



Solomon Islands Tourism: Investor Guide

A guide to investing in land for tourism development

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Foreword

IFC

Tourism has long been a key driver of economic activity across the Pacific Islands. That is why, despite the devastating impact of a global pandemic, the Solomon Islands government has decided to prioritize tourism as part of its efforts to foster a more inclusive and sustainable growth trajectory.

In alignment with this vision, this guide—*Solomon Islands Tourism: Investor Guide. A guide to investing in land for tourism development*—is designed to help investors identify land that can be developed to take advantage of the emerging and untapped opportunity of Solomon Islands' tourism in Western Province. Additionally, the handbook offers an insight into the process of investing in land while providing practical information to help investors navigate their way through registered land leases and development in Solomon Islands.

While land is essential for tourism investment projects—resorts, hotels, ecolodges, and others—a lack of identified land with clear legal status for new investments is holding investors back, according to an assessment by the International Finance Corporation (IFC). Investors are wary because poorly documented and unreliable information, along with lack of information, could result in ambiguous land ownership.

To address these key issues, the Ministry of Culture and Tourism (MCT) and IFC conducted a survey of registered land in Western Province. A combination of extensive field work, MCT's local knowledge and experience, and IFC's global and technical expertise helped identify more than 50 initial investable sites with registered land title. This enabled the compilation of consistent and relevant information for each site.

Thanks to MCT and IFC's collaborative efforts, Solomon Islands now has a diverse and attractive list of land suitable for tourism development projects that the government can start promoting to real estate investors. In the next phase of government efforts, this will help improve the overall tourism investment process and experience. Also, recognizing the country's tourism potential beyond Western Province,



the initial sites will be supplemented with additional sites identified in other priority tourism destinations across Solomon Islands.

Prior to the COVID-19 crisis, the tourism sector accounted for 10.5 percent of Solomon Islands' GDP and generated revenue of US\$ 132.8 million. Going forward, a vibrant private sector is essential to creating jobs and helping Solomon Islands diversify its economy. Given the pandemic, the private sector will also play a key role in accelerating economic recovery. That is why, mobilizing more private investment in the tourism sector must be at the heart of efforts to build a more resilient and inclusive economy for the Solomon Islands and its people.

We sincerely thank the governments of Solomon Islands, Australia, and New Zealand for their support and commitment in making this guide possible and for helping us bring private sector solutions and investment to Solomon Islands to build a sustainable and competitive tourism sector.

A handwritten signature in black ink, appearing to read 'Tom Jacobs'.

Tom Jacobs

IFC Country Manager - Australia, New Zealand, Papua New Guinea, and the Pacific Islands

Foreword

Ministry of Culture and Tourism

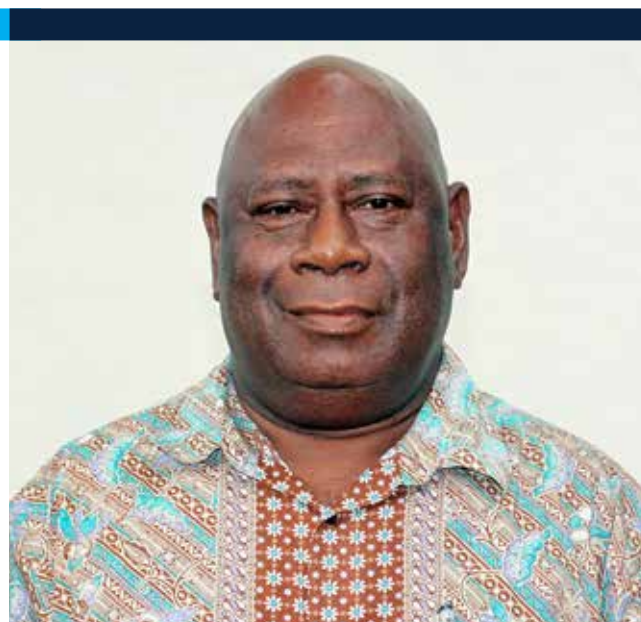
Tourism is a key priority for our government. We all agree Solomon Islands is a genuinely unspoilt tropical destination located in the southwestern Pacific Ocean. It is also remote. While that comes with challenges, it also presents significant opportunities.

Already, tourism is a priority sector playing an increasingly vital role in our economy. While the Solomon Islands Government has made clear its commitment to building up the tourism industry, and in turn creating jobs and wealth, we also recognize the crucial role that the private sector can play as an engine for growth.

Over the past few years, we have been listening to potential tourism investors to understand the key issues they face when investing in our country. Whilst we are working to address all these points, this *Solomon Islands Tourism: Investor Guide. A guide to investing in land for tourism development* has been developed in response to two priorities that investors have identified. The first is a lack of land available for investment and the second is that even for land that is thought to be developable, there is limited information about it. This discourages investment because of the fear of land tenure disputes – a common problem in the Pacific Islands.

Our investment teams, working with the International Finance Corporation (IFC), have been developing an inventory of investable sites with potential for tourism development, along with information on each land parcel that will help investors in their selection of sites for their tourism investment project(s).

This Guide will help investors understand the steps involved and provides important and practical information to help those tourism investors needing land. It also underscores the Solomon Islands Government's commitment to making our archipelago a better investment destination with a conducive business environment for investors.



To complement this Guide, we now have a portfolio of registered investable sites suitable for tourism, and hence we encourage investors to take advantage of the many untapped tourism investment opportunities that our country has to offer. We started in Western Province and, over the next one to two years, will continue to add more suitable land to the portfolio.

We gladly welcome investors and are committed to facilitating the support and assistance needed when identifying land for tourism investment projects.

