

Marianas Visitors Authority

Citizen-Centric Report Fiscal Year 2022

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Who We Are

Pursuant to Public Law 11-15 Section 5, Public Law 13-5, Public Law 13-9, and Executive Order 03-02 of March 10, 2003, the Marianas Visitors Authority shall promote the orderly growth of the CNMI tourism industry.

It is our mission to promote and develop the Northern Mariana Islands as a premier destination of choice for visitors from throughout the world while providing a maximum quality of life for our people. We nurture and encourage cultural interchange and environmental sensitivity for visitors' enjoyment and for our children's children.

Headed by a 9-member Board of Directors, the MVA is led by a Managing Director and Deputy Managing Director, along with division managers in Saipan, Tinian, and Rota. As of September 2022, the MVA has 25 employees: 17 employees in Saipan, four in Tinian and four in Rota.

The MVA has 11 divisions:

- 1. Executive
- 2. Accounting
- 3. Community Projects
- 4. HR & Admin Services
- 5. Marketing
- 6. Procurement
- 7. Product Development
- 8. Research
- 9. Tour Guide Certification
- 10. Rota Field Office
- 11. Tinian Field Office

The MVA also operates representative offices in its major source markets. In FY 2022, the Korea office continued with the work of the TRIP Korea program to revitalize tourism. On top of the TRIP Korea program, the Korea office negotiated with filming groups, TV programs, and influencers to expose The Marianas and continued to maintain good relationships with airlines and travel agencies to sell the destination. The Japan office and Taiwan office were reinstated on April 5, 2022. The office in China remained closed for a second fiscal year due to strict travel restrictions.

MVA in FY 2022

The Marianas Visitors Authority supports tourism, the sole economic driver of The Marianas. It is our duty to aggressively promote The Marianas and attract visitors to our islands, primarily through our off-shore offices in Korea, Japan, and Taiwan.

Fiscal Year 2022 (October 2021-September 2022) saw the beginning of recovery from the global COVID-19 outbreak, which had been kickstarted by the Tourism Resumption Investment Plan (TRIP) program initiated with direct flights from Korea in July 2021. TRIP Japan was implemented as travel demand from Japan began to grow and travel restrictions were eased. Direct flights from Japan were initiated on Sept. 1, 2022, three times week. Along with daily flights from Guam, visitor arrivals grew steadily through the first part of the year. However, the resurgence of COVID in Korea and Japan, the strength of the U.S. dollar, and fierce competition from competing destinations dampened arrivals in the final months of the year. The MVA is looking into the feasibility of further implementing TRIP programs in potential markets.

Federal aid for the pandemic and disaster recover from prior typhoons comprised most of the MVA's budget in FY 2022.

The Marianas received 69,534 visitors this year compared to 5,365 visitors in FY 2021 and 215,125 visitors in FY 2020. The priority of the MVA remains to fuel the fire of the tourism economy to generate funding for government services, reopen businesses, and have people continue or restart employment to help secure their financial security as the COVID epidemic continues to stymy tourism and travel around the world.

WHAT DID 2022 LOOK LIKE?

JUMPSTARTING ECONOMIC RECOVERY

CNMI TRIP PROGRAM



- October 23, 2021 - Due to strong travel demand to The Marianas from South Korea, an additional hybrid quarantine hotel was opened under the CNMI Travel Investment Resumption Plan (CNMI) program. T'way Air increased weekly flights from Seoul to Saipan to two flights per week.
- November 16, 2021 - "No Quarantine" was announced by The Marianas for arriving vaccinated travelers, effective on Dec. 1, 2021.
- December 3, 2021 - The South Korean government announced 10 days mandatory quarantine for all inbound travelers to South Korea, with the exception of those coming from travel bubble destinations, such as The Marianas.
- January 2022 - Air Busan, a Busan regional carrier, started their charter flight operation organized by Micronesia Resort Inc. Since then, Air Busan has changed operation from charter to regular flights twice weekly.
- February 2022 – Travel Bucks, a spending incentive to entice visitors, was phased out due to high travel demand.
- March 2022 – For the first time ever, Air Seoul provided direct flights to The Marianas with two weekly flights from Seoul.
- September 2022 - The CNMI TRIP program with Japan commenced international flights to Saipan with three weekly flights from Narita. Tourism executives and media reps from Japan took FAM tours of Rota, Tinian, and Saipan.

MARKETING



- The Military MWR Go Local Fair Show at Andersen Air Force Base, Guam on May 26, 2022, was attended by nearly 600 service members and family members.
- Marianacation Campaign offers visitors from Japan a choice of free golf or free scuba diving when they purchase round trip flight ticket from Narita to Saipan.
- The MVA joined 127 other exhibitors at Asia Dive Expo (ADEX) 2022, the largest and longest-running dive consumer and trade show in Asia was held on Sept. 16-18, 2022, in Singapore.
- The MVA joined representatives of 77 other international countries and regions, businesses, and organizations at JATA Tourism EXPO 2022 on Sept. 22-25, 2022, in Tokyo, Japan.
- The MICE Support Program in Korea attracted nearly 1,000 visitors in its first three months.



