



Federation of Namibian Tourism Associations

Tourism Industry Update on Covid-19

Wednesday, 18 March 2020

To all Stakeholders of the Namibian Tourism Industry

The Coronavirus pandemic (Covid-19) is now already heavily impacting the tourism industry in Namibia. Next to the dramatic level of cancellations and lack of future bookings, another factor causing chaos and uncertainty is the abundance of fake-news, misinformation or general lack of information around this crisis.

FENATA and other senior members of the tourism have been involved in various crisis meetings during the last couple of days and we will continue to be part of the crisis management that affects the tourism industry.

A lot of information and facts are shared through the various interactions with top-level government officials as well as through our member associations. With this first issue of a Tourism Industry Update on Covid-19 we will from now on keep the broader tourism sector informed on new developments and insights that affect us all and thereby hopefully answer many of the pressing questions that you and your clients might have.

1. Government actions:

- a) **State of Emergency declared:** The President, HE Dr Hage Geingob, on Tuesday declared a national State of Emergency. Declaring the current situation as a State of Emergency allows Government to fully focus their efforts on resolving this crisis.
 - b) **Far-reaching measures implemented aimed at containing the spread of the virus:** Through the Ministry of Health a whole set of measures have been introduced with immediate effect, which are aimed at reducing the spread of virus infections. Many of the introduced measures have significant consequences for the tourism sector. The most important can be summarized as follows:
 - **All leisure and non-essential international and regional travel is suspended for the next 30 days.** This measure entails that tourists can no longer enter Namibia for the next 30 days, not even South Africans.
 - **The borders to South Africa remain open for transport of goods.** Even though leisure travel is completely suspended, the transportation of goods is still allowed, thereby ensuring that trade between South Africa and Namibia can continue, ensuring the supply of food and basic necessities.
 - **International flight connections are mostly suspended.** Even though flight routes to Johannesburg still remain open, OR Tambo no longer allows people in transit that are from high risk countries (eg. most of Europe) and are travelling to other countries. Passengers from high risk countries that are returning home are still allowed through transit. Flights with Qatar Airways, Ethiopian Airways and Air Namibia's Frankfurt route have been suspended. Even though KLM at the moment still flies, Non-Europeans are as of yesterday evening banned from entering the European Union.
 - **Screening for fever and symptoms** of Covid-19 will be done all entry points into Namibia as well as through-out Namibia at the Police roadblocks.
 - **Public gatherings of 50 or more persons are to be suspended for the next 30 days.** This measure includes schools, religious gatherings, weddings, funerals and parades.
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2. Consequences for guests that are currently still in Namibia:

Many tourists are currently still in the country and have currently no way of returning to their home country. The following is recommended:

- a) **Tourists are advised to get in touch and/or register with their respective embassies.** Some countries, such as Germany and France are organizing repatriation for their citizens that are stuck around the world. It is essential that the Embassies are aware of the clients that are still in Namibia, which is why registration or contacting the embassy is essential.
Please note: due to the unprecedented level of this crisis, many emergency response phones or websites might be overburdened. Please be patient and continue to try accessing them.
- b) The Ministry of Home Affairs has announced that **visitors' visas will be extended for any persons that are currently still stuck in Namibia.** The application for an extension has to be done BEFORE trying to leave the country at the Ministry of Home Affairs.
- c) Local tour companies and tourism service providers are responsible for the currently booked and in most cases already paid for travel arrangements only. Any expenses incurred by clients that are stuck in the country have to be carried by clients themselves.
- d) Unless the guests are citizens of a country that organizes a repatriation, the chances of getting out of Namibia are at this stage minimal. For those clients, where a repatriation is a possibility, it is advised that they return to Windhoek as repatriation will in all likelihood happen from here.

3. Economic consequences:

Many of you are now already feeling the economic pinch caused due to the unprecedented measures that restrict travel around the globe. For Namibia, our current estimates are that there is going to be a significant decline in revenue for this year and it is certain that we will see closures of business entities and job losses.

A list of concrete measures that could be done in order to assist the tourism industry through this crisis has been handed to top level of Government and we are still awaiting feedback from that. In the meantime, there are steps that enterprises can already take to prepare for the coming months:

- a) **Work with your staff to find ways on how to protect their employment in the long run**, but also reduce the overheads and costs in the short and medium term. Retrenchment should remain the very last option.
Possible measures to reduce staff cost could include the following:
 - Send staff on leave now, when there is anyways no business.
 - Explore company-wide unpaid leave in stages, depending on how long the crisis lasts and your current cashflow allows.
 - Section 12, subsection 6 of the Labor Act makes specific provisions on how companies can reduce the work periods for up to three months due to economic reasons.
- b) **Reduce unnecessary expenditure** to a minimum with immediate effect.
- c) **Encourage rebooking** instead of cancellations.
- d) **Get in touch with your bank** BEFORE you are experiencing cashflow problems and are already defaulting on payments. When approaching your bank, stick to the following guidelines:
 - **Be proactive** – talk to your bank/relationship manager as soon as possible about your situation. Please do so before you default on any payments due. Once default occurs, the mandate of the bank is much less than when you speak to them pro-actively.
 - **Be honest** about your situation and the challenges you are encountering.
 - **Plan properly** – what are the critical expenses you need to pay in order to sustain your business until things return to normal?
 - **Manage your finances** – keep detailed and relevant records. Make sure your financial statements are in order, accurate and up to date.
 - **Be prepared** – keep all the necessary and relevant documents on hand and ready before your appointment at the bank. All these documents are critically important and will ensure that the bank understands your application or request and will consider it with the merit it deserves.

- **Be informed** – keep in contact with people in the industry. This will help you stay in touch with what is happening in the greater industry.

FENATA is in contact with all major banks and we are trying to find overall solutions for the tourism industry. We will keep everybody informed about further developments.

4. Local tourism:

Local travel is at this stage not restricted! This entails that people can still travel freely through-out Namibia. Tour operators, hotels, lodges, restaurants are advised to adhere to the suggested health measures to ensure that the risk of infection for both staff and visitors are kept to a minimum.

5. The Way Forward

At this stage it is too early to make any speculation on how long the Covid-19 crisis will last and consequently on how long overall travel restrictions will be in place. The situation changes on a daily basis and FENATA together with senior leaders from the tourism industry will have regular meetings with Government Officials to discuss and decide on the best possible way forward.

We will continue to keep the tourism industry updated with new developments through-out these extraordinary times.

In order to prevent chaos, we would like to request that questions and concerns are directed to the respective tourism associations (HAN, TASA, NAPHA, ETEA, CARAN, B&BAN, etc.) from which the information is collected and summarized and then distributed again through FENATA for the benefit of all.

All updates sent will be done in close co-operation with the relevant Ministries and authorities.

Please stay healthy and safe and rest assured that you are not alone in this crisis.

Yours sincerely,



Bernd Schneider

Chairman: FENATA (Federation of Namibian Tourism Associations)