On behalf of the Solomon Islands Government, I thank IFC for partnering with the Ministry of Culture and Tourism to provide a wealth of technical expertise and guidance in developing this Guide and in helping us overcome the key hurdles around land development for tourism. I hope this successful partnership will continue into the future, as Solomon Islands seeks to attract investors into the tourism sector.

Please [contact](#) our investment officers at either the Tourism Division of the Ministry of Culture and Tourism or InvestSolomons. We look forward to working with you in the future.

Tagio Tumas

A handwritten signature in black ink, appearing to read 'Barapolo'.

Hon. Bartholomew Parapolo

Minister for Ministry of Culture and Tourism

Acknowledgements

This Guide was prepared by International Finance Corporation (IFC) in collaboration with the Solomon Islands' Ministry of Culture and Tourism (MCT). It draws on the research and experience gained by IFC and MCT teams during the implementation of the IFC Western Province Tourism Investment Needs Assessment (2018); the IFC/MCT Western Province Tourism Registered Land Survey (2018-2020) and the IFC Environmental and Social Diagnostic Study (2021).

Numerous stakeholders were consulted during the research. The following representatives of the Solomon Islands Government (SIG) are acknowledged for their time, advice and practical support.

Solomon Islands Government

- **Ministry of Culture and Tourism:** Andrew Nihopara, Permanent Secretary; Bunyan Sivor, Director of Tourism; Jonathan Taisia, Principal Tourism Officer Projects – Western Province; Mark Ligo, Investment Officer
- **Ministry of Lands, Housing and Survey:** Alan McNeill, Commissioner of Lands; Dalton Hone, Chief Cartographer
- **Ministry of Justice and Legal Affairs:** Nixon Qurusu, Registrar General
- **Ministry of Commerce, Industry, Labour and Immigration: Invest Solomons (formerly the Foreign Investment Division):** Lynnette Dawheya, Director & Registrar of Foreign Investment; Sially Ngumi Turanga, Deputy Director; Lonsdale Lungana, Chief Investment Officer – Promotion Unit.
- **Western Province Provincial Government:** David Gina, Premier; Jeffrey Wickham, Permanent Secretary; Ron Kituru Ghemu, Minister of Tourism; Fabina Lilo, Chief Tourism Officer; Corniel Dalipanda, Tourism Officer; Zaza Gina, Tourism Officer
- **Tourism Solomons:** Josefa Tuamoto, CEO; Fiona Teama, Head of Sales and Marketing

Leadership and Collaboration

IFC's tourism program in Solomon Islands from 2017-2021 has been led and managed by IFC Tourism Specialist Becky Last, under the guidance of Tuyen Nguyen. The in-country lead for the development and implementation of the Western Province Tourism Registered Land Survey 2018-2020 was tourism advisor Björn Svensson. This Guide was researched and written by Björn Svensson, edited by Libby Owen Edmunds and Simon Drought. Valuable contributions were received from Milissa Day, Smiley Giobauta, Tomio Komatsu, Kate Lazarus, Eva Rossi, Sarah O'Sullivan, William Higginbotham, Claire Kilvert, Victor Murphy and Henry Sanday.

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Billy Kera, Go West Tours; Julius Kera, Agnes Gateway Hotel; Jenno Entriken Hughes, Zipolo Habu Resort; Alec Hughes, Wilderness Conservation Society; Taska Sasamara, local guide; Juliet and Walter Kimi, Vanua Kino Lodge; Jeremiah and Kabin Loleke, Marovo Sea Lodge; Matthew Woodfield and Steward Mullaway Stephen, Driftwood Lodge; John Lee and Evin Koli, Minado Ecolodge; Andrew and Andie Trahair, Yawana Dive and Bungalows; Gerard Mackey, VSA; Adrian Wickham, Soltuna; Loyley Ngira, Blue Town Hotel and Dan Raymond, KFPL.

Landowners and Titleholders

During the Land Survey, the team met and consulted with more than 100 landowners and titleholders. Without their collaboration and engagement, the Land Survey would not have been possible.

Abbreviations and Key Terms

ADB	Asian Development Bank
CoL	Commissioner of Lands
COVID-19	Coronavirus disease 2019
DFAT	Department of Foreign Affairs & Trade, Australian Government
E&S	Environment & Social
EIA	Environmental Impact Study
ESDS	Environmental and Social Diagnostic Study
FTE	Fixed-Term Estate
GDP	Gross Domestic Product
IDD	Integrity Due Diligence
IFC	International Finance Corporation
IPA	Investment Promotions Agency
IRD	Inland Revenue Division
Km	Kilometers
LR	Lease Register
MCILI	Ministry of Commerce, Industry, Labour and Immigration
MCT	Ministry of Culture and Tourism
MFAT	Ministry of Foreign Affairs & Trade, New Zealand Government
MLHS	Ministry of Lands, Housing and Survey
NGO	Non-Governmental Organization
OECD	Organisation for Economic Co-operation and Development
PATA	Pacific Asia Travel Association
PE	Perpetual Estate
PNG	Papua New Guinea
SBD	Solomon Islands Dollar
SI	Solomon Islands
SIG	Solomon Islands Government
SPTO	South Pacific Tourism Organization
TIN	Tax Identification Number
UCV	Unimproved Capital Value
UNWTO	United Nations World Tourism Organization
USA	United States of America
US\$	United States Dollar
VAT	Value-Added Tax
WBG	World Bank Group
WWII	World War 2

Broad Community Support (BCS): Broad Community Support, a collective expression by the affected communities, through individuals and/or their recognized representatives, in support of the project. There may be BCS even if some individuals or groups object to the project.¹ See also: [Social License](#).