COMMUNITY PROJECTS

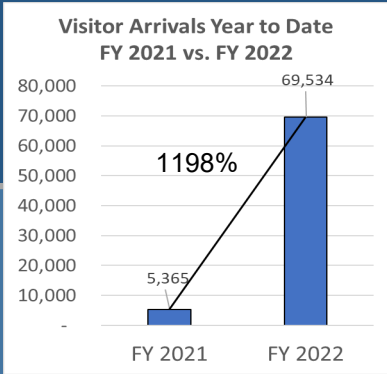
- Due to a spike in COVID cases, the 18th Annual Christmas in The Marianas was downsized to a sculpture and light display at Garapan Fishing Base and the MVA office.
- The 18th Annual Tinian Hot Pepper Festival was held on March 11-13, attracting hundreds of visitors.
- The 2022 Saipan Marathon was held on April 9, 2022, with 324 registered runners. Due to low demand, the course featured a half-marathon, 10K, and 5K events.
- CNMI Tourism Month was celebrated in May 2022 with the Fit to Lead 5K Fun Run, a logo contest, cleanups, radio trivia, and roadside waving.
- The Taste of The Marianas International Food Festival & Beer Garden was held for five days over two weekends during the Pacific Mini Games in 2022, featuring 29 food and beverage vendors.
- The semi-weekly Hafa Adai Tirow Cultural Experience was launched in collaboration with the Carolinian Affairs Office in August 2022.
- World Tourism Day was celebrated on Sept. 17, 2022, with activities with sunset walks, cleanups, and other activities on Saipan, Tinian, and Rota.

DESTINATION ENHANCEMENT

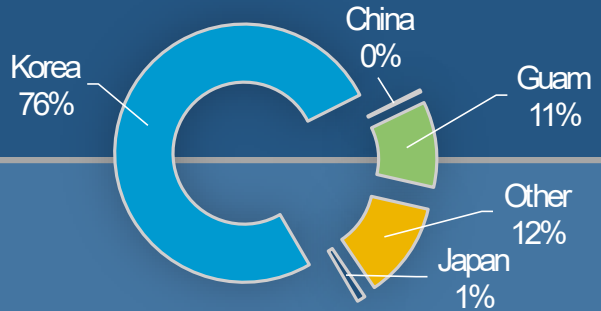


- Public-private partnerships continued under the Governor's Council of Economic Advisors worked to renovate and repair historic, scenic, and recreational sites, including major tourism sites. The MVA served as liaison for permitting for most of these projects
- Railing repairs were made to improve safety at Bird Island Lookout.
- Garapan Area Trash Collection resumed in FY 2022 with daily trash collection and landscaping on select streets in the downtown tourist district.
- The Beautify My Marianas program was re-launched, providing cash incentives to groups for cleaning designated areas in Saipan, Tinian, and Rota. An average of four cleanups per month were conducted.
- The Carolinas Lookout Point deck project continued at this iconic spot in Tinian.
- Repairs to I'Chenchon Bird Sanctuary in Rota were 80% completed, with the project anticipated to be finished in early 2022.

