

Security Update

The objective of this news update is to keep you updated on the activities of BHA and to offer some reassurances as to the current situation in Bali following the tragedy that happened in Bali on Saturday October 1st.

We recommend people subscribe to the Bali hotels Association newsletter and regularly check the following URL for updates as to the situation and the figures
www.balihotelsassociation.com/bhaupdate

The BHA condemns the bombings in Jimbaran and Kuta as an irresponsible and inhumane act against Indonesians and visitors to the island of Bali, Indonesia. BHA sends its' condolences to those that were affected by this tragedy.

Since the incident, BHA has been working closely with fellow industry partners, Bali stakeholders, the authorities and the police to ensure clear communications are maintained and to ensure that the membership are kept fully informed of developments as they unfold.

There are some positive signs that the Bali tourism industry will not be seriously affected in the long term. After the bombing there was no mass exodus or panic, indeed the day after the attack tourist arrivals reached 4,434 and visitors continue to arrive on the island daily and are refusing to be deterred.

Up until the 5th October, the cancellations received from the 47 or so hotels surveyed represent approximately 10% of the total available rooms. 76% of cancellations are for October, 16% for November and just 6% for December. Hotels have been reporting new bookings replacing anything from 25% to 75% of those cancelled. Airlines are still recording fairly strong load factors. For more information and updates refer to
<http://www.balihotelsassociation.com/bhaupdate/statistics/>

Bali Hotels Association members are reporting an average occupancy as of the 7th of October of between 60-65% a drop from 90-95% on October 1st.

We have received many encouraging emails from past guests who have planned holidays and they are determined that they are not going to let the terrorists win this battle.(see testimonials at the bottom)

SECURITY UPDATE

Bali Hotels Association has taken considerable steps in the way of security ever since the October 2002 tragedy. As well as investing in additional manpower and resources, hotels have increased their security hardware with the introduction of CCTV systems, boom gates, metal detectors etc. These security measures have been in place since 2002. Bali Hotels Association issued guidelines to all it's member hotels in respect of security precautions that should be adopted.

The following is a list of security recommendations were issued and have been reissued;

- To hold regular briefings with senior management, security and rank and file staff to raise awareness of potential terrorism threats.
- To increase strength of security throughout the hotel, with assistance from additional staff and, where possible, police.
- To operate security checks at the entry to all premises with a boom gate or barrier and to follow the following minimum security inspection requirements.
 - All vehicles to be stopped and registrations to be recorded and logged.
 - All vehicle occupants to be questioned as to what is their business
 - All vehicles to be checked thoroughly including interior and trunk for anything suspicious (use of mirrors and metal detection)
- No cars allowed to "loiter" within close proximity to buildings, particularly pick-up drivers and taxis.
- To pay particular attention to people on foot entering the hotel.
- To review the "Bomb Threat Procedures" for the hotel operator.
- To brief all departments, especially those front of house to be more proactive in looking for suspicious packages.
- To review the storage and handling of luggage and packages at the front desk / lobby.
- To restrict the loitering of cars / transport close to the main lobby area.
- To consider the investment in CCTV and surveillance systems on hotel premises.

Bali Hotels Association information:

Bali Hotels Association immediately activated its' emergency sms procedure notifying all 66 member hotel General Managers of the incident within 30 minutes of the incident on October 1st and all hotels conducted an immediate guest count within their hotels.

The amount of early departures experienced in member hotels has been minimal and it is felt, although early days, that the overall impact is much less than that suffered in 2002. BHA is gathering daily data on Airport Arrivals and Departures, Airline load factors both in to Bali and out of Bali, early departures from hotels, cancellations received by hotels.(see statistics)

The immediate data received would indicate that there are 76% of cancellations received to date are for October; however hotels are also recording new bookings and airlines are still reporting positive load factors into Bali. Please refer to

<http://www.balihotelsassociation.com/bhaupdate/statistics/> for more detailed statistics

PATA UPDATE

PATA Vice President-Development, Mr Peter Semone, has been in Kuta, Bali, since October 2. Here are his comments from the Bali Crisis Information Centre at the Kuta Ina Hotel in Kuta, Bali, October 4:-

"The public and private sectors of the Balinese and Indonesian tourism community are doing an excellent job in responding to the bombings in Jimbaran and Kuta. There is a real feeling of solidarity in dealing with the situation. I have been extremely impressed."

'Many of the recommendations made in the PATA Bali Recovery Task Force report (January 2003) are being followed, such as cooperation between all stakeholders at the national and provincial level; the provision of quick, accurate and transparent information to media and the public; and the stimulation of local demand."

