

TOURISM INDUSTRY ADVICE

8th APRIL 2020

Government relief assistance announced for Tourism Sector – Covid-19

The Government has announced its relief assistance for the Tourism Sector, with a Stimulus Package to assist the local economy and deal with the impacts of the global Covid-19 pandemic.

The two major relief funds to assist the Tourism Sector as part of enabling the Private Sector as announced in Parliament yesterday by the Minister of Finance, includes freezing payments for the Samoa National Provident Fund (SNPF) and the Accident Compensation Corporation (ACC) for six months. There is also reduced rates on electricity usage for three months among other assistance.

The budget will cost SAT\$2.6 million for SNPF payments and SAT\$1 million for ACC payments. For the rest of the private sector, the package is largely in the form of discounts on Government managed assets, and reduction in rent and fees on state-owned properties.

The Tourism Sector includes accommodation providers, restaurants, travel agents, tour operators, rental vehicles, tourism sites and activity providers.

▪ **SNPF assistance:**

With the six-month assistance on contribution payments for the Tourism Sector;

- Employers in the hospitality sector will be permitted to postpone their contributions payments for the six-month period January to June 2020 to be payable only in July.

20% early withdrawal for members in the Hospitality sector who have lost employment due to COVID-19;

- Subject to certain conditions, members in the affected sector to be allowed;
 - a) member loans offset from contributions;
 - b) Early withdrawal of either: 20% of net contributions OR SAT\$4,000 whichever is lesser;
 - c) Other Terms and Conditions apply for eligibility.

For those that have lost their jobs as a direct result of COVID-19 and wish to take advantage of this assistance, are to complete and sign the “COVID-19 20% WD Consent” form (see below) and deposit the form and the required documents at the Members Department on Level 4 of the SNPF Main Building in Apia or at their office at Salelologa.

The COVID-19 20% WD Consent form is available at www.npf.ws/memberforms or email withdrawal@npf.ws for more information.

▪ **ACC assistance:**
6 month moratorium for the Hospitality Sector.

Other Government assistance directly or indirectly assisting the Tourism Sector include:

- 50% reduction in the hotels' Daily Fixed Rate for 3 months;
- 3 months rent free for all businesses operating within the Faleolo Airport;
- Government to carry 3 months of loan repayments for all small businesses under its Government Guarantee Schemes administered by the Samoa Business Hub;
- Government to provide interest relief for all loans with the Development Bank of Samoa for 2 months;
- Samoa Housing Corporation 3 months moratorium on all loan repayments, and 50% reduction in interest rates on all loans for 6 months;
- SAT\$1million Capital Injection to the Samoa Airways;
- Government to carry 2% of total interest on all loans with every commercial bank for 3 months namely NBS, BSP, SCB and ANZ;
- 2 months extension on income tax due dates and all late fees for late filing to be waived;
- Registration fees for taxis and buses waived for the months of June and September - vehicles will still need to be brought in for inspection;
- All late fees waived for vehicle inspections and registrations; and 10% reduction on all registrations for motor vehicles for the rest of the calendar year;
- 20 sene reduction in water rate by the Samoa Water Authority;
- 10 sene reduction in the price of electricity for 6months.

To view the full budget allocation of the Government assistance, visit the Government of Samoa website <http://www.samoagovt.ws/media-center/> and Facebook page https://www.facebook.com/samoagovt/posts/3079135882117413?_tn_ =K-R.

This assistance or Stimulus Package is the result of close collaboration between the Ministries and Corporations of Government, with its commitment in maintaining priority on safety and security of Samoa from any disaster that could eventuate. During these uncertain times and Samoa being a small island developing state with minimal resources, the policy response must be matched against available resources with assistance by its development partners which are usually tagged to specific programmes.

The Samoa Tourism Authority will continue to work with the Government and relevant Stakeholders to seek any further assistance for the Tourism Sector in these challenging times.

During the extended Emergency period, the National Emergency Operations Center (NEOC) is available for enquiries on Ph. 997.

For any further information contact Tupa'i Robert Ah Sam robert@samoa.travel Ph. 720-7284 or Su'a Hesed Ieremia hessed@samoa.travel Ph. 724-7865 of the Disaster Response Center for the Samoa Tourism Authority working closely with NEOC.

Have a Blessed Easter and may God be with us all.

ENDS