SUSTAINABLE TOURISM FOR DEVELOPMENT

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A Million Different Journeys
The PNG Tourism Market
Total arrivals grew from approx. 40,000 to almost 200,000 since 1995.

Annual average growth rate of growth rate of 8 percent per annum.

Growth rate has increased to almost 9.6 percent since 2007.
Business and employment account for 58 percent of arrivals.

Holiday arrivals are 20 percent of the total.

Cruise passenger arrivals are 10 percent and growing quickly.

Purpose of Visit:
- Business: 35%
- Employment: 23%
- Holiday: 20%
- MICE: 10%
- VFR: 6%
- Cruise: 10%
- Education: 1%
- Sports: 1%
- Other: 1%
Australia is the major tourism market for holiday visitors (49 percent) Growth has stagnated in last three years New Zealand, USA, Asia and UK have shown stronger growth but off lower base
Visitor expenditure is estimated at approx. 1.95 bn Kina (US$ 620 mn)

Average length of stay (Holiday and VFR) is high at 16 days

Average daily expenditure is high at 948 Kina (Holiday and VFR) or US$ 302 per day
Estimated Expenditure – Holiday and VFR Markets (Kina Bn)

Holiday market expenditure has increased in last 4 years

Increased length of stay has led to greater expenditure

Cruise passenger numbers are increasingly important (up 21 percent in 2016) to
PNG Tourism Products
PNG Tourism Products

• PNG has world class ecotourism products based on natural beauty, biodiversity and unique culture

• Key products include:
  – Diving
  – Trekking
  – Cultural tourism and events
  – Birdwatching and nature based tourism
  – Fishing, Surfing and Kayaking

• MICE products/market is being developed
Trekking
Cultural Tourism and Events
Birdwatching and Nature Based Tourism
Fishing and Kayaking
Cruise Tourism
PNG Sustainable Tourism Policies
PNG Sustainable Tourism Policies

PNG Tourism Master Plan 2007 – 2017 provides overarching sector plan

Model Province Plans and Product Plans – ie Kokoda Track, Cruise Sector, Mt Wilhelm

Within framework of PNG Gov Vision 2050 and Medium Term Development Strategy
COMMUNITY BASED TOURISM

• PNG Tourism is 95% Community Based
• PNG promotes CAN & SSS tourism
• 97% of the product is owned by the people
• Every single Papua New Guinea is a stakeholder in tourism industry.
SUCCESSFUL COMMUNITY BASED SUSTAINABLE TOURISM PROJECTS

• KOKODA TRACK
• MT WILHELM
• TUPIRI SURF SITE
• KIMBE BAY DIVE
• CRATER MOUNTAIN
• KIUNGA BIRD WATCHING
Sector Constraints and Opportunities
Impediments to Development

• Remoteness – poor infrastructure and high cost of ground operations and airfares
• Limited market awareness
• Lack of scale – small scale operators and limited market/critical mass
• Institutional arrangements and capacity – PNGTPA Act and Provincial Government roles
• Destinational Image and Safety Concerns
Positive Developments

• PNG Tourism Master Plan implementation
• PNGTPA Budget Increases
• Greater airline competition and capacity
• Infrastructure upgrades – airports, wharfs, roads
• Cruise shipping development
• Tourism Hub developments – ENB and Milne Bay
• Increased donor support – World Bank, DFAT (Kokoda)
What needs to happen?

• Increased investment in new international standard sustainable tourism products
• Increased market awareness and image improvement
• Infrastructure and transport improvements
• Development and implementation of new Tourism Master Plan and Model Province Plans
• Review of PNGTPA Act and strengthening of key institutions (national and provincial)
What is achievable in the medium term?

• Tourism is the gold mine that never runs out – if developed sustainably

• Tourism can provide broad based employment and income

• Tourism forecast to grow by 2021 to 300,000 arrivals, worth 3 bn Kina or 1US$1 bn

• Growth and benefits will depend on resources provided and commitment of everyone