**3.6.1 Ensure that all tourist establishments meet safety standards and have adequate insurance protection to cover the safety and security of clients using their facilities and services**

**3.6.2 Establish recording system for inland track users on Rarotonga**

**3.6.3 Continually review the safety and security of tourist generally, and specifically improve security on beaches, the international airport, and other places where there is a concentration of tourists**

**3.6.4 Review and enforce traffic regulations governing vehicle speed on Rarotonga**

**3.6.5 Review and enforce traffic regulations governing vehicle safety, noise, and emissions**

**3.6.6 Review funding of search and rescue operations**

**3.6.7 Ensure access to emergency medical care in the Cook Islands and, as required, in New Zealand**

**3.6.8 Review and maintain procedures for control of vectors of tropical diseases**

### **3.7 Disaster management and recovery planning addresses the full range of credible risks**

**3.7.1 Develop an industry recovery plan for major contingencies including extensive cyclone damage on Rarotonga**



Photo: Don Dorrell (1987), 1m deep rubble outside CITC after Cyclone Sally

The infrastructure issues in the Cook Islands are similar to those faced in many tropical islands - small populations, expensive technologies, and limited resources.

In the interest of sustainability, the first actions should be to promote efficient resource use, particularly energy **3.8.1**, and water, **3.8.3**. There are strong reasons to believe that reductions in peak and energy demand for electricity can be achieved, and that water demand can be reduced.

That said, the electricity supply problems experienced in Rarotonga in 2004 require that generation is increased urgently and that the French machines are replaced, **3.8.2**. While the long-term objective must be to reduce reliance on imported fossil fuels the opportunities for replacement are limited on both Rarotonga and Aitutaki because of the scale of demand. There is more flexibility in the Outer Islands for other technologies, although the desire on Pukapuka to augment or replace solar with diesel is not a good precedent.

There are parallels related to water supply in that on some islands the reticulation systems are inadequate in volume and/or pressure to meet the needs of the local community. Further capital investment on Rarotonga and other islands will be required, **3.8.4**, irrespective of the benefits of improved efficiency.

New solid waste initiatives by the major importers on Rarotonga provide an excellent start to addressing the critical issue of solid waste management. The completion of new landfills on Rarotonga and Aitutaki means that attention can now be turned to the significant problems faced by other islands, **3.8.5** (although minimising the waste stream to these landfills will still be critical). There are now various recycling technologies that could be appropriate.<sup>1</sup>

Upgrading of Internet access for the Outer Islands is a must for

## **3.8 Infrastructure on each of the islands meets the needs of the tourism industry**

**3.8.1 Actively promote the efficient use of energy (in all forms) on all of the islands**

**3.8.2 Upgrade electricity supplies on all islands with long term sustainability and reduced reliance on fossil fuels to be key decision criteria in system upgrades**

**3.8.3 Actively promote the efficient use of water on all of the islands**

**3.8.4 Develop new resources to meet increased water demand from tourism development on Rarotonga, Atiu, Aitutaki and other islands as appropriate, including roof tanks, grey water and utilisation of groundwater resources**

**3.8.5 Upgrade the management of solid wastes on all islands with particular emphasis on recycling, reuse, and the reduction of packaging**

**3.8.6 Upgrade Internet services throughout the Cook Islands including, where appropriate, broadband services**

**3.8.7 Upgrade the roading on Mangaia**

**3.8.8 Upgrade the airport terminal at Rarotonga**

**3.8.9 Upgrade Outer Island airstrips as needed to enable regular access by larger aircraft (e.g. Saab), the timing to be negotiated with Air Rarotonga**

**3.8.10 Review options for upgrade of Penrhyn airport in conjunction with overseas maritime surveillance**



the effective development of tourism on these islands, **3.8.6**, while upgrading the roads on Mangaia, **3.8.7**, would reduce the problems of access to key tourism sites after rain.

Aviation-related infrastructure that warrants improvement include the Rarotonga terminal, **3.8.8** (if for no other reason than to develop another source of revenue apart from landing fees). Outer island airstrips will also need to be progressively upgraded to cater for

the Saab or similar aircraft, in consultation with Air Rarotonga, **3.8.9**. As part of this, appropriate steps are required to avoid the delays faced by the Manihiki upgrade.

The shipping access to Penrhyn lagoon and the potential for combined ship/plane trips warrants revisiting the proposal to use it as a surveillance base, **3.8.10**.

<sup>1</sup> See, for example, Remote Waste Accumulation and Minimisation System, Zero Waste Trust New Zealand, [www.zerowaste.co.nz](http://www.zerowaste.co.nz)

Upskilling the tourism industry to make effective use of information technology requires first an audit and enhancement plan, **3.9.1**, and then probably in conjunction with HRD and training programme. This will need to include skills for accessing the new national tourism website and keeping their product and service entries up to day, **3.9.2**. While there is always some merit in individual businesses having a web presence, if these are not actively managed then they are likely to be well down the search engine results pages. Far better to build on the existing web presence of the NTO's site, and like other NTOs such as Tourism New Zealand, use this as a portal for individual operators.

The first four actions related to tourism research all cover measures designed to enhance the industry's understanding of its customers. The visitor profiling and satisfaction survey which was combined with visitor arrival documentation should be revised and reintroduced, **3.10.1**. At the same time, inter-island surveys which have been discussed for nearly a decade but never implemented, should be introduced to provide economic access visitors who venture off Rarotonga, **3.10.2**.

The extension of information collection to include short-stay visitors, such as those from cruise ships, **3.10.3**, will also provide a better reflection of visitation as cruise passenger typically purchase a range of goods and services while the ship is in port.

Monitoring trends in the travel of geotourists, **3.10.4**, is a useful way of monitoring potential demand and the competition.