Customary Land: Also known as unregistered land, Customary Land can be described as land that is administered communally, by tribes or family groups. This land is not usually bought and sold but inherited. Customary Land is allocated through kinship structures, marriage arrangements, adoption and customary payments. Customary Land systems differ depending on where you are in Solomon Islands. Systems of Customary Land differ from geographical region with some following the mother's line (termed matrilineal systems) and others the father's line (termed patrilineal systems), or both.²

Investable Land: Means available and potentially suitable for development. In the context of Solomon Islands and for the purpose of this Guide, 'investable' refers to land that could be considered attractive to a foreign or domestic investor for the purpose of tourism development.

Kastom: A pidgin word used to refer to traditional culture, including religion, rituals, economics, art, magic, myths, objects in Melanesia. Kastom is mostly not written, only passed down through teachings and stories.^{3,4}

Landowner: Legal owner of land in perpetuity until such time as she/he decides to sell the land. In the context of Solomon Islands, the landowner is usually a Perpetual Estate holder. Most land under Perpetual Estate title is owned by the Commissioner of Lands (CoL) on behalf of SIG, or by individual Solomon Islanders.

Registered Land: Includes all land that is publicly or privately owned. The CoL, on behalf of the Solomon Islands Government, keeps records for all registered land. As such, registered land is also referred to as Public, Crown, or Alienated land. Registered Land is divided into land parcels, each of which is assigned a parcel number. Each land parcel has a land title certificate kept by the Registrar of Titles. Registered Land can be bought and sold by Solomon

Islanders, but for foreign investors it can only be leased for up to 75 years.

Social License: Defined as existing when a project has ongoing approval within the local community and from other stakeholders, ongoing approval or broad social acceptance and, most frequently, as ongoing acceptance. At the level of an individual project, the social license is rooted in the beliefs, perceptions and opinions held by the local population and other stakeholders about the project. This license, therefore, is granted by the community. It is also intangible, unless effort is made to measure these beliefs, opinions and perceptions. Finally, it is dynamic and non-permanent because beliefs, opinions and perceptions are subject to change as new information is acquired. Hence, the social license must be earned and then maintained.⁵

Titleholder: The person(s) or entity that has the right to own a property (either in perpetuity or as a temporary owner). In the context of Solomon Islands, titleholders can be Perpetual Estate holders (owners in perpetuity) and Fixed-Term Estate holders (temporary owners) and sometimes even Lease holders.

Wantok: The word 'Wantok' is pidgin for 'one talk'. The Wantok system can be seen as an unwritten social contract between those who speak the same language or are from the same village and/or family to assist each other in times of need.⁶ The Wantok system has traditionally delivered many benefits, such as sharing and caring for the less fortunate in the wider family and tribe. The system can also be used for personal gain, and 'Wantoks' may receive preferential treatment from other 'Wantoks' in positions of power.⁷

1 IFC. 2012. Performance Standard 1. Assessment and Management of Environmental and Social Risks and Impacts. Accessed online via: [IFC Performance Standard 1 \(30\)](#)

2 McDonnell. S., Foukona. J., Pollard. A. 2015. Building a Pathway for Successful Land Reform in Solomon Islands.

3 Global Informality Project. 2021. Wantoks and Kastom (Solomon Islands and Melanesia). 18 January 2021. Accessed online via: <https://www.in-formality.com/>

4 <https://www.solomonencyclopaedia.net/biogs/E000153b.htm>

5 Further information on Social License can be found here: <https://sociallicense.com/definition.html>

6 *Solomon Times*. 2008. The Cost of the "Wantok System". Newspaper Article. 16 February 2008.

7 Global Informality Project. 2021. Wantoks and Kastom (Solomon Islands and Melanesia). 18 January 2021. Accessed online via: <https://www.in-formality.com/>



1. About this Investor Guide

This Guide is designed to provide information that may be of help to potential tourism investors in navigating the process of investing in land for the purpose of tourism development in Solomon Islands.

Investors from the Pacific region have previously highlighted two key barriers to investing in Solomon Islands' tourism industry: i) a lack of land for tourism development, and ii) limited information on investable land (refer to Box 1 below). Both barriers have contributed to a previously identified high investment risk profile for Solomon Islands tourism development transactions.

Prospective investors should contact InvestSolomons or the Tourism Division of the Ministry of Culture and Tourism (MCT) to seek further information on land available for investment. Both government entities can provide information on matters relating to doing business in Solomon Islands and can assist prospective investors to develop a shortlist of investable sites applicable to their tourism development project(s).

The Guide is structured as follows:

- [Section 2](#) covers why investors should consider investing in Solomon Islands' tourism sector.
- [Section 3](#) introduces Solomon Islands to investors with key country profile data.
- [Section 4](#) gives an overview of Solomon Islands' tourism industry (including a note on COVID-19 impacts).
- [Section 5](#) provides investors with an overview of the process to invest in Solomon Islands' tourism. This section covers: government entities involved in foreign investment, steps involved in investing and registering a tourism business, as well as a summary of permits, taxes, levies, duties and incentives potentially applicable to prospective tourism investors.

- [Section 6](#) will help investors understand the complexities of land tenure and land titles in Solomon Islands.
- [Section 7](#) details practical information and tips on the operational, environmental, and socio-cultural challenges for tourism investors in Solomon Islands.

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Box 1: Overcoming a lack of registered investable⁸ land for tourism development in Solomon Islands

With 80 percent of land in Solomon Islands under customary land tenure or 'unregistered', foreign tourism investors from the Pacific region interviewed by IFC in 2018 raised concerns that there was very little land, if any, available for tourism development. This was seen as a major barrier to investing in Solomon Islands' tourism sector.

