



**Asia-Pacific
Economic Cooperation**

Strengthening Tourism Business Resilience against the Impact of Terrorist Attack

**Report on the APEC Counter-Terrorism Working
Group's Workshop on 9-10 May 2017, Bali, Indonesia**

APEC Counter-Terrorism Working Group

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LIST OF CONTENT

List of Content	iv
List of Abbreviations	vi
List of Graphics	vii
Opening Session	1
• Welcoming Remarks by Chair of APEC Counter Terrorism Working Group Mr James Nachipo	2
• Welcoming Remarks by Bali Governor Mr Made Mangku Pastika.....	3
• Opening Remarks by the Head of the National Counter Terrorism Agency of the Republic of Indonesia His Excellency Mr Suhardi Alius	5
• Keynote Address by Coordinating Minister for Political, Legal and Security Affairs of the Republic of Indonesia His Excellency Mr Wiranto	8
Session I The Impact of Terrorist Attack on Tourism-Based Economy	11
• The Impact of Terrorist Attack on Tourism Based Economy Mr Tony Ridley, CEO, Intelligent Travel, Melbourne, Australia.....	12
• How to Increase Resilience in the Tourism Economies Affected by Terrorist Attacks Dr Fitriani, Researcher, Centre for Strategic and International Studies.....	18
• How Do Terror Attacks Affect Tourist Economies Ms Rachel Doherty, Regional Counter-Terrorism Coordinator for Southeast Asia, US Embassy in Kuala Lumpur	22
• Discussion Session I	26
Session II Effective Measures and Policies To Prevent Tourism from Terrorist Attack	28
• Impact on Terrorist Attacks on the Tourism Economy of Bali: Lesson Learned Insp Gen Petrus R. Golose, Chief of Bali Police	29
• Countering Terrorism Targeting Tourism: Policy and Strategic Approaches Dr David Beirman, Senior Lecturer, Management Discipline Group-Tourism, University of Technology, Sydney, Australia.....	32
• Terrorism Prevention Measures in Tourism Chinese Taipei Ms Lin Tsai-Shiuan, Executive Officer of Chinese Taipei Police Agency	38
• Terrorism Prevention Measures at Universiade Taipei 2017 Ms Tsai Ming-Ling, Executive Officer of Tourism Bureau of Chinese Taipei.....	36
• Discussion Session II	40
Session III Managing the Effects of Terrorism on Tourism: the Role of Business Community, Media and Civil Society	43
• Managing Effects of Terrorism on Tourism: Role of Business Community, Media and Public Ms Nia Niscaya, Director of International Tourism Promotion, Ministry of Tourism of Indonesia.....	44

• Tourism Business Resilience: The “Bohol Model” Mr Joseph Franco, Research Fellow, Centre of Excellence for National Security, S. Rajaratnam School of International Studies, Singapore	49
• Managing the Effect of Terrorism on Tourism: The Role of Business Community, Media and Civil Society Dr Satyapal Singh, Member of Parliament of India, Former Police Commissioner of Mumbai.....	52
• Discussion Session III.....	56
Session IV The Importance of Regional Response and Efforts to Help Recover Tourism Business in the Aftermath of Terrorist Attack in the Region	58
• Indonesia’s Response and Efforts to Recover Tourism Business in the Aftermath of Terrorist Attack Brig Gen Hamidin, Deputy for International Cooperation, Indonesia Counter Terrorism Agency.....	59
• Strategies for Tourism Business Recovery Prof Brent Ritchie, School of Business, Faculty of Business, Economics and Law, University of Queensland, Australia.....	61
• ASEAN Tourism Effective Crisis Communication Dr Tan Awang Besar, Undersecretary of Tourism Policy and International Affairs Division, Ministry of Tourism and Culture Malaysia.....	64
• Discussion Session IV.....	66
Closing Session Strengthening Tourism Business Resilience against the Impact of Terrorist Attack.....	70
• Finalization and Adoption of Workshop Policy Recommendation Chaired by Mr James Nachipo, Chair of APEC CTWG and Mr Andhika Chrisnayudhanto, Director of Regional and Multilateral Cooperation, Indonesia Counter Terrorism Agency.....	71
• Closing Remarks Brig Gen Hamidin, Deputy for International Cooperation, Indonesia Counter Terrorism Agency	73
Appendices.....	75
• Appendix I Agenda of APEC Workshop on Strengthening Tourism Business Resilience against the Impact of Terrorist Attack.....	76
• Appendix II Report Summary on the APEC Workshop on Strengthening Tourism Business Resilience against the Impact of Terrorist Attack.....	79
• Appendix III Recommendation from the APEC Workshop on Strengthening Tourism Business Resilience against the Impact of Terrorist Attack.....	86

LIST OF ABBREVIATIONS

APEC	Asia-Pacific Economic Cooperation
ASEAN	Association of Southeast Asian Nations
ASG	Abu Sayyaf Group
BNPT	Indonesia Counter Terrorism Agency
BTB	Bali Tourism Board
CCTV	Closed-circuit television
CTWG	Counter Terrorism Working Group
FATF	Financial Action Task Force
GCTF	Global Counter Terrorism Forum
GDP	Gross Domestic Product
HADR	Humanitarian Assistance and Disaster Relief
ITC	Information Technology and Communications
JCLEC	Jakarta Centre for Law Enforcement Cooperation
PATA	Pacific Asia Travel Association
SOM	Senior Officials' Meeting
TCFMI	University of Florida Tourism Crisis Management Initiatives
UNESCO	United Nations Educational, Scientific and Cultural Organization
UNWTO	United Nations World Tourism Organization
US	United States
US TSA	United States Transportation Security Administration
USCIS	United States Citizenship and Immigration Services
USDHS	United States Department of Homeland and Security
WTTC	World Travel and Tourism Council

LIST OF GRAPHICS

Graphic 1 Interest on Bali by Region, May 2017	13
Graphic 2 Interest on Bali by Region of Australia, May 2017	14
Graphic 3 Google Search: Trending Topic on Bali, May 2017	15
Graphic 4 Number of Foreign Tourists Arrivals (number in Million people) (% in annual growth) ...	19
Graphic 5 Graphic of Total Overseas Tourist Arrival to the US from 1983 to 2007.....	23
Graphic 6 Analysis of Terrorist Attacks in Indonesia.....	30
Graphic 7 Economic Impact of Terrorism in billions US\$, 2000 - 2015.....	33
Graphic 8 Terrorism Prevention Measures	37
Graphic 9 Benchmarking Indonesia Tourism Industry Performance 2015.....	45
Graphic 10 Summary of Key Factors and Result of Bali Bombing Learnings.....	47
Graphic 11 Tourist Inflow to Kashmir, India, 2013 - April 2017	53
Graphic 12 Response and Recovery for Businesses	62

OPENING SESSION
STRENGTHENING TOURISM BUSINESS RESILIENCE AGAINST
THE IMPACT OF TERRORIST ATTACK



Welcoming Remarks
by Chair of APEC Counter Terrorism Working Group
Mr James Nachipo



Ladies and gentlemen. Welcome to the APEC Counter Terrorism Working Group Workshop on Strengthening Tourism Business Resilience against the Impact of Terrorism.

Let me begin by acknowledging of presence of distinguished representatives from the Government of the Republic of Indonesia:

- His Excellency, Mr Wiranto, Coordinating Minister for Political, Legal and Security Affairs of the Republic of Indonesia.
- Mr Made Mangku Pastika, the Governor of Bali.
- His Excellency, Mr Suhardi Alius, Head of BNPT.
- His Excellency, Mr Petrus Reinhard Golose, Chief of Bali Police.

We are privileged and honored that you have taken time out of your busy schedules and to be with us this morning. Your presence is a strong testament of the commitment of the Government of Indonesia to APEC.

Allow me also to register, on behalf of the APEC Counter Terrorism Working Group, our deep appreciation to the Government of the Republic of Indonesia for the excellent arrangements that have been put in place to host this workshop.

In that regard, a huge vote thanks to BNPT for all their hard work behind the scenes.

This workshop is relevant to the Strategic Plan of the Counter Terrorism Working Group.

Amongst other things, the plan calls on member economies to strengthen their ability to respond and recover as quickly as possible from terrorist attacks.

The overall objective of the Plan is to protect the flow of legitimate trade within APEC economies by securing supply chains, securing travel, securing finance, and securing infrastructure.

I will defer to our guest speakers and subject matter experts to set the scene for the workshop.

I would like to encourage all those present to engage actively in discussion and share their experiences. I also would like to encourage you all to take part in discussions tomorrow on conclusions and recommendations that will arise from this workshop.

I commend the Government of the Republic of Indonesia for taking the initiative to arrange this workshop.

Welcoming Remarks by Bali Governor Mr Made Mangku Pastika



- The Chief of BNPT Republic of Indonesia, Bapak Suhardi Alius,
- The Chairman of APEC Counter Terrorism Working Group - CTWG, Mr James Nachipo,
- Distinguished Speakers, Guests, Ladies and Gentlemen,

Om Swastyastu. May the God Almighty Bless Us All,

It becomes my honor to extend the warmest welcome to my friends both from abroad and Indonesia for coming to Bali. A small tropical island with many ‘names’: the island of Paradise, the island of God, the island of Thousand Temples, the island of Peace and Democracy and the latest one is the island of Love. The last name was created indirectly by our Hollywood star, Julia Roberts from her movie ‘Eat, Pray, and Love’ which was made in Bali a couple years ago.

Your choice to make Bali as the place for the workshop indeed becomes an honor to the Bali Government and people as it will promote Bali even more as the island that is not just famous to the whole world as a tourist destination, but also as a conference or meeting location.

The island of Bali is covered with Taksu or the spiritual vibration that probably could not be found somewhere else. Therefore, I kindly hope the positive vibes will inspire you to formulate the best policy to strengthen the existence of preventing and countering institutions in making peaceful and safe world.

Living in this era which is well-known as “the era of borderless world”, marked with high intensity of people mobilization, certainly this situation possibly because serious security threats in the world including terrorism threat. Terrorism is a global crime, threaten all world’s community, especially those who live in the strategic location, such as Asia Pacific region. We in Bali that rely our income and economy growth much on tourism sector, safe and secure condition is a must. Even a small distraction will give negative impact to our tourism development.

We experienced a hard lesson in 2002 when bombs exploded in Bali because of terrorists. It did shake Bali tourism and economy, even Indonesia. The safe and calming Bali actually becomes terrorist target. It has made us realize, terrorist can attack anywhere and anytime. The global tourism is threatened by the terrorism crime. For that reason, it is crucial to have preventing and countering terrorism institution as well as strong team work among international institutions.

I do think this event is very important as we can discuss further subjects on how to prevent and counter terrorist in the future. So that we can build strategies to create peaceful and safe world, free from terrorism.

Excellency, distinguished guests, ladies and gentlemen,

Bali is not just famous to the whole world as a tourist destination or conference and meeting venues, but it is also popular to the world because of its outstanding view, friendly smile of the people and the rich culture in their daily life.

Therefore, I kindly remind all of you whenever you need a release from your busy and routine life, you can come to Bali and experience its calming and peaceful atmosphere. Please, do not be hesitated to spend some 'small changes' to buy the unique Balinese handicrafts to be brought home. And for your next vacation, put on the travel plan: Bali Island and come along with your families or friends.

As I am standing before you all, I would like to remind you to spare some of your tight schedule to explore the beauties of Bali. Please notice the plural of beauty, not just one if it comes with Bali, the beautiful landscape, both the land and sea, the incomparable culture that can be seen vividly through the arts: paintings, sculptures, traditional dances, and also hospitality of the people, I am sure it is not difficult for you to find friendly smiles around.

Excellency, distinguished guests, ladies and gentlemen,

That was my welcome speech. Have a fruitful workshop. I sincerely hope you will enjoy your stay in Bali.

Thank you.

Om Shanti, Shanti, Shanti, Om.

Opening Remarks
by the Head of the National Counter Terrorism Agency
of the Republic of Indonesia
His Excellency Mr Suhardi Alius



His Excellency Mr Wiranto, Coordinating Minister for Political, Legal and Security Affairs of the Republic of Indonesia;
HE Mr I Made Mangku Pastika, Governor of Bali;
Mr James Nachipo, Chair of APEC Counter Terrorism Working Group;
Distinguished Delegates from APEC Member Economies;
Ladies and Gentlemen,

Assalamu'alaikum Wr. Wb

A very good morning to you all,

At the foremost, allow me to extend my heartfelt appreciation to all of you for gracing this auspicious APEC Workshop on Strengthening Tourism Business Resilience against the Impact of Terrorist Attack in Nusa Dua, Bali with your attendance. I should also like to extend my warmest welcome to all of you to this beautiful resort at Nusa Dua, Bali. It is indeed an honour for the National Counter Terrorism Agency of Indonesia (BNPT) of the Republic of Indonesia to host this pertinent APEC Workshop, especially with the selection of Bali as the venue of this august Workshop.

Distinguished Delegates,

In line with the central theme of this august APEC Workshop, tourism including the tourism industry has become a means for economies to generate their income. Governments around the world has devised means to enhance their income from their tourism industry, of such the Government of Indonesia, in 2016, through a presidential decree, provided a visa-free visit campaign to Indonesia, in order to boost its tourism industry. These means among others, such as travel facilitation, are policy options deemed appropriate by the UN World Tourism Organization to boost economies. Moreover, in line with the current SDGs, sustainable development of tourism is a keyword and way forward, particularly developing economies in achieving their sustainable development goals by 2030.

Against this backdrop, the UN World Tourism Organization also recognizes that sustainable development of tourism needs to be supported by programs that promote resilience of tourism development. Economies should have in place measures to assess and mitigate risk associated with their tourism sector. The need to promote a resilient tourism development, takes us back to the “heart of the matter” of this APEC Workshop that is to promote the tourism industry’s resilience from the impact of terrorist attacks.

Distinguished Delegates,

Allow me to shed some facts, based on Indonesia experience from the Bali terror attacks. As we are all aware, Bali experienced major terrorist attack in October 2002 which disrupted the tourism business activities; livelihoods of hard-working Balinese people; and rise of unemployment faced by the Balinese people working in the tourism industry. Immediately after the attack, the number of foreign tourists visiting Bali declined by 57% and approximately 2,7 million people working in the tourism industry were unemployed.

On October 2005, a series of terrorist attack struck Bali again while the island was in the process of recovery from the 2002 bombings. The attack also disabled the tourism industry in Indonesia with the decrease of overall foreign travelers to Indonesia by nearly 31% in September 2005.

Ever since the Bali terror attacks, the Government of Indonesia has postulated its efforts to safeguard Bali, while continuing to intensify its effort to promote Bali as one of the most secure tourist destinations in Indonesia. These efforts have paid off with significant successes and increase the numbers of tourists, including foreign tourists travelling to Indonesia, particularly Bali have increased on a yearly basis; even though the reminiscence of the terror attacks still lingers on many. From such experience, the importance of a resilient tourism industry becomes ever more prominent.

Distinguished Delegates,

APEC, since 2001 after 9/11 incident in New York, and in 2002, after the Bali Bombings, issued APEC Leaders’ Statements, condemning these horrendous terrorist attacks. APEC economies were united in their view that terrorism posed a direct challenge to APEC’s Bogor Goals of “free, open and prosperous economies”. Moreover, in line with APEC Leaders’ Statement of 2015 calling for the full implementation of APEC’s Consolidated Counter-Terrorism and Secure Trade Strategy, such as the commitment to provide for the secure, efficient and resilient movement of travelers across the region to ensure the continuity of economic activity in the APEC region.

These measures, I believe taken by APEC, in promoting growth of its member economies, one pertaining to the resilience of its tourism development, including tourism industry and businesses.

Distinguished Delegates,

It is our fervent hope that the two-day APEC Workshop in Bali will be beneficial for all the participants. I look forward for all participants to partake actively in sharing their experiences and proactively discussing various policies, plans and strategies implemented by the respective APEC economies in improving their security against any threats that may disrupt businesses and the movement of people, in particular those in the tourism sector. In addition, this Workshop will provide policy recommendations on how to create reliable, secure and resilient tourism industry in the region during security crisis, in particular from terrorist attacks.

Distinguished Delegates,

We are very fortunate to have His Excellency Mr Wiranto, the Coordinating Minister for Political, Legal and Security Affairs of the Republic of Indonesia, deliver his keynote address for this APEC Workshop. I would like to extend my highest appreciation to APEC member economies for providing their expertise as resource persons at this Workshop. My appreciation also goes to the APEC Secretariat, the local Government of the Bali Province, and the Bali Police for their valuable contribution and assistance to the success of this Workshop. My appreciation also goes to the organizing committee for their diligent work in preparing and ensuring the success of this Workshop in the coming two days.

Last but not least, as Bali is and will always be a most-favored tourist destination in the world, by all means, please enjoy your most cherish able and memorable stay here in this beautiful island of gods.

Distinguished Delegates,

To conclude, I now declare the workshop open. I wish you all a fruitful Workshop.

I thank you.

Wassalamu'alaikum Wr. Wb.

**Keynote Address by Coordinating Minister for Political, Legal and
Security Affairs of the Republic of Indonesia
His Excellency Mr Wiranto**



HE Mr Suhardi Alius, Head of National Agency on Counter Terrorism

Mr James Nachipo, Chair of APEC Counter Terrorism,

Mr I Made Mangku Pastika, Governor of Bali

Distinguished Participants,

Ladies and Gentlemen,

Assalamu Alaikum Warakhmatullahi Wabarakatuh, May Peace Be Upon Us, Hom Swasti Astu,

At the outset, allow me to welcome you in Indonesia, and in Bali in particular.

I always take pride in welcoming our guests in Bali, since Bali is not only a world renowned for its natural and cultural beauties, but also command appreciation for centuries, for its genuine warmth and friendliness towards foreigners.

And this is the reason why it is so relevant and opportune to hold a workshop on the effects of terrorism on the tourism industry.

Because both as a leisure destination as well as a tourism driven economy, like in many places, Bali could not escape from the criminals who abused the hospitality and the friendliness of the Balinese people to commit terrorist acts.

Ladies and Gentlemen,

Even today, I am still sad from the recollection that 15 years ago, Bali itself has been a very victim of the first ever heinous acts of terrorism on a large scale, causing severe social and economic repercussions.

Not only us in Indonesia, but the world was in shock witnessing the brutality of the act. More than 200 innocent victims lost their precious lives, another half suffered grave physical injuries that are still torturing their victims until today. But the greatest casualty of all in the aftermath of the bomb attack was naturally Bali tourism industry and the Balinese livelihood.

Two weeks after the bombing, average hotel occupancies stood at 18 per cent; in previous years, the average occupancy rate for October was above 70 per cent.

In the two consecutive years following the bombing, tourist visits fell more than 40 percent; more than 200,000 tourism-related jobs were lost in Bali alone, and 2.7 million jobs nationwide. The foreign exchange earnings also dropped 10,21 per cent after the 2002 bombing and 2,61 per cent after 2005 bombing with total loss more than half billion US dollar on both years.

In an insular economy of about four million inhabitants, that is heavily dependent on tourism to which around 30 per cent of Bali's domestic income in 2003-2004 came from. The loss of that large number of jobs and incomes in a relatively short time is by itself not something to be taken lightly. Not to mention the burden of social cost of the unemployment in the Balinese society as a whole.

But, fortunately, Indonesians in general, and Balinese in particular, we are not a nation or society that easily loses its self-confidence and resilience in the face of calamity or hardship, including terrorist attack.

We never bow to terrorist threats. And today we are even more committed to fight and overcome this extraordinary crime.

Balinese people have proven that they have successfully managed to overcome the odds to become what we all are enjoying today: a striving tourist paradise. It is therefore a pleasure to share our experiences that may be taken as a lesson learned.

First, as a matter of urgency, Indonesian police, who opening itself up to international and regional cooperation by accepting different foreign technical assistances, has very successfully managed not only to arrest all the perpetrators, but also dismantle the entire terrorist cell involved in the attacks, and finally put the responsible lawbreakers to justice.

This punitive approach as a shock therapy is very important to bring back the trust and confidence in the ability of Indonesia's security apparatus to warrant security and order for foreign tourists.

Second, immediately after the 2002 Bali bombing, and in the interests of improving its image as a tourist destination, the Indonesian government launched a recovery program mostly conceived by the Bali Tourism Board (BTB). The government quickly channeled funds to the Department of Culture and Tourism, which then took full responsibility for the recovery effort nationwide. Internationally, the Indonesian government, together with its tourism-related communities, staged a campaign of solidarity around the world with the bold message "Let us not be intimidated by acts of terrorism, because tourism is part of natural human needs."

The government, of course, express its sympathy with written notes sent to victims' families on behalf of the Indonesian people.

The mainstream media, the business community, the general public, in short the entire Indonesian nation were strongly united in solidarity behind their Balinese brothers and sisters.

A strong sense of unity and solidarity against terrorism is very important not only while combatting it, but also when still recovering from it.

Third, Indonesian government quickly opens up to international assistances and cooperation.

The Indonesian government is well aware of the fact that international terrorism is a transnational crime that cannot be tackled alone.

It is both a complicated and sophisticated affair that would continue to pose as a threat in the future. A threat that in turn need experience and expertise to handle. It requires naturally our systematic and effective responses.

Indonesia, therefore, directly welcome international technical assistance offers, first in the process of identifying victims of the Bali bombing through forensic investigation capabilities.

Next, since 2004, at the heart of the Indonesian Police Academy in Semarang, Central Java, a regional training center known as JCLEC (or the Jakarta Centre for Law Enforcement Cooperation) train members of the famous and highly successful Indonesian police counter-terrorism unit and also offers tailored courses in counter-terrorism for the international community, especially from this part of the world and the developing economies.

Indonesia is also actively participating in international cooperation on counter terrorist financing.

Fourth, Indonesia does not rely on hard power alone in its attempts to overcome terrorism in the medium and long term. The program includes prevention measures by which counter narrative, counter propaganda against intolerant ideology have been intensified through, for instance, cracking down on the misuse of cyber technology.

Indonesia has also embarked on a deradicalization programs and counter radicalism against violent extremism in order to encourage Indonesian radicals and former terrorists to return to society as decent citizens.

Last but not least, by acknowledging that problem of terrorism emanates not only from ideological subversion, but also from many different social inequalities, so the economic situation and wealth distribution have to be improved in one desires to eradicate terrorism for good.

Ladies and Gentlemen,

We all, and especially the tourism industry, wish that the world can soon return to its normalcy and put terrorism to its final resting place. Unfortunately, we also realize that there is still a long road to the end of the tunnel.

In the meantime, terrorism might develop into more complicated global problem, such as the emergence of Foreign Terrorist Fighters phenomena. And unless it is dealt with collectively by the international community as whole, there is little chance that it can be settled sooner than later.

This is why this workshop is indeed very important, because although tourism is actually the most remote enemy of terrorism, but it is sadly, most of the time, the closest casualty of its barbarous acts. New understandings, approaches and methods have to be developed to overcome terrorism.

I am pleased to learn that this workshop will thoroughly discuss innovative policies, strategies, and measures needed to better prepare the tourism industry to cope with terrorism.

It is my sincere hope that by sharing experiences, and exchanging ideas and best practices in this beautiful island, we might be able to find new and innovative ways to strengthen the resilience of tourism.

Ladies and gentlemen,

I wish you all the best. And don't forget to spend more days after the workshop to enjoy Bali. Bali that not every day you have the opportunity to savor.

