

TOURISM IN VANUATU





IMF Conference 2013

**Leveraging Growth through Regional
and Global Integration and Supporting
Private Sector Development: What
Role for Policies?**

Road Blocks

- VIPA (*Vanuatu Investment promotion Authority*)
 - Slow
 - Unhelpful
 - Not a one stop shop
 - Do not operate as they advertise
- New Market Access
 - No long Haul direct flights to Asia or North America

Infrastructure

- Tired and in need of massive upgrade
- Government Buildings
- Airport (Existing)
- Seawall
- Cruise Ship terminal
- Road Urban and Rural (Excluding Ring Road)

Risks

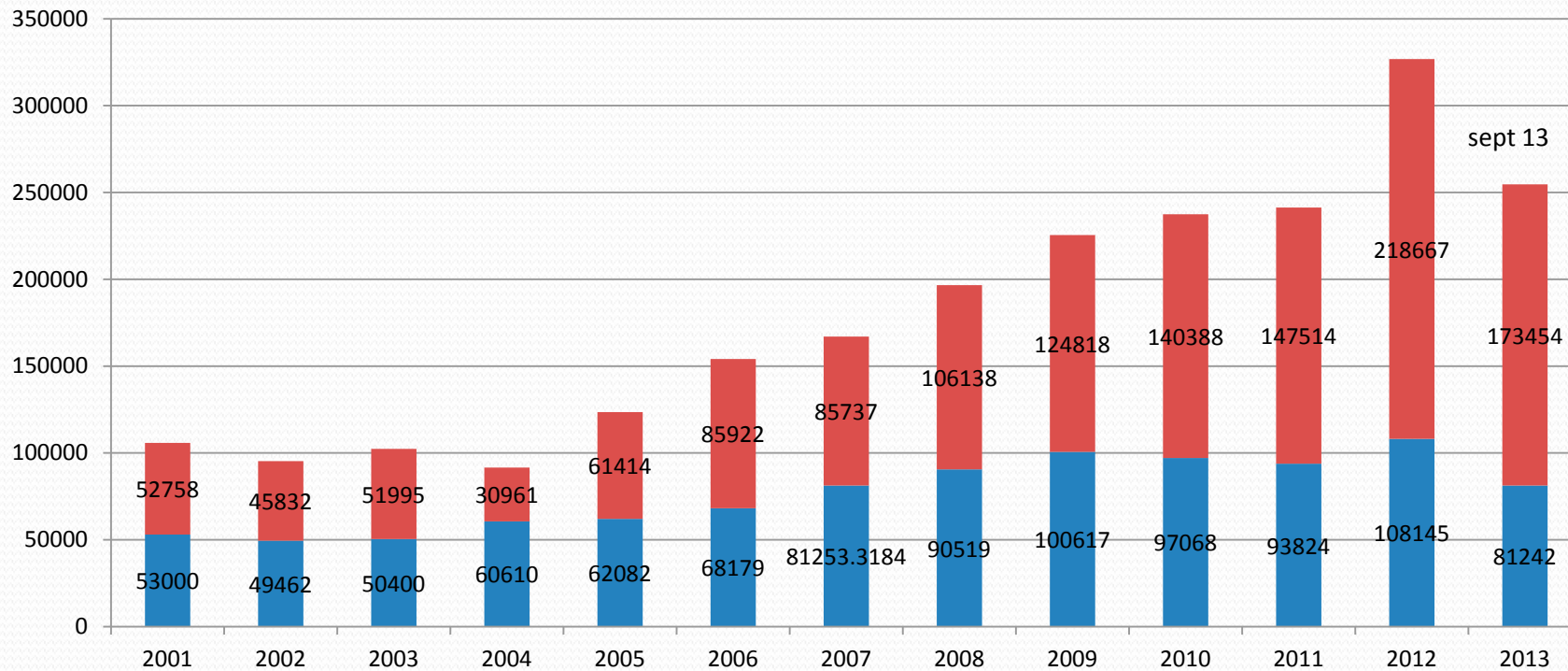
- High Operating costs
 - Power
 - Telecommunications
 - Imported materials and consumables
- Low wages but skills base low
- More Training of local staff to higher levels Via institutions such as APTC and USP