However, a recent land survey⁹ found that there is, in fact, sufficient 'registered' land for new tourism investments and for a significant expansion of the tourism industry. However, there is a lack of information on the availability of this land for the purpose of tourism development.

The survey's finding resulted in IFC and MCT developing an inventory of available sites for tourism development, starting in the priority tourism destination of Western Province. Each site identified comes with a comprehensive profile of information (see [Annex 5](#)) relating to the site's potential for tourism development.

⁸ In the context of Solomon Islands and for the purpose of this Guide, 'investable' means available and potentially suitable for development, referring to land that could be considered attractive to a foreign or domestic investor for the purpose of tourism development. Sites included in the inventory of investable land have undergone assessment by IFC and MCT teams using a set of predetermined criteria.

⁹ From 2018 to 2020 IFC conducted the Western Province Tourism Registered Land Survey.



2. Why Invest in Solomon Islands tourism industry?



Solomon Islands has all the raw ingredients to become a successful tourism destination. It is a pristine archipelago with an abundance of natural, cultural and historical attributes. The islands and waters of Solomon Islands are still a little-known paradise¹⁰ attracting visitors who want to experience the adventure and/or beauty they offer. Solomon Islands is home to remarkable biodiversity, especially marine life. Its lagoons offer some of the best scuba diving in the Asia-Pacific region¹¹ and its cultural activities and war history sites provide visitors with memorable experiences.

Prospective investors are welcomed into the country's tourism industry. SIG is actively prioritizing private sector investment in tourism. It is driving a coordinated approach to investment by focusing resources on priority geographic areas of the country. Western Province, the largest of the nine Solomon Islands provinces, has been identified as the first priority area for investment due to its relatively high profile as an existing tourism destination, its natural beauty, and the international airport at Munda (refer to the location of Western Province on the map in [Figure 1](#)). Other provinces in Solomon Islands with tourism potential, however, are less developed in terms of infrastructure. These provinces are currently undergoing assessment to prioritize them for the identification process of potential sites for investment, as already completed by IFC and MCT in Western Province.

Investment-ready land suitable for tourism development is available. SIG has created an inventory of investable sites that are registered and with clear title, commencing with land in Western Province. All such investable sites have been assessed for their suitability for tourism development. Detailed profiles for each site are also available to potential investors when considering the most appropriate site for their development.

Incentives to attract prospective investors. SIG offers incentives to new investors in tourism with a range of exemptions on import duties and tax holidays. Refer to [Solomon Islands' Tourism Incentives Package](#).¹²

¹⁰ As referred to in the travel media, such as: <https://www.cntraveler.com/story/the-remote-solomon-islands-are-a-divers-paradise-in-the-south-pacific> and <https://www.qantas.com/travelinsider/en/explore/south-pacific/things-to-do-in-the-solomon-islands.html>

¹¹ According to international dive travel agents. Source: IFC. 2018. Western Province Tourism Investment Needs Assessment.

¹² Available at: <https://tourismsolomons.com/wp-content/uploads/2018/11/TourismIncentivesPackage.pdf>

A politically stable economy. Despite social unrest during the period of 'tensions'¹³, Solomon Islands is (at time of publication) politically stable following intervention from the Australian-led Regional Assistance Mission to Solomon Islands, 2003-2017.

Evolving as a more prominent travel destination for tourists in the Pacific. With its untouched and raw natural beauty and improved tourism services, prior to the COVID-19 pandemic, Solomon Islands had attracted increasing numbers of tourists over the last five years. Whilst still a small volume of visitors, the country caters to a range of niche market segments such as diving, surfing, fishing, bird watching, cruising, and battlefields.

Solomon Islands Government supports the development of sustainable hotels and resorts with potential to attract high-yield visitors. If land is sustainably developed, that could help to minimize any negative impacts on Solomon Islands' diverse range of natural and cultural tourism assets.¹⁴ Sustainably developed hotels and resorts also have the potential to attract high-yield visitors, helping to cover the relatively high cost of doing business in the Pacific.

Strategic location in the Pacific with access to diverse and growing visitor markets. Solomon Islands has access to robust regional tourism markets such as Australia, New Zealand, Fiji, Papua New Guinea (PNG), Vanuatu and the

untapped potential of Asia. Close proximity to Australia and New Zealand offers potential to access a portion of their outbound travel markets of 9.5 million¹⁵ and 3.1 million¹⁶ trips per year, respectively. Two international airports located in the key destinations of the capital Honiara, Guadalcanal Province and in Munda, Western Province offer excellent access with a direct flight from Australia taking three hours, and flights from New Zealand taking just under five hours. Its closeness to Fiji, PNG and Vanuatu provides opportunities for long-haul visitors to these countries to extend their holidays with a stop-over in Solomon Islands, and also offers potential for a strong business market. Refer to [Figure 1](#), on [Page 7](#).

An improving investment and business climate. Solomon Islands has proved to be one of the most active reformers in the Pacific region, implementing reforms to modernize foreign investment processes, including business laws and registration, and improved investment incentives.¹⁷ As a result, the ease of investing and starting a business in Solomon Islands was ranked above the regional average for East Asia and Pacific in 2020¹⁸, while foreign investments in tourism, especially from the Pacific region, have been attracted and maintained. The quality of public-private dialogue to influence policy reforms has also improved following the signing of a memorandum of understanding between SIG and Solomon Islands Chamber of Commerce and Industry in 2017.

¹³ For more information on the 'tensions' refer to: <https://www.ramsi.org/the-tensions/>

¹⁴ Coral reefs, beaches, lagoons, surf breaks, World War II sites, cultural heritage sites.

¹⁵ Australian Bureau of Statistics. 2020. ABS: Arrivals and departures: Visitor arrivals, short-term trips (seasonally adjusted) March 2020.

