



# National Stakeholder Workshop: Green Export Review

**VANUATU**

*Port Vila, Vanuatu  
27-28 August 2014*

## **Harnessing Vanuatu's Tourism to enable local consumption and exports**



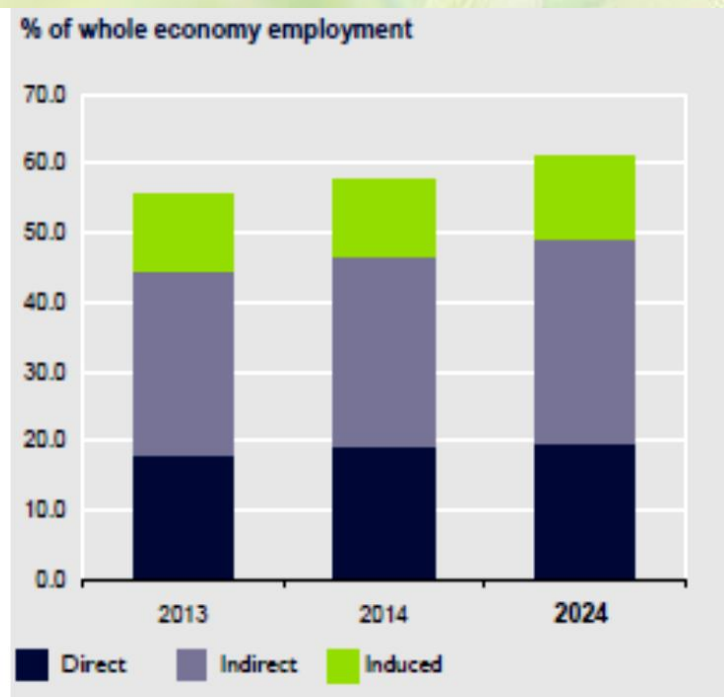
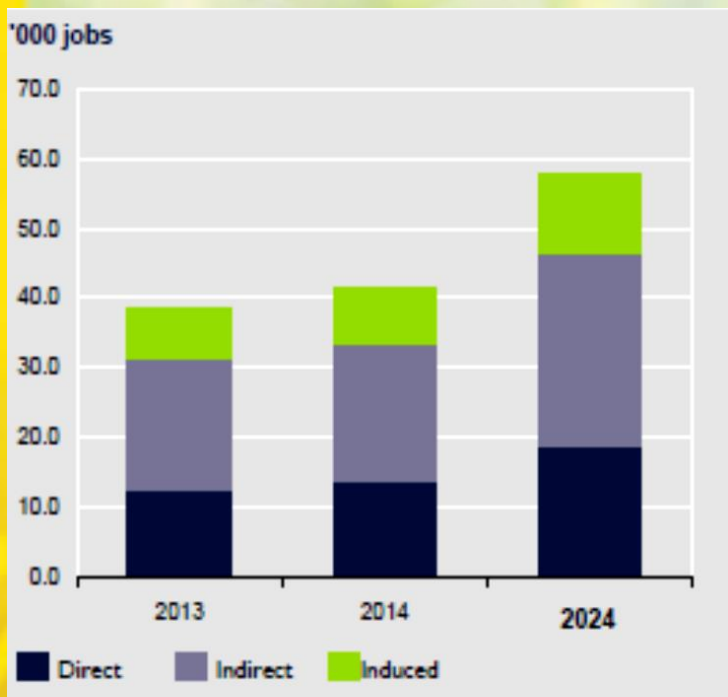
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# Content

- The tourism sector in Vanuatu's economy
- Tourism forward and backward linkages
- Where do the tourists come from?
- Tourists' spending in Vanuatu
- How tourists spend their money in Vanuatu?
- SWOT for tourism as a driver for local purchases