Economic Drivers

- Tourism is the key economic driver for Vanuatu
- WTTC figures show that Travel Tourism accounts for over 50% of GDP when Direct, Indirect and Induced figures are used.
- The Direct Contribution is Approx. 18% of GDP in 2012 (WTTC Figures)

Tourism Growth

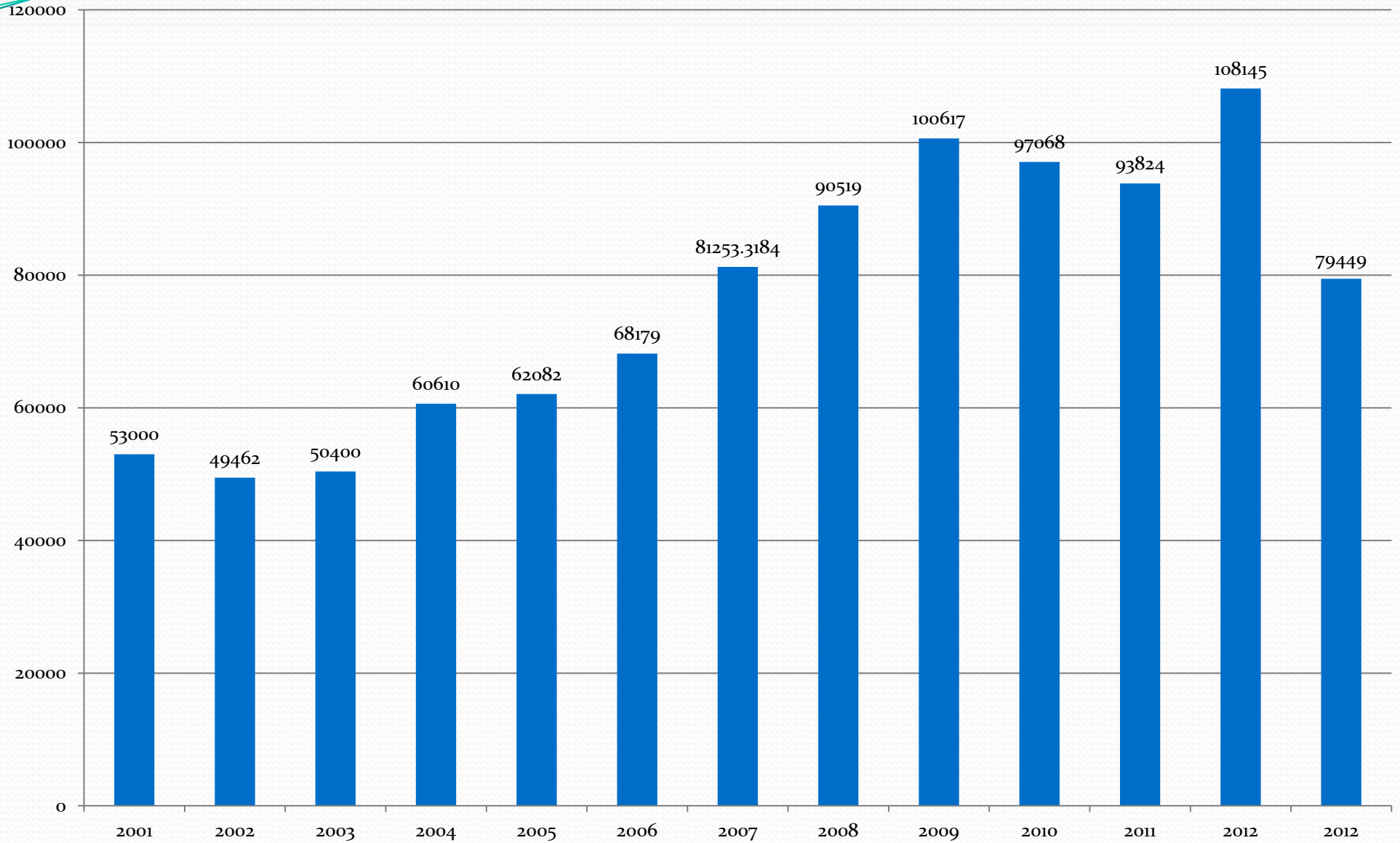
■ Total Holiday Arrivals By Air ■ Cruise Ships