¹⁶ Stats NZ Tatauranga Aotearoa. 2020. International Travel: December 2019.

¹⁷ Asian Development Bank. 2016. Continuing Reforms to Stimulate Private Sector Investment. A private sector assessment for Solomon Islands; The Pacific Private Sector Development Initiative. 2020. Solomon Islands Country Overview. April 2020; and Ministry of Commerce, Industry, Labour and Immigration Solomon Islands. 2021. Accessed online via: [Solomon Islands Investment Promotion](#)

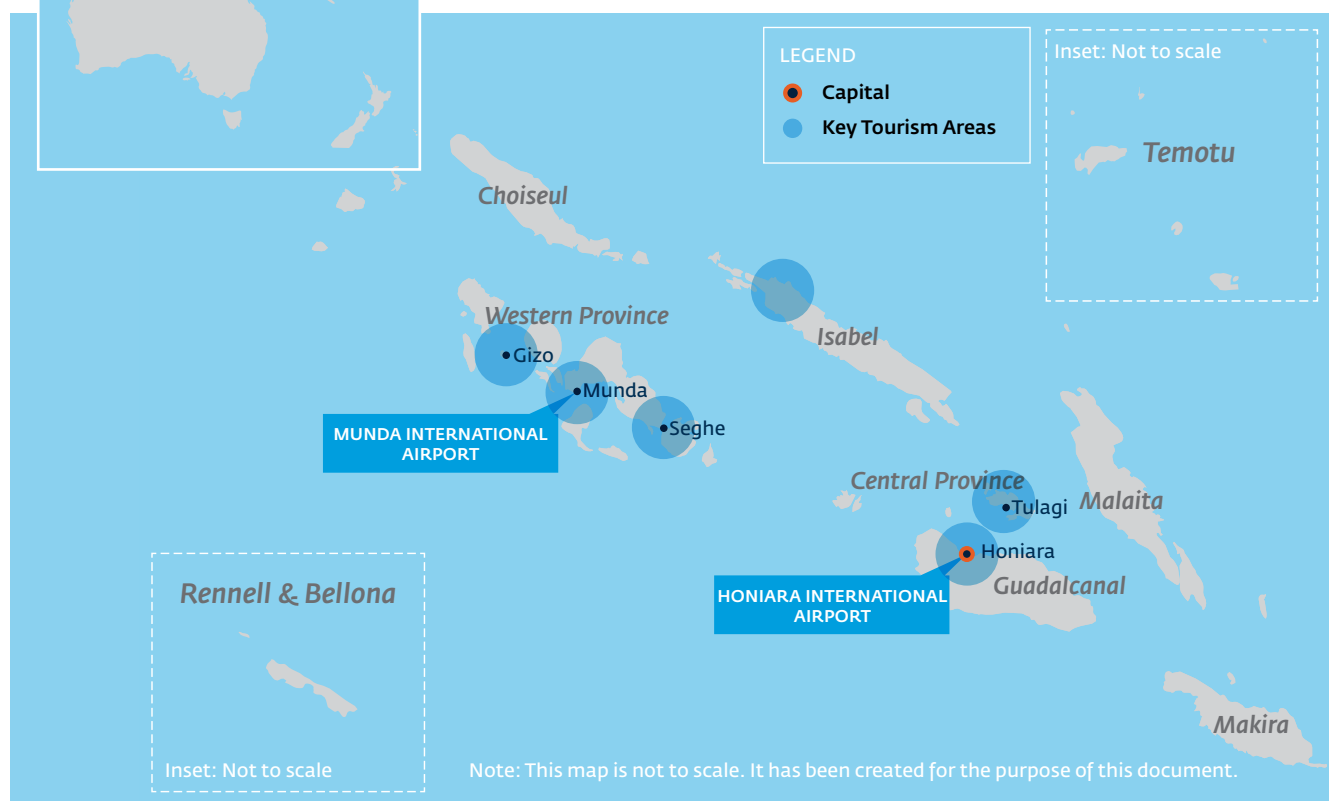
¹⁸ World Bank Group. 2021. Economy Profile, Solomon Islands. Doing Business 2020 - World Bank Group. Accessed online via: [Doing Business.org - Solomon Islands](#).



3. Introducing Solomon Islands



Figure 1: Map of Solomon Islands and Key Tourism Areas



KEY FACTS			
Currency	Solomon Islands Dollar (SBD)	Language	Official language English, Solomons' Pidgin is lingua franca
Capital	Honiara	Area	28,400 square kilometers
Population	720,000 ¹⁹ spread across more than 300 islands	GDP growth	2.7 percent ²⁰
	74 percent of the population live in rural areas	GDP per capita	US\$ 2,373.63 ²¹
Priority sectors	Tourism, agriculture, fisheries, forestry, other services and mining		
Administration	Nine provinces representing nine main island groups (Guadalcanal, Western, Central, Choiseul, Isabel, Makira and Ullawa, Malaita, Renell and Bellona, Temotu)		
Politics	A Westminster-style parliamentary democracy, with a constitutional monarchy, and is part of the Commonwealth realm		
Economics	Economic indicators about Solomon Islands can be found at the Central Bank of Solomon Islands , Asian Development Bank , World Bank , and the International Monetary Fund		
Culture	Majority Melanesian with sizable Micronesian and Polynesian populations		
Religion	Majority Christian.		

¹⁹ DFAT. 2021. Solomon Islands Market Insights. Connecting Australian Businesses to the World. Accessed online via: [DFAT.gov.au Solomon Islands Market Insights 2021](#). Population figure from 2019.

²⁰ IBID. GDP growth figure from 2019.

