



# Pacific Regional Trade in Services Workshop Program

Presentation from the  
Business Trade and Investment Board,  
COOK ISLANDS

PREPARED BY PUARII CROCOMBE & PRESENTED BY REPETA PUNA





# Key Topics of Presentation

1. Role and significance of tourism in the Cook Islands particularly for international trade (using data to support)
2. Strategic plans for tourism development in Cook Islands including existing or future development projects
3. Challenges faced and development support needs





# 1. Role and significance of tourism in the Cook Islands particularly for international trade (using data to support)

- ▶ The Cook Islands is a small open economy dominated by the tourism sector. Tourism makes up an estimated 66% of our gross domestic product (GDP). Restaurants and accommodations are industries within the tourism sector that has the strongest economic contribution. Employment within the tourism sector is another key factor especially for international trade. Cook Islands is always outsourcing to fill in the Labour shortage (PSDI, 2021 & SPTO, 2020).
- ▶ High tourist arrivals has driven strong growth in the economy. In 2018 we recorded a total of 164,000 and 2019 we accelerated a new record of an estimated 170,000 tourist arrivals. These figures have since been impacted by the C-19 pandemic.





# Analyzing the effects of the C-19 pandemic with the annual total figures of visitor arrivals in the last 5 years

## Pre-Covid Period

2018 – total arrivals 164,800

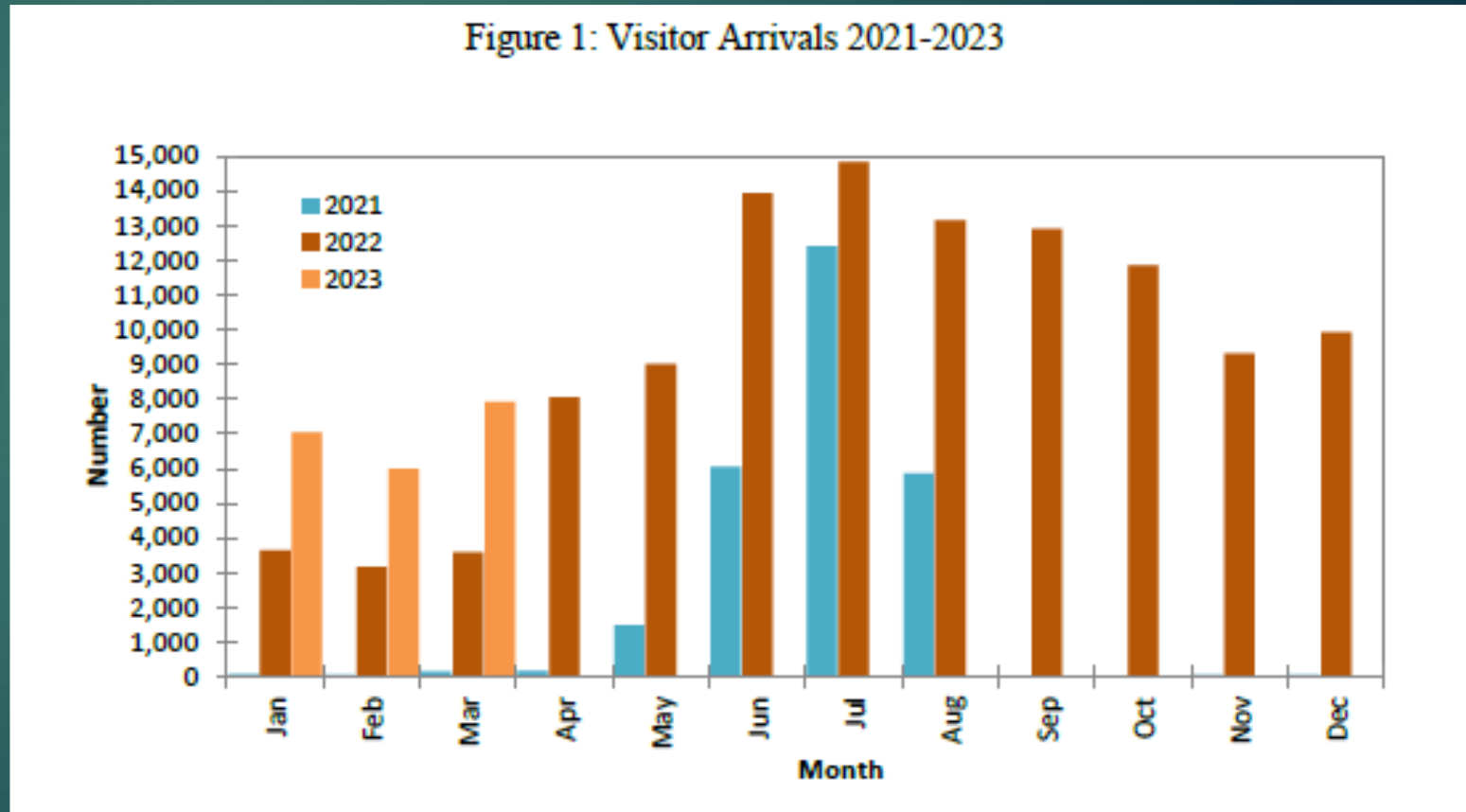
2019 – total arrivals 170,000

## Covid Period

2020 – total arrivals 30,081

2021 – total arrivals 30,350

2022 – total arrivals 122,154



Graph obtained from Cook Islands Ministry of Finance and Economic Management – March 2023 Migration Statistics Report