Thank you and *Hom Santi Santi Hom*.



**Asia-Pacific
Economic Cooperation**

**SESSION I
THE IMPACT OF TERRORIST ATTACK ON
TOURISM-BASED ECONOMY**

The Impact of Terrorist Attack on Tourism Based Economy

by Mr Tony Ridley, CEO, Intelligent Travel, Melbourne, Australia



Introduction

The last time Mr Tony Ridley was in Bali he was coming with Air America evacuation team and medical staff to evacuate the victim of the last Bali Bombing. Mr Tony Ridley went to the clinic and started to support the medical team there and people started to arrive with very serious injuries but very quickly they realized that people arriving to the clinic that were in a very bad way and in need of medical assistance were motor vehicle accident, and that is one of the key messages that Mr Tony Ridley want to contain within his talk – is that motor vehicle accident is not sexy, they are not exciting and they certainly do not make headlines, but they are more pervasive for a lot of people to be affected when they travel, particularly from tourism perspective. But they often get overlooked. Especially those poor individuals were riding motorbikes without helmets around in Bali and in other tourist destinations. Therefore, luckily Australians visiting tourist destinations are aware that that certainly, traffic accident accounts for more injuries than anything else, most prominently when it comes to travel.

Mr Tony Ridley discussed about the reasons of why people travel in the first place. It is because some of the base line matrix that needs to be considered, part of the outcome is on why tourism is often affected in the event of direct, or indirect to terrorism attack. Mr Tony Ridley talked about the influences behind some of the decision making process of why people went traveling in the first place, the impact to the destinations' local economics, the tourist travel time cycles, the specific location examples of terrorist attacks in recent times, as well as the very tangible measureable matrix that have started to evolve in the tourism industry in recent years. Mr Tony Ridley speech focused on the importance in removing some of the emotional news of the impact of terrorist attack that often has dominated part of the content of news messages, which can often influence potential tourists' decision-making.

Issues

Tourism has become much like a stock market where there are specific measurable. Tourism particularly is affected by terrorism. The reason why tourism has become very much like a stock market as there are two methodologies behind some of the decision-making influences and now these the fundamentals: what people feel, what they think and how the tourism system runs. But in recent years there have been an emergence of specific data, numbers, measureable sentiments, thanks to Google - the internet, search engine and matrix are among other things that can help identify when people start to have a terrorism affected economy or some of those areas that people are paying particular interest to whether it be directly related to terrorism or a tourism market.

Based on the statistic of recent times, the tourist visits number and tourism interest in the last decade has been a continuing upward trend. However, there have been a number of flat periods or there have been some incidents or breakout instances in several specific markets in the world. This incident in decades are often the point of change, or they are the trigger to a change in sentiment. The change of sentiment in created a change in the desire for people to travel to tourist destinations or attractions. Some of these incidents are very specific that the public can identify how the next tourism cycle will affect the tourism destination’s market within hours or even minutes of terrorist attack or negative news.

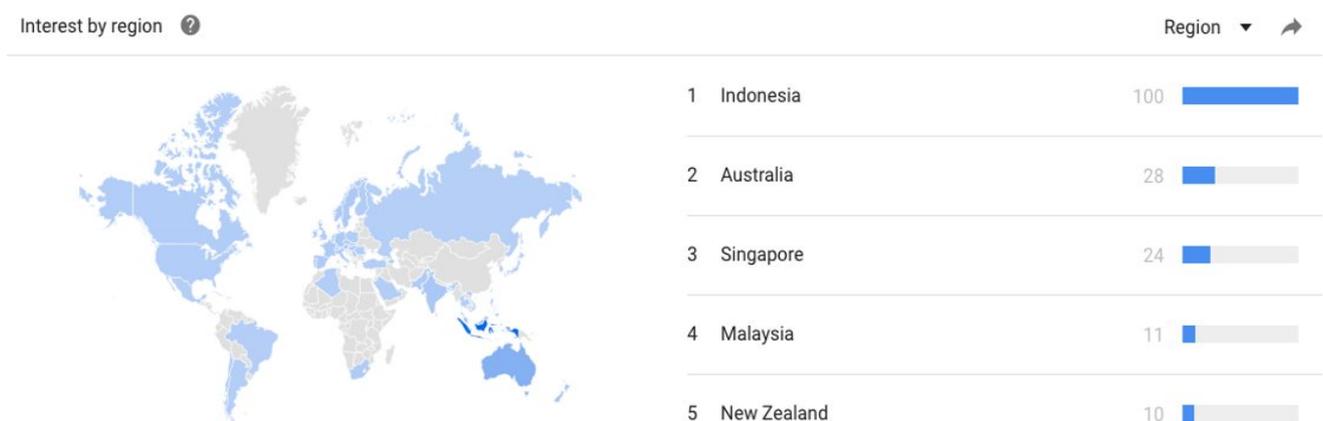
Analysis

From decision-making perspective, when it comes to analyzing publication on terrorism and terrorist attacks on tourist destinations it is important to remove some of the bias; it removes some of the grey area or that emotional sentiment that humans are prone to have at times. It is therefore utmost important to provide hard data when it comes to the impact of terrorist attacks on tourism destinations to provide information as the base for people decision-making.

Counter-intuitively, several economies experienced an upward trend due to the publication brought forward by bad news especially the relatively small economies, especially where the bad publication can be contained and the authorities shown their ability to restore order and continue the flow of trades and services. However, there are other markets that are severely impacted, one example is Nepal, whose been affected with some negative growth and diminished earnings in tourism in recent times due to natural disaster, which has nothing to do with terrorism.

Therefore, aside from terrorist attacks, economies need to pay attention on natural disaster and other infrastructure issues that have affected tourism numbers. It is not only terrorism that affect the numbers of tourist, it can often be other contributing factors. However, terrorist attack is blamed for many things, terrorism can be the reason that everybody blamed certain economic trend or outcome. What one need to do it to look at the number and dig deeper into some of the key safety and infrastructure areas, which authorities can actually find the problems need fixing, as terrorist attacks may often only the tipping point that make tourists shop somewhere else.

Graphic 1 Interest on Bali by Region, May 2017



Taking example of specific markets, such as Bali, people can attest the overtime interest, particularly over the last ten years or so. For the last twelve months there has been an upward trend returning, or breakout trend associated with online search through Google for Bali as a destination. We can break the data down and start to look at the demographic, who exactly is driving most of those search, who are

the people most interested to travel to Bali. Some of the breakout issues we can identify, for example, tourism is actually the predominant factor in those searches. That is internal Indonesian-based travel to Bali, or people who are already in Indonesia.

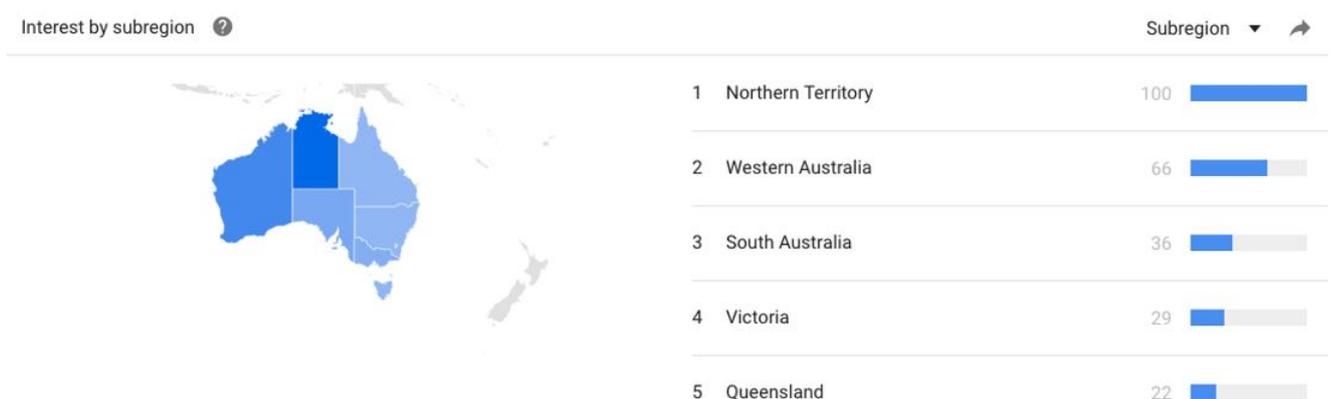
This is often overlooked factors by tourism industry, security professionals and travel industry, that domestic travel can be a significant part of that impact or changes in the sentiment. Therefore it is not necessarily just foreign element, or potential foreign tourists. Secondly, we can see trend in Australia, Singapore, Malaysia, and New Zealand in order of precedence, are the most interested market after Indonesians for visiting Bali.

But when we started to look at what it is that the people searching the internet are actually looking for when they associated or they plan to look at Bali as tourist destination, some of the breakout trend are a bit concerning or perplexing, but not all got something to do with terrorism. From the research, “Ria from Bali” is a YouTube video with questionable objectives, yet it is being viewed by hundreds, and even thousands, of people and it is dominant search when people are looking for Bali.

This example of specific breakout news story or information, and increasingly the only time tourist or travelers consume information about a specific destination, is when there is a breakout piece of information because there are just so much news coming out on that specific tourist destination. Right after the time of an accident or disaster took place, there is high volume of news or information and such surge of information captured people’s attention. However, most often, the highest internet search is not related with terrorism, or tourism. It is just a piece of information that is shared virally and socially.

If we look at Australia, if we dig into the demographic, so what are Australians doing? Much like a stock market you can start to see when its breakout trend, where there is a high interest, where there are peaks. This is something not consolidated, but it is important to be monitored effectively, and consider that such news breaks can be part of people’s decision making in the event of terrorist incident. These issues can help people to determine, with certain degree of objectivity, on exactly how much importance is given to the event, how much interest, and certainly how much damage is going to occur to tourism-based destination in the wake of terrorist attack.

Graphic 2 Interest on Bali by Region of Australia, May 2017



Looking at the demographic of the travels taking place to Bali over the last 12 months, from which part of Australia does Bali visitors originate, the answer is Northern Territory, Western Australia. This is because the flights are relatively cheaper and it has shorter distance compared with other Australian territories. Having this knowledge allow us to segment the audience of the news regarding Bali as tourist destination. After the segment of the audience is known, so too must be the messages that come across from Bali to this particular segment. This is the direct audience that must be communicated to because

they represent the dominant buying factors when it comes to tourism. Often, tourism promotional message is not consumed, or promotional activity is not implemented suitably by the tourism industry.

The Power of Search Engine

Back to the example of the search engine that revealed the highest recent search on Bali in the area of Northern Territory is “Sarah Connor Bali”. If we start to examine at people were searching for, "Sarah Connor in Bali" actually relates to the case of an Australian woman that is involved with the death of Indonesian police officer here in Bali. Again, this example proven that what is consumed by the majority of potential tourist to Bali got nothing to do with terrorism.

Arguably this reveal the reality that there is a breakout piece of information on Bali as example of tourist destination, that people are searching for, but often it can also be the only information that is being consumed by potential travelers before they embark on their travel journey to that destination. Is “Sarah Connor in Bali” indicative of Bali? Is that indicative of all of Indonesia? Absolutely not. But that is what the crowds are looking at and that is what they most focus on when they are making decisions to travel to a destination. This indicative to the reality that when terrorist attack occurs, and the media all rally behind the terror news, the bad news can be the breakout trend. The challenge is to make that bad news breakout not becoming a trend so it would not get people’s attention

Graphic 3 Google Search: Trending Topic on Bali, May 2017

Related topics [?]	Rising [▼] [↔]	Related queries [?]	Rising [▼] [↔]
1 Sarah Connor - Terminator	Breakout	1 sara connor bali	Breakout
2 Zika virus - Topic	+450%	2 sarah connor	Breakout
3 Tigerair - Airline	+110%	3 sarah connor bali	Breakout
		4 osher gunsberg bali	Breakout
		5 i know the pilot	Breakout

Over the past 5 years people can almost map when there has been significant interest or influence particularly from terrorism perspective over the cycle of Bali, as well as other tourist destinations. For example, Libya with the Arab spring, very similar breakout trends and indicators started to occur as a warning of just how big an issue is going to be for the industry and the local economy.

This is the dominant area terrorism affected tourism are researching. It is normal when in Western Australia or Perth has high number of searches for Bali, because of the fact that there are ten flights per day from Perth to Bali. This is especially visible when it is compared to the flight from Melbourne to Bali, where there are only 2. If there is ten flights a day and suddenly the flight is reduced to 3 or 4 a day due to terrorist attack, it provides a further evidence of the economic impact of terrorist attack. Similarly, such drop on flight frequency may be caused by any other economic reason, such as a volcano eruption that affects flight routes. These things are often significant events that can act as indicators of how the tourism industry will run.

Furthermore, when the research removed Sarah Connor and removing Ria Bali videos, and search for Bali, the results not featured were government advisories, CNN and lonely planet. The consumer market of information and advice comes from bloggers or amateur video makers. Viral information originated

from unqualified opinion and advices could be very dangerous, this is especially so when it comes to terrorism. More often the viral news not a qualified opinion, they are not a qualified advice. Yet, they are consumed by thousands and millions of people that make the decision, "Should I go to Paris, although it is a bit risky" and they still go without precautions because these people read it on a blog or someone posted it on Facebook.

From the research it was revealed that the most dominant social media event associated with Bali for the last 12 months, shared on Facebook over 40 thousand times is someone's wedding, the next one is "*sembilan kamar hotel di Bali dengan akses langsung kolam renang*" or someone's looking for nine bedrooms place with direct access to swimming pool. Again, this has nothing to do with terrorism, got nothing to do with police attacks, but that has been what the crowd has been looking at. This information is important to know because this is the audiences that we have to communicate to, especially when a tourist destination wants to keep visitors coming in the wake of a critical event, including terrorist attack.

Influencers

To conduct a successful promotion of a tourist destination, one needs to know the influencers, or what can influence people to come and visit certain attractions. Active influencers, who are these people? Who are the bloggers? Who are these people? How big are their followers? How many people consume their blogs? Unfortunately, this information is rarely understood by the traditional mainstream media, government and professionals as they all run around trying to get their messages out while the influencers are sitting at home in their pajamas blogging at night, passing public opinion which is affecting hundreds or thousands of followers, and we do not even know who they are. It is a concern and it needs to change.

Again from the example of Bali, if study on Google search on Bali is conducted, the travel industry itself has been in crisis for the last few years because people do not book directly to hotels anymore, but they book for online travel agent like Tripadvisor, Expedia; they do not book taxi anymore, they use Uber. There are other intermediaries that are aggregating information and making it simpler for people to consume, so too is the information when it comes to terrorism or tourist destinations. The highest readership article controlled by perhaps the Lonelyplanet, Bali.com, Wikipedia. Wikipedia is still the 3rd largest piece of information that people consume before they travel to Bali. Unqualified, unregulated, but millions of travelers are making decisions based on what Wikipedia has to say, not what experts and government authorities, which are far more qualified piece of advice, had to say.

The study result shown similar result on videos, news and other things. The advice that had been consumed and influenced travelers is unqualified, unregulated but it is being used and unfortunately, every formal measure to date has not been effective in shaping consumers' sentiment thus far.

Turkey for example, 30 percent decline in tourism over the last 12 months is caused by headline breakout of negative events, such as the airport was bombed. All these negative things, but arguably, when was the last time anyone hear anything else about Turkey? These are the only things breaking through the media cycle and it is influencing travelers' decision-making.

Egypt, much the same. Pyramids have been there for thousands of years, but what people find on Google and news shapes their decision making, a 68.4 percent decline in tourism over first nine months of last year. That is significant and Egypt is very much a tourism-based economy. The cycle goes that no tourism, no jobs, no welfare. The entire structure started to erode. People do not get paid for transports, food, for entertainment. No tourism, no economy.

France, most recently. The decline in foreign tourists is gotten to the point where they defined this part of industrial crisis starting to loop because hotels are empty, the airport is not getting as many people,

taxi drivers aren't getting what they use to, the cafes are not there, people are not going to museum, and all these effects. There was a massive decline 2.5 million people unemployed, this started to happen. Why? Because the only piece of information or news about France and Paris in the past months has been terrible, someone driving a truck into a crowd in the Champs Elysees in Bastille Day event. Another breakout news was couple of soldiers murdered because somebody shot them. These are what the consumer market is faced with, so much noises.

Recommendations

Often the only message they get is negative. Not only its negative, its unqualified, and often incorrect. In the personal experience of being the security advisor for the movie "Eat, Pray, Love", advice given prior to Julia Roberts and the team arrived in Bali was "Do not go on motorbikes and be careful of carrying peanuts when you go to Monkey Forest in Ubud". Although traffic accidents are the highest risk here, not terrorism, but the film crew were in disbelief.

To balance the effect of terrorist attacks on tourism economies, further studies and actions need to be done on the issue of motivation, or the reason why people travel. The underlying reasons of seeking adventures, culture, food, shopping, personal development, education, or medical tourism should be known when economies would like to conduct marketing or promotion on tourism destinations that were affected by terrorist attack. All these motivations are different and they contribute to the overall decision-making process on why someone travels. So although a tourist destination is significantly impacted by an attack, if the attraction factors that made people travel in the first place are still there, people would still come, for example for religious motivated travel, such as pilgrimage or medical tourism. Therefore, understanding the different audiences is important to tailor economies' tourism promotional messages in order to reach and to communicate with the right market segment.

**How to Increase Resilience in the Tourism Economies
Affected by Terrorist Attacks**
by Dr Fitriani, Researcher, Centre for Strategic and International Studies



Introduction

Tourism is an important sector due to its significant contribution to the world economy, in GDP, job creation, and economic multiplier. According to the World Travel and Tourism Council 2015 Report, direct contribution of travel and tourism to the world GDP equaled to USD 2.364,8 billion (or 3.1% GDP). Moreover, total contribution from travel and tourism to the world GDP (including effects from investment, supply chain, and induced economic impacts such as food and beverages) equaled to USD 7.580,9 billion (or 9.8% GDP).

These evidences might show how enormous the impact that tourism could contribute to the world economy is. In addition, tourism also generated over 100 million direct jobs (or 3.6% of total employment) and attracted capital investment of USD 814.4 billion (or 4.3% of GDP) around the world, based on 2015 World Travel and Tourism Council data.

In the APEC region, tourism industry contributes to job creation, economic growth, sustainable development, and peace in the APEC region. According to the APEC Policy Support Unit (PSU), every 10% increase in tourist arrivals is associated with a 1.2% increase in exports and 0.8% increase in imports in the destination economy.

Furthermore, a study by the APEC PSU shows that tourism development has a positive impact on poverty reduction and inclusive growth (i.e., growth in household income coupled with improvements in distribution). Tourism contributes to poverty reduction as every 1% increase of tourist arrivals is associated with a 0.12% reduction in the number of poor people in the region. Data also shows indicatively that tourism contributes to inclusive growth by providing the poor with more opportunities for employment and entrepreneurial activities.

A successful tourism industry requires political stability, security and peace. Therefore, the appearance of terrorism could interrupt the stability of tourism sector because it might create fear, prevent contacts among people and hamper travel. As a result, government and stakeholders which are involved in the tourism sector need to improve the policies to deal with terrorism so that they can preserve the tourism sector.

The structure is firstly, on the reason why terrorist target tourist; secondly the impact of terrorist attacks on tourism; thereafter, selected lesson-learned on preserving tourism industry; then continue on how to increase resilience, and concluded by providing proposed recommendations.

Tourist as Target

Terrorist group perceived tourists as easy prey. Why? There are several reasons: 1) Tourists are often people that are unguarded. They travel to relax and to have fun, and rarely do they take special security class prior to taking their holiday. Therefore, tourists are considered soft target and low risk. 2) Tourists have high visibility. Especially foreign tourists that are often stand out from the crowd, making them easy to spot. 3) As terrorist groups are often politically driven to challenge people in power, attack toward tourists, especially foreign tourists, undermine local government capacity on its ability to maintain security and safety. 4) Tourists are often symbols of the privilege class, which made them the target because they represent different identity from that of the terrorist group. For example, attack toward tourist originated from Western region may symbolizes disapproval toward the specific member economies' policy. 5) Again, because tourists are perceived as the privilege and well-connected class, terrorist may take them as hostage to seek for compensation by asking ransom. Several travel insurances may even cover terrorist attack as their coverage plan.

Tourists' perception about specific tourist destinations is important because it influences individuals' travel decision-making (Sonmez & Graefe, 1998). In this case, tourists' negative awareness, due to terrorist attack and other instability, that relates to the sense of safety and security at a travel destination could prove appalling for destination's ability to attract visitors (George, 2010) (Reisinger & Mavondo, 2005). From CSIS analysis, the biggest factor that influence tourist decision-making is not actually the attack or instability themselves, but rather the hype of media coverage. Tourists rely on news media, as well as 'words of mouth' to provide information about the risky situation of their planned destination (Breakwell, 2007) (Renn, 2004).

Graphic 4 Number of Foreign Tourists Arrivals (number in Million people) (% in annual growth)

	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016
France	80.85 (3.8%)	79.21 (-2%)	76.76 (-3.1%)	76.64 (-0.15%)	80.5 (5%)	81.98 (1.84%)	83.63 (2%)	83.76 (0.16%)	84.5 (0.9%)	-
India	5.08 (14.3%)	5.28 (4%)	5.16 (-2.2%)	5.77 (11.8%)	6.31 (9.2%)	6.57 (4.3%)	6.96 (5.9%)	7.67 (10.2%)	8.02 (4.5%)	-
Indonesia	5.5 (12.9%)	6.23 (13.2%)	6.32 (1.4%)	7 (10.7%)	7.65 (9.3%)	8.04 (5.1%)	8.8 (9.4%)	9.44 (7.2%)	9.73 (3%)	-
Mexico	21.6 (1.1%)	22.93 (6.1%)	22.34 (-2.57%)	23.29 (3.98%)	23.4 (0.47%)	23.4 (-)	24.15 (3.2%)	29.34 (21.5%)	32.1 (9.5%)	-
Philippines	3.09 (8.7%)	3.14 (1.6%)	3.02 (-3.8%)	3.52 (16.5%)	3.92 (11.3%)	4.27 (8.9%)	4.68 (9.6%)	4.83 (3.2%)	5.36 (10.9%)	-
Turkey	23.3 (17.7%)	26.33 (12.8%)	27.07 (2.8%)	28.63 (5.7%)	31.45 (9.8%)	31.78 (1.04%)	34.91 (9.8%)	36.83 (5.5%)	36.24 (-1.6%)	25.35 (-30.1%)
Global	911 (7.05%)	929 (1.9%)	894 (-3.7%)	949 (6.1%)	995 (4.8%)	1,035 (4%)	1,087 (5%)	1,133 (4.2%)	1,186 (4.6%)	-

From the graphic of international inbound tourist arrival from the Economic Intelligence Unit and Euromonitor, it is shown that the tourism industry is affected by political unrest and terrorism in a negative way. Take example, Egypt's experience over the last decade. The Dahab and Sharm El Sheikh attacks in 2006, which killed more than 20 Egyptians and tourists, caused a loss of 8% of foreign tourism receipts in 2006. The Arab Spring and toppling of President Mubarak in 2011 witness tourist arrivals decline by nearly a third year-on-year, to 9.5 million from 14 million. Similarly, the political turbulence that led to the ousting of President Morsi impacted to a decline in tourist arrivals from 11.5 million trips in 2012 to 9.5 million in 2013. Another example is Thailand, where the 2008 red shirt versus yellow shirt political crisis created a decline of tourist visits because international airport closing, leading to a

3% year-on-year decrease in foreign tourist arrivals and a 12% decrease in foreign tourism receipts in 2009. The main factors of declining international tourism arrival relate to media reporting of a crisis, as well as negative accounts experiences from family and friends.