A number of countries including New Zealand are implementing Tourism satellite accounting based on the guidelines prepared by the World Tourism Organisation and approved by the United Nations Statistical Commission in

<b>3.9</b>	<b>Tourism industry makes effective use of Information Technology</b>
<b>3.9.1</b>	<b>Audit industry use of IT and prepare an enhancement plan</b>
<b>3.9.2</b>	<b>Develop and implement training programmes to assist tourism industry to make effective use of IT including new national tourism website for promotion and avail-</b>
<b>3.10</b>	<b>Research supports the on-going development of the industry</b>
<b>3.10.1</b>	<b>Revise and reintroduce national visitor satisfaction surveys</b>
<b>3.10.2</b>	<b>Establish regular inter-island visitor surveys</b>
<b>3.10.4</b>	<b>Monitor international research and development related to geotourists and interactive travellers</b>
<b>3.10.5</b>	<b>Implement tourism satellite accounting</b>
<b>3.10.6</b>	<b>Undertake triennial analysis of "leakage" of foreign exchange earnings</b>
<b>3.10.7</b>	<b>Replace visitor numbers as measure of success of tourism industry with quadruple bottom line indicator set</b>
<b>3.10.3</b>	<b>Extend visitor arrival information collection to include short stay visitors (such as cruise ships</b>

2000. Unlike "conventional" industries, such as manufacturing, tourism has not been explicitly measured in official economic statistics. Tourism satellite accounts (TSA) focus on measuring the expenditure by tourists (overseas visitors and residents), and on the size of the tourism industry, including its contribution to GDP and employment. Developing a TSA for the Cook Islands, **3.10.5**, will give a picture of tourism in relation to the whole economy.

A separate analysis, however, is required to determine the overall benefit to the economy in terms of income generated from domestically produced goods and services and the leakage of foreign exchange earnings, **3.10.6**.

The NTO should also develop a quadruple bottom line measure, **3.10.7**, for reporting its performance and industry outcomes. Specifying the Corporation's outcomes in terms of visitor numbers and gross income is unhelpful in monitoring tourism development



## 6.4 Purpose 4

Under a geotourism approach to tourism, all aspects of the indigenous have particular significance. In some respects it would be a simple matter of reproducing the “wish-list” of the Ministry of Culture to define the basis of an action plan relevant to geotourism.

The four developmental actions **4.1.1-4** focus seek to secure elements of the culture for their intrinsic value but will also have considerable value in tourism development. Authenticity is a key consideration in geotourism and an augmented programme to capture and then disseminate reliable information, **4.1.1**, would do much to improve the quality of interpretation by guides and others in the industry.

A key action in terms of understanding the culture of the islands is the preparation of a cultural map for each one, **4.1.2**. Cultural maps provide a comprehensive understanding of both tangible and intangible culture and an invaluable snapshot in the process of cultural change. One of the outcomes of this mapping is the inputs for the preparation of a heritage protection plan for each island, safeguarding key cultural resources, **4.1.3**. While cultural maps cover both the traditional and contemporary, action **4.1.4** explicitly targets contemporary culture and provides support for greater participation.

The Constitution celebrations are an important part of the events calendar and already feature modestly in tourism promotions. The geotourism approach requires more focus on this and other activities and events including Nuku, the Tiare Festival and the tivaevae exhibition, **4.2.1**. New ones, such as one based on the traditional games of Mangaia, will be developed under action **4.2.2**.

The Cook Islands has a number of major cultural institutions which can have a higher profile in a geo-



### **4.1 Culture and heritage are appreciated for their intrinsic value**

**4.1.1 Extend cultural resources of traditional knowledge through oral history and photo/video collections**

**4.1.2 Prepare a cultural map of each island**

**4.1.3 Prepare a heritage protection plan for each island, with associated legislation and incentives to promote the conservation of heritage resources**

**4.1.4 Develop artist-in-residence programme to support the development of young artists**

### **4.2 Arts and culture are a key element in the geotourism promotion of the Cook Islands**

**4.2.1 Increase the focus on cultural activities and events in destination marketing**

**4.2.2 Develop new national and island-based cultural events**

**4.2.3 Review the potential of the major cultural institutions (library, museum archives) to define how they can play a greater role in tourism development**

**4.2.4 Establish national craft certification programme**

**4.2.5 Refocus development of Punanga Nui to six days per week cultural market with produce as an adjunct**

tourism focus. These should be reviewed to determine how their profile can be raised without putting the collections at risk, **4.2.3**.

An initial attempt was made some years ago to introduce a “Cook Islands made” identification for crafts. Action **4.2.4** revives and extends this concept to ensure that visitors are properly informed on what are authentic Cook Islands

arts and crafts. The New Zealand “Toi Iho” scheme may provide some ideas for the Cook Islands.

Punanga Nui provides a useful focus for craft and produce sales, primarily on Saturday mornings. However, it has not yet achieved its full potential as a cultural venue. While the produce is a useful adjunct, the cultural aspect needs to grow with more activities, **4.2.5**.

The tourism industry can undertake a number of actions that can make a useful contribution to arts and cultural development and in doing so help build the geotourism resources of the country in a virtuous circle, **4.3.1** and **4.3.2**. A number of properties already make some feature of traditional or contemporary Polynesian design, but there is still significant room for significant improvement. The latter would see, for instance, the removal of the cheap prints that still bedeck too many walls of hotel and motel rooms and their replacement with local art and crafts.

A new tourism website with a geotourism focus could usefully profile a range of Cook Islands artisans. It could go further and provide a portal for e-commerce, with retail sales contracted out.

There are a number of complementary initiatives that could be undertaken by government agencies including active development of the creative industries, **4.3.4**, and assisting arts and creative industries to use vacant or derelict historic buildings, **4.3.5**. This would both foster these activities and help restore heritage buildings.

## 6.4 Purpose 5

Over the years the Cook Islands have had a succession of plans for tourism (at both national and island level) and a range of other sectors. There is also an extensive set of legislation and regulation which directly or indirectly impact on tourism development.

The central issue in relation to these plans is implementation. For associated legislation and regulation, it is enforcement.

The first stage to achieving the engagement, alignment, commitment, and resourcing needed for effective implementation is that all stakeholders understand the importance of a national partnership in the tourism industry, that they all understand the Plan (relatively few

### 4.3 Cultural activities employ a larger number of people and boost GDP and export earnings

#### 4.3.1 Incorporate Cook Islands arts and crafts in tourism products and services

#### 4.3.2 Incorporate local arts and crafts in all tourism venues

#### 4.3.3 Profile indigenous arts and crafts products through new tourism website with secure transactions for retail sales

#### 4.3.4 Support and develop sustainable cultural and creative industries, e.g. media, fashion, graphic design etc.

#### 4.3.5 Assist arts and creative industries to use vacant or derelict historic buildings to support the protection of cultural resources



### 5.1 National geotourism strategy is implemented

#### 5.1.1 Promote national tourism master plan so that all stakeholders, including the public and private sectors and individuals, understand the importance of a national partnership in the tourism industry and that they all have a part to play in its implementation

#### 5.1.2 Re-establish Master Plan Implementation Committee to co-ordinate implementation, monitor progress, and report to the Minister of Tourism

#### 5.1.3 Publish annual report on master plan implementation using newly developed tourism development indicators

#### 5.1.4 Develop a protocol for light handed regulation of the industry if voluntary approach is not effective

copies of the 1991 Plan were distributed), and that they all have a part to play in its implementation. A national promotional programme is required, **5.1.1**.