"It is difficult to estimate the tourism impact of the incident at this point.

It is however, very different from the October 2002 bombing. Activity by tourists and locals continues. Those that have chosen to stay in Bali are continuing to enjoy their holidays." "It seems that tourists are becoming more resilient to these sorts of events. As you walk around the streets of Jimbaran and Kuta one would almost think that nothing has happened here. People are still dining in restaurants, walking around and shopping, enjoying the beach and enjoying their holiday." "The Balinese temple festival of Galungang starts on October 5 as planned. Families all over Bali are preparing for this colourful Hindu festival as usual."

Crisis Focus Groups

BHA have established a crisis committee for each market segment headed by representative GMs and attended by a focus group consisting of Directors of Sales and Marketing.

The objectives of these groups is as follows:

1. Airline Loadings

Liaise with key airlines, dependant on the market to be addressed, to ensure that we are aware of any changes to the schedules and load factors. Also try to encourage airlines to offer special promotional flights and encourage familiarisations to show their confidence in Bali as a destination.

2. Liaise with major Wholesalers

Liaise with major wholesalers to monitor their feedback from the industry and the consumer and monitor and track the cancellations.

Keep track of any negative industry policies that will have an effect on business into Bali. Encourage the industry leaders to support Bali by non cancellation of familiarisations and major events.

3. Best Market Strategies

Implement key strategies relevant to the market being focused on to enable a comprehensive action plan to support the strategies. Much of this can be based on the feedback from the industry and airlines.

4. Lobbying

From the strategies and action plans, lobby the industry and other relevant mediums by utilizing the information that has been gained to ensure positive responses are generated.

5. Indonesian Consulates and Embassies

Communicate to Indonesian Consulates and Embassies and disperse positive information to assist them in supporting your strategies within their areas of responsibility.

6. Media

Develop a comprehensive list of all media contacts within each key destination to enable carefully developed media releases to be sent. These media releases should be approved by the BHA secretariat to ensure that we continue to speak with one voice in a coordinated manner.

7. Sharing of information

Share with each Marketing Group, any information that would be relevant for use in other markets so that we can build a coordinated approach in dealing with the current situation.

We hope that the governments around the world will support Bali, as they did following the New York, Madrid and the London bombings, by not imposing travel advisories, since the people of Bali are so dependent on tourism. A ban on travel to Bali would be just playing into the terrorists hands and once again have a devastating effect on the people of Bali.

Bali Loves Peace

On October 7th at 12 noon tourists, local business people and hotel staff gathered on the beach in front of the Hard Rock Cafe as a sign of support for Bali. On offer were free Bali Loves Peace tattoos and massages. Many of tourists present were from Australia, Japan, Canada, Malaysia, UK and France. This demonstrated to the media that there were still plenty of tourists on the island whilst also emphasising the importance of tourism for the beach vendors who rely on tourists to survive.

CRISIS MEDIA CENTRE

On the 1st of October a media crisis centre was created.

Bali October 1 Crisis Information & Media Centre

Kuta Ina Hotel, Kuta, Bali

Tel: (62-361) 750-333

Fax: (62-361) 750-777

E-mail: crisis-center@indotourism.go.id

Contact : Kristy

Airport Loadings and current Statistics

<http://www.balihotelsassociation.com/bhaupdate/statistics/>

How Can the Industry assist at this time?

It is obviously still early days to make any radical decisions.

- As for the special package or discount request, we are still in the early stage of the aftermath impact and as a united association, the hotels are still monitoring and reviewing its impacts over the business. We would be able to get a clearer picture in few weeks and would certainly come up with action plans including promotional activities whenever necessary.
- At this stage we would expect the support from the industry and we believe at this stage rate reductions is not the answer.
- Hotels will be willing to consider proposals for promotions in the coming weeks if it is deemed necessary.
- Ensure the efforts of all Bali Tourism Stakeholders is communicated clearly to the Travel Industry to aid the recovery.(forward this newsletter!)
- Work with the Industry to create some positive good news stories with regards to Bali.
- Work with the hotels and the Bali Hotel Association so that our rebuilding will be coordinated and that there is one voice.
- Place a link from your website onto the BHA website www.balihotelsassociation.com/bhaupdate to keep updated on the situation in **Bali**.

JATA Famil

A delegation from JATA (Japan Association of Travel Agents) are visiting Bali from the 6th

of October to meet with all stakeholders and the authorities to assess the situation and are receiving assurances. So far the feedback has been very positive and Japan has not implemented any travel warning post October 1st 2005.