However, there are interventions that can be done to improve the impact of a crisis in tourism industry. From Malaysia example, promotion such as Visit Malaysia Campaign in 2004 and 2007 has increased the number of tourist arrivals between 3 to 5%. Similarly, Thai tourism incentives through providing tax breaks, such as personal tax deduction for tourism-related spending, and claim for participating in domestic and international trade shows.

Impact of Terrorist Attack

For international tourism, the selected economies foreign tourist arrival data to show the impact of terrorism and instability to the growth and decline volume of international tourism. Overall, global tourism was hit by the 2008 Global Financial Crisis, hence the number of international travelers declined in 2009. However, specific economies tourism was hit by the instability taking place within their border. France tourism, as one of the world's leading destination, was hit in 2015 by Charlie Hebdo shooting in January and Paris shooting in November, hence we could see the decline of international arrival in 2016. India was affected double by the GMF, as well as the 2008 Mumbai Taj and Oberoi hotel terror attacks. In 2011, another attack hit Mumbai, where Boeing-787 Dreamliner first visit to the city was canceled on the wake of the blast.

Meanwhile, Indonesia seen a decline of international tourist arrivals in 2012 after the previous year Indonesia experienced mosque and church bombing, although not so much in 2009 JW Marriot and Ritz-Carlton bomb because the was a tourism campaign done not long after. In Mexico, as the number of international visitors is relatively high, the growth is affected by the instability within the area that is fighting a drugs war. In the Philippines, the attacks by Abu Sayyaf group in Basilan in 2007 and kidnapping in 2011 provided an impact to the tourism industry. Abu Sayyaf kidnappings occurred almost yearly since, but the tourism campaign 'It is more fun in the Philippines' implemented since 2012 buffer the effect. Hit worst by terrorist attacks lately, Turkey was affected by the many bombing attacks in tourist destinations, as well as at Istanbul the airport in 2015 and 2016.

Therefore, it is largely understood that the impacts of terrorist attack on tourism are as follows: 1) The number of travelers decline, 2) The amount of travelers' spending reduced, 3) The attack tarnished tourism destinations' image by creating fear for people that would like to visit them, 4) Terror attack hurts local economy, especially those dependent on tourism industry, 5) The instability of the attack impact the wider region

Lesson Learned in the Aftermath of Crisis

There are selected experiences in revitalizing tourism industry in the aftermath of terrorist attack. The United Kingdom has instilled agreed-upon procedures when it comes to responding to terrorist attack. Trained by its 2005 London bombing, the officials had established crisis management relations among government bodies, as well as the media. The UK benefits from its ability to influence the media through having a respected government-supported international channel, the BBC. Indonesia's Bali was hit by terrorist attacks in 2002 and 2005, forcing the Indonesia to remediate the tourism industry by conducting marketing campaign of Visit Indonesia; drawing benefit from the depreciating rupiah to attract foreign visitors by targeting a wider pool of tourist sources, expanding from Australia to Japan, Korea and China; as well as providing tourism recovery fund to help the sector.

Similarly, after political crisis hits Thailand, Thailand implemented Amazing Thailand and Grand Sale campaign, as well as informing businesses the tax incentives provided for them to hold local and international trade meetings in the Thailand. Egypt implemented improvement of visa process for foreign tourists, including visa on arrivals; reduced levies on unfilled plans seats to discourage airlines from cutting the numbers of flights to the region; and focused in developing resorts and enclave cities that are relatively easier to secure from terrorist attack, such as along the Red Sea, and across the

Caribbean. Other examples on increasing tourist arrival can be seen by Macedonia providing subsidies for flights, on top of its tax incentives, that can sustain its tourism business despite the 2013 violence conflict. Meanwhile, Chinese Taipei has developed a standardized strategic safety and security master plan for tourists, a crisis management model, and promote the development by industry of simple-to-use safety and security measures for tourism businesses. This made Chinese Taipei ready when there was a commuter train bomb in 2016.

Review done by Jakarta's Centre for Strategic and International Studies on the APEC economies counter terrorism initiative on tourism has revealed that although many have police division trained and dedicated for security tourism destinations and businesses, very few of the economies have tourism crisis communication manual. The APEC economies that have crisis communication manual were ASEAN members that incorporate the best practices from Pacific Asia Travel Association and UN World Tourism Organization. Meanwhile, there are many APEC economies that have joined Financial Action Task Force (FATF), an inter-governmental body that develop and promote policies to combat money laundering and terrorist financing. It implies that having the knowledge of terrorist financing would allow economies to prevent terror attack from happening, especially at tourist destinations.

The Four Rs Approach

Considering the impact of terrorist attack and the lesson-learned, policy suggestion is offered on how to increase the resilience on tourism industry through 4 Rs methods. Reduction through conducting risk assessment and implementing risk management. Readiness by sharing information among intelligence and law enforcement agencies, and conduct monitoring. Response by having close cooperation between government and media so that the spread of panic-inducing, fake and misleading information can be contained. Lastly, Recovery through implementing marketing strategies.

Therefore, what APEC economies could do in the future for increasing resilience in tourism sector are through 1) maintaining and increasing the sharing of information; 2) increasing the capacity of tourism police in securing destinations and businesses; 3) having pre-emptive planning of crisis management in place, which include but not limited to guidebook, task force, security protocols and first responder training drill; 4) having media management in place for before, during and after terrorist attack; 5) demonstrating crisis management capabilities when terrorist attack taking place through effective search and rescue, provision of safe shelter for tourists and panic containment; 6) with the travel barriers usually increased for protection against terrorist attack, it is important to keep enhancing the security but still ensuring travelers' convenience by using technology solutions – such as profiling camera that could detect facial recognition of nervous suspected terrorist in a crowded tourist area including in airports; and 7) facilitating tourism recovery in the aftermath of terrorist attack.

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How Do Terror Attacks Affect Tourist Economies
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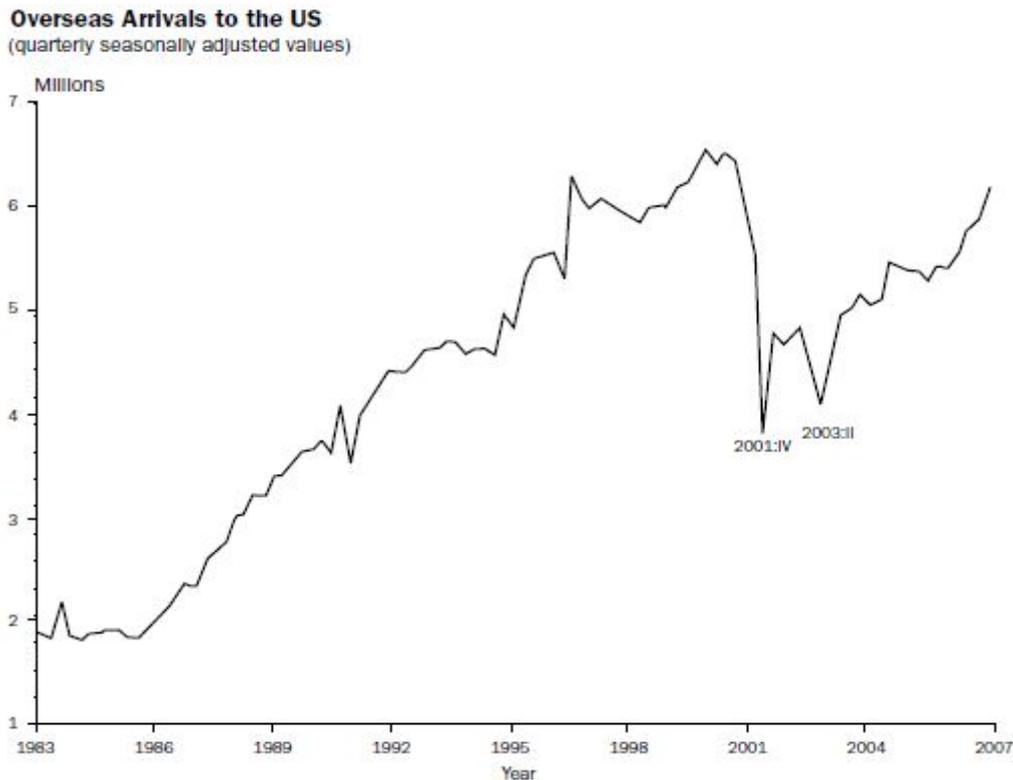
Introduction

This part focused on the US case, including presenting the US as a tourism economy and the impact of terrorist attacks occurred. The great American culture is perhaps best reflected through the greatest baseball movie of all time, Field of Dreams. The movie is about a guy played by Kevin Costner, who lives in the middle of nowhere and decides to build a baseball stadium in the spirit of all the great baseball players. Overall, the take away from the movie is if you build a tourist attraction, the tourists will come. That message resonated until the past April 2017 when it was used by the Senior Vice President of Operations for the San Francisco Giants.

This year marked the very first year that the US travel association, which is our conglomeration of people in travel industry, held a travel and security summit. They just conduct the summit last month and they were talking about this very issue, how to build tourism industry resilience in the face of terrorist attack. Jorge Costa, Senior Vice President of Operations for the SF Giants, was talking about how in US, with major leagues sports at the beginning when they started to think about security they were afraid to start implementing the basic security procedures because they were afraid it would drive the fans away and they would not come to see a baseball game or they thought they are not going to be safe. Yet, in the end, they realize if you build it they will come, if they do not feel safe they will leave. And so one of the things that he shared at this big meeting last month was how they have tried to start incorporating security to make people feel safe when they come to tourist venues.

Understandably, the United States is a huge tourist economy. Tourism is a 2.3 trillion-dollar industry, where nine out of every ten jobs in the US originate from tourism industry. Tourism is in the top ten revenue producers in 49 out of 50 US States. Therefore, disturbance on tourism industry is very much a major concern, because for American people it is a big priority that people around the world come to visit United States, and also for the American people visit travel destinations within United States because these tourist visits produces a lot of jobs. The first case discussed was regarding the impact of the 9/11 attack affected the tourism industry in the US. There is a graph that is compiled from data obtained by the US Department of Homeland Security (DHS) and the US Citizenship and Immigration Services (USCIS). The 9/11 terrorist attack had devastating impact on the US tourism industry and it didn't just impact tourism industry in New York or Washington DC. Some of the US biggest revenue producers for tourism are the state of Florida, California. The US entire region was affected. Even Hawaii that is not located in the American continent was affected by the 9/11 attack.

Graphic 5 Graphic of Total Overseas Tourist Arrival to the US from 1983 to 2007



Recovery after Terrorist Attack

It took a really long period for the visitor numbers to start recovering and if that second dip of revenue that took place in 2003 is observed, it was when all of the legislation came out after the 9/11. The legislations consisted of all the new travel and visa rules, which at the time they started to get implemented and that was when the second dip happened continued by a period of recovery.

Therefore, it took until about 2007 for the US tourism numbers to start experiencing a rebound. However, from the disaggregated data, researchers actually found that it had taken longer for people coming from areas not having US visa waiver program to come to the US, making the number of visitors only slowly rebounding back. This is something that need to be observed, when economies react to a terrorist attack and tries to increase the level of security, then one of the things that should be highlighted is the important of balance. The key is balancing security with openness.

One of the things that the US travel association called the decade after 9/11 as “the Lost Decade” and they estimated that the US in the decade after 9/11 experiencing a loss of 68.3 million visitors, which equal to the economic loss of a potential 600 billion US dollars in revenue, which also affected to the loss of 467,000 possible employments. Conversely, as the travel industry was growing throughout the rest of the worlds, the US shares shrank. Fortunately, in the April 2017 the US data reported that the US share of the world travel is back at where it was prior to 9/11 attack. From 2001 to 2017 is more than fifteen years, which is relatively a long time to recover.

Meanwhile, it took Hawaii until 2003 to recover from 9/11 attack. One of the reasons why they recovered so quickly was because Hawaii was the beneficiary of what is called ‘substitution travel’. Substitution travel means that when people did not feel safe going to places like New York City and so they went to Hawaii instead. Another reason of travel substitution occurred is because people do not feel safe traveling on airplane anymore after the 9/11 attack they tend to choose alternative

transportation option. This resulted to the increase of the number of traffic accidents started because people were deciding to drive instead of to take planes.

Insecurity Cost

There are a lot of other security costs that adds the concern of potential travelers. The US Transportation Security Administration (TSA) collected about 15 billion dollars in fees in the decade after 9/11 and nearly 3 billion dollars were collected in new air carrier fees as the US tried to figure out how to make flying safe again. The US insurance industry was completely devastated after 9/11. They had a record payout of 32 billion dollars and it is basically required a restructuring of our insurance industry so that now terrorist attack are federally subsidies. Otherwise, the insurance industry would not have survived.

It is perhaps interested to contrast between the devastation post-9/11 with the more recent attacks in the US in Florida State in 2016. Florida is one of the biggest tourist destination in US. The State is home to Disneyworld, Orlando Studio and SeaWorld. Many people, from within the US and abroad, dream of going to Florida and they save up for years and years to go there. However, despite this charm, the year of 2016 for Florida it was a pretty bad year. The terrifying attack on Orlando Pulse Night Club, which was on 12 June 2016 and the impact is devastating. Omar Mateen killed 49 people. He wounded 53 others in brutal terrorism hate crime and it now stands as the US's deadliest mass shooting by a single shooter. The Orlando nightclub shooting is the deadliest incident of violence against LGBT people in the US history. It was also the deadliest terrorist attack in the US since 9/11. Unfortunately, this attack was not the only problem that Florida had in 2016. This year also saw the death of 2-year-old child as a result of an alligator attack in Disneyworld which was awful. Moreover, the outbreak of Zika virus, a mosquito-borne virus that caused babies born from mothers who are affected to have the symptoms of microcephaly, is something that people were terrified of. Another incident in Florida is also the fatal shooting of the 22-year-old 'The Voice' singer Christina Grimmie after her concert.

The Paradox

Many would think that the aforementioned terrible incidents, which broke out in the media had made headlines and tourism in Florida would have had some trouble in 2016. However in February 2017, Florida's governor, Rick Scott announced that Florida's 2016 tourism numbers were even better than 2015 – the state saw a 5.9 percent increase in tourism, continuing its sixth straight year of growth. There were nearly 113 million visitors in 2016, and these tourists spent US\$109 billion that contributed to Florida State's revenue.

It is interesting to understand why Florida's tourism numbers relatively unaffected by the 2016 incidents, while the 9/11 devastated the US economy. There are numbers of reasons that people are pointing to. In the respect of Florida in 2016 attack, the US Travel Association noted that the ease of travel and increasingly good airport connection continue to make the state an attractive destination. In direct contrast to 9/11 effect that make people did not feel safe flying on planes, and that people perceived planes were targets of terrorist. On the contrary, in 2016 people do not have that fear anymore.

Another reason by the 2016 Florida incidents created a different impact compared to 9/11 is sense of security. Now, the tourism industry is important for Florida and there is a crisis management initiative that does research in the University of Florida. The researchers from the University of Florida's Tourism Crisis Management Initiatives said that this sense of security was boosted probably after the major tourist destinations Disneyworld, Universal Studio, SeaWorld, and others started incorporating very visible security measures in the wake of San Bernardino, California and Paris Attacks, which according to TCMI has contributed to the sense of security that tourist had. The authorities also shown the ability to respond the crisis well, which secure the public's confidence of the authorities' capacity. Studies recorded multiple anecdotal interviews in the wake of the Orlando Pulse Night Club attack, which

shown that people are aware of the events that happened and how terrible they were, however they actually became more determined to visit Florida. The anecdotal interviews also indicated that people were convinced by the response of the authority.

The last reason why there are differences between the Orlando, Florida attack and the 9/11 attack lies on the nature of the attacks. Senior VP of the World Travel and Tourism Council (WTTC) Helen Morano noted that there is more of a long-term impact on tourism when the attacks appear to be directed at tourists, which was not the case in Florida in 2016. The Orlando night club attack was a terrible event, but the attack was not perceived to be directed at tourists. Taking Egypt as an example, Egypt's tourist industry was developed at such strong variance compared to the local communities' level of development and cultural norms, as well as the local's sense of identity. This made Egypt's tourism industry, and also other tourism industries that were built separately with the local community and sense of identity, became easy targets for resentment, which could lead to violence and terror attacks.

Promoting Readiness and Resiliency

It is impossible to prevent every future terror attack and it is not practical or feasible to protect every potential target from every potential threat. It just costs prohibitive. Therefore, protecting tourist economies requires both preparedness and resilience. We are promoting both preparedness and resilience, and this promotion is conducted in both within the US and in other destinations where American citizens travel.

The US domestic program led by the department of Homeland Security. It is called the Hometown Security Program and basically what it does is aim to build collaborative relationship between communities, the private sector and the government. The program helps these stakeholders to identify their own vulnerabilities and develop protective measures by promoting best practices and links them to other federal programs to empower and raise awareness of community and business about what they can do to protect themselves. The aim of this program is to build resiliency.

Globally, the US partners with the government of Turkey in the Global Counter Terrorism Forum (GCTF). Together with Turkey, the US have just launched a soft target protection initiative to develop a set of internationally recognized non-binding good practices to set the stage for future engagement, training and assistance in protecting soft targets. The GCTF is in the process of doing that through a series of regional workshop. Most recently, we gathered people from Asia to held meeting in Singapore last March 2017 to garner lessons learned from experts responsible for protecting public places. Once the process or garnering lesson learned is over, the idea is to collect all the knowledge and experience together to codify best practices that can be used as a document for everyone.

Turning the focus toward APEC, what the US could then do is to extend these initiatives to APEC in the form of workshop on soft targets in the city or economies, under the auspices of Counter Terrorism Working Group. The proposed workshop envisioned to bring working level government officials together so they could share their best practices, strengthen their efforts to protect soft targets in individual member economies. The US have developed a concept paper on the proposed workshop on soft targets, which will be circulated, and invite other economies to participate.

Discussion Session I



Discussion in Session 1 started by additional remarks from Mr Ridley in regards to his presentation that the often overlooked factors that also contribute to the number of tourist arrivals are the segmented audience of first time travelers to a destination and the regular travelers who will always be passionate about traveling to a specific destination. He then explained again about the three phase cycles. The first one is the immediate, which is up about two weeks after the event of terrorism. This cycle is a crucial time since it affects massive change in decisions, particularly if the government issued travel advisory. The first two weeks is the first pricker to see how big the impact is going to be. The second phase is short-term phase, which is in 4 to 8 weeks after the terrorist attack. This is the time that affects the bookings of flight, hotels, travel and tours. The third cycle is sustain cycle, which is about 8 weeks. In this cycle, questions such as whether people are going to travel, whether there are sufficient flights, or whether the cost had dropped to a point where they are desperate to attract tourists. Mr Ridley stated that these are the three critical phases that often get overlooked but these are what determine major economic impact for a post-terrorism event as related to tourism.

Ms Fitriani raised question on recommendations for member economies based on the 3 cycle phases. Mr Ridley addressed this question by restating the importance of de-formalization of message in the event and aftermath of terrorist attack. He then give an example of Thailand when demonstration occurred, Thailand officials give messages that not all part of Thailand is affected, that people can still go from the airport to hotels or shopping areas. He argued that the messages were often too contained to official channels only and there was insufficient informal communication, resulting in people waited too long for official announcement and neglecting the critical 3 cycle phases. Bringing up example from Florida case, he stated that people are self-centered and if the attack does not affect them or their travel plan, they would still travel. Regarding question on who should de-formalize the messages, Mr Ridley argued that de-formalization of message should be a part of broader agenda of the tourism industry and travel agents. It is very important because opinions written on blogs or Facebook posts are the one that affect average travelers. Mr Ridley expressed his thoughts that part of broader network for tourism industry is not to just be able to communicate with official channels, but also bloggers, travel industry and hotels. Hotels should be empowered and given capacity to encourage bookings. Lastly, he advised that the information from official channels is not consumable because it is often too official and brought down with bureaucracy and politics.

Ms Doherty added comments on how terrorist attacks in Europe back in 1985 affected travel decisions of millions of Americans and how it affected Europeans economic when Americans tourists stopped going to Europe.

Responding to Ms Doherty's comment, Mr Tony emphasized on the importance of geography lesson because often times when terrorist attack occurred in certain area of a place, people often assume that all areas of that place are in danger too. During Mumbai attack, everyone in India wanted to flee India, while the only affected area was Mumbai. During Bali Bombing, everyone rushed to flee Indonesia. Mr Ridley argued that when millions of people go to the airport and try to flee, the airport could be a potential target for attacks. Therefore, basic geography lesson and information from tourism businesses are important because that information may be the only information people consumed about Bali in weeks or months.

Ms Doherty then added comment that in dealing with the aftermath of terrorist attack, member economies do not have to re-invent strategy from the beginning to build resilience. Member economies can learn lessons from other threats, such as the steps if earthquake or fire occurred in hotels or public places because those steps or standards could also be applied in reacting to terrorist attack.

Mr Beirman from Australia inquired details from Ms Doherty's presentation on growing number of tourist arrivals in Florida in 2016. He wanted to know whether the growth is mainly from domestic or international tourist arrivals. Ms Doherty responded that she would follow up on this later.

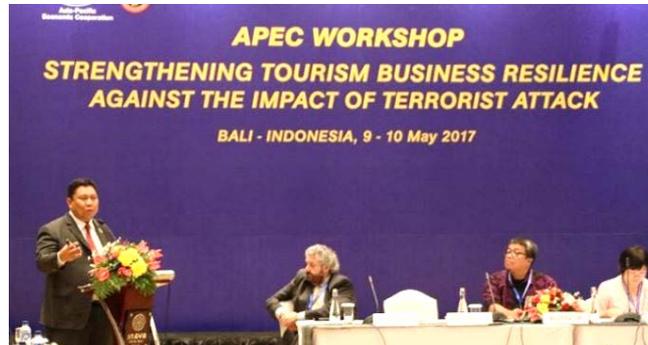
Lastly, the moderator Ms Nia Niscaya re-iterated that basic geography lesson is important and expressed her wish that the participants would also learn better geography on Indonesia, that Indonesia is not only Bali and Bali is not only Kuta, Seminyak or Jimbaran.



**Asia-Pacific
Economic Cooperation**

**SESSION II
EFFECTIVE MEASURES AND POLICIES TO PREVENT TOURISM
FROM TERRORIST ATTACK**

Impact on Terrorist Attacks on the Tourism Economy of Bali: Lesson Learned by Insp Gen Petrus R. Golose, Chief of Bali Police



Introduction

General Petrus Golose was the first speaker for the second session. He began by reiterating that before he became the Chief of Bali Police, General Petrus Golose had already dealt with the issue of terrorism before the 1st Bali Bombing. At one time, the speaker served as the Deputy for International Cooperation with BNPT, and was responsible in establishing effective communication with foreign partners as well as disseminating information related to terrorism around the world. General Petrus Golose realized that during his time as a police officer, terrorist attacks were commonly targeting civilian targets such as: restaurants, nightclubs, hotels, places of worships, and etc. He presented a timeline of all terrorism-related attacks that happened in Indonesia, including the ones that happened before 9/11. Most of the perpetrators have been identified to have links with extremists groups, including Jamaah Islamiyah (JI), Jamaah Ansarut Tauhid (JAT), and others. General Petrus Golose recalled one of the first terrorist attacks that hit Indonesia was in 1985. There a group calling themselves Jihad Commando, detonated bombs at Borobudur temple. The motivation for the attack, he mentioned, was as a revenge for the Tanjung Priok Incident in 1984.

