

SPECIAL FOCUS ON SANTO

CREDIT: VANUATU
TOURISM OFFICE

AN ISLAND EMERGING

Vanuatu's rather neglected largest island is starting to fulfil its enormous potential.

SANTO'S AORE RESORT
IS EXPANDING



When Business Advantage visited Vanuatu in late 2005, the economic focus was entirely on the Port Vila area. Happily, two years later that was no longer the case. In particular, Vanuatu's largest island Espiritu Santo (or 'Santo' as it is commonly referred to) is rapidly rediscovering its former glory.

Santo came to prominence during World War II when it was a base for up to half a million servicemen, mainly Americans. One of them, James Michener, went on to write the legendary 'Tales of the South Pacific' as a result of his own experience.

One legacy of that period is a number of submerged shipwrecks – such as the celebrated 200m-long USS President Coolidge – that help make Santo a world-class diving destination.

Santo thrived under the joint condominium rule by Britain and France but after independence in 1980 fell into a state of neglect.

FLAVOUR OF THE MONTH

Vanuatu's strong economic performance of the past six years and the solid progress of its tourist industry have put Santo back in the limelight. In fact, it seems to be the flavour of the month.

Santo is easier to get to now that Air Vanuatu has launched a weekly flight to the newly expanded Pekoa Airport from Brisbane (with a short layover in Port Vila in one direction). Further connections to Noumea and Nadi are under consideration by Air Vanuatu and Air Pacific subsidiary Pacific Sun, respectively.

REAL ESTATE GROWTH

Santo's appearance on international route maps has led to a strong upswing in real estate investment. Vanuatu's two largest real estate agents, Caillard and Kaddour (C&K) and First National, both have offices in Santo's capital Luganville, and are reporting strong interest in property from the traditional market of Australia and also New Caledonia.

'There is a lot of nostalgia in Noumea for Santo, which actually has greater natural beauty than Efate ... there are already some hotels there but they definitely need more,' says C&K's CEO Loic Bernier.

In this context it is no surprise that existing resorts such as Aore Resort (www.aoreresort.com) and Bokissa Eco Island Resort (www.bokissa.com) are expanding. The large-scale Lapita Plantation Resort project, which is underway, plans to combine residential villas with resort-style accommodation.

ENORMOUS POTENTIAL

There is no doubting Santo's potential. Besides the diving, it has outstanding natural beauty, the four highest peaks in Vanuatu, and some sensational beaches, especially in the north. The key to sustaining its current growth will be significant improvements in infrastructure, especially in transportation. Warwick International Hotels, which runs Le Lagon Resort in Port Vila, has expressed an interest in building a resort on the northern part of Santo, subject to adequate surrounding infrastructure being put in place.

The Millennium Challenge Corporation (see page 17) should certainly make a big contribution in this area. The island's agricultural sector also stands to benefit (Santo is famed for its organic beef). ■

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