- The total contribution of tourism (including travel and transportation) to GDP was VUV 44,204 million, about 65% of GDP in 2013
- The tourism sector is forecast to rise about 4.5% per annually to reach VUV 74,014 million by 2024 (70.9% of GDP)
- Most tourists are concentrated in the Port Vila area, Efate.
- The tourism sector has a significant impact over employment





## Upstream or backward linkages

### Basic infrastructure services:

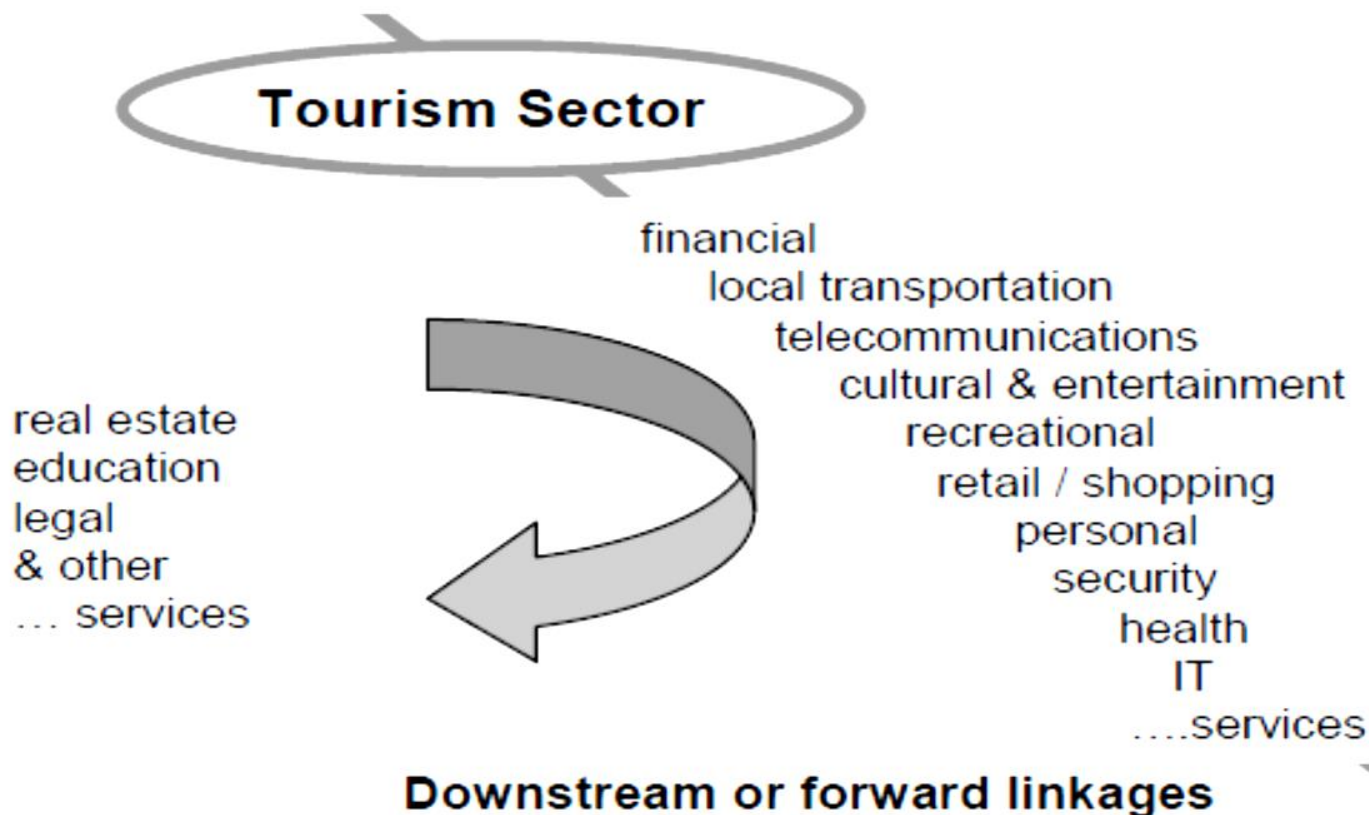
water, energy, telecom, sanitation & solid waste management services