Issue

As we entered the 21st century, patterns and targets of attack have started to change, according to General Golose. At the turn of the century, terrorist groups were very active in attacking key tourism locations. Beginning with the 2002 Bali bombing, 2003 JW Marriott Hotel bombing, 2005 Bali bombing, and subsequently the 2009 Jakarta Hotels bombing, just to name a few. These attacks have highlighted a pattern that tourism infrastructure are frequently attacks, which led to an increase in the level of securities at these places. General Golose remarked that even though the JW Marriott in Jakarta was bombed twice during the last decade, security at the hotel has improved significantly. However as terrorist attacks in major population centers started to resurface, General Golose identified that the target of the attacks have shifted. Where it was common to target the tourism industry, terrorist groups have now started to attack security apparatus, such as the police. This was due to the fact that security agencies have been seen as a hindrance for terrorist groups to achieve their ultimate goals, and is seen fit to be targeted by these groups.

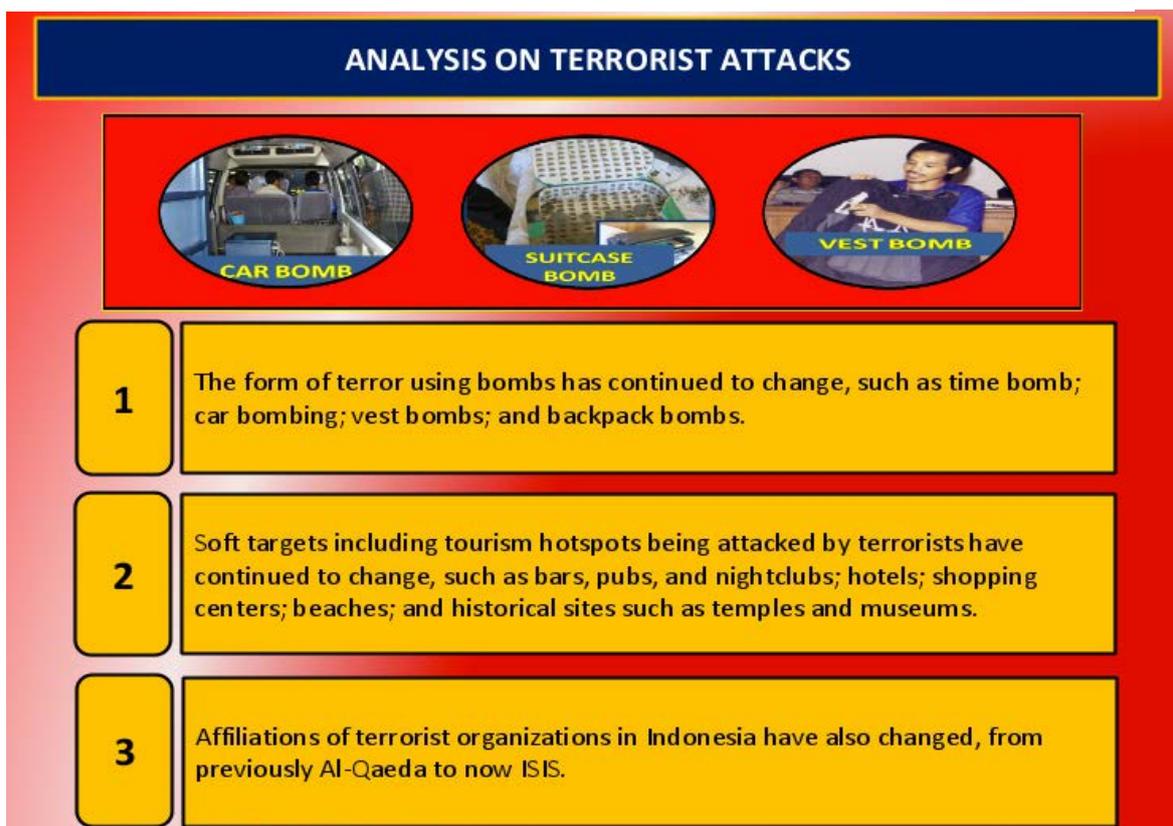
Attacks against security apparatus began earlier during this decade. General Golose highlighted an attack in Tasikmalaya towards the police in 2013, whereby a group of terrorist hurled a homemade bomb towards a police post. This was soon followed by another attack several months later at a police station within the same area as well. The latest attack on the police force happened in 2016, where a suicide bomber detonated his bomb at a police station in Solo city. The bomber was killed, and only a

single policeman got injured, as mentioned by General Golose. These terrorists have been identified by General Golose to have received training with ISIS-affiliated groups in Southern Philippines, also in Syria, and in the past some terrorists even received training directly with Al-Qaeda in Afghanistan.

Strategy in Tourism Protection

General Golose laid out a number of strategies to insure the protection of the tourism industry. The first he mentioned was on prevention. This is translated into developing a comprehensive preparedness and protection blueprint, which has been conducted by BNPT. He went on to say that General Golose was one of the people who configured this plan, and it gives the security apparatus a guideline to look into. The second strategy deals with monitoring, analyzing, and evaluating terrorist threat. It is most imperative to be one step ahead of the terror suspects, as such the police and the counter-terrorism agency must be able to fully utilize every piece of technology to identify an incoming terror attack. The third strategy that General Golose mentioned is coordination among government institution. He acknowledged that coordination is an easy thing to say, but a very difficult task to be done correctly as everyone has their own perspective to things. General Golose praised the existence of BNPT to be able to house different stakeholders within the agency, such as prosecutors, military officers, police officers, and also religious leaders.

Graphic 6 Analysis of Terrorist Attacks in Indonesia



The fourth strategy is emergency and security response. To have an immediate response from emergency service can have life-saving impacts. This comes down to how effective the implementation of crisis management is. General Golose mentioned that the fifth strategy is to have live-feed monitoring system, as it will enable security apparatus to identify terror suspects easily. Furthermore, the sixth strategy is information sharing. Similar to having coordination among government institution,

information sharing is not an easy accomplishment to make as it requires cooperation between numerous international agencies. The seventh strategy is to enhance international cooperation. Whilst the eighth and ninth strategies are cooperation between anti-terror units & tourist police, and raising community awareness within the community. The tenth and last strategy was based on General Golose's experience in Bali. He identified the need to strengthen community policing as a way to improve tourism protection. General Golose cited the example of local community policing in Bali named *Pecalang*. These community police receive training from the police force and would assist them in emergency situation.

General Golose also pointed out the importance of securing crime scene evidence as thoroughly as possible. He mentioned that one of the difficulties in analyzing the crime scene is that the government would ask that the crime scene be quickly scanned, as it needs to reopen the area for the public. This difficulty is often met in cities such as Jakarta where forensic team is usually given only several days to complete their task, whilst in places such as Bali, the team might have a better time to investigate the scene. Furthermore, General Golose also said that the security apparatus would have to be alert upon encountering unattended belongings or vehicles as it could be suspected of being a bomb. At the moment, General Golose is in the midst of preparing for an IMF and World Bank conference in Bali, which will see thousands of participants arriving to participate in the event. This would be a massive undertaking for him as he will need to prepare for the security team and collect as much as intelligence as well as data of possible security breach that might happen during the event.

Conclusion

So as to conclude, General Golose reiterates the fact that terrorism must be considered as a serious threat towards the tourism sector. Any efforts to carry out acts of terrorism must be defeated with thorough planning and prevention measures. He ended his presentation by saying that "what a wonderful world, without terrorism."

**Countering Terrorism Targeting Tourism:
Policy and Strategic Approaches**
**by Dr David Beirman, Senior Lecturer, Management Discipline Group-
Tourism, University of Technology, Sydney, Australia**



Introduction

The second speaker, Dr David Beirman, began his presentation by describing a number of strategies that would be applicable in countering the threat of terrorism toward the tourism industry. As a believer in the concept of baby steps, Dr Beirman suggested these strategies as an inexpensive and a very simple way to start off with. He described the strategies that are applicable to be used by APEC economies including, tourism security cycle, tourism policing, and travel advisories. Dr Beirman noticed that a number of economies have issued travel advisories in the event of an emergency at a particular location. However, even though that some economies are doing well in advising travelers who are going abroad, the same can't be said for foreign travelers arriving in said economies. Dr Beirman likened this to the safety advice that are given by airlines for passengers, by instructing them to buckle up their seatbelt, and be aware of any loss of cabin pressure. He wished that the same message could be provided for foreign travelers visiting internationally.

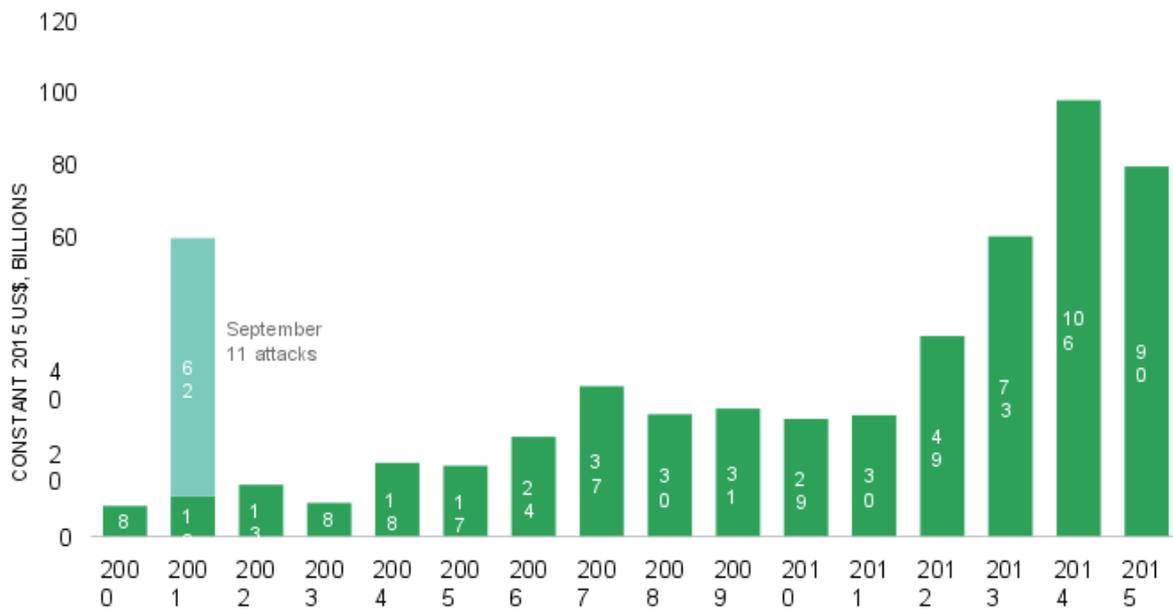
Issue

Dr Beirman presented several figures that describe the current condition of the global tourism industry. He mentioned that in 2016, there were around 1.25 billion who travelled internationally. This figure is projected to increase to 1.8 billion by 2030 by the UN World Tourism Organization Council. Dr Beirman broke down the figure by specifying that the total expenditure of global tourism is around 7.5 trillion USD. Furthermore, he remarked that the global tourism industry employs 260 million people, which represents around 10% of GDP. With the ever-growing industry comes the ever-growing risks as well. That's why Dr Beirman mentioned there an increasing number of organizations whose job is to track the level of security threat at any specific location. The need to travel safely has become the most important consideration that travelers would take into account. Dr Beirman described that despite Japan's experienced with the 2011 Earthquake and Tsunami, it has managed to attract up to 24 million international travelers by 2016. He attributed this figure to the ability of the Japanese government to provide safety to its travelers.

In addition to that, Dr Beirman also highlighted the causal of terrorist attacks upon international tourists. He mentioned that terrorist seeks publication for its action. Unlike the common thief whose job is to cause a loss of asset and property without being detected, terrorist survive through a dose of publicity that attributed the group to its actions. Aside from that he mentioned, causing economic damage to the target destination could also be seen as one of the causes of terrorism, through a materialist point of view. Dr Beirman also reminded the audience that some acts of terrorism are conducted through the internet, or which could be identified as cyber-terrorism. Another though that he raised was when the media raised the issue of Islamists terrorist targeting non-Muslims, the notion of terrorism would transform into Islamic extremist or Muslim communities, which forgot the basic idea of terrorism in the heat of publicity.

Another impact of terrorism towards the tourist industry is the loss of jobs. Dr Beirman explained this relationship using the example of Turkey. Due to a rise of terrorism incidents, coupled with political instability, Turkey has seen the number of foreign travelers decreasing from year-to-year. This caused the number of tourist-related jobs to decrease, threatening the livelihoods of those people depended upon tourism industry. In essence, Dr Beirman highlighted that safety is key in inviting tourists to visit any destination. Economies such as Japan, Australia, and New Zealand has maintained its image as a safe destination, and have seen positive growth in tourism. France which has traditionally been a haven for tourism, managed to isolate the terrorism problem from the wider audience. Turkey on the other hand had to face the fact that it is facing the biggest drop of tourist arrivals in its history.

Graphic 7 Economic Impact of Terrorism in billions US\$, 2000 - 2015



Tourism Security Cycle & Tourism Policing

Dr Beirman presented one of his key arguments on the topic, mentioning a strategy called the ‘tourism security cycle.’ He mentioned how there are different types of security challenges in different settings and environment. Dr Beirman went on to say that after 9/11, airline security undergone a massive change in its system. In airports, for example, there are two different types of security that exist, land-side security and air-side security. Up until this moment, most terrorist attacks have hit the airport land-side, and not the air-side. This creates a challenge on how to improve upon land-side security at airports.

Another challenge and difficulty is on the hotel industry, which Dr Beirman attributes as one of the most difficult areas of security as it has two conflicting challenges. As hotels drive themselves within the hospitality business, they are supposed to be hospitable, friendly, open, and welcoming. However, on the other side they have a duty to protect their guests. This creates a challenge as to how will they balance their attitude. Dr Beirman went on to say that the the most vulnerable areas would be landmarks, restaurants, and open places.

Another challenge that Dr Beirman mentioned is how the police would balance out between visible policing and undercover policing to protect tourists. In addition to that another area that possessed enormous challenges would be the protection of events. This include sporting events, such as the Olympics, or religious gathering, such as the Hajj, and many other examples. The amalgamation between the tourism industry and the use of IT has also led to another challenge over at cyber-security realm. This is made especially important because, according to Dr Beirman, 99.9% of transactions in tourism industry are done online. Dr Beirman also mentioned within his presentation how he used to run a tourism organization that promotes tourism to parts of the world that are listed within the terrorism watch list.

Furthermore, Dr Beirman mentioned a colleague of him called Peter Tarlow. Mr Tarlow was accredited in developing Tourism Oriented Policing and Protective Services, and he has helped to train police forces in both North and South America. What Mr Tarlow excelled, according to Dr Beirman, was to identify specific vulnerability of tourism and applying solutions through the special police forces. Dr Beirman also praised APEC for creating a document on risk management and tourism. In addition to that, Dr Beirman mentioned how the UN World Tourism Organisation has managed to Interlink the emergency responders' management with the tourism industry. This was an initiative that was first designed by Australia, with the involvement of various APEC economies, to see how the tourism industry can work effectively with first responders, such as the police, ambulances, fire fighters, etc. to deal with incidents that are linked with threats of terrorism.

To integrate emergency responders' management with the tourism industry means streamlining the alteration of a hotel, to work as a base of operations in the event of a terrorist attack. Dr Beirman praised the efforts that the Balinese Police has done on this strategy, as he acknowledged that Bali is an important tourist destination, and that cooperation between the security apparatus and the tourism industry has gone underway. However, he acknowledged that certain sectors will have certain challenges. To take an example of the heavily regulated aviation industry, and the ocean cruise liner industry, it is possible to establish a security protocol that applies across the board globally. Both these industries have international organizations that set out the rules on their operations. Aviation has ICAO (International Civil Aviation Organization) and the cruise liner has the IMO (International Maritime Organization).

The same can't be say for the hospitality industry, as Dr Beirman said. The International Hotels and Restaurant Association (IHRA) doesn't set out rules for the industry, unlike the aforementioned organizations. As an example, Dr Beirman mentioned that the cruise liner industry possessed a series of protocol under SOLAS (Saving of Lives at Sea), which mandate minimum security requirements. He also went on to say that the private industries are also involved within this security arrangements. Dr Beirman identified International SOS and Kenyon as the two biggest private companies that are operating within the security sector of travel. Both companies look after the safety, security, and crisis management for about 80% of the world's airlines.

Travel Advisories

On his next key argument, Dr Beirman described how each APEC economies have issued travel advisories every now and then. He described how Australia was the first to establish a relationship between the tourism industry and the Department of Foreign Affairs to establish the best possible travel advisories for its travelers. This arrangement has been going on for about 14 years, and have been

followed suit by Canada, and Britain. Dr Beirman suggested that this arrangement be followed by other APEC economies. The success of this partnership comes down to the simplification of the travel advisories. It expects travelers to follow these simple steps, ensure, register, and be updated. Simplicity is key, according to Dr Beirman, which has led to a reduction of a previously ten different versions of travel advisories to just four. In comparison with the contemporary travel advisory, the previous advisory lets a whole region to be given an advisory, whilst the current version enables specific location as to where the origin of the incident is to be given an advisory.

On his last remarks, Dr Beirman mentioned the lack of efforts from the local authorities to provide travel advisories for incoming travelers. There are exceptions, he said, given to Viet Nam, Japan, and Mexico, as well as with the low-cost carrier AirAsia who have given travel advisories for all its travelers. Dr Beirman urged economies to start planning and swiftly implementing these internal travel advisories, as it signals the duty of care that they have to fulfil upon their guests. As a final note, Dr Beirman mentioned, if it saves one life, or one injury, it's worth the cost to implement.

Terrorism Prevention Measures at Universiade Taipei 2017
by Ms Tsai Ming-Ling,
Executive Officer of Tourism Bureau of Chinese Taipei



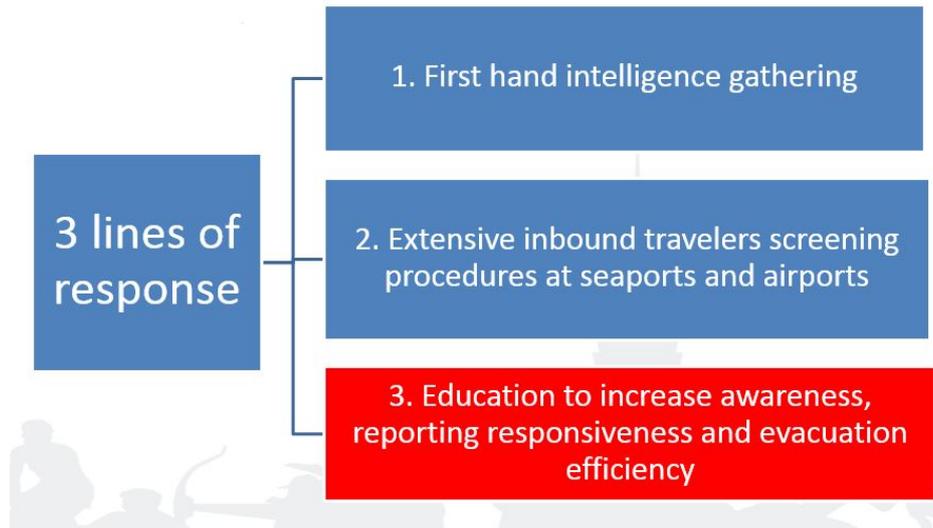
Introduction

Ms Tsai's brief presentation began by providing some statistics on how Chinese Taipei is ranked in the Peace Index and the Global Terrorism Index. Ms Tsai mentioned that Chinese Taipei is ranked 35th globally by the Institute for Economics and Peace in 2015. Whilst at the same time, Chinese Taipei's rank in the Global Terrorism Index is 122, meaning that it is a safe destination for travelers. Furthermore, Ms Tsai remarked that after the 9/11 terrorist attack, the office of homeland security has been elevated to a directory under the Executive Yuan. The task of the office will be to prevent and react to any terrorism-related activities, unconventional crisis, and natural disasters. Ms Tsai made further explanation by saying that in case of crisis, the central government will set up a Central Response Center by Central Government Officials who are responsible to exercise centralized control. This will be in cooperation with the local government of the affected area, who will establish local response center to ensure accurate reporting and communication with the central unit in order to coordinate relief efforts.

Terrorism Prevention Measures

Ms Tsai went on to describe the Terrorism Prevention Measures that have been put in place. She began by describing that the first line of measure is composed of front line personnel. These personnel are made up from the National Intelligence Agency, the Police force, and legal & forensic experts to ensure that accurate, firsthand information is located to better prevent terrorist activities. In addition to that, Ms Tsai mentioned that the second line of response is composed of local authorities. She explained that since Chinese Taipei is an island, all people would only be able to enter the region through sea ports and airports. Thus, these local authorities will be responsible to ensure comprehensive inbound visitors screened and exclude any potential threats. The third and last line of measure she presented is the collaboration between the Central Government, the local government, the education sector, and the private sector to promote awareness, reporting, responsiveness, and first response evacuation in the case of terrorist events.

Graphic 8 Terrorism Prevention Measures



Tourism Bureau

Ms Tsai described that the Tourism Bureau, as one of the key players on the third line of measure, plays the most direct and active role in preventive measures. The bureau's scope of authorities include scenic areas, theme parks, and private sector entities, especially the hospitality and tourism industry. Ms Tsai went on to say that there are three key areas that need to be addressed in dealing with terrorism, these are: prevention, reaction, and recovery. She began by first outlining the preventive efforts. As most terrorist activities target densely populated areas, the tourism bureau will remind front line private business to stay alert and be ready in crisis situation. They will use three different colored-signal, Green, Yellow, or Red, to signal the severity of the crisis. In addition to that, the Tourism Bureau would also work with the central and local authorities, as well as private sectors to organize training sessions and workshop in an effort to raise awareness and increase readiness.

These activities are said to be included within the Bureau annual audit, to ensure an uninterrupted, continuous efforts. Ms Tsai also mentioned that the bureau provides guidance for the elopement of leadership in risk and crisis management towards people over at the hospitality and tourism industry. This is also crucial to establish a cross-functional communication platform between different response units in case of crisis. The second area, reactive measures, will see that the Tourism Bureau be given charge of activating and executing SOP response, in the case of emergency, to ensure that travelers' safety is given top priority. Ms Tsai also outlined that the Tourism Bureau helps to facilitate cross-functional communication between the police, fire, and ambulance services to react to the crisis. The bureau would make sure that travelers are safely transported away from affected area to places that offer proper care and shelter. Its key focus would be to provide relief to all travelers so that they could return home safely if necessary.

Ms Tsai also highlighted the fact that the bureau acts as a single point of contact to consolidate the most accurate and up-to-date information, and to release official statements to the media. She mentioned that the last area would be follow-up recovery. The priority within this area is to help local authorities to resume normal operations. The bureau will assist private sectors in re-establishing tourism activities, and encourage travelers to return to the affected areas to help recover the local economy.