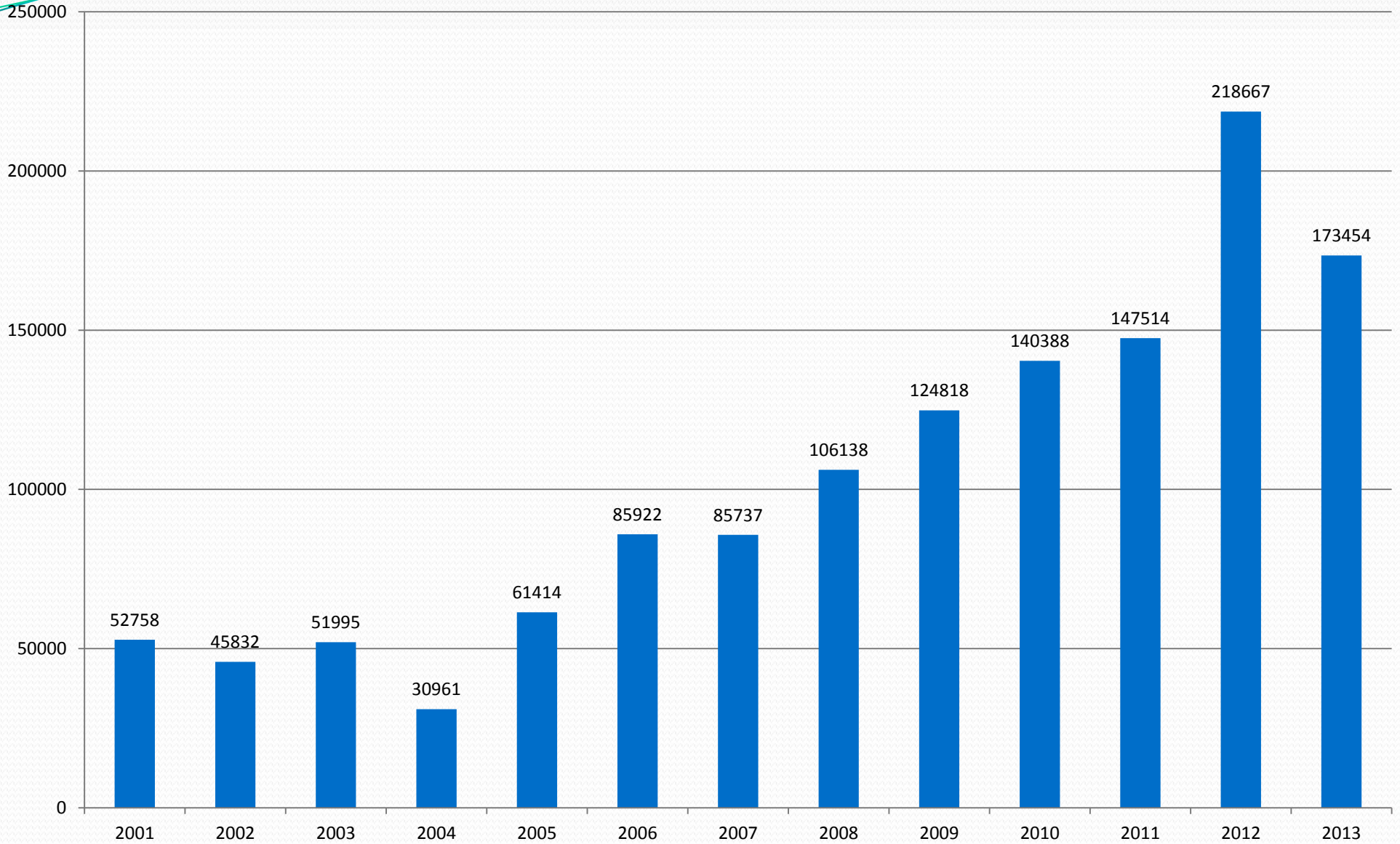
Tourism Growth – By Air

- 10 Years of solid gains
- Virgin Commenced operations - 2004
- More Flights maintains growth rate
- Vanuatu Arrivals suffered through 2010 and 2011 due to the GFC Impact
- 2013 and beyond

