Success Stories:
PLANTING THE SEED FOR TOURISM GROWTH IN THE SOLOMON ISLANDS

The Solomon Islands boasts spectacular dive sites, a World War Two heritage, and a unique Melanesian culture. Yet, the country lags behind its Pacific island neighbours Fiji and Vanuatu in attracting the investment dollars needed to build the facilities and services expected by overseas tourists.

Boosting investment in tourism is now a priority for the government, and, with IFC’s help, a Tourism Task Force has been established. For the first time, tourism businesses owners and government policy makers are coming together with the goal of creating an investor-friendly environment for tourism entrepreneurs.

Increasing tourist numbers will not only put Solomon Islands on the tourist map, but will also help to reduce poverty in the small island nation by developing infrastructure and providing local jobs and opportunities for small- and medium-size businesses to benefit from holiday makers visiting the Pacific island nation.

BRINGING BUSINESS AND GOVERNMENT TOGETHER TO CATALYSE REFORM

Launched in May 2010, the Tourism Task Force is focused on improving the investment climate for tourism by enhancing investment promotion marketing strategies, streamlining the processes facing tourism investors, improving transport links, and strengthening training and quality standards in the industry. These areas were identified as impediments to tourism investors in a diagnostic report prepared by IFC in 2009. Prior to IFC’s report, no research had examined the barriers to tourism sector growth, making it difficult for the government to initiate reform efforts. The strategic focus allows the Tourism Task Force participants to exchange ideas on the key topics, and, with IFC’s assistance, talk is steered towards specific reform measures that can meet the needs of both government and business.

Since its launch, the Tourism Task Force has met regularly and members are strengthening their ties and relationships by working together. Barney Sivoro, who works for the Solomon Islands’ Tourism Department, and serves as the Tourism Task Force’s Secretariat, says he is “very happy” with the progress of the forum so far. “I am particularly pleased with the level of commitment shown by the different key stakeholders from the various government ministries and also from the private sector. This sort of cooperation has never been done in the past and it is pleasing to note that members are starting to realise the different roles they can play in helping the growth of the industry.”

With the challenge of improving domestic transport a key priority for the Tourism Task Force, a subset transport working group has been cooperating with those preparing the National Transport Plan, a project led by the Asian Development Bank. Both sides have been working together to identify the tourism priorities for the transport plan, such as looking at which airstrips have to be upgraded, and making sure that the needs of the tourism sector are incorporated into the plan.

“Having market-ready products and services along with the required infrastructure is a priority because this will help increase visitor arrivals and yield.” Sivoro adds, “We need to both create the demand, and be able to facilitate the travel.”
LOOKING AHEAD

IFC will play an advocacy role in engaging development partners to support certain priorities identified by the Tourism Task Force. Opportunities will be explored to link infrastructure needs to donor projects in transport, and small business development priorities to rural livelihood initiatives.

“The Tourism Task Force is a small seed now being planted and it’s up to us to maintain it or expand it to become a partnership model for the growth and development of tourism in the country,” says Sivoro. “In my view, the Task Force should be fully supported and become stronger and effective as it is the only forum for public and private sector coordination and cooperation. The challenge will be in maintaining everyone’s enthusiasm, so it is important that what we are doing really has some impact and produces tangible results.”

Results

- Value of Solomon Islands tourism industry expected to double from USD $14 million to $30 million by 2019

- Annual visitor arrival total remains below 20,000 per year, compared to 90,000 in Vanuatu and 114,000 in Papua New Guinea (2008 figures)

- Tourism Task Force established to address eleven key constraint areas

- IFC will support Tourism Task Force planning and encourage links between donor projects and tourism priorities

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1 Source: World Travel and Tourism Council Tourism Satellite Accounts
2 Source: National Tourism Office