

Report
By
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Online Business Dialogue: A unique initiative of FNF to RESTART Economies in Asia

**RESTART ASIAN ECONOMIES:
Ideas and Actions for the Hotel Industry
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“The effect of COVID on smaller countries like Maldives is worse than Tsunami of 2004 and Financial Crisis of 2008 put together”, said Dr Mariyam Shakeela, former Cabinet Minister of Maldives and the CEO of SIMDI Group. She was speaking at the Online Business Dialogue, organised by FNF under the topic “RESTART ASIAN ECONOMIES: Ideas and Actions for the Hotel Industry”. The Friedrich Naumann Foundation (FNF) has been organising programmes under the RESTART ASIAN ECONOMIES brand covering different sectors of the industry since June 2020.



These programmes aim to bring together South Asian entrepreneurs and discuss challenges faced by them due to COVID-19. These dialogues also explore opportunities, solutions and ideas to restart the economies in South Asia. . The newly created virtual platform offers an exchange of experiences from the private sector and at the same time promoting cross-border economic activity.

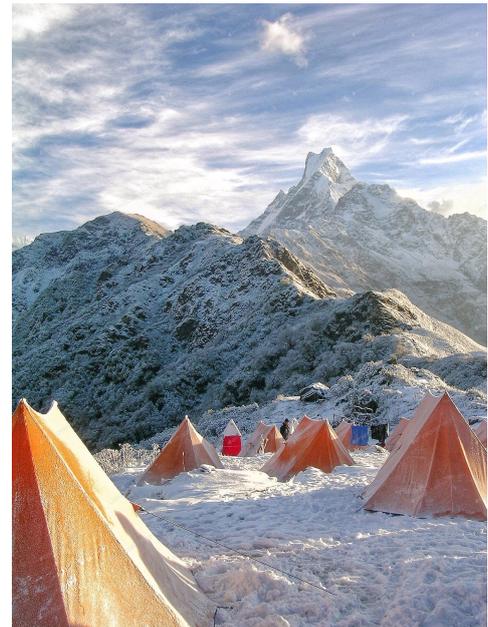
Since March 2020, the world has been in a shut down mode. As the pandemic engulfed the world, countries were quick to seal land borders, suspend international flights, restrict the movement of their own citizens bringing normal life to a grinding halt. Allowing the production and distribution of only essential items, other industries were asked to close down their operations.

The travel and tourism industry was the first one to be shut down, is the worst hit and will take the longest to recover. This was the clear message coming out of the high quality discussion that discussed the plight of the hotel industry and discussed ways to restart the tourism sector especially the hotel industry which has been badly affected since the onset of the coronavirus globally. The programme brought two distinguished women entrepreneurs from Nepal and Maldives representing the hotel industry to discuss the issues of reviving the tourism sector.



Dr Shakeela was joined by Mrs Bhawani Rana, the Managing Director of Sneha Hotels Pvt Ltd and the President of FNCCI (Federation of Nepalese Chambers of Commerce and Industry), representing the two dominant tourist destinations of South Asia namely Nepal and the Maldives. Mrs Rana echoed the same sentiment as Dr Shakeela by saying that *“The adverse effect of COVID has not only affected the hotel industry but other ancillary industries like the aviation industry, the trekking industry and even the local handicraft industry.”*

While Nepal offers high, snow-clad mountains and trekking to the travellers, it also has the potential of exploring tourist circuits such as the Buddhist circuit and even the religious circuit. Nepal had declared this year as the Visit Nepal Year 2020, in order to boost tourist inflow into the country. However, due to the pandemic, this initiative of the government has failed. The Nepalese government remains very sensitive to the tourism sector and is taking measures to revive the tourism sector in the coming times. Extra Funds have been allocated for the promotion of the tourism sector and relief packages to help tourism industry get going have been rolled out. In the “New Normal”, the Nepalese businesses are learning fast to adapt to the changed situation, thereby, giving a confidence to the travellers that all necessary precautions are being adhered.



Maldives has its own unique offering of the Sun, the Sand and the Beach to its tourists. As a country which is largely dependent on the revenues from the tourism industry, the impact has been severe. For Maldives, when one talks of economy, one is essentially talking is the tourism sector including the hotel industry. Some of the former businesses in the hotel industry have closed down or are on the verge of shutting government is taking all measures to revive the tourism industry. It’s latest initiative to promote tourism is the ‘Rediscover Maldives.....the sunny side of life’, whereby it has embarked on a marketing campaign to revive the tourism sector.

The programme provided an optimistic approach in overcoming the current challenges of hotel industry in the South Asian countries. Strategies need to be worked out to develop sustainable business opportunities for the hotel industry. Promotion of intra-SAARC tourism and coordinated efforts by the South Asian governments could play a major role in reviving economic activity in the region. The regional networks and their interventions would help in boosting the confidence and helping economies get back on their feet.

Dr Carsten Klein, Head of regional office South Asia, Friedrich Naumann Foundation, while proposing a vote of thanks, appreciated the spirit and determination of Women Entrepreneurs from South Asia in working relentlessly to find optimism ways in reviving the badly hit hotel industry.