Visitor Arrivals



Market Share FY 2022

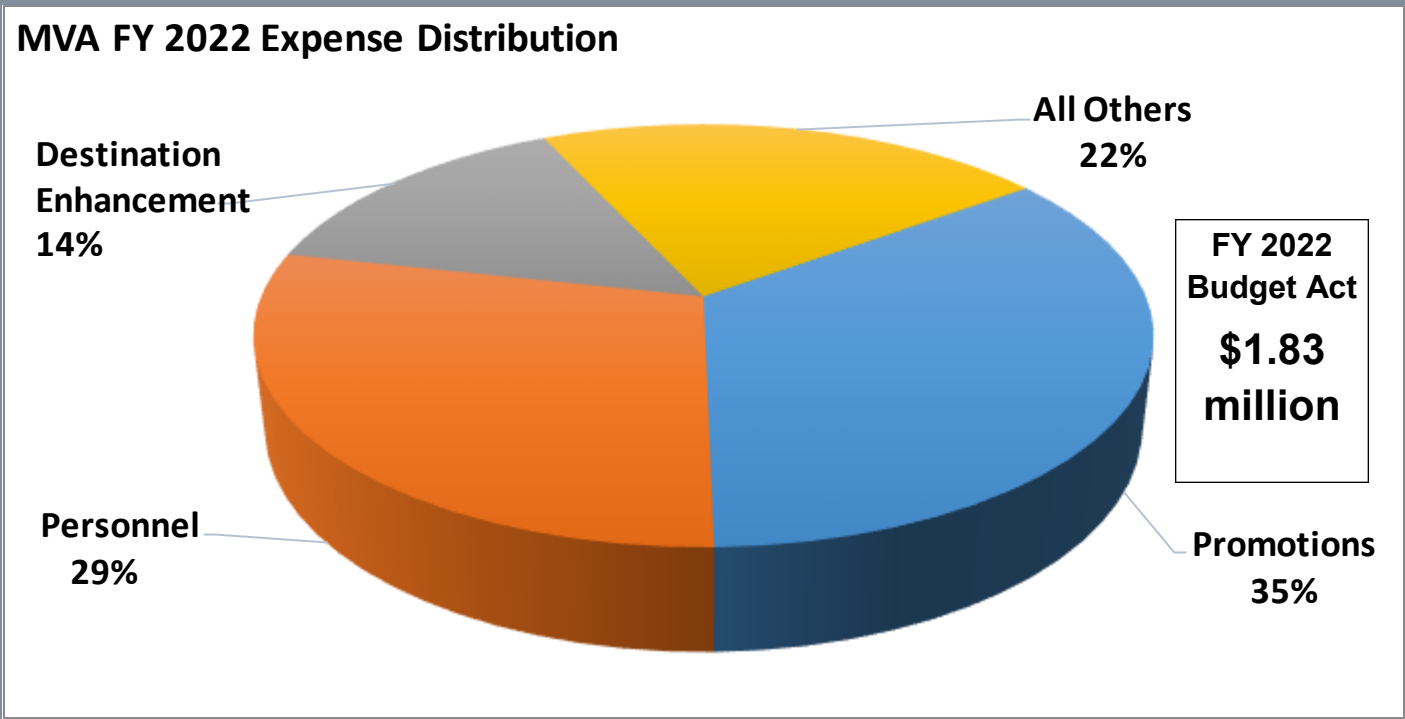


OPERATING BUDGET FOR FISCAL YEAR 2022

Where does the money come from?

Pursuant to Public Law 18-1, Hotel Occupancy Tax (HOT) normally constitutes a majority of the MVA's budget. From the tax collected, 80% is given to the MVA and 20% to the NMI Retirement Fund. However, due to low visitor arrivals, the CNMI Budget Appropriations Act in FY 2022 suspended MVA's entitlement to the HOT and Alcohol Container Tax. Major funding sources in FY 2022 were the American Rescue Plan Act, Community Development Block Grant-Disaster Recovery, Office of Insular Affairs Technical Assistance Program, and local appropriation.

Where does the money go?



WHAT IS NEXT?

CHALLENGES AND PLANS

REPRESENTATIVE OFFICES

- Marketing offices in Korea and Japan will continue to represent The Marianas. New proposals will be received for Japan and Taiwan representative offices.
- The MVA will focus on getting the arrival number of South Korean market, and Japanese market back to pre-pandemic time by using both online and offline channels to promote the Marianas. The MVA focus on attracting more FITs (Free Independent Travelers) Opportunities will be explored to re-establish a military market from Guam to the Marianas.

TRIP PROGRAM EXPANSION

- Ad hoc committees will explore the feasibility of extending the Tourism Resumption Investment Plan to Hong Kong, Taiwan, Australia, and the Philippines.

INFLUENCER PROGRAM

- In October 2022 a support program for qualified Influencers will be launched in South Korea. This program will give influencers flexibility to develop their own itinerary to share with their followers some of the lesser known travel spots within The Marianas. The program aims to create a new image of The Marianas by showing a new way of enjoying the islands with new sites and new activities.

GLOBAL BRANDING

- Geo Graphics Inc. will continue its work in assisting The Marianas to develop a comprehensive global brand and related marketing strategies. This ongoing work engages stakeholders in creating a clear identity for The Marianas that resonates with the worldwide travel community as a destination in existing source markets and new ones.

OFFICIAL MARIANAS GUIDES

- In partnership with Northern Marianas College Community Development Institute, the Tour Guide Certification Program will be reinstated in FY 2023. It will be restructured to reflect the current global environment while maintaining the program's core principles and utilizing new technology.

TRIP GRANT PROGRAM

- The TRIP Grant Program will offer financial assistance to businesses who generate at least 75% of their income from direct services to tourists and who meet other eligibility criteria.

DESTINATION ENHANCEMENT

- A collaborative agreement with other government agencies will revitalize major tourist sites.
- The Bird Island Revitalization Project will be commenced in FY 2023.
- On select sites in Rota, running water will be restored, restrooms will be clean and restored to working order, painting and enhancement will be undertaken, and additional flowers and trees will be planted.



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