Terrorism Prevention Measures in Tourism Chinese Taipei
by Ms Lin Tsai-Shiuan,
Executive Officer of Chinese Taipei Police Agency



Introduction

As the final speaker of the session, Ms Lin first mentioned that Taipei will host the international event 2017 Summer Universiade. This major sporting event will attract up to 12,000 athletes and professionals from all around the world. Ms Lin ran an outline of her presentation, which will consist of the games schedule & structure of the security concepts, and the security strategy. As a background, the event will be held from 19 until 30 August in Taipei and neighboring counties such as, Taoyuan, and Hsinchu. The Universiade is second only to the Olympics with a larger number of young athletes. Ms Lin mentioned that previous games were held in Kazan, Russia, and Gwangju, Korea. She compared that between Taipei and the aforementioned cities, it has more accessible transport network, and it is the most well-known city in Chinese Taipei. To prepare for the event, Ms Lin has expected a large number of foreign travelers to visit Chinese Taipei. In addition to that, she has also taken into account the distance between the athlete village with the sporting venues, which offers another set of challenge for the security team and the transportation procedure.

Security Strategy

Ms Lin further explained that within the security department lies an accreditation division. Their task will be to follow the standards of authorization to maintain streamline processing. It is in charge of the registration and access to the event, management system, and setting up ACR centers to help VIP and delegations to check-in and receive ACR cards. Ms Lin mentioned that the card will group the participants based on the sport groups. The card will be embedded with microchips to provide authorization for the participant. This denies any suspected individuals to forge and to enter the event illegally. Ms Lin also described that the security department will be able to mobilize about 15,000 security personnel, including 7,800 police officers, 2,000 firefighters, 200 access officers, and 3,000 security volunteers from the Central Police University, and the Police Academy. In the event of an emergency, they will have back-up from the intelligence agency and the military force. Ms Lin explained that in the event of a crisis, the department will set up an integrated command and control center for counter-terrorism and security services.

Throughout the event, VIP protection service will also be provided. In addition to that, Ms Lin mentioned that there will be a joint command and operation center set up to utilize the closed-circuit television (CCTV) surveillance camera system to help detect possible security breaches. At this

moment, Taipei has over 50,000 CCTV surveillance cameras, with an average of 61 cameras per square kilometer. According to Ms Lin, this effectively boost crime-fighting capacity, shorten response time, and facilitate a flexible dispatch of police force. The police also have a mobile application device that allows them to receive information on a person's criminal records, household records, incident reports, missing person information, wanted person, stolen vehicle, traffic violation, and etc. Ms Lin then showed the audience the layout of the security measures over at the athlete village. She described how there will be three layers of defense network structure.

Each layer has its own responsibility to fill. The first layer is for prevention, whereby 24/7 security patrol is conducted, as well as monitoring of each entrance and exits route by surveillance camera. The second layer will be protection. Ms Lin explained that there will be security guards present at access control points, and X-ray machines to scan incoming baggage. The third and final layer is response. Here, police, SWAT team, and fire units are on standby 24/7 in case of any emergency. Ms Lin also highlighted the fact that there will be a security fence erected along every venue, and that only participants, and delegations who will be given access to the training venues. As a precaution, the security has also designated several potential locations that could targeted such as night markets, museums, department stores, and tourist attractions. They will receive help from private security guards to take extra precautions, share information, and increase the frequency of patrol.

Ms Lin also explained that they will help to raise citizen's awareness of crime prevention. Citizens are encouraged to call the police force if they see any suspicious activities. The security team will develop various emergency response plans, organized workshops, and conduct situational drills. She also mentioned that in March 2017, they've just opened a new counter-terrorism and training center, after 12 years preparing for it. Within the center, they will have four different training facilities, which are: urban training, hostage rescue, climbing and falling, and counter-terrorism simulation. Ms Lin ended her presentation by explaining that her security force needs to 'be proactive, not reactive' and 'be prepared, and flexible for anything.'

Discussion Session II



In the discussion session, Australia took the opportunity to thank the government of Indonesia for hosting the workshop and Balinese governor for their generous hospitality. Australia stands committed to rules by global order in which an open, secure, and prosperous environment can thrive. Terrorism and violent extremism pose direct threat through this vision and to APEC member economies core values. These threats are revolving, as ISIS loses ground in the Middle East. In the region, the return of foreign fighters, the release of terrorist prisoners, and the increase in IS inspired groups, makes us a bait violent extremism in our region. Australia considers its relationship with international partners in the APEC invaluable to its efforts in countering terrorism and violent extremism. As we have heard, the tourism sector is particularly vulnerable to terrorist attacks, which led to fear and uncertainty surrounding travel. Direct cost of terrorist attacks includes a decline in tourist numbers, resulting in loss of spending, and lower GDP as many speakers have said today. According to the Global Terrorism Index 2016, the contribution of tourism sector to GDP is double in parts of the world that have not experienced a terrorist attack that year. Terrorism also have significant indirect costs on the tourism sector as well as flawed effect to the other sectors.

In order to address such challenges, the Australian government has developed a tourism incident communication plan. This plan provides a risk management framework to respond to tourism market shocks caused by incidents such as terrorist attacks. The plan is designed to provide consistency and coordinated messaging to reduce stress to industry. The Australian government has also produced resilient kit for tourism businesses to help plan for mitigate against, response through, and recover from risks.

Australia reinstated that member economies need to continue efforts with partners to minimize the degree of disruption to economies, and markets caused by terrorist attacks. We must cooperate fully to counter-terrorism and violent extremism. And to ensure that a secure, open, and prosperous environment can flourish.

Dr Beirman responded by adding that it is worth pointing out to what is happening in not only local, but also transnational level, such as ASEAN Tourism Group and Pacific Asia Travel Association (PATA), who play active role in dealing with risk management. APEC itself, together with PATA and UNWTO had collaborated to provide risk management guides for tourism industry. Dr Beirman reinstated that member economies do not have to re-invent the wheel because we already have guides for risk and crisis management. However, it is better to tailor the message and guide to specific member economies.

The Philippines raised question to Mr Golose regarding the intrusion of new generation of jihadist. The Philippines asked how to analyze the danger of these new threats, especially those who come from Southern Philippines, and inquired comparison between Al Qaeda and Jamaah Islamiah.

Insp Gen Golose stated that Indonesian Police had worked together with Australian Federal Police since 2002. They also have facilities that are managed together for training. Moreover, they also do risk management and hold Senior Officer Meetings for Counter-Terrorism related matters. The police are not doing war on terror but law enforcement procedure and criminal investigation procedure when dealing with terrorist attack. Responding to question from the Philippines, Insp Gen Golose stated that Indonesia and the Philippines are working together and hold joint operation in border areas. There are two entry points to Indonesia from the Philippines, which are Nunukan and Miangas, or Talaut district. Indonesia is closely monitoring returnee and foreign terrorist fighters although Indonesia still in the process of amending law for foreign tourist fighters. Insp Gen Golose then explained Indonesia believed that terrorist networks such as Jamaah Daulat and Jamaah Anshar Khilafah had communication between Indonesia and the Philippines and therefore, to analyze the threat, international cooperation is needed. He then concluded by pointing out the point of meeting such as this APEC workshop, is to figure out collaboration from diplomat side, military side, political side, and academic side, and to share knowledge on fighting terrorism.

Ms Tsai Ming-Ling added that Chinese Taipei is open to foreigners and that Chinese Taipei has foreign affairs police officers that offer services to foreign tourists from around the world. She explained the three ways communication networks that include foreign affair police and interpreter to help foreigners in trouble. Lastly, she thanked the audiences for giving an opportunity to introduce 2017 Taipei Summer Universiade.

Malaysia raised question to Dr Beirman in regards of travel insurance in the event of terrorist attack mentioned in his presentation. Malaysia explained that Malaysian government had taken various actions to prevent terrorist attack. Malaysia wanted to know how the existence of travel insurance in the event of terrorist attack can be informed to NGOs and how the prevention measure can be worked together with travel insurance company, as well as how to advise travel insurance and travel agent to inform guests.

Dr Beirman responded that this travel insurance in the event of terrorist attack is a premium and exclusive product because general travel insurance does not cover from acts of terrorism. There are only two places in the world that actually provide insurance coverage for terrorist attacks, which are Denmark and Israel. In these two places, the government will provide medical treatment in case of terrorist attack. Insurance that protect people against terrorism is a premium product, particularly for business travelers who may actually have the risk of being held hostage or victim of terrorist attack.

Dr Satyapal Singh from India expressed his opinion that if the priority of industry is security and insurance, it will damage tourism because if there were a risk of getting killed or kidnapped, why would tourists go to that dangerous places. He added that there is a need to balance tourism business and security.

Dr Beirman further gave explanation regarding travel insurance. Department of Foreign Affairs and Trade in Australia gave advices to travelers that they should take insurance which is appropriate for their needs, for example if a traveler is going for bungee jumping or climbing mountain, travelers should take insurance that cover that. If the traveler is a billionaire or CEO of multibillion dollar company, it may be possible that that person will be a target of an attack so it makes sense to have insurance coverage for that. Travel insurance company does not advertise on terrorist threat or hijacking coverage because it is a very discreet premium product and quite expensive that average travelers would not take.

Ms Doherty from US added comment on terrorism attacks and travel insurances, that from policy perspective, the most concerning thing is Terrorism Financing. When anyone is kidnapped for ransom, it started becoming very dangerous if people think that they can just buy their way out because when

ransom is paid to terrorist group, then the terrorist group gets money to buy weapons and get incentives to stage more attacks.

Insp Gen Golose commented on this discussion that there is no money from tax amnesty that is used for supporting terrorism in Indonesia. In Indonesia, the terrorists mostly fund themselves or get supports from Middle East. Even though Indonesia has the law to counter terrorist financing, FATF is still a problem.

Lastly, Dr Beirman added that from conversation with Ministry of Tourism from Thailand, Thailand is actually interested in providing warning advisories to visitors coming into Thailand. However, by giving warning to potential visitors, member economies are concerned with losing face. Therefore, by providing travel-warning advisory as a transnational organization, in this case, as APEC, it would save faces.



**Asia-Pacific
Economic Cooperation**

**SESSION III
MANAGING THE EFFECTS OF TERRORISM ON TOURISM: THE
ROLE OF BUSINESS COMMUNITY, MEDIA AND CIVIL SOCIETY**

**Managing Effects of Terrorism on Tourism:
Role of Business Community, Media and Public**
**by Ms Nia Niscaya, Director of International Tourism Promotion,
Ministry of Tourism of Indonesia**



Introduction

The structure of this section is divided into four, starting with introduction, continued by the reason why terrorism should be addressed, the ways on how to minimize the effect of terrorist attack, and ended with conclusion.

Tourism is the fastest growing industry, as it is portrayed by the global figures on tourism. Tourism contributes to 10 percent of global GDP according to UNWTO. It created 1 out of 11 jobs is in tourism, 1.5 trillion US dollar in exports, it contributes six percent of the world export and 30 percent of services exports. Tourism is the fastest growing industry. At the current state, the number of people traveling globally is about 1.2 million people at one given time. If this number is multiplied with 24 hours per day and seven days a week, the number becomes really huge. This is reflected on the number of tourist arrivals internationally in 2016 that is increased by 3.9 percent, reaching the number of overnight visitors to a total 1.235 billion that year. This number also experience an increase of 46 million compared to the previous year.

Tourism in Indonesia

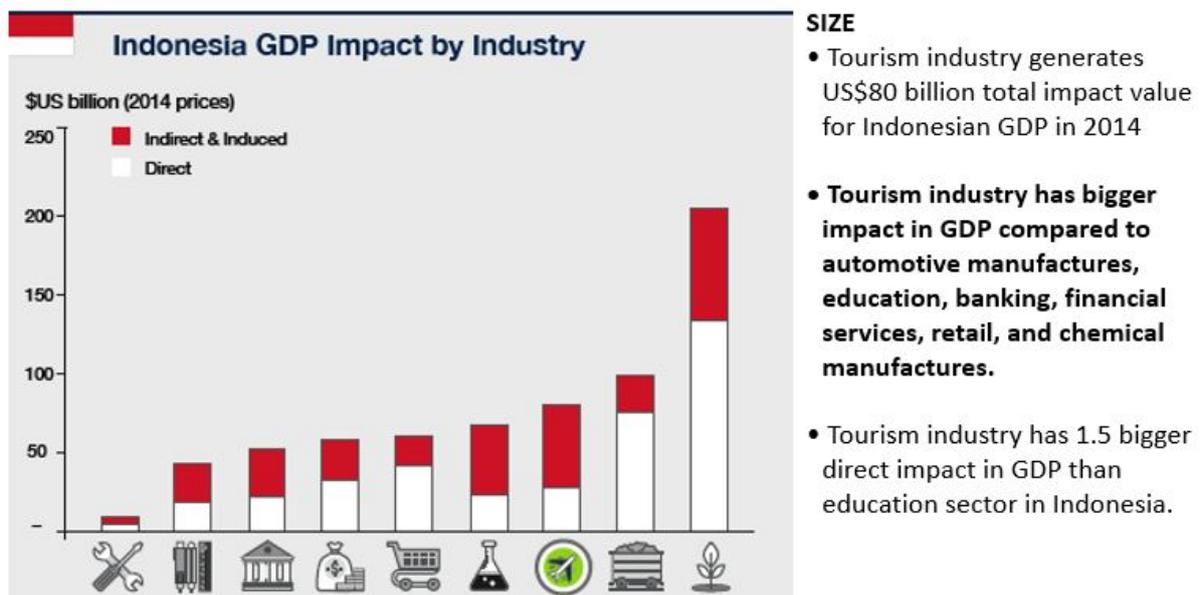
How about tourism in Indonesia? For this economy, tourism is the fastest and easiest contributor to Gross Domestic Product (GDP), foreign exchange, and employment. If you look at the GDP, it contributes to 10 percent of GDP, highest in ASEAN member states. Tourism contributes at the fourth rank for Indonesia's foreign exchange, with 9.3 percent. If compared to other industries in the foreign contributor statistic, other income in the list are mining, rubber, and tangible commodities, which prices fluctuate and may perhaps go up or down depending international trade and raw material prices. But for tourism, the trend is increasing.

In terms of employment, tourism contributes to 9.8 million jobs or 8.4 percent contribution to the employment opportunity. This means almost one in ten working people in Indonesia is employed by the tourism industry. This number made tourism rank fourth of the employment contributor across all

industries. Comparatively, tourism industry has bigger impact in GDP than automotive manufactures, education, banking, financial services, retail and chemical manufactures.

Tourism industry is the third contributor to Indonesia GDP, both directly and indirectly. With almost 10 percent contribution, tourism impact to GDP is twice than the education sector that contribute 5 percent of GDP, and it is bigger than the financial services contribution at 6.8 percent. With these statistics, it is understandable that tourism is very important for Indonesia. If nominal contribution is assessed, for every 1 million US dollar Indonesia spent on tourism industry generates 1.7 million US dollar in GDP. This return of investment is the highest compared to other sectors.

Graphic 9 Benchmarking Indonesia Tourism Industry Performance 2015



Tourism has a significant role in dynamic of society when it is perceived from the sociocultural aspects. Tourism is highly susceptible to external shocks such as natural disaster, political instability, and terrorism because it is an industry where the consumption is based on faith and trust. There are many definitions about tourism industry, but basically this industry comes down to image industry, where the image of a tourist destination will affect the level of attraction for visitor to come and experience. As the tourism image is very important, therefore it makes the industry very vulnerable to news coverage. Events that damage the image of tourism industry destabilizes the tourism system and affect the overall attraction for people to visit a tourism destination. The impact is especially high for first time visitors, those that largely rely on destination images to guide the process of travel decision making. Perceived risk related to safety and security levels are fundamental as they determined tourist decision.

Importance of Fighting Terrorism

Global travel and tourism demand has grown consistently over the past 2 decades and shows very little signs of slowing, having double in size. Geopolitics, whether terrorism or political uncertainty have affect traditional travel (sun and sea) destinations' political uncertainty, have led the safer destinations, such as regions around the Mediterranean Sea, winning out by getting more tourists.

If you look at the data from UNWTO international arrivals, the Southern and Mediterranean Europe tourist arrivals grew by 5 percent in 2015. Spain, the sub region's top destination and Europe's second

largest, gained 5 percent growth, receiving a record 68 million international arrivals. Other established destinations, such as Italy also received positive growth. Similarly, Portugal and Greece also reported strong results. Meanwhile, places that had been hit by terrors in 2015 such as France and Belgium, the tourism industry there grew stagnant, enjoying only under 2 percent visitors. However, this is still better than Turkey that experienced a slowdown of negative 0.8 percent. This is why tourism economies impacted with terrorist attack did heavy public relations on informing their destinations are still safe and interesting.

Ministry of Tourism of Indonesia, Head of Tourism Office of Bali also did a campaign that Bali has not changed. The beautiful beaches are still there. Nice-scenic rice terraces are still in place. The culture is still there. Cultural activities and art performances are carried out by the people as usual. Friendliness of the people is not disappearing. The safety is much better than before. Bali is still Bali, and will be Bali forever. With this it is expected that there is no reason for people to cancel their trip to Bali, the Island of Peace, the Island of Culture, the Island of Paradise. The Head of Tourism Office in Bali wrote this in 2003 and the Ministry of Tourism of Indonesia work closely with Bali Tourism Office to convey the message.

Not just globally, Indonesia also experience an impact of the terrorist attack to its tourism industry especially when the Bali was attacked by terrorist. On the first Bali bombing in 2002, there were 202 victims from around the world. Right after, the tourist statistic in October 2002 dropped by 15 percent. Subsequently November, Bali tourism experience a bigger setback to negative 56 percent. In December, it decreased by 27 percent. In the year to year comparison, in 2002 the tourist arrival to Bali lessen by 5 percent. The improvement only took place in December, helped by the New Year holiday that increased the number of visitors from 31,000 doubled to 64,000 visitors. From the room rate occupancy rate, prior of the Bali bombing, the room occupancy was at 70 percent, but after the bombing this number went down to 14 percent. Due to the campaign and efforts done to revitalize tourism industry, at the end of 2002 the room occupancy increased to 77.74 percent. The situation shows the sensitivity of tourism industry, and that event and publication could impact the industry outlook.

Learnings from Bali Terror Attack

The government of Bali and the Balinese community have made a commitment to use the unfortunate tragedy as a cornerstone to develop Bali. The tragedy of Bali Bombing is used to as a turning point to improve the safety and security of Bali in a positive way. The attack was a warning for Bali to return to the genuine implementation of cultural tourism, which is based on Hindu religion. The attack impact was not only limited to Bali, after terrorist attacks occurred, many economies especially USA and Australia issued travel warning to Indonesia that affected other regions outside Bali as well as the whole Indonesia was rated unsafe to be visited.

Because Bali contributes 40 percent of to the total foreign arrivals to Indonesia, higher level of security being applied in many tourist entrances such as airports and sea ports in Bali and subsequently all over big transport hubs in Indonesia. There are increasing law enforcement coordination and intelligence sharing within the region. Despite these efforts, Singapore reduced investment in Batam due to safety reasons.

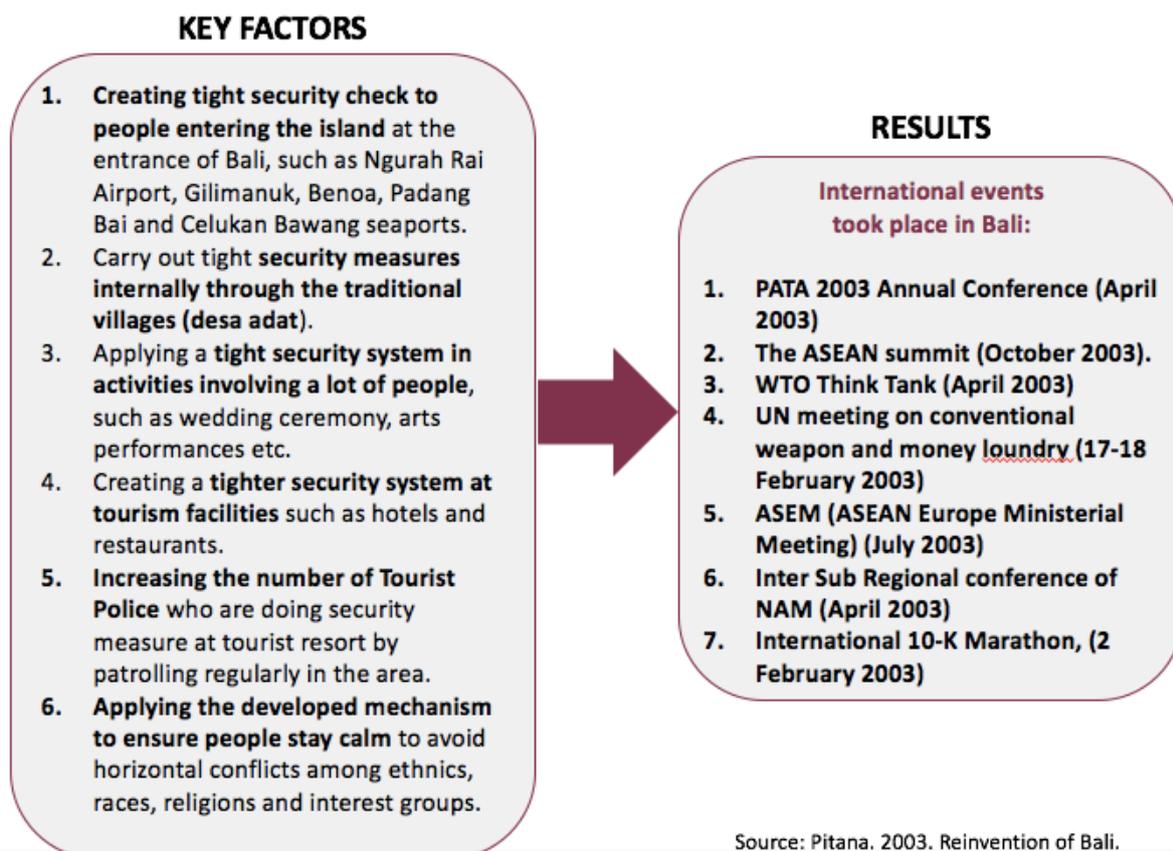
The BPS, Central Bureau of Statistic Republic of Indonesia told that sectors experience most setbacks from Bali bombing are accommodation, airlines, land transportation, food and beverages, entertainment, souvenir, health and beauty businesses located in the tourism industry supply chain. Interestingly, this impact is not only felt in Bali. Another tourist destination in Indonesia - Lombok, 20 minutes by air from Bali, and the secondary destination for tourist suffered slowdown in tourist arrival after Bali bombing.

Minimizing Impact of Terrorist Attack on Tourism Industry

Emergency phase implementation is often an effective means in handling the aftermath impact of terrorist attack. The emergency situation should be utilized to give example to the public that problems occurring is managed and solved thoroughly. Within this phase, news should be delivered promptly and transparently, presenting the data regarding the event accurately. Subsequently is the recovery phase, where restoring the image of the tourism destination came to focus. Convincing the public that it will not happen again is a way to improve the image of travel destination and gain trust from public that was tarnished by the terrorist attack. Lastly is the normalization phase.