This would provide a platform for the re-establishment of an implementation committee similar to that which operated successfully in the mid-1990s, **5.1.2**. While including representation from the NTO, it would have a governance rather than operational focus. The membership would need to be a mix of senior representatives of

both the public and private sectors, with the chair being a senior person in the tourism industry.

An annual report, **5.1.3**, would then provide regular feedback on successes and failures and highlight actions needed by the tourism industry and national and island government.

The Plan relies basically on voluntary compliance in the industry (but not obviously with legislation and regulation). Action **5.1.4** is essentially a back-up position should this be unduly optimistic.

While the national strategy provide the framework for tourism development the practical implementation will be worked out island by island. A range of action are designed to facilitate this by promoting much greater interaction between the NTO and the islands.

Nearly all the Island Strategic Plans include some provisions about tourism. Implementing the geotourism approach can be greatly assisted by technical support. One such action would be for the NTO to develop a template for an island tourism plan which includes core information from national strategy, **5.2.1**. There are also a ways to support the Councils including the preparation of an annual tourism assessment, **5.2.2** and **5.2.3** similar to the Aitutaki Tourism Study<sup>1</sup> undertaken for the OIGFC in 2003. This then needs to be followed through with support provided to interpret this information during the preparation of island annual and strategic plans, **5.2.3**.

The current development of a national environmental strategy will go a long way to addressing a key element of the geotourism resources, **5.3.1**. In turn, the tourism and environment strategies make substantial contributions to the broader national development strategy (given tourism's role in the economy and the fundamental importance of environmental protection). The key issue once this review and revision is complete is to ensure compliance.

The NTO faces a range of increased capital and operating costs to undertake the actions defined in the Plan, **5.4.1**. The \$3.3 million for all activities is clearly inadequate for the range of actions required to implement the strategy and inconsistent with the significance of tourism to the Cook Islands economy. This new investment in the industry includes more extensive tourism development work, and some one-off expenses such as a new branding



## **5.2 Island tourism strategies are implemented**

**5.2.1 Develop template for island tourism plans designed to implement geotourism approach which includes core information from national strategy**

**5.2.2 Prepare annual tourism assessments for each island highlighting development opportunities and capacity constraints as an input to Island annual and strategic plans and to investment decisions**

**5.2.3 NTO, tourism industry and Island Councils collaborate on tourism matters in the preparation of Island Annual and Strategic Plans**

## **5.3 Planning environment, legislation and regulation are aligned with geotourism approach**

**5.3.1 Undertake systematic revision of legislation and regulation to ensure alignment with the geotourism approach**

## **5.4 Tourism organisations at the national and island levels are appropriately resourced to promote the destination and support the development of the tourism industry**

**5.4.1 Increase allocation of funds to NTO for both one-off expenditures (such as new website) and on-going increase in the scope of its activities**

**5.4.2 Review process of Aid monies allocation to make funds available to support the implementation of the tourism**

**5.4.3 Budgetary provision for Island Councils to support community tourism initiatives and maintain adequate infrastructure**

and the building of a new, best-practice website.

Up until mid-1998 the New Zealand development assistance programme provided financial support for tourism development. Between 1994-8 this was a formal agreed programme based on the 1991 Master Plan. There is merit in reviewing the possibility of reinstating this assistance, **5.4.2**.

The final action, **5.4.3**, recognises that Island Council have a key role to play in tourism development but hamstrung by having precious little funding beyond what is required to meet the wages bill. Some additional funding is needed if they are to play an active part in tourism/economic development.

<sup>1</sup> Phillips, P., and Malcolm, R., (2003), *op. cit.*

# 7 Development Opportunities

The adoption of a geotourism approach provides a new framework through which to assess development opportunities island-by-island based on the principles for tourism development enunciated back in 1994.

The following sections provide brief commentaries on the status of tourism development in the islands<sup>1</sup> and possible development opportunities.

## 7.1 Rarotonga

Tourism development on Rarotonga has had the typical focus of an emerging industry on accommodation. As late as 1995 the brief for the development of strategic guidelines for Rarotonga specifically required consideration of four different “scenarios” for room numbers in the year 2000 (1500, 2000, 3000, and 4000 rooms, the latter being a 426% increase).<sup>2</sup>

In the last few years accommodation has burgeoned on Rarotonga where there are now 968 rooms in accredited properties covering the full range from resort hotels and luxury villas to backpackers.<sup>1</sup> With this growth has come a range of environmental issues, and growing demands on infrastructure (which in the case of electricity supply, in particular, has failed to keep pace). Of equal concern is that while the industry has always had an element of ex-pats in ownership, management, and selected positions (such as chefs) now the industry is using imported labour in many positions.

The “solution” for these issues should not be couched in terms of finding a specific carrying capacity for the island as suggested in the first draft of the NESAF<sup>4</sup> which advocates that:

*“a study be carried out to determine a ceiling for limiting the number of tourists (currently 85,000) (sic) allowed into the country and set growth objectives and targets based on the carrying capacity of islands’ environment and resources”.*

The notion of limiting the numbers of visitors is draconian, impractical, and inappropriate. Setting aside issues around how it might be done, it ignores the fact (like the general preoccupation with visitor numbers) that all visitors are not created equal. They can stay for different lengths of time; have different preferences in terms of accommodation, activities, food and drink; and have different attitudes to culture and the environment. In short, some visitors are more resource-intensive than others, just as some require a higher local content in what they do and buy than others.

Picking a number is not only naive in terms of the differences in type of visitor it also ignores the differences between

- bottlenecks: limiting factors that can be managed; and
- constraints: limiting factors that cannot easily be managed.

Electricity supply issues, for example, are a bottleneck that could be managed with sufficient capital and adequate attention to energy efficiency. But there are, for instance, much longer term and much less malleable limits on the capacity of the lagoon to absorb effluents and nutrients which means there is no quick, simple fix.