### Goods and services needed to build primary tourism facilities:

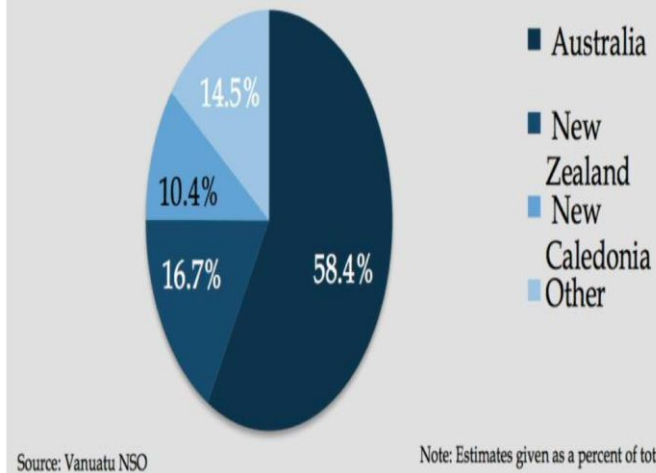
construction services, manufactured supplies

### Goods and services needed to meet operational requirements:

agriculture and manufacturing, passenger transportation, hospitality, maintenance & repair and business services



## Where do the tourists come from?



Source: IUCN (2012). Fishing and Tourism in the Vanuatu Economy

Vanuatu receives about 30 cruise ships per month in during high seasons.

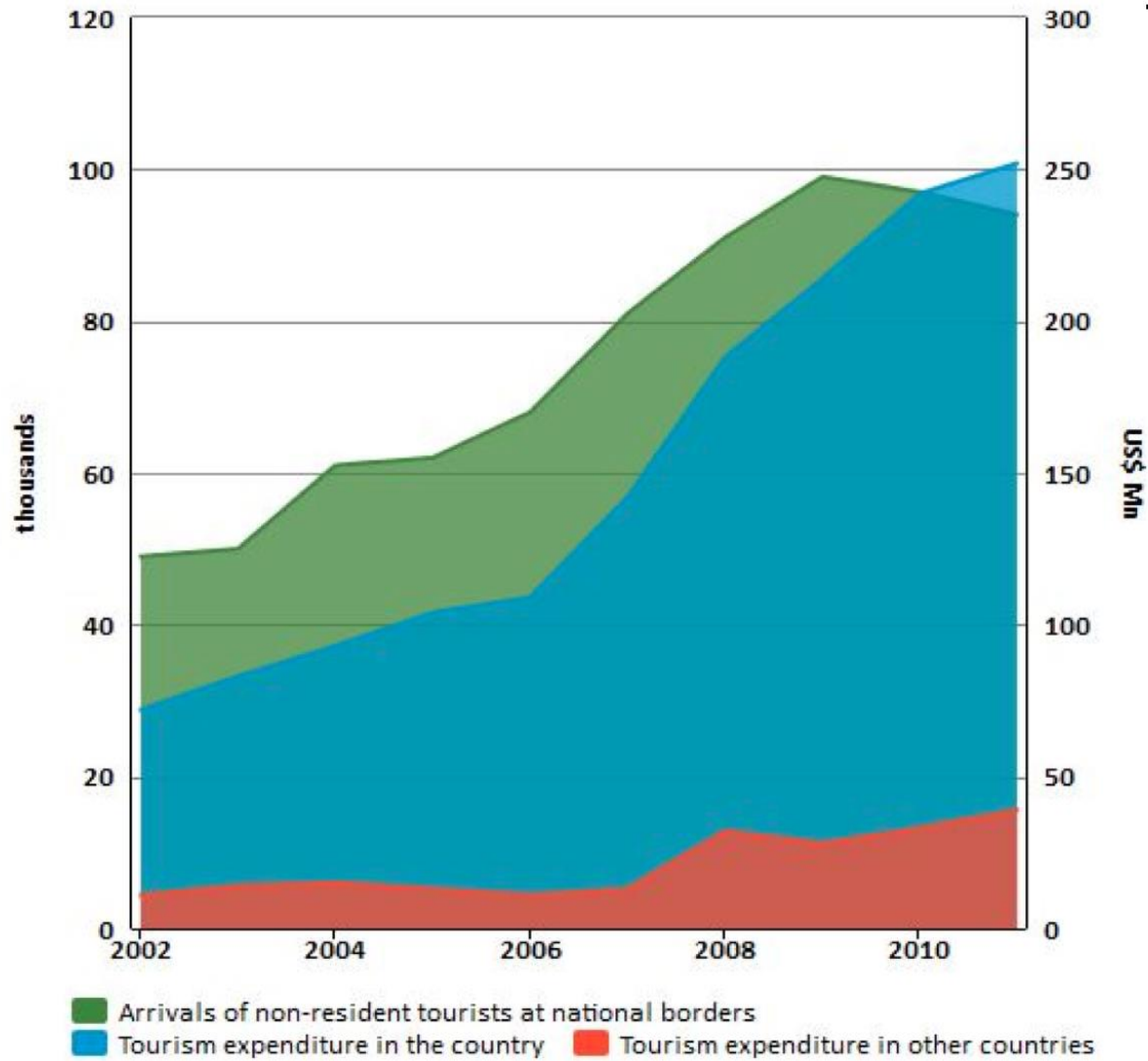
Source: Vanuatu's National Statistics Office (2013)