Ms Nia Niscaya shared her firsthand experience when Indonesia was experiencing normalization phase, she was working at the International Affairs Bureau of the Ministry of Tourism, where she was task to bring in more events into Bali. The reason that we encourage meetings and events in Bali, such as Pacific Asia Travel Association (PATA) and APEC events is because “seeing is believing” so that visitors have a return of confidence in visiting Bali again. Therefore, it is important during the normalization phase to engage in re-promotion and re-marketing in the target economies. Marketing campaign plays an important role. Moreover, it is important to get positive testimony from prominent figures, to deformalize the communication or message sharing to the world using celebrity, media and bloggers. The application of this approach is proven effective in dealing with the impact of Bali bombing.

Graphic 10 Summary of Key Factors and Result of Bali Bombing Learnings



Local Response

One of the key factors is that local Balinese people responded this bombing peacefully, with religious approach. Balinese could transform the negativity of the terrorist attack to positivity. This event was not Bali's fault, but it is an impact chain of international terrorism. Bali could attract sympathy from the world. From the attack Bali had worldwide media coverage, making Bali more famous. The Police successfully arrested the perpetrators. Positive testimony from public figures, such as celebrities Dave Koz and Phil Perry were known because these artists performed in Bali. As a result, in January 2003 tourist arrival to the island increased to over 60,000; in February 2003, it increased more to 67,000 visitors, and in March 2003 to 72,000 visitors.

The changes took effect in January 2003 after all the actions have been taken. Tighter security check on people entering the island is in place because before, Bali never had such security measures. Changes also affected Jakarta that install metal detector in the entrance of public sites, such as malls, offices and hotels. Increased security measures in Bali also apparent in the airport and seaports, as well as internally through the cultural villages or *desa adat* applying security checks in activities where many people involved, such as wedding ceremonies and arts performances.

Security measures in Bali is done through creating a tighter security checks at tourism facilities such as hotels and restaurants, increasing the number of Tourist Police who are doing security measure at tourist resort by patrolling regularly in the area, applying the developed mechanism to ensure people stay calm to avoid horizontal conflicts among ethnics. This approach proven successful, as they resulted to Bali becoming the host of many international events. In conclusion, tourism is the fastest growing industry, but susceptible to external threat such as terrorism. Terror in a tourism destination will affect the economy and other supporting industries as a whole. Cooperation between all stakeholders are needed to minimize the impact and to restore image of destinations.

Tourism Business Resilience: The “Bohol Model”
by Mr Joseph Franco, Research Fellow,
Centre of Excellence for National Security, S. Rajaratnam School of
International Studies, Singapore



Introduction

Mr Joseph Franco provided a colorful illustration of the lesson learned from Bohol, the Philippines on how to conduct counter terrorism that works, which gave affect to the local economy improvement. Because of its success story, Bohol has been very popular. It has emerged into the consciousness worldwide for the wrong reason because of the incursion of the Abu Sayyaf Group. But then again, Bohol example also demonstrates how it is very important to have multi stakeholders' cooperation. Based on Mr Franco's assessment, the best place that incursion could have taken place was in Bohol because it was really a bad place to be for an Abu Sayyaf Group member. However, as resilience is very context dependent, Bohol case study is interesting to observe, especially on how it was able to overcome internal security issues. For Bohol, as also arguably in other areas where insurgency occurred, it takes a long time to recover from terrorist attack.

Bohol solution leans more to a counter insurgency campaign. This counter insurgency approach is very important because in the Philippines terrorism is very non-ideological, and it is very financially driven. Case in point, studies of other extremist groups exhibited volumes of propaganda and philosophical text. Meanwhile, if the Abu Sayyaf is observed, there is only one piece of document, the Jemaat Abu Sayyaf, which only open copies is located in the Islamic Center of the University of the Philippines. The document circulation is so small there was a joke within the intelligence circle that said the only people who read the Jemaat Abu Sayyaf are the intelligence agency people and the Islamic Center Librarian because reading this type of propaganda is not very popular in the Philippines. However, if one really would like to read the document, the outline already explained what is in the book as it is very straightforward.

Bohol Case

Bohol is located in the central Philippines, specifically in the Central Visayas province. It is a small island that has never been really part of the whole internal security problem in Mindanao, except the communist insurgency. What happened in Bohol was there were a dozen of militants who traveled from Western Mindanao on boats, they were intercepted and killed in a number of attacks. However, as there

is a police officer who fell in love with one of the terrorist, the situation allowed two stragglers escaped and were still at large. In summary, Bohol is an area where Abu Sayyaf group intends to extend their kidnapping operation, away from their traditional Southern Philippines operation as in the Southern Philippines, the terrorists have been under a lot of pressure from military offensive.

The Bohol terrorist group operates in kidnapping operation to obtain ransom. The German couple kidnapped in 2015 was price tagged 250,000 Philippines pesos, or around USD 5 million for their freedom. This amount of ransom is relatively big for the terrorists' economy size. In the kidnapping operation, the scale of the payoffs differs depending on the identity of the victim. For a Western European victim, the ransom is ranging between USD 2.5 to 3 million. For Malaysian, these terrorists usually kidnap guys from Sabah for around 3 million Malaysian ringgits, or around USD 700,000. For Indonesian, as the recent 10 sailors who were recently released, open sources mentioned their price tag is USD 100,000. As these amount is fairly significant amount of money, kidnapping is an industry with Abu Sayyaf is just one brand of perpetrator.

Kidnapping Operation

There is an entire kidnapping ecosystem. There are various terms in the vernacular, but in English, there are spotters. So, the moment tourists arrived or appeared in Jolo Island or in Basilan, the spotters already working to choose the target. Spotters who relay the information to the pickers who gets the targets. Know that the spotters and the pickers do not actually have to be member of Abu Sayyaf. They can be just criminal gangs. Some people, when they are represented by this gang or this smaller fraction of Abu Sayyaf Group (ASG), they get passed on to the bigger larger ASG units, and of course the bigger ASG units once they fly out, they posed in photos around the Black Flag with their guns and their *parangs* (knives) and their machetes, and of course the victims' family will pay out.

The Bohol case kidnapping is a branding game. If these kidnapers just a regular criminal gang, no one' is willing to pay USD 5 million ransom. But then again when they posed nasty with their black flag or their M16 or M14 of course embassies start to pay attention. Foreign consulates start to pack up their bags to pay ransom money. In Bohol case, the area is a fair bit of convergence with Bali. Bohol is very tourist dependent province with tourist attraction of the chocolate hills, and the area is home to the tarsier which is apparently one of the smallest mammals in the world. With these attractions, Bohol is projected to have 1 million tourist arrivals by end of the 2017, with 60 percent are local tourists and 40 percent comes from the People Republic of China, the Republic of Korea, United States of America, and then European.

Solution for Bohol

As recently as 2001, Bohol was actually the center of central Visayas regional party committee for the communist insurgency with around 400 armed fighters in Bohol. What broke the back of the communist insurgency in Bohol Island is the very strong presence and leadership of the local government. Additionally, the government ministries support the effort for developing Bohol, including the Trade and Industry Department that implemented a livelihood project for some of the small towns in Bohol. Because of this engagement to give the people their livelihood. With the help from the government Bohol was able to convert what was the headquarters of communist insurgents to become the Carmen Bohol adventure park. Apparently, it is one of the big zip line and adventure park in Visayas. The ability to transform Bohol was because the local government was present and it had the vision to bring livelihood, which is tourism. What makes it successful was a crisis take place, which was a big earthquake in 2013 that killed 222 people and destroyed several UNESCO heritage churches. But the earthquake was a way to stress test the existing local government mechanisms that were in place.

When the Abu Sayyaf incursion happened, the local government had the counter insurgency model to fall back on. The local government also had the Humanitarian Assistance and Disaster Relief (HADR)

mechanism to fall back on. These two are the best lessons learned. As the ASG influences and capabilities depend greatly on the specific geography on Mindanao, both the human and physical terrain. Some analysts would say the ASG moving into Bohol that means the group is getting stronger. However, in contrary, every single time that they try to move from their strongholds of the Mindanao Southern Philippines, they get wacked really hard because they don't know the physical terrain and they do not have the human terrain. Those networks of clan and family alliances are what the ASG have. From Mr Franco observation, the lack of governance and economic deprivation are the key drivers of recruitment into those groups like the Abu Sayyaf.

Abu Sayyaf Groups

There is no one Abu Sayyaf Group, as there are different fractions in Sulu and Basilan, and for them, membership is a very vocational thing. The ASG dynamics on how people get into their movement is very similar to the pro-government militias. Such as father was a fighter and then he passed on his M16 or M14 or M1 to his son or grandsons as heirloom. So instead, ideology is a justification rather than motivation for a lot of those extremist in the Philippines. In Bohol, there was an organic and very spontaneous narrative. It is something that was pushed by the more tech-savvy social media users and is most important, from military, the security side, there is community involvement. Therefore, when the Abu Sayyaf came into Inabanga Municipality, they were actually spotted by a child who told a relative or someone else that three strange looking boats, typical to Western Mindanao, landed in the river, which was first indication that was given to the 47 infantry battalions when they moved in on the Abu Sayyaf.

We should not underestimate the role of how non-security approach, in this case HADR, can be plugged in to the security issue as sometimes it is not very easy to sell a community defense program. However, a humanitarian assistance or disaster response program could receive better buy in from shareholders. However, there is a caveat, this is a model that cannot be replicated or transplanted easily elsewhere. With the presence of positive networks, the networks of local government and the networks of savvy social media, Bohol residence were able to counter an attempt of Abu Sayyaf and their group to infiltrate.

There is a local government website initiative from Inabanga Municipality that is very chic and youthful, different from other government websites in the Philippines or their social media pages that often look too formal. Therefore, it is very important to have a proactive local government that is new media, social media savvy as this is a trend of the radical groups, such as the Islamic State with its Amaq news agency propaganda. In an example, the Pacific War Memorial of the Coast of Manila that is dedicated to US and Filipino Allied Forces fighting the World War II was edited and used by the Islamic Group to be used as a propaganda for the fighting in Syria.

Conclusion

Abu Sayyaf Group is self-sustaining profit oriented terrorist groups. Ideology maybe is quite useful for some of the groups when they can pay lip service to ideology when they are recruiting new members. However, in practice, it is the real world financial, real world economic issues that really get people to pick up a weapon and fight. Thus, there is a danger with offering counter ideologies to address this group, you might end up alienating the people that you are supposed to help. You might end up legitimizing them. There is a need to be cautious on countering the propaganda of terrorist group as too much banning would actually make the public questioning and, subsequently boosting Abu Sayyaf or other terrorist group presence.

**Managing the Effect of Terrorism on Tourism:
The Role of Business Community, Media and Civil Society
by Dr Satyapal Singh, Member of Parliament of India,
Former Police Commissioner of Mumbai**



Introduction

Terrorism or fear of terrorism is anathema to all developmental and leisure activities including tourism industry. In fact, the tourism suffers the most because here the perception runs many time faster than the reality. In this age of almost instant communication and media upsurge, facts that terror reaches to all corners of the world. Facts may get faded after some time but perception persists for long time in varied, distorted ways. This perception, if affecting tourism destinations, will dampen the spirit of tourism and the surrounding economies benefiting from the industry. For tourism destination, the risk of becoming a target may be low in daily lives, but for potential tourists, the threat of perceived terrorism probability is affecting the decision making on where they will travel, or whether they will travel at all.

Therefore, the focus action must be, firstly, on how to mitigate the effects of actual incident and, secondly, how to be able to tackle the public perception better and faster. The managers of tourism and all shareholders in tourism industry have to learn the technique of perception management better. This is especially important for areas that are experiencing internal turmoil, such as those area that are facing the challenges of home-grown terror modules and extremists groups, while some others suffer more because of external reasons. To best address the variation of challenges, it is only appropriate to use strategy that varies according to the necessity. The toughest challenge today is that the intelligence and security forces are facing “Fidayeen”, or the suicide bombers, and therefore appropriate strategy must be built to address it.

Prevention Better than Cure

According to Dr Satyapal Singh, the primarily failure of world community is because it tried to cut the tree trunk of terrorism instead of going to the roots of the terrorism. Once one starts to look at causes it is evident that one of the most divisive weapons of terrorism is communalism. It is along the lines of communal differences that people are brainwashed, trained and driven onto the path of hatred and violence. With radical preachers, unquestioned hate speeches, provocative propaganda and cyber ideologues, these merchants of hate and violence are busy trading innocent lives for mindless fanaticism. Add to this the fact that most anti-terror squad (ATS) officers, policy makers and modern governments have no clear insight into the content of these radical ideologies or the methods used to brainwash the youth into adopting them, and one has a world clearly in jeopardy and completely defenseless against them.

The spread of radical fundamentalism is carried out through two main approaches: Fear and Misguided Enthusiasm. Fear involves the indoctrination of a sense of insecurity and threat to one’s religion or existence. An idea that a community is under constant attack and will be eliminated if it does not fight back or attack before the enemy does. The belief that it is one’s moral duty to increase the boundaries of his/her religion and coerce or convert non-believers (*infidels*); the idea that this is a “service unto God” and that any method used for it is justified becomes the ideology that turns youth living humans into mindless machines of terrorists and suicide bombers.

One of the most pertinent examples of such misguided brainwashing is Ajmal Kasab, the only terrorist captured alive from the 26/11 Mumbai Terror Attacks. During interrogation, Kasab’s reasons for being a part of this heinous crime included the belief that “*shaheed*” (martyrdom) on the path of “*Allah*” (God) would send them straight to “*jannat*” (heaven). These men had been indoctrinated with ideas such as the bodies of those that die for *jihād* (struggling in the name of God) through terrorism smell like roses after their death and their faces retain a divine glow even in death. Ajmal Kasab was then taken to the mortuary where the corpses of the remaining terrorists lay and it was only when he couldn’t stand in the unbearable stench of the decaying bodies or bear to look at the marred faces of his fellow compatriots that he realized the falsity of his beliefs. By then, however, it was too late for him as well as the countless people that had died and suffered at the hands of these ignorant and misguided fundamentalists.

A few days back, Mohammad Marwani one of the youths missing from Kerala has sent a message to his family “People may call me a terrorist. If fighting in the path of Allah is terrorism, yes, I am a terrorist. The martyr who died fighting for Islam has the privilege of recommending 70 persons from family to the *jannat*.” Such is the radicalization level of these youths, ready to become willing suicide bombers. We therefore have to realize that these radical preachers are more dangerous viruses than a handful or hundred terrorists. These jihadi ideologues will keep producing generations of terrorists. Lee Kuan Yew, a former Singapore Prime Minister has said, “In killing the terrorists, you will only kill the worker bees. The queen bee are the preachers, who teach a deviant form of Islam in schools and Islam Centers, who capture and twist the minds of the young.”

Targeting the tourists and/or tourism industry is terrorists’ well thought out plan, as it helps them to achieve maximum publicity, economic disruption and a symbolic victory against the hostile community that is why to effectively manage the effects of terrorism – the role of business community, media and civil society also becomes very significant. If we really wish to counter terrorism, the ideology – the role of civil society, media and government becomes very significant.

Role of Business Community

After a terror-strike, the business community in general and people in tourism industry in particular suffer the most. Inflow of tourist take a nose dive. In the example of Jammu and Kashmir, a state in India, it will drive the point home better. Kashmir used to be called a “paradise on earth” – a nature’s grand finale of beauty, a region of envious learning. Terrorism has ruined the state, thousands have been killed and rendered jobless. Figures of last four years show a decline trend in flow of tourists.

Graphic 11 Tourist Inflow to Kashmir, India, 2013 - April 2017

YEAR	TOURIST INFLOW
2013	10,950,620
2014	9,525,021
2015	9,203,691
2016	2,768,073
2017 (until April 2017)	179,717

The most important role is in the hands of travel, tourism and hotel industries. These industries must devise Standard Operating Procedure (SOP) to recover and to give a sense of security into the minds of tourists especially those that comes from abroad and hence still foreign to tourism destination.

After the Mumbai attacks in 2008, all the luxury hotels, big shopping malls, airports, hospitals, railway stations and other tourist destinations of experience a footfall followed the directions from the police forces to implement stricter access control and to install hand held and door frame metal detectors, closed-circuit televisions (CCTVs), as well as to conduct verification of all their workers. Taxi associations and bus operators also did their background checking. The installment of security checks also applies to religious places.

In India's experience witnessed by Dr Singh, the Information Technology and Communications (ITC) industry came forward to help police organize Cyber Security Week to spread awareness among all stakeholders about the misuse of cyber world not only by terrorist elements but by criminals as well as by youth. The ITC industry helped Mumbai Police to set up a social media lab to gauge, monitor and collect intelligence from the realm of social media. It also helped police to send the required public announcement to create awareness and vigilance.

Additional from supporting the security enforcement to do their work in security tourism industry from terrorism and other disturbance, the main role of business community should be to generate employment by youth engagement, channeling their energies in a constructive way and rendering less time for destructive activities. Business community should come forward to generate money, building, common assets, and run social activities through corporate social responsibility (CSR) initiatives. They can offer options to harness local resources, generate entrepreneurial opportunities and thus add to youth confidence, taking away despondency and help community to stand on their own.

In Pune and Mumbai cities when Dr Singh was working as Commissioner of Police, he exhorted and motivated the business community to insure the whole city, provide monetary assistance to the families of the deceased victims of terrorism and helped the injured. Some business people came forward to take the responsibility of imparting education to the children of the killed parents. Many provided employment to the needy who lost their jobs. Business community helped in installation of CCTVs in market places and tourist destinations. It helped to give confidence in business community and public in general. The CCTVs put up a psychological deterrence to social unrest or terror acts. Mumbai and Pune cities also implement Public Private Partnership (PPP) models in securing the cities and its people.

The Role of Media

In modern democracies, media is one of the most powerful organs of civil society. Through media coverage the terrorist groups achieve the exposure they crave for and the media increase its ratings. The volatile relationship between terrorism and tourism is magnified by the media coverage. In fact, perceived risk may outweigh reality informing attitudes towards tourist destinations.

Media need to show restraint and not to over blow crisis reporting. Media, if properly cultivated and the relationship is well managed, can be the best friend in projecting desired image in required context, identifying themes which require moderation and interject where situation seems to be flaring up. Media works better, if a senior police officer and other government representatives interact with media personnel on a daily basis, this is especially crucial in the aftermath of a terrorist incident. The media must project factual data, building credibility and quoting multiple sources. In Mumbai Case, the media was cooperating with the security forces not to telecast or print strategic and operational details.

Media also is a tool to spread the good work done by the security forces, business community and civil society in managing the impact of terrorist attack. At the same time, it must counter the content that can cause social unrest or hatred. Media has the significant role of mass public communicator and therefore it should work for informing the truth, rather than misinforming. It must influence public opinion, build

up profiles of public and community leaders, social organization activities and expose the reportage that follows media ethics and also that does not harm the counter-terrorism effort that is done by the security forces. It is ideal for the media to take middle road and present both sides of the ongoing public debate.

The role of vernacular and local media is also very important. It should also be better used by destination marketers to understand perception and attitudes in order to devise promotional strategies to address concerns of potential tourists, to alter negative and reinforce positive perceptions. Conversely, the other type of media – the social media today has over taken the reach of electronic and print media. It is the domain of everyone and hence very difficult to be controlled. Up to date laws and regulation, as well as capable security forces, have inculcated social responsibility and closer international cooperation to bring about desired change.

The Role of Civil Society

Perception of civil society reflects mostly the reality of damage and its readiness and attitude to balm the bruised faster. We must organize the civil society into Neighbored Action Groups – identifying good and sensible people from all sections of society. After serial blasts in Mumbai in 1993 – it was the *Mohalla* (neighborhood) committees which worked wonder to bring normalcy in the city. It reached out to the public when government was not able and the minority community had developed a complete alienation from police and government.

Civil society organizations have the ability to engage with opposite view points and to highlight demands when voices are allegedly stifled to articulate public concerns with clarity. Civil society guards human rights to be vigilant against excesses and also to spread awareness. It is civil society, with its scope of interaction, that has the ability to come forward to inform security agencies about suspicious movements of persons and terror incidents, to take the injured to hospitals immediately, as well as to organize food and civil supplies to affected locations. Members of public do help to provide information for apprehending terrorists and where their supporters are. But, according to Dr Singh, the most vital role of civil society organization is to help bring in normalcy after terrorist attack occurred.

It was civil society's active role when Dr Singh started a new initiative in the cities of Pune and Mumbai in the name of Mission Mritunjaya (local student anti-terror front). Hundreds of schools and colleges and hundreds of thousands of students became the active members of Mritunjaya clubs against crime, antisocial elements. The students and teachers adopted a motto "Awareness is our Mission and Security is our Religion". This unpaid enthusiastic networking for information obtained successful momentum. The organisation identified potential targets for terrorists in the city, created stake holders, built networking to counter terrorism, and developed a dedicated police personnel and other volunteers. Because of civil society organisations, Mumbai city became a much safer city and enjoying the status of a most vigilant, cosmopolitan and vibrant city.

While concluding and sincerely thanking APEC organization for the initiative of conducting the workshop, Dr Singh would like to quote the golden words of the Honorable Prime minister Shri Narendra Modi Ji which he expressed at the successful first launch of South Asia Satellite (GSAT-9) on 5th May, 2017. In his words, "As governments, our most important task is to secure growth, development and peace for our people and communities. And I am convinced that while we join hands and mutually share the fruits of knowledge, technology and growth, we can speed up our development and prosperity".

Discussion Session III



In the discussion, Malaysia asked Ms Nia Niscaya about the promotion activity after Bali Bombing, how to engage stakeholders to come together in promoting Bali as main destination after the attack. Ms Nia Niscaya responded that at that time, Ministry of Tourism of Indonesia and local government held a meeting and decided that central government would provide special budget for recovery process. Ministry of Tourism helps with the promotions and takes necessary measurement.

Ms Kartika from APEC CTWG expressed her gratitude that this workshop is finally realized and this workshop is collaboration between tourism people and counter terrorism people. She raised question on how to strike a balance between tourism policies and counter terrorism policies because while tourism has to be open and friendly, the counter terrorism policy needs to be stricter.

Mr Franco answered that the first thing to do is that we must be wary of unintended consequences. He mentioned one time when he was having discussion as part of Red Team exercise, he argued that the security screening at train is too bottle neck because the terrorist does not even have to board the train in order to damage the train or kill passengers onboard. He argued that there is acceptable level of risk that we all have to live with. He also agreed that collaboration is very useful and warned not to underestimate the power of something as simple as jargons and semantics. He explained one example from Armed Forces of the Philippines, where they used to have a National Development Support Command. The important thing is to pitch the message to the right audience, different messages for different segments.

Dr Singh responded by stating that as we need to strike a balance between liberty and security, similarly we have to strike a balance between security and prosperity. He mentioned an example that had been done in Mumbai city, where 700 terrorist targets are identified, including member of civil society. When there is information from Intelligence, SOP and rehearsals must be put in place. If there is any accident, whether in travel and tourism industry or any other business, we have to strike a balance so the prosperity is maintained.

US took the floor to thank Mr Franco for the helpful and informative presentation on Abu Sayyaf Group who is traditionally not ideological but motivational. He mentioned the familiar links between

Indonesian extremists and Abu Sayyaf Group and addressed a question to Mr Franco whether the motivation is changing to more ideological in addition to the influence of social media and returning foreign fighters. He then asked if there is any effort within the tourism industry to promote programs that can counter violent extremism within the communities.