Current thinking suggests that carrying capacity is not a scientific number beyond which development should cease. There is a growing view that carrying capacity is not fixed, but rather it devel-



ops with time and can be affected by management techniques and controls. This view suggests that it may be misleading to think in terms of specific quantities, but rather to specify the limits to acceptable change and how to stay within them.<sup>5</sup>

The key decision in this process is to choose the preferred style of tourism, as seen in the adoption in this Plan of the geotourism

1 Excluding Nassau and Palmerston which were not visited

2 There are also an estimated 300 rooms in the 150 non-accredited houses rented out to visitors. These houses cater for the geotourist who wants to live among the locals

3 Rarotonga Tourism Task Force, (1995), *Strategic Guidelines for Tourism Development on Rarotonga 1995-2000*, 78pp

4 National Environment Strategic Action Framework, (no date), First draft, p9

5 UNEP, (2002), *Tourism and Local Agenda 21: The Role of Local Authorities in Sustainable Tourism*, United Nations, p.20.

approach. It is self-evident that 80,000 geotourists would have profoundly different demands and effects to 80,000 people bent on the conventional R&R holiday.

In this context, 13 years ago the Master Plan team had to accept the then “Sheraton” Hotel as a *fait accompli*.<sup>1</sup> In response they recommended development constraints on Rarotonga for the following seven years to attempt to mitigate some of the impacts of the development (“no further new development on Rarotonga (apart from the Sheraton) this century”).

Completion of the hotel in the early 1990s would have had a profound impact on the development of tourism on the island. As it was, for various reasons, the project was not finished and the industry has moved on without it.

Irrespective of the environmental and infrastructural impacts of the specific redevelopment proposals (which are the subject of the EIA process at the time of writing) proceeding with the project at this stage could seriously destabilise the industry in the Cook Islands, particularly in terms of the demand for a skilled workforce. It needs to be demonstrated that this could be met by Cook Islanders currently resident in the islands, or who might return, without damaging existing operations.

It has been argued that completion of the hotel will be beneficial in that it will bring an international brand to the Cook Islands. The result, according to one person in the consultation is that “Americans will come because they know what to expect”. It may be of some concern that what they will expect is all the trappings of rest and recreation style tourism with all the environmental and social consequences that go with it.

In practice, proceeding with a project of this scale (a 20% jump in accredited room stock in one go) will shape the future of tourism on Rarotonga in physical and promo-



tional terms. Given Rarotonga’s position in Cook Islands tourism, it will also have flow-on effects for the rest of the islands. It would represent a national commitment to R&R tourism in which the Outer Islands cannot participate.

It is furthermore a development for which there was very little support throughout the consultation undertaken in this project with many in the industry and community concerned that further development would be unsustainable.

The challenge for Rarotonga now is to go beyond the simplistic linkage of tourism with accommodation and add value to existing and new products and services by targeting the geotourism market.

This Plan identifies a range of actions which will support this repositioning and a number of initiatives, such as a Cloud Zone National Park; enhancing Punanga Nui and extending the impact of Maeva Nui and other events.

There are also a range of industry-specific initiatives, such as the adoption of an internationally recognised environmental accreditation scheme which will provide other promotional opportunities as well as enhancing products and services.

## 7.2 Aitutaki

The Aitutaki Tourism Study identified nearly 30 service develop-

ment opportunities on Aitutaki, none of which involved accommodation.<sup>2</sup> The study found that development on Aitutaki was at a point where there were both bottlenecks and constraints for further accommodation even without the proposed development at Ootu. While the solid waste management issue has now been addressed, there are still serious issues around electricity, water supplies, and effluent disposal.

The report identified an expansion of the room stock on the island to 258 with projects that were either underway or committed (again excluding what was then called the “Captain Cook” development). It recommended that the OIGFC cease any funding for accommodation on the island (even while acknowledging that this would exclude some locals from the grant subsidy) because of impending capacity constraints.<sup>3</sup>

One of the concerns underpinning this recommendation was that it would require a 20% growth in visitor numbers between 2003 and 2005 to maintain occupancy at the estimated prevailing rate of 62%.

1 Roger Cleverdon, *pers. comm.*

2 Phillips, P., and Malcolm, R., (2003), *op. cit.*, p. 28

3 The report also recommended that no grants be made for the purchase of any more boats for lagoon cruises; self-drive power boats or jet skis; dive operations; or commercial construction in the lagoon or on the motu

The report discussed two main issues about inappropriate investment in tourism:

- *if the grant is used to obtain a loan and this is secured against a lease on land, then it may be taken if the bank forecloses this lease may be sold alienating people from their land; and*
- *while the original owners of a property may be removed it is not necessarily withdrawn from the market. It can have an enduring impact if attempts are made to recover funds by undercutting on price. Unfortunately this risk may be highest in the smaller properties developed by the local community some of which at least may not meet market demand and may need to reduce their expectation about the prices they can charge as competition increases.*

Besides the financial risks the recommendation also acknowledged the pressure further development would place on the community and the environment (even without what is now called the “Captain Bligh”), particularly in relation to staffing demands.

Writing in 1994 the Aitutaki Tourism Task Force concluded that: *“The 250-room level, therefore, appears to be the saturation threshold for labour. Even at this level, labour will have to be imported (Cook Islanders and expatriates) to fill the shortfall in the required labour force. Some expatriates will be needed to fill certain jobs requiring particular skills and expertise not available locally. The Task Force is of the view that the popu-*

*lation growth associated with a rise in the labour force needed to service 250 rooms will be bearable for Aitutaki.*

*It must be borne in mind, however, that the importation of non-resident labour, whether Cook Islanders or expatriates, will create additional problems arising from increased demand for housing and residential land as well as additional pressure on social services.”<sup>1</sup>*

By 2003 the Aitutaki Tourism Study was concluding that: *The labour force issues that the Task Force anticipated at 250 rooms may in practice already be emerging. A survey is currently underway by the Aitutaki Tourism Committee which although only partially complete has identified over 40 job openings over the next 12 months. This needs to be seen in the context of about 30 students leaving Araura College each year, many of whom may not seek employment in the tourism industry. It must also be recognised that the population structure of Aitutaki has changed since the Task Force Report was prepared...Perhaps the most significant aspect...is the selective reduction in the population. Between the 1996 and 2001 Censi, Aitutaki’s population fell from 2272 to 1743. This 23% drop in population was concentrated in the age groups of under 5 years and 20-29 years, with the latter falling from 14.7% to 9.6% of the population in just five years. This is of some concern in that this group has by this stage entered the workforce and acquired some skills, yet still have a long career ahead.*

*Beyond the issue of simple numbers, there is the added concern that raw school leavers have very little understanding of the demands of the tourism industry as they typically only have a modest introduction to tourism in the Cook Islands at school. The absence of regular tourism training on the Island (unlike in years gone by) simply compounds the issue.*

*Taken together these factors of local population and lack of local training may well mean that the availability of trained and trainable labour of sufficient motivation is likely to be a constraint on tourism development on Aitutaki in the short term and that the effects would be exacerbated by further significant expansion. While the accommodation sector has been able to source its lesser skilled staff locally up till now, this situation maybe about to change.”<sup>2</sup>*

Almost all the Aitutakians consulted in Phase 1 were concerned about the pace and scale of development on their island and the prospect of dramatic changes primarily for the benefit of outsiders which they believed would result from another large development. Locals were also concerned about the proposed location which has long been considered to be a fish breeding ground, and the proposal for overwater bungalows. To this can be added concerns about the tourism style of the proposal which is again in the R&R mould.