²¹ World Bank. 2020. The World Bank Data. Accessed online via: [World Bank Data - Solomon Islands](#). GDP per capita figure from 2019.



4. Overview of Solomon Islands Tourism Industry

Mitigating the impact of COVID-19 on Solomon Islands' tourism industry

Like the rest of the world, Solomon Islands' tourism sector has also been heavily impacted by the COVID-19 pandemic. Despite Solomon Islands being one of the few countries in the world without community transmission cases of COVID-19 (at time of publication), tourism arrivals came to a standstill with international border closures, leaving many tourism operations closed, with some surviving on the domestic tourism market.

Economic assistance for the tourism industry was made possible with funding from the New Zealand Government (MFAT) to enable key tourism businesses to maintain operations and retain key staff throughout the crisis. Donors and SIG also funded an economic stimulus package that included grants for businesses impacted by COVID-19 across several sectors of the economy, including tourism.

In March 2021, Solomon Airlines in partnership with Tourism Solomons and MCT launched Solomon Islands' largest-ever domestic tourism initiative named 'lumi Tugeda Holidays' ('You and Me Together' Holidays). Funded by the private sector, it runs across 11 destinations in eight provinces offering substantial savings of up to 50 percent on accommodation and discounted Solomon Airlines tickets throughout 2021. It aims to support local industry and encourage travel throughout Solomon Islands. Up to 40 accommodation operators are participating.²²

Post-pandemic tourism projections for Solomon Islands are reviewed in line with the Pacific region's tourism recovery trends and outlook. For the latest updates and key resources explore:

- South Pacific Tourism Organisation (SPTO)
<https://southpacificislands.travel>
- Pacific Asia Travel Association (PATA)
www.pata.org
- United Nations World Tourism Organization (UNWTO)
[UNWTO Tourism Recovery Tracker](#)



22 Tourism Solomons. 2021. Press Release, 1 March 2021. Accessed online via: [Solomon Airlines goes live with lumi Tugeda holidays](#)



SOLOMON ISLANDS TOURISM INDUSTRY

- VISITOR OVERVIEW 2019 -

VISITOR ARRIVALS^a

28,907

Average annual
visitor growth rate

↑ 8%
from 2015 to 2019



VISITOR OVERVIEW 2019

INTERNATIONAL VISITOR REVENUE^b

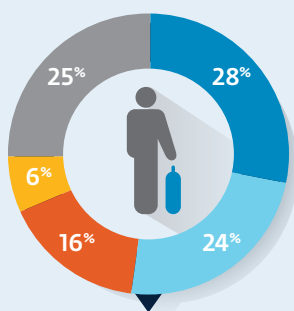
US \$91.4M

Share of
GDP^c

10.5%

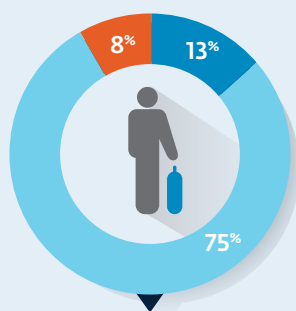
Share of
employment^c

10.8%



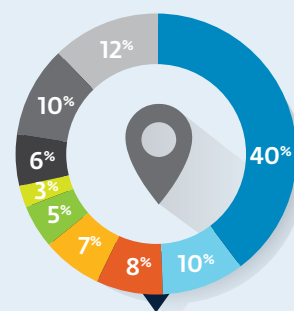
VISITORS BY PURPOSE^d

■ Holiday
 ■ Business
 ■ Visiting friends and family
 ■ Transit
 ■ Other



VISITORS BY AGE GROUP^e

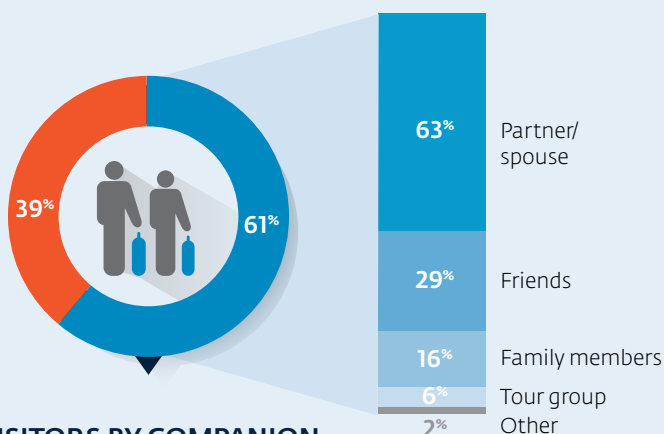
■ 0 - 24 years
 ■ 25 - 64 years
 ■ 65 years and older



VISITORS BY COUNTRY^f

■ Australia
 ■ Fiji
 ■ PNG
 ■ New Zealand
 ■ USA
 ■ Japan

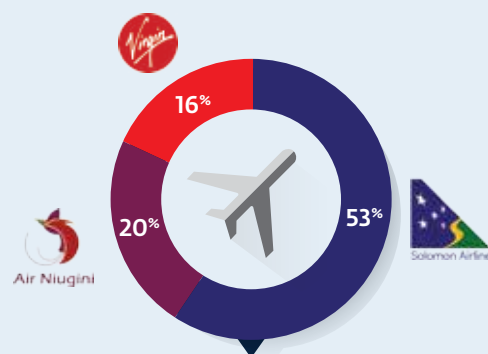
 Other Countries
■ PICIS^g
■ Asian^h
■ Otherⁱ



VISITORS BY COMPANION

■ Solo
 ■ Other

Multiple responses.
Total does not add up to 100 percent



VISITORS BY AIRLINE CARRIER^c

^a Solomon Islands National Statistics Office, Ministry of Finance and Treasury. Statistical Bulletin: No. 08/2020 released on 25 May 2020. Figure used is for 2019.