Mr Franco answered US question by stating that Abu Sayyaf Group still use the old SOP in the way they build their networks, mostly by intermarriage because Abu Sayyaf Group does not have a media agency like the Islamic State's Amaq news agency. He emphasized that member economies must not be fixated too much on online radicalization because if we look at Central Mindanao or Western Mindanao, the hot bed of radicalization, some of these places do not even have running water or electricity. Therefore, we had better look into deep family clan and networks rather than online radicalization.

Mr Singh also commented that more than 90% of terror incident in the world are driven by ideology, an idea that community is under constant attack and will be eradicated if the people do not fight the enemy. They believe that it is a moral duty and service to God to increase boundaries of their religion. This ideology turns living humans into mindless machine of suicide bombers.

Ms Niscaya added that tourism in Indonesia involves multi stakeholders, not only Ministry of Tourism in Indonesia, but they also work together with Embassies and intelligence and immigration agencies. They also work with local government in tourist destination, such as Pecalang in Bali to watch the visitors. They involve all stakeholders, including local government and local community. She brought up another example of "Desa Adat", which is a cultural village, a small community that has security personnel system.

The moderator, Mr Andhika Chrisnayudhanto, concluded the discussion session by pointing what had been shared by the speakers, that we need multi stakeholder approaches involving local government and community to prevent terrorism. He commented the question regarding striking the balance between tourism and security approach, and the important aspect of terrorism, whether mere ideological or financial benefits. Lastly, he thanked the three speakers and gave a round of applause for them.



**Asia-Pacific
Economic Cooperation**

**SESSION IV
THE IMPORTANCE OF REGIONAL RESPONSE AND EFFORTS TO
HELP RECOVER TOURISM BUSINESS IN THE AFTERMATH OF
TERRORIST ATTACK IN THE REGION**

Indonesia's Response and Efforts to Recover Tourism Business in the Aftermath of Terrorist Attack

by Brig Gen Hamidin, Deputy for International Cooperation, Indonesia Counter Terrorism Agency



Introduction

Brig Gen Hamidin began his presentation by describing Indonesia's geographical and economic situation to the audience. He highlighted that infrastructure and tourism sector contributed 14.6% of Indonesia's GDP in 2016. Brig Gen Hamidin also mentioned Indonesia intention to attract 20 million foreign tourists and 275 million domestic travelers by the end of 2019. Continuing that, Gen Hamden later identified five locations that are most likely to be targeted by terrorists, these include: airport, tourist destination, critical infrastructure, business, and religious sites. He went on to describe various terrorism incidents that Indonesia has faced in the past several years. Brig Gen Hamidin noted that the 1st Bali Bombing caused the tourism industry to be left devastated. He mentioned how hotel occupancy rate declined to 10%, travelers cancelling their flights, and several travel advisories issued, which prolonged the revitalization of the tourism industry for months.

Comprehensive Strategy to Counter Terrorism

With experience in their hands, Brig Gen Hamidin explained that these terrorist attacks have taught Indonesia on how to improve its security measures. He explained that a comprehensive strategy to counter terrorism has been devised by Indonesia, combining hard and soft approaches to form what they called as preventive measures. On the hard approach, Brig Gen Hamidin mentioned that it will use law enforcement to protect critical infrastructure, collect intelligence, stopping terrorism financing, and to strengthen legal framework. Whilst the soft approach entails a de-radicalization program in prison, involving stakeholders such as the two largest religious organizations in Indonesia, Nadhatul Ulama and Muhammadiyah to provide counter narrative through offline and online media, as well as interfaith dialogue. Brig Gen Hamidin further noted that in the aftermath of a terrorist attack, there are three points that would need to be prioritized. The first is victims' protection, which includes their families to be rehabilitated and to receive compensation. Second is the recovery of damaged infrastructure. Lastly, the third is effective communication strategy to prevent unverified news and information.

Brig Gen Hamidin also noted the importance of international cooperation and partnerships in countering terrorism. With terrorist organizations nowadays possessing international outreach, Brig Gen Hamidin noted some of these groups, such as the Katibah Nusantara that are present in both Indonesia and the Philippines. Hence, due to the international nature of terrorist organizations, Brig Gen Hamidin has advocated for further joint cooperation. He presented his experience in Manila on the de-radicalisation effort being conducted upon one terror suspect called Abu Walid. Based on this experience, Brig Gen Hamidin underlines a theory that are used to recruit terrorists. The theory is kinship or blood ties, where terrorists are sometimes made up of almost all of members of a family. In addition, with joint cooperation with the Philippines, Brig Gen Hamidin highlighted other experiences with Malaysia and Thailand in combating terrorism. In his final note, he mentioned that Indonesia has been successful in de-radicalizing terror suspects as they've identified not only the suspect, but also those that have relationship with the suspects.

**Strategies for Tourism Business Recovery by Prof Brent Ritchie,
School of Business, Faculty of Business, Economics and Law,
University of Queensland, Australia**



Introduction

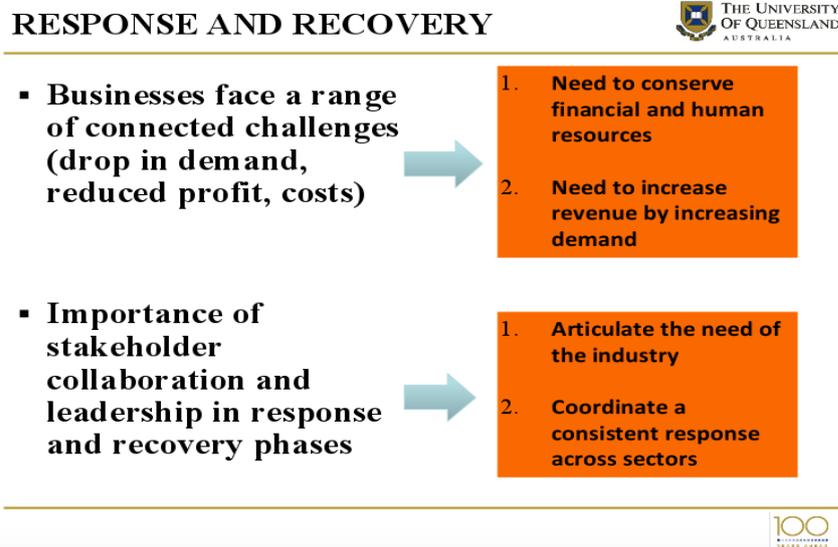
Prof Ritchie opened his presentation by making a remark on his last visit to Bali in 2004, at the same time during the Australian Embassy bombing in Jakarta. Prof Ritchie touched upon the issue of business recovery and recovery marketing upon the aftermath of a terrorist attack. He also mentioned that the tourism industry is a very fragmented industry, with varying sectors, which calls for leadership and coordination from the industry point of view. Prof Ritchie argues that the industry would need to work hand-in-hand with the government, after the industry could coordinate itself. Prof Ritchie then outlined his topics of presentation, which includes about the nature of tourism business, recovery issues, marketing and communication, and tourism strategies and policies.

Nature of Tourism Industry

Prof Ritchie explained that the tourism market is not homogenous, which also includes the businesses that are in it too. The underlying belief that big businesses are the biggest player in the market isn't true. Instead, the tourism industry is filled with small businesses, which amounts to about 78% of the players in the industry. These small businesses are too small to understand anything about risk management, as Prof Ritchie argues. Therefore, he advocates the need to take into consideration small businesses when talking about a recovery scheme, which is needed to provide the tourism experience. Although, Prof Ritchie also explained that there are complicated challenges along the way. As demand drops following an incident, businesses would still need to keep paying the bills despite having a significant loss in revenue due to dwindling tourists. This needs to be kept from happening through thorough crisis communication and recovery marketing, which involves a variety of sectors. Prof Ritchie explains how the tourism industry has the accommodation sector, transportation sector, and tour operators, all with different impacts and different needs, which needs to be accommodated to recover the tourism industry.

This leads to government to ask, ‘what is the best way to support the industry?’ This is a tricky question, but the reality is that both the business needs the assistance and also the resurgence of tourist, which means that they would need a comprehensive recovery marketing.

Graphic 12 Response and Recovery for Businesses



Recovering the Industry

Prof Richie went on to explain that there are a couple of lessons to learn in terms of crisis. For example, staffing is a huge cost to business, and some strategies deal this issue by assigning staff to different locations. However, this is unable to be replicated by small businesses, their business sticks within the area. He gave an example during the SARS epidemic, where number of tourists dropped due to the fear of the disease. Instead of sacking their employees, a program in Singapore helps to train the staff from businesses that are affected by the economic downturn. This program seeks to prepare the staff to welcome tourists again once the crisis has passed. There are other programs that could help to alleviate the strained that are being affected by the tourism industry in times of crisis. Prof Richie mentioned how Hong Kong, China gave tax rebates during the SARS epidemic. However, these tax rebates didn't target most of the proper industry as it was given to retailers and shopping malls.

The same incentives were also introduced to differ tax payment, to provide guaranteed loans, and rate relief. However, Prof Richie explained that these incentives only touched around 10% of the tourism business. The main drawback being the complicated bureaucracy to receive these incentives. Therefore, he suggested that governments simplify things down, so that businesses wouldn't have to deal with multiple government departments to receive the assistance. Prof Richie gave another example in the US where they passed the 'Stabilization Act' which funded airlines in America through economic modelling.

As for the marketing and communication, Prof Richie mentioned the importance of perception. The effect of negative perception from a person about a certain destination will reflect his/her choice to visit that particular place. He argued that people would actively search for information that they deemed to be credible and trustworthy, which is where effective crisis communication plays an integral and important part. Prof Richie explained that it is important to get the communication part right first, before moving on to marketing. He named some tools to get communications going, such as travel advisory

and mass media. Although Prof Richie warned how mass media sometimes like to sensationalize stories. To cut through the traditional setting, he recommends the use of social media in recovery marketing. During the presentation, Prof Richie showed the audience a video of the 'Call Brussels' campaign where tourists are able to call local people and ask whether everything is alright over there.

In addition to that, Prof Richie explained the need to identify market segments that are more resilient to crisis, as they are the ones who might come back quicker than other markets. These could be people who are closer in terms of geography, culture, and etc. As an example, Prof Richie explained that the US market are more willing to travel to Australia if they travel by package tour and if they could stay in chain hotels, even when prices could be more expensive. This would avert any needs for discounted tickets, as people would feel that something might be wrong as a reason as to why there's a discount. Attributing to a previous input for celebrity endorsement would also help to recuperate. Prof Richie reinforced this idea by saying that it would be very good for the domestic audience in Indonesia if the celebrity would be someone that the Indonesian can relate to.

Conclusion

With the examples shown by Prof Richie, such as the SARS recovery incentives, and #CallBrussels campaign, it is important to bring together industries from whole different sectors as well as the government to revitalize the tourism industry. Most of the time, the small businesses are unaware of these incentives, so there needs to be a more inclusive communication procedures to help them. Prof Richie finished off his presentation by saying that terrorism affects tourism greatly, but the impacts differ from one sector to another. Therefore, before government designs business assistance packages, they would have to consult all the industries to work together and to develop a recovery marketing strategy so there is a consistent approach rather than a fragmented approach.

ASEAN Tourism Effective Crisis Communication
by Dr Tan Awang Besar, Undersecretary of Tourism Policy and
International Affairs Division, Ministry of Tourism and Culture Malaysia



Introduction

Dr Tan began his presentation by pointing out the fact that there are more security experts within the conference, rather than those from the tourism sector. He remarked that his presentation will bring about the perspective of the region, where ASEAN plays a bigger role in the counter terrorism element. Dr Tan explained that as the tourism sector is a sensitive and fragile sector, any negative triggers that affect the tourism industry will have immediate response to the area affected. He also mentioned that ASEAN has several forums that put forward the issue of terrorism at a regional level. Examples that Dr Tan put forward are: Declaration of Joint Action to Counter Terrorism in November 2001, The 9th ASEAN Regional Forum in July 2002, and the ASEAN Summit. In addition to that, he also puts forward ASEAN Ministerial Meeting on Transnational Crime, MMTC, as a core of ASEAN counter-terrorism operation.

ASEAN also possess another platform for disaster management. Dr Tan explained that there is the ASEAN Agreement on Disaster Management Emergency Response, the ASEAN Coordinating Center for Humanitarian Assistance on Disaster Management. In addition to that there are various local tourism organizations within each of ASEAN's ministerial and senior official level. In short, Dr Tan highlighted that ASEAN has covered a number of issues through various platforms.

Crisis Dimension

Dr Tan stressed that crisis dimension is what ASEAN and other shareholders throughout the world would need to address. Each level of crisis will affect the tourism sector in different ways. Dr Tan mentioned that natural disasters and terrorist attack are just some of the most significant crisis that could affect the tourism industry. The effect of a terrorist attack would be severe, as it would lead to cancellation in bookings, diversion of investment, dropped in tourist arrivals, damaged infrastructure, negative image, and so on. Dr Tan talks for the need to counter these effects with the correct perception, just as what Prof Richie was saying.

Thus, Dr Tan advocated for an effective communication to regional cooperation. This has been put forward through a manual on crisis communication at ASEAN level, which incorporates best practices under PATA and UNWTO. He explained that during a terrorist attack, there will be a focal point at every ASEAN member state, which will provide information to ASEAN Secretariat and ASEAN member states that will receive that particular information. The flow of information will be channeled as an alert mechanism to ASEAN member states as it will challenge the flow of information

disseminated by the terrorist group. Dr Tan then explained the functions of the ASEAN Tourism Crisis Communication Team (ATCCT). He mentioned that ATCCT is responsible in minimizing the impact of crisis in ASEAN through effective communication. It should also assist the ASEAN NTOs in all matters related to tourism communication and it shall be assisted by the ASEAN Secretariat in carrying out their functions.

Certain criteria have to be met for the representatives from ASEAN members to be in this team. Dr Tan then said that the first was that the person should serve as a point of contact between NTOs & ATCCT in times of crisis. Second, the person must have direct access to the head of NTOs. Lastly, he mentioned, was that the person must have link to inform the Crisis Management Team for their government. Furthermore, Dr Tan highlighted several responsibilities of the members of the team. He said that the Chairman of the team is responsible to lead the activation of ATCCT & Crisis Communication Plan, whilst the Co-chair should be responsible as an alternative spokesperson. Moreover, members of ATCCT must provide accurate and timely information and input for assessment.

Dr Tan explained the challenges in implementing this scheme in ASEAN. Among others he highlighted the need for a consensus among the 10 ASEAN member states as one of the challenges. ATCCT would need a full commitment for all ASEAN members to execute and also ensure the responsibility of the representatives is performed accordingly and also execute what had been planned under the crisis communication plan.

Conclusion

Dr Tan ended his presentation by highlighting that domestic effort is the most important factor, as it shows the capability and willingness of economies to act out against terrorism within their own border. However, Dr Tan also believed that regional cooperation is still necessary to facilitate and prevent unpleasant incidents from occurring. In addition to that, regional cooperation is also important as a platform for communication sharing and a benchmark for other ASEAN states to learn methods in dealing with these crisis, should it ever happen to them.

Discussion Session IV



The discussion started by a question from Dr Singh regarding the details of deradicalization process, such as the actual process, the stakeholders involved, and the counter narrative. Malaysia also took the opportunity to express appreciation to government of Indonesia for hosting the workshop, and stated that Malaysia condemned all act and practices of terrorism which has caused the loss of many lives and injuries to innocent civilians and demolish public property and infrastructure, Malaysia believed that such act is unacceptable and has damaged the true image of Islam, Malaysia remain committed to tackle the threat of terrorism including by strengthening our legal framework by updating and enacting new legislation, Malaysia believes that preventive measures are more effective in combating terrorist threats. Malaysia also has incorporated deradicalization and rehabilitation programs towards changing the mindset of radicalized extremist individuals. This program complimented by various forms of humanitarian assistance facility, and integration to society has shown success rate of 97.5%. Malaysia has shared their program with several shareholders and will continue to do so. Malaysia inquired Brig Gen Hamidin to share deradicalization program that had been conducted in Indonesia.

Brig Gen Hamidin responded that there are three things that they had committed in Indonesia. The first is the identification of the first generation of terrorist, which are networks affiliated with Al Qaeda, such as JI, Nurdin M. Top, and Dr Azhari. From the year 2000 until 2017, 1438 perpetrators have been captured. Other than hard approach, Indonesia also use soft approach such as deradicalization and rehabilitation. From 2016 until 2017, they figured out nine plans to attack Indonesian authorities. However, the plans were thwarted by Indonesian authorities because they use both hard and soft approaches as preventive measures. The second is counter narrative of radicalization. Brig Gen Hamidin explained the recruiting system of terrorists, usually through kinship or family, and disciples worship. He gave an example of 10 graduates from Al Qaeda Military Academy that went back to Southeast Asia and divided the region into four Mantiqis. They create propaganda and agitation program. BNPT then created PMD or *Pusat Media Damai* (Center for Peaceful Media) to fight against propaganda through media.

Brig Gen Hamidin then reemphasized the importance of collaboration among governments in fighting terrorism because there is no place that is immune from terrorism. Indonesia and the Philippines have long term cooperation against terrorism. However, they still face problem in dealing with terrorism in neighbouring region, such as Khatibah Gonggong Rebus who planned to attack Marina Bay Sands in Singapore. In deradicalization program, they tried to identify the targets. The first target is prisoners and prominent terrorists that had been released from jail. Brig Gen Hamidin visited the jail at least once

in two months. The second target of deradicalization program is the family of the terrorists. They even visited the family in Philippines. The third target is potential people that can be influenced by radical groups.

Dr Tan added that there is collaboration between governments and the practices had been adopted by Malaysia, Indonesia and also Philippines. From domestic point of view, Dr Tan stated that member economies need to act to counter this. Some terrorist figures had been captured upon arrival in a region.

Dr Singh followed up by appreciating works that had been done in Indonesia. He asked Brig Gen Hamidin if the former terrorists he visited in jail has changed their mind and assisted police or security agencies to capture other terrorists. He brought up example from India where radicalization process takes place in school or religious seminars and asked if it is same in Indonesia or Malaysia, and if the number of the radical preachers is going up or going down.

Brig Gen Hamidin responded by identifying counseling program conducted by Universities and research centers. University of Indonesia together with Local Police came to prison to identify types of group of terrorists inside the prison. They divided the groups into three groups. The first group is a soft-core group, which are those who felt guilty of what they did and help government by giving information. The second one is middle-core group, which are those who welcome BNPT and felt guilty but did not want to share information fearing they will be targeted if they do. The last one is hard-core group, such as Abu Bakar Ba'asyir, Oman Abdurrahman, those who did not welcome anyone and try to influence others.

Brig Gen Hamidin mentioned that the problem right now is recruitment through social media, such as Telegram or Whatsapp. The number of terrorists who plan to attack Indonesia were only six, all are JI members. However, with six people, they can influence other people and recruit them through social media.

Ms Fitriani asked the speakers to provide suggestions to have a regional response when member economies experience terrorist attack because as Professor Ritchie mentioned in his presentation, tourism industry is very sensitive and demands will move to another location. Ms Fitriani asked whether we can come up with regional response for APEC.

Prof Ritchie responded that there are lots of materials that can be used in terms of recovery marketing as well as key messages. APEC, ASEAN, and UNWTO already had the materials and communication toolbox. The challenge is how to get those materials and use them. The other challenge is how to share these materials to small businesses. While big businesses such as airlines or hotels already have SOP for crisis, small businesses are not aware of these procedures. The challenge is to share this to small businesses so they can use the materials. Prof Ritchie asked APEC to think about what could be done through industry associations at local level, how to make SME aware of this and how to get them to use it.

Dr Tan commented that when talking about tourism industry, it involves multi stakeholders in that particular area. The most important thing is to share educative information in the forms of video, for example, to show the impact of incident that can affect everybody. Dr Tan shared his experience when he arrived in Bali, the immigration is friendly and kind to visitors. This kind of environment should be pictured in tourism material and member economies need to ensure the sustainability in tourism.

Brig Gen Hamidin added that terrorist attack does occur in not only tourists' places but also public areas and police stations. He stated the need of sharing information model among member economies and provide investigation access among member economies.

Viet Nam took the floor to thank the City Deputy and Indonesia for hosting the workshop. Viet Nam asked Dr Tan whether the ATCCT or any other guidelines for crisis management had been adopted by

ASEAN member states. Viet Nam inquired Dr Tan to share information on the implementation of such document among ASEAN member states.

Dr Tan answered that the document produced at ASEAN is already approved by NTO and is ready to be used. He then restated the three pillars under ASEAN, which are ATCCT, ASEAN Socio-cultural community, and ASEAN economic community. He added that the document can be downloaded from ASEAN official website.

US took the floor to commend the workshop because it brings together two different communities. He mentioned January 14 attack in Indonesia where spontaneous slogan going around in civil society “*Kami Tidak Takut*” or “We are not afraid”. This kind of slogan is very effective as it spread virally. Tourism industry should use this kind of solidarity messaging, like Call Brussels Video Campaign that was shown in Prof Ritchie presentation because government is not very good at this. US mentioned that government can learn from that messaging, and complimented Brig Gen Hamidin on countering violence extremism messaging. Lastly, US stated that the messaging is not only for countering violent extremism but also for the prevention and recovery.

Prof Ritchie responded that he saw that there is opportunity to use key messaging because prospective tourists want to learn more about particular destination, whether it is safe. He added that bottom up approach is useful to harness in terms of recovery marketing efforts, it could cut through the media sensation and it worked well for Indonesia since Indonesia is well-connected in terms of social media. Things may work differently for different markets, such as China. Therefore, he pointed out that refinement in terms of marketing messages is needed because different audiences respond differently.

Dr Singh asked Prof Ritchie’s opinion if he recommend the use of social media to promote tourism in a destination after terrorist attack because if the government use social media campaign, usually people would not trust the promotion. He asked whether Prof Ritchie would recommend that government should indirectly use social media to gain trust from tourists especially foreign tourists.

Prof Ritchie answered that other than social media, there are also websites and other materials to communicate to travel and tour operators and tourism businesses. He suggested multipronged approaches to communicate to travel businesses, particularly in places where people book. Social media is one part of broader communication plan that works well for some market but may not for other markets. Otherwise, people may put their trust in tour operators or certain hotel chains, transfer the risk to them.

Ms Pauline from Papua New Guinea Tourism Promotion Authority thanked APEC CTWG and government of Indonesia for hosting the workshop. Ms Pauline asked the possibility of media accountability and assistance for international Asia Pacific Partners in the instance where they have carried out our recovery communication and marketing, and to counter the negative representation of our indigenous culture, especially, by the mass media. Ms Pauline inquired whether there are international organization and NGO, transnational partnership whom they can turn to that Prof Ritchie recommend that can help Papua New Guinea to carry out their messages to wider global community, especially where they can help to have the international media accountable about what they report about Papua New Guinea.

Prof Ritchie suggested that in some cases, authorities spoke directly to the journalists in charge of the stories and get them to correct misinformation. He suggested inviting journalists to come to the destination to have a look firsthand. Developing close relationship with the media is very useful. He also suggested to talk to journalists or media agency directly, and member economies may find some strategies in ASEAN Crisis Communication Manual or UNWTO Crisis Communication Toolbox. Lastly, he emphasized that having good relationship with media industry is crucial.

Dr Tan added that media is controlled by ethics code and social media is beyond control. He emphasized on the importance of transparent information in the event of crisis. Whatever crisis is happening,

member economies have to ensure that correct information is provided to the media so people will get right information. However, government may not want to share some information because it will give negative impact to the industry, especially tourism because tourism is fragile. Therefore, engagement with media is very important in order to give correct and transparent information.