1 Aitutaki Tourism Task Force (1994), *op. cit.*, p.14

2 Phillips, P., and Malcolm, R., (2003), *op. cit.*, p. 28



### 7.3 Outer Islands

The adoption of a geotourism approach will have an immediate benefit for the Outer Islands by profiling many of the features that are best seen away from Rarotonga. It will also start the process of dispelling the myth that there is nothing to do in the Outer Islands. This could only be true if these islands are viewed through the lens of rest and recreation tourism.

In practice the Outer Islands have rich and diverse geotourism resources including:

- very hospitable people;
- rich local culture and heritage, both tangible and intangible;
- diverse flora and fauna including various rare and endangered species;
- a range of geographic features including makatea, atolls, lagoons (varying enormously in size), caves, beaches, and lakes; and
- pearls (Manihiki, Rakahanga).

Underpinning the potential of all of the islands is their relative lack of development yet the security that communications and air access are available in emergencies.

Realising that the Outer Islands have significant tourism resources is not the only reframing of the way people think about them that is needed. Early tourism in the Outer Islands has tended to follow the line “*come to my island*” (which unfortunately few have heard); “*stay at my accommodation*” (which nobody knows anything about); and “*these are the things you can do.*”

This, unfortunately, is the classic supply-side approach where all the attention focuses on the product rather than the potential customer. The customer-focused approach recognises that people have special interests and personal preferences and develops products and services to match these interests.

Sections 3.1 and 3.2 (pp 14-15) have already provided a brief intro-

duction to the geotourist/interactive traveller who represents the prime target market for the future development of tourism in the Cook Islands. Reaching them requires a shift in thinking about branding, imaging and marketing channels. It requires the development of niche marketing which, in the Outer Island can include segments related to:

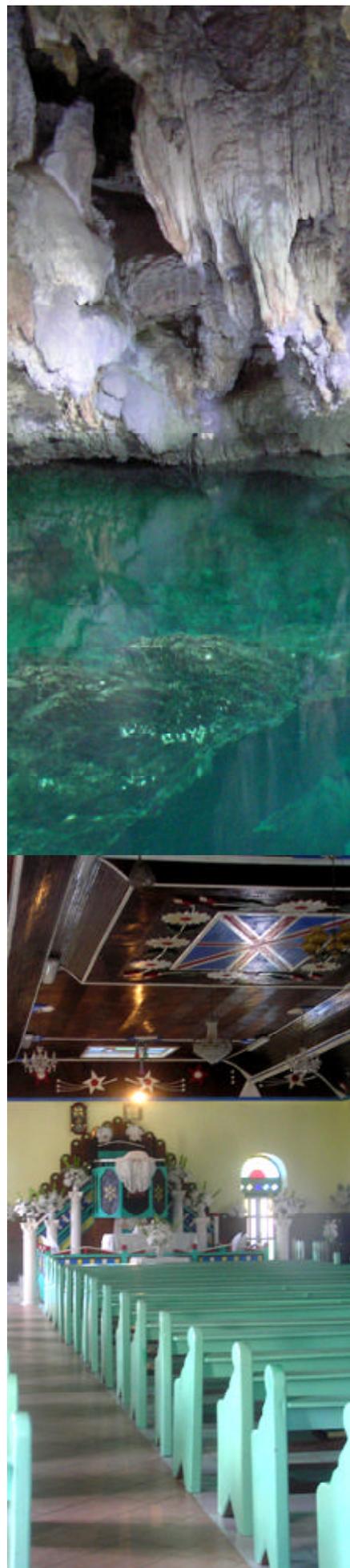
- culture (tangible and intangible);
- fishing (including catch and release); and
- bird watching and other ecological pursuits including whale watching.

One of the keys to these and other niche markets lies in the quality of the interpretation/guiding. While an entertainment style may be entirely appropriate for the current day trip to Aitutaki, geotourism-based guiding needs to operate from the premise that some of the visitors will have done considerable research prior to their arrival and have clear ideas about what they want to see. Indeed, on the agenda for the upgrade of the NTO’s website is the inclusion of more comprehensive descriptions of the islands and special interest-related information (reflecting the finding that geotourists/interactive travellers are avid users of the Internet). It can also provide links to key sites that add depth to the Cook Islands experience, such as that of the Natural Heritage Project.<sup>1</sup>

A second aspect of reframing thinking about the Outer Islands is the tendency to promote them individually. While Air Rarotonga offers multi-island fares and is currently promoting an attractive combination of a “blue” Aitutaki and a “green” Atiu experience, the rationale for island hopping in terms of people’s special interests has never been developed.

Initially tours might be devel-

<sup>1</sup> <http://www2.bishopmuseum.org/PBS/cookislands/>



oped as set departures (and cancelled without a specified minimum of passengers) based on specialist itineraries. One such opportunity is presented by the birds of the Southern Group. This could include, for instance, Rarotonga (Kakerori, Kukupa), Aitutaki (Karamo'o), Mitiaro (Ka'oko), Atiu (Kopeka), Takutea (Tavake), and Mangaia (Tanga'eo).

Others itineraries might be themed around some element of the culture, such as:

- crafts;
- dance; and
- traditional remedies.

Vaka or other sailing craft may also hold one of the keys to addressing the distances between islands - making the journey itself a key element in the tourism product rather than simply transportation. Sailing ships like "Soren Larsen" demonstrate that there is a market for Pacific cruising on older-style sailing ships.<sup>1</sup> The trade winds make longitudinal passages feasible with wind on the beam for significant periods.<sup>2</sup> Air access to the Northern Group also opens up the possibility of combined trips to add flexibility to the product design.