^b World Travel and Tourism Council (WTTTC). 2020. Solomon Islands 2020 Annual Research: Key highlights. <https://wtcc.org/Research/Economic-Impact>

^c IBID

^d Solomon Islands Government. 2019. Solomon Islands International Visitor Survey. January to June 2019.

^e Solomon Islands National Statistics Office. 2020. First Quarter 2020 Visitor Arrivals. 3 June 2020.

^f Solomon Islands National Statistics Office. First Quarter 2020 Visitor Arrivals. 3 June 2020.

^g Other Countries: PICIS = all Pacific Islands countries

^h Other Countries: Asian = all other Asian countries, except Japan.

ⁱ Other Countries: Other = all other countries not listed that are not considered a Pacific or Asian nation.

SOLOMON ISLANDS TOURISM INDUSTRY

- HOLIDAY VISITOR OVERVIEW 2019 -

AVERAGE LENGTH OF STAY^j

12.5 nights

AVERAGE SPEND PER TRIP^k

US \$1,941

pre-paid **60%** in country **40%**



A TYPICAL HOLIDAY TO SOLOMON ISLANDS

ACCOMMODATION

small island resorts or lodges

ACTIVITIES

Water sports
diving, fishing
or surfing

Ecotourism
bird and wildlife
watching, jungle
tours

Cultural
performances,
village tours,
cultural heritage
(kastom)^l sites or
WWII sites

Leisure
snorkeling, beach
volleyball, yoga,
lounging in a
hammock, wood
carving classes

VISITORS BY PROVINCE^m

Multiple responses.
Total does not add up to 100 percent



DESTINATION BRANDING^o



Brand Value: Raw South Pacific
Visit the country's tourism marketing body **Tourism Solomons^p** to learn more about the approach to marketing Solomon Islands as a tourism destination.

^j Solomon Islands Government. 2019. Solomon Islands International Visitor Survey. Visitors to Western Province compared to Honiara/Guadalcanal. January 2018 to June 2019. <https://www.nztri.org.nz/sites/default/files/Solomon-Islands-Western-HoniaraGu-only-visitor.pdf>

^k Solomon Islands Government. 2019. Solomon Islands International Visitor Survey. January to June 2019.

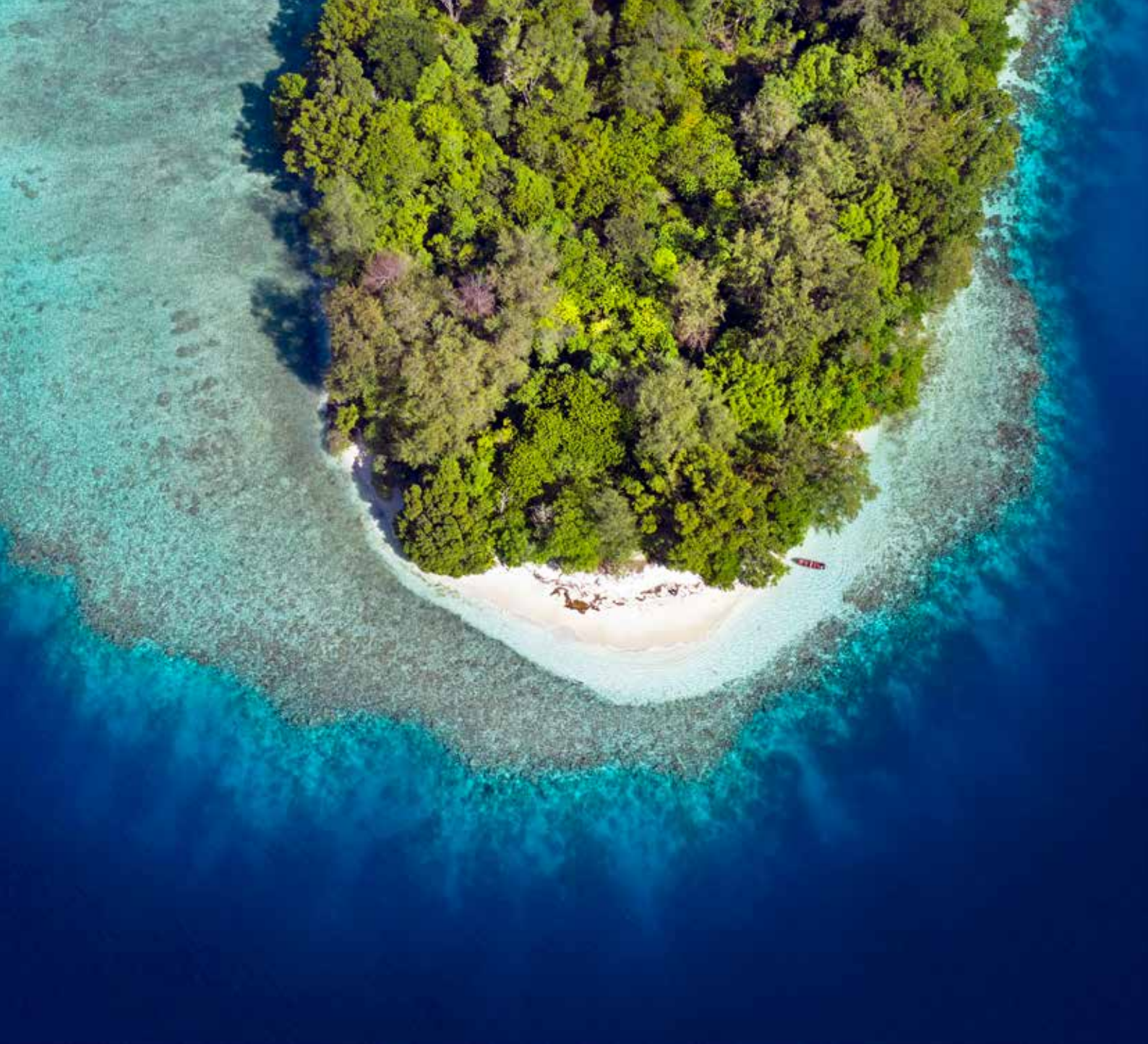
^l 'Kastom' is a pidgin word used to refer to traditional culture, including religion, economics, art and magic in Melanesia.