Mr Benyamin Carnadi as the moderator concluded the discussion by summarizing that regional response and raising awareness are crucial towards the recovery of tourism business in the aftermath of terrorist attack. Lastly, he expressed his gratitude to all the speakers and closed the session.



**Asia-Pacific
Economic Cooperation**

**CLOSING SESSION
STRENGTHENING TOURISM BUSINESS RESILIENCE AGAINST
THE IMPACT OF TERRORIST ATTACK**

**Finalization and Adoption of Workshop Policy Recommendation
Chaired by Mr James Nachipo, Chair of APEC CTWG and Mr Andhika
Chrisnayudhanto, Director of Regional and Multilateral Cooperation,
Indonesia Counter Terrorism Agency**



Introduction

Mr Nachipo started the final session by congratulating the constructive and fruitful workshop for the last two days. He then stated the aim of this session, which is to develop a set of recommendations and observations that would form the basis for a document that would be further discussed at APEC CTWG meeting in Viet Nam. He said that the draft that had been distributed to the participants were not intended to summarize what every speaker had presented, but it was a summary of key observations of the two days' workshop. He observed that the differences in resilience level, law and regulations, response mechanism, capacity to respond to emergencies and degree of development among APEC economies to respond effectively to the aftermath of terrorist attack are varied. Therefore, there is no one size solution that could fit for all problems since each individual economy has different conditions and issues. He expressed his wishes that through this session, participants would come up with best practices guidelines that would form a framework which then will enable individual economies to adapt them to their own individual circumstances.

Mr Nachipo further encouraged participants to think about the next steps after the workshop is finished, which is how to turn what have been learnt in this workshop into a set of tangible and practical solutions. He then opened the floor for discussion and encouraged all delegates to make key observations that they have learnt and add some of them in the recommendation draft that had been distributed to all participants.

Key Observations

The U.S took the opportunity to state the two points that needs to be incorporated in the draft. The first one is to incorporate level of involvement and engagement of professional travel associations and their important role in ensuring industry's preparedness against terrorist attack. The second point is the importance of sensitizing the travel industry to a sustainable development of travel industry.

India then offered three key observations from this workshop. The first one is that even though there is difficulty in maintaining close cooperation among APEC member economies, member economies should accept the need for a closer and faster way of communication among APEC member economies. The second one is that Standard Operating Procedure for Travel and Tourism Industry, as well as for as Standard Operating Procedure for government needs to be drafted in order to regulate how the government should act and react in anticipating terrorist attack and in the aftermath of terrorist attack. Lastly, India urged to learn successful example of best practices from member economies to be implemented in other member economies.

Mr Nachipo then proceeded to share his key observations from the workshop. The first key observation he mentioned is the challenge for government in responding with information in the event of terrorist attack. Government had to catch up with information that is already spreading virally in social media that could be misleading. Mr Nachipo stated that whatever best practices that had been developed, one of the challenges is to catch up with unofficial information that spread through social media.

He then gave example from Australia where Australian government already had a management system for responding to crisis overseas in terms of protecting Australian citizens overseas. Even though Australian government already had a system, it was still a big challenge to catch up with the spread of information on social media. Therefore, APEC economies need to reflect that challenge into any effective strategies to manage the information in the aftermath of terrorist attack.

Malaysia found that there is a necessity to put additional clause in the draft in regard to enhance the cooperation between counter terrorism task force and tourism organization particularly by channeling information on terrorism in the future, among APEC member economies as well as between APEC and other regions.

China also suggested changing the wording visa easeness to visiting easeness due to policy issues to monitor and control all foreigners. The Philippines proposed to add some conclusions on the draft to enhance the collaboration between security and tourism industry, because both sectors often had contrasting programs due to different approach towards security issues. Therefore, it needs to have some conclusion on the collaboration between security sector and tourism industry.

Conclusion

Mr Nachipo concluded the finalization session by sharing that the workshop had provided a framework and a need to put in place a mechanism that enables economies to respond effectively to the aftermath of terrorist attack. He then emphasized on the next step of this workshop, which is to organize a table-top exercise that involve all major stakeholders, from law enforcement agencies, police, intelligence agencies, travel agencies, hotels, restaurants, transport, taxi operators, media, digital media, government policymakers, to academia and experts in the issues. The table-top exercise would be an opportunity to develop scenario in the event of terrorist attacks and see how all stakeholders approach the scenario in order to create best practice recommendations. Lastly, Mr Nachipo expressed his gratitude for active engagement and participation in the workshop and declared the workshop closed.

Closing Remarks
by Brig Gen Hamidin, Deputy for International Cooperation, Indonesia
Counter Terrorism Agency



Distinguished Delegates and participants,

Ladies and Gentlemen,

We have now reached the end of our two-day event. On behalf of Ambassador Desra Percaya, APEC Senior Official of Indonesia, allow me to deliver these concluding remarks.

As host, Indonesia would like to reiterate our highest appreciation to all representatives of APEC economies and participants who have actively participated in this workshop and contributed their ideas, opinions, and experiences in the discussions to achieve the objective and outcome of this workshop.

Allow me to convey our appreciation and gratitude to all speakers, moderators and the APEC Secretariat for their invaluable support and contribution. Allow me also wish to thank the local government and police, as well as other parties for their involvement, support, and inputs towards the successful outcome of this workshop.

Distinguished Delegates,

The APEC Economic Leaders agreed to continue the capacity building activities in pursuit of securing sustainable growth, security, and prosperity in our region. This workshop is in line in with achieving these goals through joint efforts in contributing to securing the region, as well as its people and economic, trade, and investment from terrorist attack.

Commitments to undertake individual and joint actions to counter terrorism have been expressed by our Economic Leaders in two principle statements, which are the "2001 APEC Leaders Statement on Counter-Terrorism" and the "2002 Statement on Fighting Terrorism and Promoting Growth". Such efforts to counter terrorism also continues to be mentioned in almost every annual Leaders' Declaration.

The direct beneficiaries of this workshop are stakeholders who are directly involved in countering terrorism such as policy makers, law enforcers, and think tanks. Through this learning process, the participants may withdraw valuable lessons in their future role when providing effective measures and policies to build resilient tourism industry from terrorist attack. Therefore, the enhanced knowledge of the participants through this capacity building workshop showcases the successful capacity building process in APEC.

Distinguished Delegates,

We have all agreed that the tourism industry has the potential to create jobs, sustain economic growth and development in the APEC region. It comes with no surprise that our Leaders have targeted to bring 800 million tourists in the APEC region by 2025, as stated in the APEC Connectivity Blueprint.

Nevertheless, tourist destinations are often being targeted by terrorists directly or indirectly. In the aftermath of terrorist attacks, the tourism industry instantly suffers from delays in operation, losses in potential customers, and decline in sales. Such attacks yield to many other economic losses due to its negative trickle-down effects. The lack of capacity to cope with terrorists' attacks is due to limited resources, expertise and awareness especially in rural and remote areas.

It is with high hopes that the APEC capacity building workshop has been effective in addressing this issue by enhancing the capacity of our region to better prepare for terrorists' attacks and to ensure minimal and tolerable disruption to business operations and supply chains during post-terrorist attacks.

Hence, our workshop needs to be continued and followed up by training programs for related government officials, non-profit and private sector organizations in APEC member economies. In the longer term, as mentioned in the policy recommendation of the workshop, we have to develop a simple step-by-step APEC Guidebook on how to manage and minimize impacts of terrorist attacks.

The guidebook shall entail of pre-terrorist attacks measures, emergency response during an attack, and continuity strategies in a post-attack scenario. All these three elements have been discussed thoroughly during this workshop.

Distinguished Delegates,

I am very happy that we have successfully concluded the workshop and able to provide recommendations to SOM and Leaders for further actions. I congratulate all participants on this outcome.

Please enjoy the rest of your stay before returning home and I wish you all a safe journey back home. I declare this workshop closed.

Thank you again for your active participation.



**Asia-Pacific
Economic Cooperation**

APPENDICES

Appendix I
Agenda of APEC Workshop on Strengthening
Tourism Business Resilience
against the Impact of Terrorist Attack

Bali, 9-10 May 2017

DAY 1 – Tuesday, 9 May 2017

Venue: Mengiat Ballroom, Inaya Putri Bali Hotel

Hours	Programs
08.00 – 09.00	Registration
09.00 – 09.30	Opening Session: <ul style="list-style-type: none"> • Welcoming Remarks by Chair of APEC Counter Terrorism Working Group (CTWG), Mr James Nachipo • Welcoming Remarks by Bali Governor, Mr Made Mangku Pastika • Opening Remarks by Head of Indonesia National Agency for Combating Terrorism (BNPT), HE Mr Suhardi Alius • Keynote Address by Coordinating Minister for Political, Legal and Security Affairs of the Republic of Indonesia, HE Mr Wiranto • Group Photo Dress code: Business Formal Attire
09.30 - 09.45	Coffee Break
09.45 – 11.45	Workshop Session I: “The Impact of Terrorist Attack on Tourism-based Economy” Speaker 1: Mr Tony Ridley, CEO, Intelligent Travel, Melbourne, Australia Speaker 2: Ms Fitriani, PhD, Researcher of the Centre for Strategic and International Studies (CSIS) Jakarta Speaker 3: Ms Rachel Doherty, Regional CT Coordinator for Southeast Asia, US Embassy in Kuala Lumpur Moderator: Ms Nia Niscaya, Director for International Tourism Promotion, Ministry of Tourism of Indonesia.
11.45 – 13.00	Lunch Venue: Pre Function-Mengiat Ballroom, Inaya Putri Bali Hotel
13.00 – 15.00	Workshop Session II: “Effective Measures and Policies To Prevent Tourism from Terrorist Attack” Speaker 4: Insp Gen Petrus R. Golose, Chief of Bali Police

	<p>Speaker 5: Dr David Beirman, Senior Lecturer, Management Discipline Group-Tourism, University of Technology, Sydney, Australia</p> <p>Speaker 6: Ms Lin Tsai-shiuan, Executive Officer of National Police Agency of Chinese Taipei; and</p> <p>Speaker 7: Ms Tsai Ming-ling, Executive Officer of Tourism Bureau of Chinese Taipei</p> <p>Moderator: Mr Solahudin, Head of Centre for Terrorism and Social Conflicts Studies, University of Indonesia</p>
15.00 - 15.15	Coffee Break
15.15 – 17.15	<p>Workshop Session III: “Managing the Effects of Terrorism on Tourism: the Role of Business Community, Media and Civil Society”</p> <p>Speaker 8: Ms Nia Niscaya, Director of International Tourism Promotion, Ministry of Tourism of Indonesia</p> <p>Speaker 9: Mr Joseph Franco, Research Fellow, Centre of Excellence for National Security, S. Rajaratnam School of International Studies, Singapore</p> <p>Speaker 10: Dr Satyapal Singh, Member of Parliament of India, former Police Commissioner of Mumbai</p> <p>Moderator: Mr Andhika Chrisnayudhanto, Director of International Cooperation, Indonesia National Agency for Combating Terrorism (BNPT)</p>
19.00 – 21.00	<p>Gala Dinner hosted by the Governor of Bali Province Venue: Governor’s Residence, Gedung Jayasaba</p> <p>Dress code: Batik / Smart Casual</p>

END OF DAY 1

* * *

Day 2 – Wednesday, 10 May 2017

Venue: Mengiat Ballroom, Inaya Putri Bali Hotel

09.30 – 11.30	<p>Workshop Session IV: “The Importance of Regional Response and Efforts to Help Recover Tourism Business in the Aftermath of Terrorist Attack in the Region”</p> <p>Speaker 11: Brig Gen Hamidin, Deputy for International Cooperation, National Counter Terrorism Agency of Indonesia (BNPT)</p> <p>Speaker 12: Prof Brent Ritchie, School of Business- Faculty of Business, Economics and Law, University of Queensland, Australia</p> <p>Speaker 13: Dr Tan Awang Besar, Undersecretary of Tourism Policy and International Affairs Division, Ministry of Tourism and Culture Malaysia</p> <p>Moderator: Mr Benyamin Carnadi, Director of Asia-Pacific and African Intra and Inter Regional Cooperation, Ministry of Foreign Affairs of Indonesia.</p> <p>Dress code: Business Formal Attire</p>
11.30 - 13.00	<p>Lunch Venue: Pre Function-Mengiat Ballroom, Innaya Putri Bali Hotel</p>
13.0 – 14.30	<ul style="list-style-type: none">• Finalization and adoption of Workshop Policy Recommendation, led by Chair of APEC CTWG Mr James Nachipo and Director of International Cooperation, Indonesia National Agency for Combating Terrorism (BNPT) Mr Andhika Chrisnayudhanto• Closing Remarks by Deputy for International Cooperation National Counter Terrorism Agency of Indonesia Brig Gen Hamidin
16.00 – 19.00	<p>City Tour/Site Visit : City Tour to Krishna and Sunset Panorama at Seminyak Beach</p> <p>Dress code: Smart Casual</p>
19.00 – 21.00	<p>Dinner hosted by Chief of Bali Police Venue : Ku De Ta, Seminyak Beach</p>

END OF DAY 2

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Appendix II

Report Summary on the APEC Workshop on Strengthening Tourism Business Resilience against the Impact of Terrorist Attack

**Inaya Putri Bali Hotel
Bali, Indonesia**

9-10 May 2017

Introduction

The tourism industry contributes to job creation, economic growth, sustainable development, and peace in the APEC region. According to the APEC Policy Support Unit (PSU), every 10% increase in tourist arrivals is associated with a 1.2% increase in exports and 0.8% increase in imports (in the destination economy).

Furthermore, a study by the APEC PSU that was conducted in 2016 shows that tourism development has a positive impact on poverty reduction and inclusive growth (i.e., growth in household income coupled with improvements in distribution). Tourism contributes to poverty reduction as every 1% increase of tourist arrivals is associated with a 0.12% reduction in the number of poor people in the region. Data also shows indicatively that tourism contributes to inclusive growth by providing the poor with more opportunities for employment and entrepreneurial activities.

Nevertheless, the continuation of the tourism industry is strongly correlated to safety and security issues. Terrorist attacks will interrupt tourism business activities and impede growth. Therefore, APEC economies have agreed to increase cooperation among economies to foster stronger partnerships through sharing of information and exchange of best practices in countering terrorism that will enhance security, efficiency and resilience of the tourism industry without compromising the flow of legitimate trade and travel in the APEC region.

Objectives of Workshop

The workshop was organized by Indonesia National Counterterrorism Agency [BNPT] in collaboration with the APEC Secretariat. The objectives of the workshop were in following:

- a. To study the level of resilience toward terrorist attack among economies in APEC
- b. To strengthen international cooperation amongst APEC members to provide reliable and rapid information sharing at the time of terrorist attack;
- c. To establish standard of crisis management strategies in order to stabilize economies in the aftermath of a terrorist attack and to give guidance on how to recover and recuperate losses;
- d. To allow the exchange of information in relation to the movement of suspected terrorists, dangerous materials and capital that can be used in financing terrorist and terrorist attack.

Participation

The workshop engaged 13 (thirteen) speakers from APEC Economies, including the Chief of Bali Police, Indonesia and the Regional Counter-Terrorism Coordinator for Southeast Asia, from the United State Embassy in Kuala Lumpur. The speakers shared their expertise and experiences, as well as best practices in building resilience tourism industry against terrorist attack, where they engaged with 43 (forty three) participants from 14 (fourteen) APEC economies, representing various government agencies and private sectors.

(See, Annex 1 for List of Speakers and Participants)

Workshop Programme

The workshop was held over 4 (four) sessions divided into two days as follows:

Session I – The Impact of Terrorist Attack on Tourism-based Economy.

Session II – Effective Measures and Policies to Prevent Tourism from Terrorist Attack.

Session III – Managing the Effects of Terrorism on Tourism: the Role of Business Community, Media and Civil Society.

Session IV – The Importance of Regional Response and Efforts to Help Recover Tourism Business in the Aftermath of Terrorist Attack in the Region.

CONCLUSION

A two-day workshop was hosted on 9-10 May 2017 in Bali by the Government of Indonesia to share experiences and raise understanding on lessons learned and good practices in relation to building tourism business resilience in the aftermath of a terrorist attack. It was agreed during the discussion among APEC economies that a terrorist attack can damage the tourism industry through tarnishing a tourist destination's image of safety, lowering the number of visitors and revenues, threatening tourism sustainability and endangering long-term economic viability, which are not in accordance with APEC's vision of stable, integrated and prosperous community in the Asia Pacific.

Although efforts have been made to build resilience, APEC member economies are still facing challenges posed by the evolving threat of terrorism. As a result, economies agree that there is a need to have a crisis management plan in place. It was also reiterated that further cooperation among local communities and tourism sector businesses as well as intelligence and law enforcement agencies is needed in order to prevent terrorist attacks taking place in tourist destinations.

OUTCOMES

Based on the presentations and issues arising from the discussion, participants observed that there are several common challenges faced by APEC member economies in building tourism-industry's resilience against terrorist attacks, namely:

- a. Difficulty to maintain clear and close coordination and communication during the immediate aftermath of a terrorist attack;
- b. Guidance developed on managing crisis in the case of terrorist attack is not known or readily available to tourism businesses;
- c. Insufficient crisis management information tailor-made specifically for the tourism industry;
- d. A need for more strategic post-attack communications strategies that include moving from post-crisis communications to appropriate marketing in the wake of a terrorist attack.

= APEC WORKSHOP SPEAKERS LIST =

No	Economy	Name & Details
1	Australia	Tony Ridley CEO Intelligent Travel Level 14, 380 St Kilda Road Melbourne, Victoria 3004 Australia Tel: +61 3 8658 1427 Email: tony.ridley@intelligenttravel.com.au
2	Australia	Dr David Berman Senior Lecturer University of Technology, Sydney, Australia Email: David.beirman-2@uts.edu.au
3	Australia	Prof Brent Ritchie School of Business-Faculty of Business, Economic and Law University of Queensland, Australia Email: b.ritchie@uq.edu.au
4	India	Dr Satya Pal Singh Member of Parliament of India Parliament Street, Lok Sabha Marg, New Delhi 110001, India Email: dr.satypalsingh@sansad.nic.in , allsatya@gmail.com
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7	Indonesia	Nia Niscaya Director of International Tourism Promotion Ministry of Tourism of Indonesia Gedung Sapta Pesona, Jalan Medan Merdeka Barat No. 17, Gambir, RT.2/RW.3, Gambir, Jakarta Pusat, DKI Jakarta 10110 Email: niscaya.nia@gmail.com
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13	United States of America	Rachel Doherty Regional CT Coordinator for Southeast Asia, US Embassy in Kuala Lumpur 376, Jalan Tun Razak, Taman U Thant, 50400 Kuala Lumpur, Wilayah Persekutuan Kuala Lumpur, Malaysia Tel: +60 3 2168 5000 Email: DohertyRT@state.gov

= APEC ECONOMY PARTICIPANTS LIST =

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24	Indonesia	Suryani Ni Putu Elvina Coordinating Ministry for Political, Legal, and Security Affairs
25	Indonesia	Sutiono Pribadi Coordinating Ministry for Political, Legal, and Security Affairs
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28	Malaysia	Muhammad Aiman Zakaria Ministry of Tourism and Culture Email: aimanzakaria@motac.gov.my
29	New Zealand	Greg Cramer New Zealand Police
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43	Viet Nam	Nguyen Thi Hoang Yen Ministry of Public Security

Appendix III

Recommendation from the APEC Workshop on Strengthening Tourism Business Resilience against the Impact of Terrorist Attack

From the workshop and by taking into account the 2011 APEC Consolidated Counter-Terrorism and Secure Trade Strategy, the following are recommendations to all APEC member economies to assist with building a resilient tourism industry against the impact of terrorist attack:

1. To provide political support at local, regional and international levels in strengthening international cooperation and coordination through sharing of information among intelligence and law enforcement agencies in facing possible, during and in the aftermath of a terrorist attack;
2. To align the work of law enforcement, security and tourism agencies in APEC member economies in advocating tourism business resilience in the event of terrorist attacks;
3. To encourage collaboration between APEC and other regional and international organizations on issues related to tourism business resilience;

Specific recommendation in the anticipation of terrorist attack:

4. To establish inclusive crisis management planning into economies' overall tourism business, including planning, marketing, management and communication strategies, which involve all stakeholders, such as government, business community, media and civil society;
5. To work with professional travel associations to review, build on, and disseminate guidance already developed to manage crisis in the tourism sector (e.g. PATA and APEC's 2006 tourism risk management guide). Such guidance should be a tangible, accessible reference that includes operational details of managing tourism crisis, and good practices on effective communication, including press release and press conference, as well as steps on how to initiate a crisis management task force and to maintain good relations with media to ensure balance and accuracy of coverage during the crisis;
6. To organize table top exercise within APEC economies involving all the relevant stakeholders, such as policy makers, law enforcement, tourist organization, hotels and airlines; with the aim to highlight the importance of response preparedness and coordination to manage a terrorist attack and provide a framework for developing a best practice crisis management guidebook;
7. To encourage training preparedness for first responders in tourism destination areas to raise awareness and increase the preparedness of the people and business sectors for the possibility of terrorist attack;
8. To recognize that tourists, who most often lack local knowledge and are therefore particularly vulnerable to terror attacks, be a priority for protection. This could happen through the establishment of a division of police officers that is specifically trained to interact with the tourism industry and to improve the capacity of this division on tourism policing or by providing additional training to police officers who come into contact most frequently with tourists;

9. To improve the capacity of media agencies in reporting terrorist attacks in a balanced and accurate manner;
10. To encourage periodic review of transportation risks in the tourism business to inform future crisis management planning;
11. To encourage APEC member economies to disseminate travel safety advice for in-bound travelers;
12. To sensitize tourism-focused business on security benefits of sustainable tourism development as outlined by UNESCO that prioritize community inclusion to lower risk of tourists being targeted;

Specific recommendation during terrorist attack:

13. To encourage a better coordination and communication between task force and media agencies in providing balance and accurate coverage of terrorist attack to prevent the proliferation of fake and misleading information;
14. To ensure that the response to terror attack demonstrates best practices for rapid response to victims, law enforcement effectiveness, community unity and resiliency;

Specific recommendation in the aftermath of terrorist attack:

15. To create strategies to facilitate tourism recovery in the aftermath of terrorist attack, including rebuilding tourism destination's image of safety and attractiveness, reassuring potential visitors the safety of tourist destination, re-establishing destination's attractiveness and functionality, as well as supporting local tourism industry in the time of economic recovery;
16. To identify best practices implemented by APEC member economies in the field of social media in rebuilding economy based tourism;
17. To provide proper information for travelers that are interested in visiting tourism destinations that may be vulnerable to terrorist attacks, and encourage travelers to stay responsible and vigilant;
18. To encourage economies to provide appropriate localized support to terrorist-affected communities in terms of messaging, incentives, and industry support to support the resilience of the tourism industry;
19. To intensify cooperation and collaboration among APEC member economies counter-terrorism working groups by conducting capacity building programs and trainings;
20. To encourage the establishment of local community support groups to maintain networks and to support infrastructures and economic recoveries of the tourist destination sites;
21. To encourage cooperation and collaboration between CTWG and TWG as well as Working Group on Trade and Investment (WGTI) in recovering tourism brand and images as well as in countering the disadvantages of electronic news and viral social media posts.

* * *