Part of the promotional development of tourism in the Outer islands can focus around a number of "flag bearers". The development of new parks and reserves has been noted in the Actions as a case. The declaration of these (whether they are a National Reserve at Manuae, or World Heritage status for Suwarrow) have significant promotional as well as product development potential. In some cases they will be more symbolic recognising established management practices, such as those for Te Rotoiti on Mitiaro.

Cultural events could take a similar developmental role. Some years ago there was a study to explore staging an international vaka sailing on the Aitutaki lagoon (since 1998 La Haina on Maui has successfully developed one based



on with vaka building in which Mike Tavioni has participated).<sup>3</sup> This idea might be revived.

In some cases it may be necessary to use something like the development of an eco-lodge to provide a critical mass of accommodation on an island. But there may be other ways to achieve this critical mass including house renovations and homestays.

<sup>1</sup> See <http://www.sorenlarsen.co.nz>

<sup>2</sup> In Aotearoa-New Zealand the double-hulled voyaging canoe "Te Aurere" has already done a number of tourist charters and has worked with Tourism New Zealand to demonstrate aspects of Maori Tourism, including contemporary Maori cuisine using traditional ingredients. The waka undertakes regular sail training including teaching celestial navigation and other aspects of traditional wayfinding

<sup>3</sup> [www.mauicanoefest.com](http://www.mauicanoefest.com)

### 7.3.1 Atiu

After Rarotonga and Aitutaki, Atiu is arguably the most developed of the islands in terms of tourism. It has a tourism society to which most operators belong (although the divisions of the island persist).<sup>1</sup> The island has 12 rooms in accredited properties. Tourism infrastructure on the island includes a restaurant, a cafe, a gallery, rentals, guided tours, and visits to the two coffee producers.

Geotourism resources on Atiu include the arts and crafts, the traditional paved pathways, marae, the lake Te Roto, heritage sites including the Ora Varu landing, traditional bakers, the various caves, fishing, traditional remedies, and the modest areas of taro swamp still being cultivated.

Atiu does not currently live up to its traditional name of Enuamanu but there are now some efforts being made to redress this situation. Besides the Kopeka at Anatakitaki and the Ngotare, there has been the successful introduction of Kakerori from Rarotonga. The primary ornithological resource and a key differentiator of Atiu, however, is Takutea. If properly managed this has the potential to be a premium geotourism experience.

Just as fragile in one sense is Atiu's other premium resource, the tumunu (photo page 8). Ensuring that the experience does not become commodified will be a challenge as the numbers of visitors rise. In many respect it is a similar experience to talking to the locals in an English public house - it loses its value in terms of interacting with the local community if there are too many visitors.

### 7.3.2 Mangaia

The traditional land ownership system on Mangaia is often advanced as the reason for the island's relative lack of tourism because loans cannot be secured



against the land. Whether or not this true, of all the islands Mangaia is perhaps the best candidate for an eco-lodge development to achieve the critical mass of quality facilities which would do justice to its diverse resources and which would kick-start tourism which has languished for a number of years.

Unlike most other islands, Mangaia has been the subject of some significant archeological research. Field work in 1989-91 produced a 7,000-year long record of environmental change, and dated Polynesian colonization was perhaps as early as 2500-2000 B.P.. The Tangatatau Rockshelter yielded a rich sequence of artifacts, faunal remains, and floral materials from about 1000 AD. Among the artifacts were a coral gaming stone, coral and sea-urchin spine files, bone awls, and tattooing needles.<sup>2</sup>

The archeological record is but one element of Mangaia's rich culture which includes traditional games, dances and chants, and crafts including the ei pupu.

Mangaia is also of considerable geological and ecological interest with makatea, inland cliffs, lake, caves, and taro swamp. There have been calls recently for Te Raie to be designated a national park and for conservation status to be

given to the makatea and central hills.<sup>3</sup> There are populations of fruit bats as well as several notable bird species including Kerearako, Tanga'eo and Ka-ra'ura'u.

An issue that Mangaia will need to face in the near future is the harvesting of the pine forests planted as an economic crop and to control the erosion after the end of the pineapple plantations. While forestry extraction and tourism are not inconsistent, the potential conflicts will need to be addressed.

### 7.3.3 Manihiki

Identified in the Master Plan in 1991 as the location for a *small-mid scale development*, new accommodation has only opened in the last year.<sup>4</sup> Other tourism infrastructure is limited, although locals have run homestays to good effect.

The principal geotourism resource is the lagoon. At the pearl

1 See [www.atiutourism.com](http://www.atiutourism.com) and [www.atiu.info](http://www.atiu.info)

2 Oceanic Archeology Laboratory of the University of California (Berkeley) and the University of Florida (Gainesville): <http://sscl.berkeley.edu/~oal/research/mangaia/mangaia.htm>

3 National Environment Forum, (2004), *E Kura Mana to Tatou Aorangi*, Draft Summary Outcomes Report, p. 3

4 [www.manihikilagoonvillas.com](http://www.manihikilagoonvillas.com)

farms visitors can swim over the lines that hold the shells, snorkel around the "khoa", and see the rest of the production process. There is spear and rod fishing in the lagoon as well as trolling outside the reef. Manihiki still has traditional fish traps (for harvesting titi) and a pond of ava on Porea. The lagoon also has a wide range of sites for snorkelling and scuba diving.

The history of the island also holds some interest as prior to 1850 the population moved between Manihiki and Rakahanga.<sup>1</sup>

### 7.3.4 Ma'uke

The physical environment of Ma'uke, specifically the makatea, is the basis for the island's international reputation as a source of maire for leis in Hawai'i. The island also has a reputation for its production of "Miracle Oil".

The core geotourism resources of Ma'uke, however, are cultural. The island is rich in myth and history.<sup>2</sup> Key sites include Marae O Ronga, the grave of Kea at Anaiti (with its links to New Zealand via her husband Paikea, the "whale rider") and the "divided church".

Ma'uke also has a rich tradition in dance, song, crafts and the construction of vaka paiere.<sup>3</sup>

### 7.3.5 Mitiaro

In the mid-1990s Mitiaro had the beginnings of a homestay programme. Reviving this scheme offers the best prospect of tourism development that fits with the communitarian culture of the island.

It would provide the basis for

products and services (preferably though inclusive pricing for the stay) to experience the island's attractions including the lake, the swimming caves, marae, the fort (Te Pare), and go fishing. It would also enable them to see some of the ecological resources such as the rare Pritchardia fan palm.