BHA FOOTAGE

Bali Hotels Association has produced some "B" Roll Footage of the situation in Bali which has been shot in the last couple of days. This is being distributed via the media centre in the Inna Kuta Beach to the major New distributors and there are plans to put this on to CD rom to be distributed to wholesalers, travel agents etc worldwide to let them see for themselves the situation.

TRAVEL ADVISORIES

To the best of our knowledge there have been no new travel advisories issued. Travel advisories still exist at the same level as before from Australia, New Zealand, USA and Republic of Ireland. Travel Advisories have been amended with "new information" as deemed necessary.

WE RECOMMEND YOU KEEP IN TOUCH WITH THE LATEST INFORMATION AND SUBSCRIBE TO THE BHA NEWSLETTER AT

<http://www.balihotelsassociation.com/newsletter/subscribe/>

Words of wisdom from a Wholesaler

...it is imperative and important for you to understand that we will not engage in any last minute negotiations about prices for this period. We do not believe at all that this is the right approach. We believe that the best way of bringing Bali back to its feet is through promotions, familiarization trips and other activities which show the travel trade how beautiful this island is and how safe it is to spend a holiday there. I believe we have proven in the past that we are very much committed to such activities.

..As a reliable partner, we of course would expect from you in return that you will not give in such pressure and maintain the rates signed up and quoted for this period. Failing to do so will put us in a very difficult position and make us loose face and business

Testimonials

Be Strong Bali!

I was very angry and hurt when i saw the crawler "Bomb Blast In Bali" crawl on ChannelNewsAsia, Singapore.

The moment i saw it my heart and mind was thinkingDamm Yet again..Why? It disappointing and sadden me as the people are standing up strong to keep the island intact after the 2002 incident. However, such acts keep happening. Glad this blast was not a terrifying as the one in 2002, but it is definitely uncalled for.

The commercial and tourism business community have to work as a team with the Authority and Agencies to harden Bali as a target. It only with the commercial and tourism related operators can have the reason for doing this. From the people, for its people. The Authority alone is not able to keep the people from harm, collated effort is required as an Island.

I wish each and every Balinese the very best and speedy recovery.

Singapore

Health Minister Tony Abbott, who is in Bali on a family holiday, struck a defiant note. Mr Abbott said he had no plans to curtail his trip, adding that he was not sure leaving was the right message to send the people of Bali. This is precisely the time Australians need to show their continuing solidarity with a people under attack from evil forces. The past

resilience of the Balinese shows them to be deserving of such support. Ordinary Australians can demonstrate it by refusing to cower in the face of terrorism, which can strike anywhere in the world. The Australian Government can show it through practical measures that continue to enhance vigilance and intelligence sharing.

Just wanted to tell you how sorry we are about the bombs in Bali. If I could I would go there immediately. - 10/03/2005

Terrorists will never defeat us, because if we let them they have won and we, around the world, and the beautiful Balinese people will not allow this to happen. I will return to Bali, as i love your country and the people and you do not deserve this to happen. It is always the innocent that suffer and this is wrong. I trust our prayers will be answered and we are with you all in spirit. - 10/03/2005

I have decided to come to Bali in December/January - especially now in this crucial situation - with 5 other people. We are going to stay at Le Meridien and at one or two other hotels, and I am going to write positive articles about Bali and your fantastic touristic opportunities. I have been to Bali/Indonesia for several times, and I think you deserve support. Do not get frustrated now. We to get together and stand up against fanatics, fundamentalists and intolerant subjects. All the best to you and very best regards, Dr. Armin E. Maetz Freelance Journalist Germany - 10/02/2005

We are with you. Bali one of the most beautiful places I ever visit. Beautiful for the landscape and more important for the people, with a way of living that should be an example for all the world. Let all of us go to Bali to support the Balinese people and to prove terrorism that evil won't prevail. BALI WE ARE WITH YOU - Joaquim Silva - 10/02/2005

We also transmit our condolences and sympathy to all the relatives of the victims of that insane terrorist-attack; furthermore also our full sympathy for the Indonesian People and do hope that in very short time you'll be able to end this kind of threat for all peace-loving human kind. With best wishes for a peaceful future. ANTON - 10/02/2005

Sincere condolences on the tragic loss of life due to these horrendous and callous activities. Hope and trust the travel trade will support Bali in these dire times. - Good luck - Leo Fewtrell - Emirates - 10/02/2005