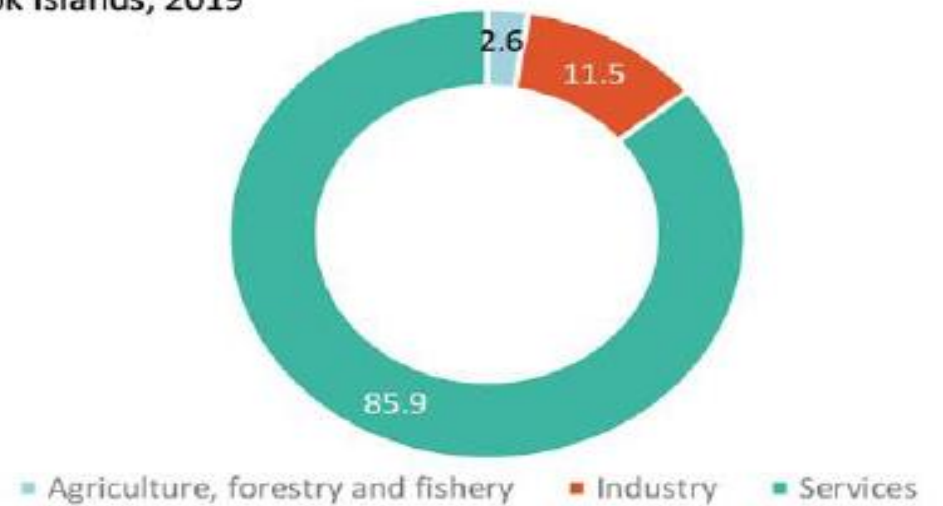
# Analyzing the effects of the C-19 pandemic with industries in the tourism sector

## ➤ Employment & Businesses

- Employment within the tourism sector accounts for an estimated 85.9% (LFS, 2019).
- In 2020 an est. 27% of businesses closed as a result of C-19. Over 58% of businesses say their turnover was under 30% of what it was during the same period in the last year.
- In April 2021, 93% of businesses surveyed reported a negative impact due to the pandemic with 90% reporting a decline in revenue (PSDI, 2021).

**Figure 5.3. Employment by economic sector (% distribution), Cook Islands, 2019**

Figure 5.3. Employment by economic sector (% distribution), Cook Islands, 2019





## 2. Strategic plans for tourism development in Cook Islands including existing or future development projects

- ▶ The current Cook Islands Tourism Destination Strategy (CITDS) aligns with national, regional, and global sustainable development aspirations.
- ▶ For the Cook Islands the focus of aspirations are:
  1. Enhance and Leverage our Visitor Economy
  2. Optimize the Visitor's Experience
  3. Empower our Tourism Industry
  4. Encourage Regenerative Travel





### 3. Challenges faced and development support needs

- ▶ Transport and connectivity
- ▶ Environment and Infrastructure
- ▶ Sector Organization and Product development
- ▶ Visitor Demand
- ▶ Accommodation
- ▶ Economy, Politics and Government
- ▶ Land access and development
- ▶ Employment and Training





# Conclusion

- ▶ We see the importance of tourism through the businesses and employment sector that are hugely dependent on it.
- ▶ The Cook Islands like most other Pacific Islands are remote and hugely dependent on importation of products and services. We have seen the effects of the C-19 pandemic prompting strategic plans to move towards a regenerative tourism as we see the importance of preserving our environment and sustaining ourselves.
- ▶ The Challenges that we face are no different to our Pacific counterparts. Our road map to Economic Recovery is government's priority. One achievement is that the Cook Islands has now opened its borders to the world and has committed to Bi-lateral agreements to work with several international airline carriers. There is interests and aspirations to engage with funding support from the Japanese government, ADB and various other organizations to uplift our economic standards.







# Reference List

- ▶ Government of the Cook Islands. (2022). CIDTS Booklet. Cook Islands Tourism.
- ▶ Government of the Cook Islands. (2020). Cook Islands Labour Force Survey Report, 2019. Cook Islands Internal Affairs.
- ▶ Government of the Cook Islands. (2023). Cook Islands Statistical Bulletin. Cook Islands Ministry of Finance and Economic Management.
- ▶ The Pacific Private Sector Development Initiative. (2021). Pacific Tourism Sector Snapshot: Cook Islands. Pacific Private Sector Development Initiative.
- ▶ Webb, J. (2020). Stories Reviving Cook Islands Tourism Industry. ADB. <https://www.adb.org/multimedia/partnership-report2021/stories/reviving-cook-islands-tourism-industry/>