### 7.3.6 Penrhyn

Tongareva's lagoon, the biggest in the Cook Islands is (like Manihiki) its primary tourism resource. It has significant potential for fishing including Kiukiu (which fishermen travel internationally to catch). Amenities include shipping access and the long runway.

While wooden vaka are not apparent, the traditional lagoon management practices are of interest. Premium resources include handcrafts, particularly rito hats, and the rare poe pipi, the natural golden pearl which grows in the shell *Pinctada maculata*, the smallest pearl producing shell in the world. Penrhyn has rich fisheries (and five varieties of shark) in the lagoon, and in the open ocean.

### 7.3.7 Pukapuka

The geotourism resources of Pukapuka include the motu, lagoon, culture, handcraft (including rito), Karavia, fishing, and the traditional buildings. The island also provides the point of departure for Nassau. Tourism facilities are limited at present to the airport although the hospitality of the islanders is enormous.

The key differentiator for Puka-

puka is the communitarian culture. This is reflected in the traditional environmental management practices, the movements between the motu, the popularity of sports, and its international reputation as Frisbie's "Island of Desire" derived from the social customs.

Tourism development on Pukapuka needs to be integrated with these communitarian practices. Any central accommodation should be serviced sequentially by the villages. It would also do well to utilise the traditional sleeping hut style in any new construction.

### 7.3.8 Rakahanga

Rakahanga has similar resources to other Northern Group islands but on a smaller scale. These include pearl farming, the lagoon, fishing and handcraft. The cemetery, on the other hand, is unlike anything elsewhere in the Cook Islands.

### 7.3.9 Caveat

Even with promotion of the geotourism approach, tourism development in the Outer Islands is not a panacea. The islands need to maintain other activities and sell products to the main markets in Rarotonga and Aitutaki as well.

1 Hiroa Te Rangi (1932) *Ethnology of Manihiki and Rakahanga*, Bishop Museum Bulletin 99, 239pp

2 Jukka Siikala, (1991), *Akatokamanava: Myth History, and Society in the Southern Cook Islands*, University of Auckland, 153pp

3 Judith Kunzle, (1995), *Paiere: The Making of a Fishing Canoe in Ma'uke*, CI Natural Heritage Project, 16pp



# 8 Conclusions

The first phase of this project involved an extensive consultation with the villages and vaka, the tourism industry, the Chamber of Commerce, local and central government, political parties, NGOs, the House of Ariki and the Religious Advisory Council. It included visits to every island that could be reached by plane plus Rakahanga. Only Palmerston (population 48), Nassau (71), and Suvarrow (1) of the inhabited islands were missed.

A recurrent theme of the consultations was that tourism was welcomed but that the local people needed to benefit, their culture and society respected, and their environment protected.

On Rarotonga and Aitutaki, which have been the focus of tourism development to date, there were strong concerns about the pace, scale and nature of tourism development. In essence the message was that the principles of tourism development set out in 1994 that it should develop *in a manner that is economically viable, socially acceptable and environmentally sustainable* were **not** being met, and growth was out of control.

Of central concern was that since the Master Plan was written in 1991 the focus on tourism has been more and more on the number of visitors as the benchmark for success (despite the triple bottom line of the principles).

Central to the task of preparing this new Plan was the review and realignment of tourism development with these three underlying principles.

## 8.1 Taking Stock

The first step in the project was to take stock of both the internal and external business environ-



ments. The analysis (presented largely in the Phase 1 report) in effect confirmed community concerns about tourism development on Rarotonga and Aitutaki identifying a range of environmental, social and economic issues.

The Phase 1 research also raised serious questions about the destination-style drift towards “rest and recreation” tourism we already see on Rarotonga. This is associated with the idea that “*bigger is better*”, “*foreign brands add value*” and having the same tourism “activities” (like microlights, jet skis and trikes) as everywhere else is desirable (without due regard for the environmental and social effects or the way in which it standardises the tourism experience).

This destination drift has significant implications for the competitiveness of the Cook Islands industry because a key weakness of the rest and recreation-style tourism is that it is generic. Europeans, for instance, can go to the Caribbean, the Indian Ocean, or South East Asia for sun, sand and palm trees.

In practice:

- any destination can provide the trappings of rest and recreation tourism and many can do so more economically than in the Cook Islands from positions that are closer to the major sources of international travellers; and
- other South Pacific destinations like Fiji and French Polynesia have significant competitive advantages in delivering the popular perception of the South Pacific islands.

Linked directly to the issue of competitiveness is another core issue for tourism in the Cook Islands - the recent exodus of people, particularly from some of the Outer Islands. This is crucial because what makes the Pacific stand out from competing tropical destinations is the different cultures. Take this one step further and it is apparent that the **key to differentiating the Cook Islands from the competition is its people**. The trend to using foreign workers puts this differentiation at risk.

## 8.2 Geotourism

The issues the Cook Islands faces in achieving sustainable tourism development are common to most places (not just small islands although scale does tend to exaggerate some problems). A literature search identified the geotourism approach advocated by the National Geographic Society as most relevant to the Cook Islands. Geotourism is defined as: *“tourism that sustains or enhances the geographical character of a place - its environment, culture, aesthetics, heritage, and the well-being of its residents”*.

The research also showed that the “geotourist” identified by the National Geographic Society was very similar to the “interactive traveller” targeted by Tourism New Zealand for reasons of financial constraints, finite resources, proposition match and alignment with the national tourism strategy.

The focus on the geotourist/interactive traveller makes sense here for all the reasons it does in New Zealand plus the critical factor here of emigration and the depopulation of the Outer Islands.

The population issue also suggests a reversal of the National Geographic Society’s definition of geotourism to suit local circumstances. The revised version (and the goal of this Plan) is: *“tourism that sustains and enhances the well being of resident Cook Islanders and their environment, society, economy and culture.”*

Starting with the local people and local knowledge opens up a new way of thinking about tourism. In particular, it helps people get beyond the all too common idea that tourism = accommodation.

It also means that people can use existing expertise to provide visitor experiences. For instance, rather than needing an expensive boat to ferry visitors to a motu to lie on a beach like they can do anywhere else, locals can educate



visitors in local ways, like collecting remu off the reef!

It also focuses attention on the question *“what role will Cook Islanders have in tourism?”* Are they to be owners and managers, be wage workers or perhaps watch what is happening in their country from Australia or New Zealand?

It was clear in the consultation that very few people want to see staffing shortfalls in tourism made up by bringing in workers from overseas. Most would rather see efforts made to retain and even attract back Cook Islanders. A geotourism approach provides the basis for employing and valuing Cook Islanders in tourism and for long-term economic, social and environmental sustainability.