Total Holiday Arrivals By Air



Cruise Ships Arrivals

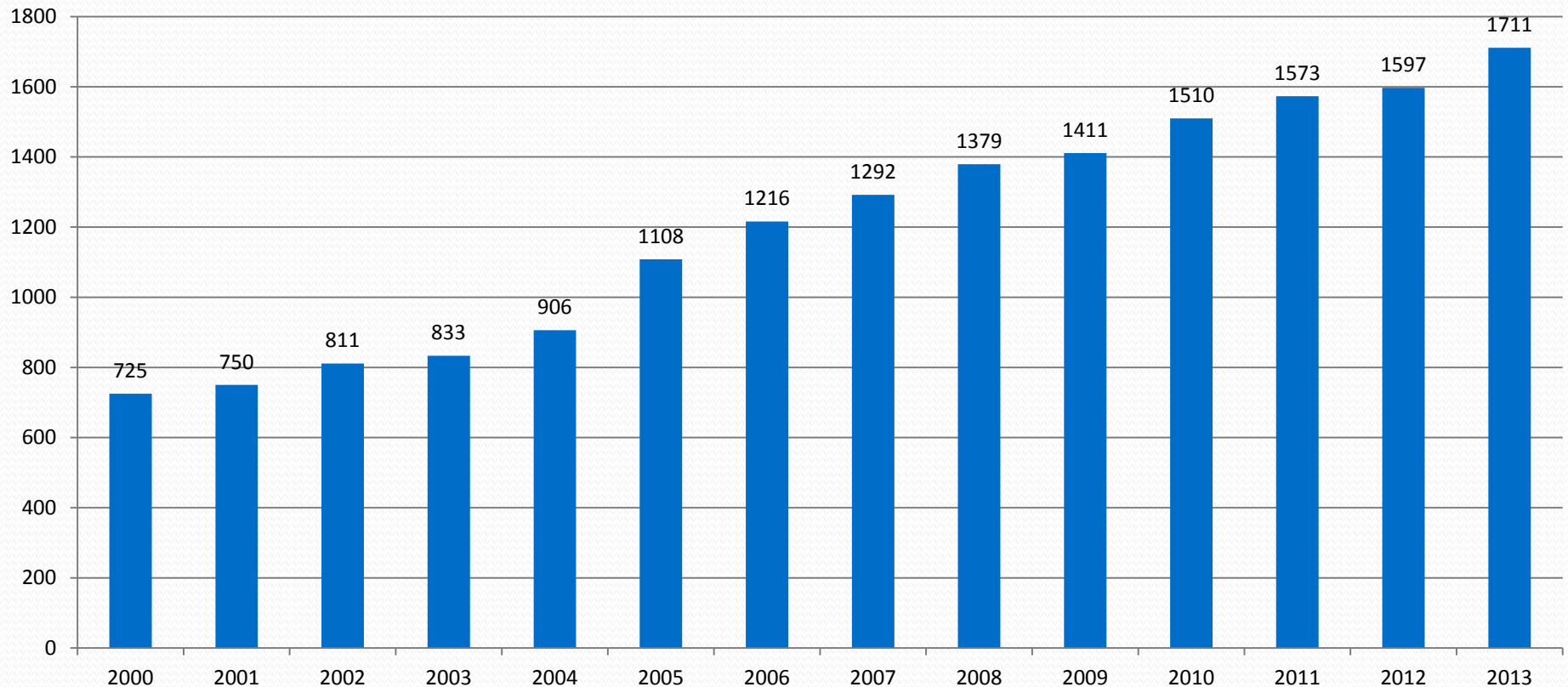


Tourism Growth – By Sea

- Growth has been huge over the past decade
- From 30,000 tourist in 2004
- 2013 projections over 220,000
- Infrastructure Issues
- Safety and Security
- Customer Satisfaction

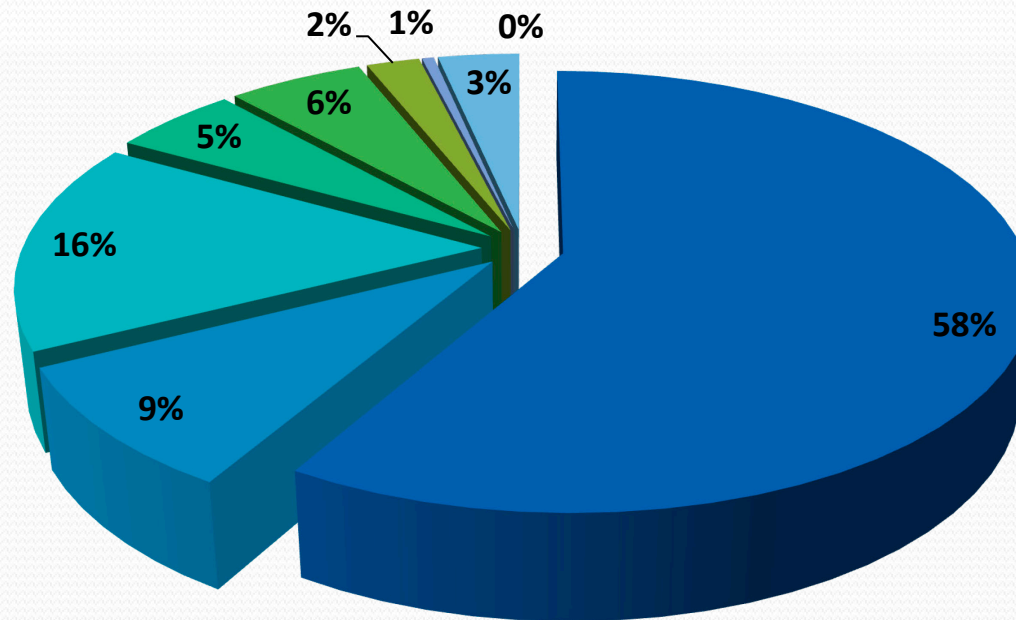
Hotel Rooms Growth

Rooms growth



Source markets

Geographic Source of Business 2013 YTD February



■ Australia ■ NZ ■ NC ■ Sth Pac ■ Europe ■ USA ■ Japan ■ Other ■

Investment in Tourism

- Over the Past 5 years significant capital has been outlaid in Vanuatu Tourism projects
- If Government want the Tourism Sector to grow they must implement and manage policies that make investment in Vanuatu both attractive and easy to implement

Farea Pacifika – le Lagon



The Terraces Boutique Apartments



Ratua Island - Santo



The Havannah Resort – Samoa Point



Le Lagon – Port Vila



Holiday Inn Resort– Port Vila



Eratap Beach Resort - Eratap



Conclusion

- Vanuatu Has much to offer Tourist
- Easy to access tours and activities
- Unique features
- Focus on short term
- Plan for the long term
- Thank you for the Opportunity to speak at this conference

Lukim U Back Again