The purpose of the visitors are:

- 82% for holydays,
- 7% for business and conferences,
- 7% for familiy visits, and
- 3% for other purposes

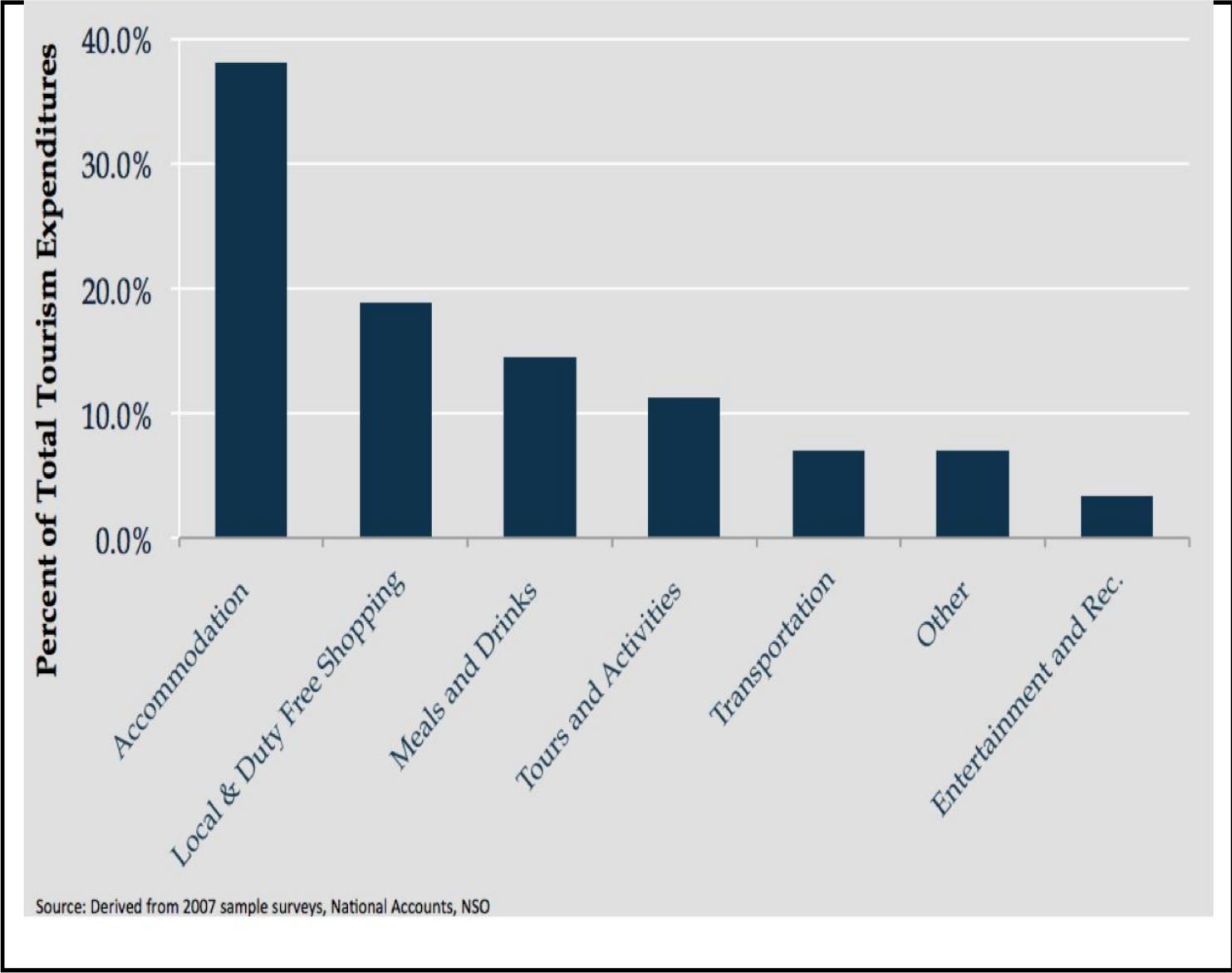
Source: Vanuatu's National Statistics Office (2013)