The geotourism approach also aligns directly with the new environmental initiative embodied in the National Environment Strategic Action Framework. When effectively implemented, many of the measures in the Framework would provide long-term security for a geotourism based industry. The industry cannot afford to think, however, that the Framework will solve all the issues the country faces. The Plan sets out a range of specific actions that the industry needs to take to enhance the environmental quality of its operations.

A geotourism approach for the industry would also address the economic issues related to the high rate of *“leakage”* of foreign exchange earnings. The *“leakage”* of tourism revenues is lower for people who stay longer, travel wider, buy local crafts, and consume local foods and beverages.

Research by the National Geographic Society in conjunction with the Tourism Industry Association of America and by Tourism New Zealand have determined that there is a substantial geotourism market. In the short-haul markets for the Cook Islands, Tourism New Zealand has shown that 9% of Australians are interactive travellers while many New Zealanders on their OE are the archetypical geotourists.

An added bonus for the Cook Islands is that Tourism New Zealand alone is spending over \$60 million a year to bring interactive travellers to the South-west Pacific. Given the prevalence of multi-destination trips (seen in part in the tendency for more Northern Hemisphere residents to arrive in Rarotonga northbound) there are opportunities to leverage off this investment.

It must be recognised, however, that geotourism is not a panacea for all the woes of the Outer Islands even though it will go a long way to opening up the oppor-

tunity for sustainable tourism development beyond Rarotonga and Aitutaki. It is inevitable that they will need to provide products for the major tourism markets to ensure financial viability while the number of visitors builds up. Given the issues on Rarotonga, starting with the pigs that are roaming wild on a number of islands would be a good start!

It is also important to acknowledge that the geotourism agenda has wide ramifications. One of these is the potential for sales of fresh local produce generated by the interactive traveller's health consciousness.

### 8.3 Regulation

The Brief for this project stated: *“the industry has experienced considerable growth since the late 1990’s and development has taken place in a largely deregulated environment. There is general recognition that issues of environmental sustainability, economic viability and social acceptability cannot be addressed without proper structures and regulatory procedures being put in place to manage development.”*

While it is true that the industry has been deregulated and that this has contributed to some of the problems that have emerged, this

is not the only thing that has been missing. The industry has also lacked an overall vision of the style of tourism it has sought to develop with destination drift as the result.

After careful consideration of the options this Plan has developed a vision of tourism that is aligned with the development principles and has a clearly identified target market of people who will respect the people, culture and environment.

The development of the actions identified in this Plan was based on the notion that voluntary compliance is generally preferable to regulation for tourism operations as long as the basics, particularly health and safety are covered by general legislation and regulation. It includes various actions to promote understanding, acceptance and implementation (whilst acknowledging that a wide range of individuals and organisations will need to be engaged, aligned, committed and resourced). Recently the industry has grown as a result of a range of individual commercial decisions. Realignment with the principles has to begin with a new philosophy of development. Ultimately this cannot be legislated.

This stance is based on the idea that overcrowding of buildings onto sections with inadequate sew-

erage, unsafe boating practices, or a range of other issues are unacceptable under any circumstances for local and the visitor industry alike. It should not require specific control on the tourism industry to address these issues.

The Plan does, however, recommend an increase in the level of sanctions applied to non-performing businesses to protect the wider industry from individuals who prejudice the reputation of the industry as a whole. It also includes a contingency provision for light-handed regulation that could be activated if the voluntary approach is not successful.

Interestingly, one of the more dynamic aspects of tourism development in recent years, the emergence of the house rental segment, fits with the geotourism approach (even if not much loved by some accommodators). In many respects, all that is needed is to bring them into the formal industry as compliance with other legislation and regulation should be dealt with by the relevant departments (especially if the developmental functions of the NESAF are fully implemented).

### 8.4 Redundancy

The action plan (defined by combining the actions listed in sec-



tion 6) has an element of redundancy i.e. occasionally the same topic is addressed in different ways. For example Action 3.4.1 includes review and revision of the accreditation scheme to fill the gaps left by current legislation and regulation, particularly relating to building standards, health and environment. While a number of relevant measures may emerge from the NESAF, it would be prudent to include these matters in the accreditation scheme in case new national-level controls are delayed or their enforcement is not sufficiently rigorous.

## 8.5 New developments

Focusing on what is sustainable in terms of the triple bottom line of the tourism principles sets a new challenge for the established tourism industry on Rarotonga and Aitutaki - to go beyond the simplistic linkage of tourism with accommodation and to add value to existing products and services and to develop new ones targeted to the geotourism market.

Clearly the debt left by the "Sheraton" debacle weighs heavily on the country's finances. But this should not obscure the profound impact that completion of the hotel at Vaimaanga and the new hotel at Ootu would have for the

future direction of tourism in the Cook Islands. Both of these developments epitomise the "rest and recreation" style of tourism which the Cook Islands has been beginning to move away from in recent years. Both are at variance with this Plan which has been developed by consulting widely throughout the Cook Islands.

For the Outer Islands the Plan offers the prospect of a much higher profile for the geotourism resources of these islands in overseas promotions. It is recognised that while geotourism emphasises the "local" and that much expertise resides in the islands, there will need to be significant support from the NTO to assist the public and private sectors in the islands with implementing the plan.

## 8.6 Implementation

A lesson from the Master Plan is the necessity of clear implementation processes from the outset. It is also clear from the experience of the preparation and partial implementation of a series of island plans that translating from the words on paper into action is a major challenge.

Another key lesson of the last decade is that the ideology of market forces which saw the role of the NTO reduced to promotion is

not appropriate in the Cook Islands with its small and emerging industry.

This is not to call for a return to the heavy-handed regulation of the General Licensing Authority. Rather it is a recognition that there needs to be extensive collaboration between all the stakeholders working towards a shared vision.

What it does mean is an expansion of the role of the NTO with a pro-active programme of product development and planning. This needs to include a large amount of outreach activities to work through the many collaborative actions identified in the Plan.

Such is the scale of the interactions of the tourism sector, the inter-departmental collaboration also needs to be guided and monitored by a joint industry government implementation committee which can provide the necessary oversight. This should have a governance, rather than management role reporting directly to the Minister of Tourism.

Implementation is unlikely to be easy or cheap (an estimate is provided in the appendices). However, such is the state of other economic activities that tourism planning and development is, in large measure, national economic planning and development. It needs to be funded accordingly.



