

A TOURIST INDUSTRY REBUILDS

The opening of the Heritage Park Hotel has boosted hopes that tourism can grow into a major sector for the Solomon Islands.

Few who have travelled widely around the Solomon Islands will argue about its tourism potential. The country has outstanding natural beauty. The island of East Rennell in Western Province is designated as a UNESCO World Heritage site and, thanks partly to a number of well-preserved wrecks from the Second World War, is one of the best places on earth for diving.

INDUSTRY REBOUNDED

Sadly, during the period of ethnic tensions, leading up to the advent of RAMSI in 2003, this industry was decimated. Rebuilding it, and expanding it, takes time. Nonetheless, visitor numbers have rebounded consistently over the past six years (the 2009 estimate is 18,000), and the opening of the country's first international business-standard hotel, the Heritage Park Hotel, in Honiara in September 2009 represented a major milestone (see box).

Other recent developments in the capital include the opening of a new wing at the Kitano Mendana Hotel (18 executive suites and a smart new Japanese restaurant), while a Malaysian investor's ambitious plans for a large resort and casino complex are reported to be progressing.

INTERNATIONAL CONNECTIONS

The international flight situation has improved markedly since the introduction of competition two years ago. No less than three airlines, including national carrier Solomon Airlines, currently offer affordable, comfortable and reliable services on the three hour flight between Honiara and Brisbane in Australia.

Solomon Airlines currently operates three flights per week between Brisbane and Honiara using an Airbus A320 recently leased from Australian firm Strategic Airlines. The national carrier also underwent a significant staff restructure in 2009 to reduce its payroll and increase efficiencies. Its customers now have the option of booking their flights online.

OPENING UP THE COUNTRY

While Honiara is the country's international gateway, the major challenge is to make it easier for visitors to get from there to areas such as Western Province, home of many of the country's major tourism attractions.

Although visitor numbers shot up 23% in the first half of 2009, compared to the same period in 2008, many visitors are on business rather than seeking recreation. Notoriously unreliable domestic services have dissuaded international travel agents from recommending the Solomons to their clients, and also mitigate against domestic travel (this could be a large market given the significant amount of donor-related expats currently based in Honiara). The World Bank's *Sources of Growth* survey (March 2009) concluded that 'without resolution of the airline access problem to the outer islands, resort tourism [outside Honiara]... may grow only slowly.'

There are some positive signs, however, that the Honiara 'bottleneck effect' may be easing. Both the international and domestic airport terminals in Honiara have been refurbished, while

'Visitor numbers have rebounded consistently over the past six years.'

repairs have also been carried at Seghe and Munda (gateway to the Western Province).

Reliability on the Munda route has been improving over the past year or so. It should receive a further boost with Solomon Airlines introducing a 36-seater Dash 8 to that route at the end of 2009.

DEVELOPMENTS OUTSIDE HONIARA

Tourism operators in Western Province itself are clearly feeling positive, with many hoteliers undertaking new investments. These include the upgrading of Gizo Hotel and the construction of a separate over-water bungalow development by its owners, on nearby Naru Island.

Other parts of the country are also attracting interest, such as Central Province where there are plans to build a 100+ room Radisson-managed resort, while the first international standard accommodation on Isabel Province recently opened. The boutique Papatara Island Retreat is the latest initiative from Australian firm Go Tours Travel.

MARKETING THE SOLOMONS

In terms of the Solomons' marketing strategy for tourism, General Manager of the Solomon Islands Visitors Bureau (SIVB) Michael Tokuru told Business Advantage that 'the main focus is on Australia followed by New Zealand' but he also has high hopes that the Solomons' participation at the Pacific Pavilion at the 2010 World Expo in Shanghai will open up new markets.

Besides diving, the SIVB has also begun promoting surfing more heavily. Tokuru is keen to point out, however, that the Solomons offers so many other things besides, and is proud to be able to showcase them on SIVB's new website: www.visitsolomons.com.sb. ■

THE ATTRACTIONS OF WESTERN PROVINCE

While it may not attract the kind of tourists who revel in five-star luxury, the islands of Solomons' Western Province appeals to the more adventurous tourist. Its attractions include:

- world class surfing breaks
- the world's largest double-barrier lagoon
- crystal clear waters for snorkelling and scuba diving
- abundant reef life
- historic World War Two sites (including Kennedy Island, where a shipwrecked John F Kennedy scrambled ashore in 1943)
- ... and very few people.

CASE STUDY: HERITAGE PARK HOTEL

A little piece of history occurred in the Solomons on 1 September 2009 with the opening of the country's first genuine international-standard hotel.

The new Heritage Park Hotel represents an important economic milestone for the Solomons, both as a significant investment in its own right and a source of precious new jobs. Above all, it is a vivid illustration of the potential benefits of foreign investment, in a country whose population is at times ambivalent to it, and a statement to potential foreign investors that the country is well and truly open for business after its turbulent recent past.

The Heritage Park is essentially a Papua New Guinean investment, a joint venture between provident fund NASFUND and the private Lamana Group. But a large number of Solomon Islanders now have a vested interest in the project, due to the 10% stake held in the project by their own National Provide Fund.

The first stage of the Heritage Park's development consists of 48 hotel rooms, and 27 apartments (one, two and three bedrooms). The main building, which redeveloped the historic Governor's Residence that formerly occupied the site, includes an elegant reception area, four meeting rooms (120 person capacity), a business centre, a handful of small retail outlets and a bar/restaurant area. The rooms, spread across several separate buildings, are comfortable and functional, with all the amenities international business travellers would expect of a four star hotel, as well as ample balconies to take advantage of the prime waterfront

location. There is also a swimming pool, although at this stage no gymnasium.

When *Business Advantage* visited in late 2009, a stand-alone nightclub was on the point of opening, but by late 2010 the compound will also be home to a large three-storey commercial building, expected to provide a new local head office for the BSP bank, as well as a couple of other corporate tenants.

The man charged with turning the developers' dreams into reality was Ken Lyell, a New Zealander with extensive international hotel experience. His biggest challenge was to recruit staff and train them to a standard never previously witnessed in the Solomons.

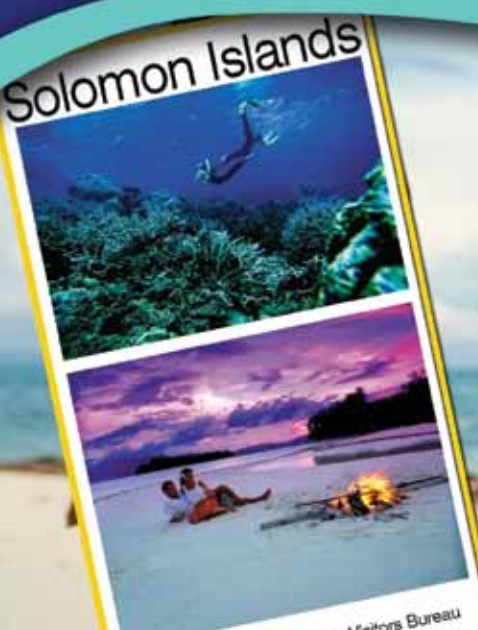

'The staff had around three months of very intensive training, focusing on both attitude and skills, and have been performing so professionally from the day we opened,' he enthused.

It is just as well, because the hotel's occupancy rate has been very high from day one, with a number of larger groups testing out its new facilities.



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Solomon Islands

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