# Tourists' spending in Vanuatu



Source: Based on Koema Atlas and UNWTO statistics (2013).

# How tourists spend their money in Vanuatu?



IUCN (2012). Fishing and Tourism in the Vanuatu Economy







| Strengths   | Weaknesses  |
|---|---|
| <ul style="list-style-type: none"> <li>- Extraordinary Natural endowments (strong ecotourism profile).</li> <li>- Cultural richness</li> <li>- Tourist demand will continue and has a tendency to increase</li> <li>- Several of the products discussed are highly demanded by tourists; especially in value added ones (e.g. coconut foods and chocolates, personal care products from coconut oil and cocoa butter, sandalwood sticks, etc.)</li> <li>- Efforts toward internal island travel facilitation (e.g. air pass packages and island bungalows)</li> </ul>   | <ul style="list-style-type: none"> <li>- Long distances from Western markets</li> <li>- Poor air access</li> <li>- Limited qualified labour</li> <li>- Low internet penetration infrastructure (from 3G to 4G)</li> <li>- Limited and costly inputs</li> <li>- Low quality standards and packaging</li> <li>- Poor distribution and marketing channels</li> <li>- Sporadic difficulties in importing capital goods through transit ports</li> </ul> |
| Opportunities   | Threats   |
| <ul style="list-style-type: none"> <li>- Tourist purchases demand higher standards that can also help in traditional exports</li> <li>- Links purchases with cruise visits, sailing boats routes and other related services</li> <li>- Create and expand local traditional markets: foods, textiles and crafts</li> <li>- Expand the eco, agro and cultural tours offer</li> <li>- Promote minimum supply contracts with hotels and restaurants for key goods, cultural entertainment and personal care services</li> <li>- Potentially expand air travel routes to key Asian destinations</li> <li>- Reach untapped Asian markets (e-marketing)</li> </ul> | <ul style="list-style-type: none"> <li>- Over dependency of Australian and New Zealand tourists</li> <li>- Most of the expenditure is in Port Vila and surrounding</li> <li>- Lack of access to credit and technical support for small producers to meet standards</li> </ul>   |

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