^m Solomon Islands Government. 2019. Solomon Islands International Visitor Survey. January to June 2019.

ⁿ Solomon Islands National Statistics Office. First Quarter 2020 Visitor Arrivals. 3 June 2020.

^o <https://tourismsolomons.com/our-brand/>

^p www.tourismsolomons.com



5. Investing in Tourism in Solomon Islands

5.1 Government entities responsible for tourism investment

The two key government departments responsible for tourism investment are **InvestSolomons** and the **Tourism Division, MCT**. These entities aim to facilitate foreign investments which are mutually beneficial for the investor and Solomon Islands' economy. Prospective investors in Solomon Islands are allocated a representative from either, or both, of these two key entities to support and guide them through the investment process.

InvestSolomons

- SIG's Investment Promotion Agency (IPA), mandated under the Foreign Investment Act 2005.
- Responsible for promoting, facilitating and monitoring foreign investment.
- Assists prospective investors with investment application and procedures, business licensing processes, and registration of investment activities.

- Evaluates all foreign investment applications and ensures foreign investors abide by their terms of registration. Facilitates introductions between prospective investors and relevant offices and departments that investors need to liaise with.

Learn more at [InvestSolomons](https://www.commerce.gov.sb/departments-units/foreign-investment.html)²³ and [Solomon Islands Business Registry](https://www.solomonbusinessregistry.gov.sb).²⁴

Tourism Division, Ministry of Culture and Tourism

- Manages and develops the tourism sector across Solomon Islands.
- Facilitates and supports tourism investment.
- Provides investors with advice on tourism licenses, tourism-specific investment incentives, minimum tourism standards, operational environment, and general tourism industry support.

Learn more at [Tourism Division](#).

²³ <https://www.commerce.gov.sb/departments-units/foreign-investment.html>

²⁴ <https://www.solomonbusinessregistry.gov.sb>

Point Cruz district in central Honiara



5.2 Process of investing in Solomon Islands

Process: Investing in Solomon Islands broadly follows a 12-step process. While some steps can be taken online, others must be completed in-person in the capital Honiara, for example the payment of fees to government entities. An overview of the steps involved in investing in Solomon Islands is outlined in [Figure 2](#). These steps have largely remained unchanged for several years. However, it is always best to check with a representative from InvestSolomons or the Tourism Division to ascertain if any changes have been made since this Guide was published.

Approach: Investors can either manage the process independently or engage a reputable local agent to assist. If an investor is not located in Solomon Islands, local agents can assist with elements that must be completed in-person and help keep the investment process moving forward. Local agents can also support an investor to navigate the process by providing an understanding of the local operating context and business administrative processes. Agents are familiar with the investment process and can assist in determining the status of applications and permits.

Timing: Reputable agents reported that the process to set-up a business with all licenses and permits could be completed in **15 to 30 working days**, also supported by feedback from investors who previously engaged an agent.²⁵ Investors who elect to proceed independently, particularly if not based in Solomon Islands, should anticipate a longer timeframe to complete the process, taking into consideration several trips to finalize the in-person components in Honiara.

Once an investor has a confirmed interest in investing in Solomon Islands, regardless of whether he/she engages a local agent to assist with the investment process, initial consultations should be held with the Director of InvestSolomons²⁶ and the Director of the Tourism Division in Honiara.

To arrange these meetings, the investor should contact InvestSolomons first, followed by the Tourism Division. Meetings are usually arranged by telephone or in-person visits to their offices. At these meetings, the investor introduces the tourism investment concept to the directors.²⁷

Solomon Islands Tourism Investment Specialists

InvestSolomons and the Tourism Division have investment specialists based in Honiara. Following the initial meetings with the Directors of these two key entities, investors are assigned an investment officer to assist across the various steps of the investment process. For large-scale investment projects, an investor will also meet with the Permanent Secretary of MCT and may be assigned investment officer(s) from both key entities.

The government directors and investment officers can make the listing of investable sites available to prospective investors. If requested by an investor, they can provide detailed profiles on individual investable sites as well as advice on the investment approval process.

Contact InvestSolomons and the Tourism Division prior to arriving in Solomon Islands.

Investment Process

[Figure 2](#) provides a summary of key steps in the investment process for foreigners investing in land for the purpose of tourism development, with a focus on the accommodation sector. While it does not include every step in the process, it delivers a broad overview. The left hand side details the key steps involved and the right hand side indicates which SIG entity, or other entity, the investor needs to engage for the relevant step. Some steps, but not all, can be completed online via [Solomon Islands Business Registry](#).²⁸



TIP: Setting up business meetings is very much an informal exercise and can often be done at short notice. It is often a case of “give me a call when you get here”. Due to the informal nature, it is always best to re-confirm appointments beforehand by telephone, which is the preferred method of communication rather than email. Business attire is also informal. Short sleeve shirts and trousers for men, and business-casual outfits for women are acceptable - there is no need for jackets and ties.²⁹

²⁵ Feedback collated by IFC from investors and reputable local agents in Solomon Islands, 2018 to 2020.

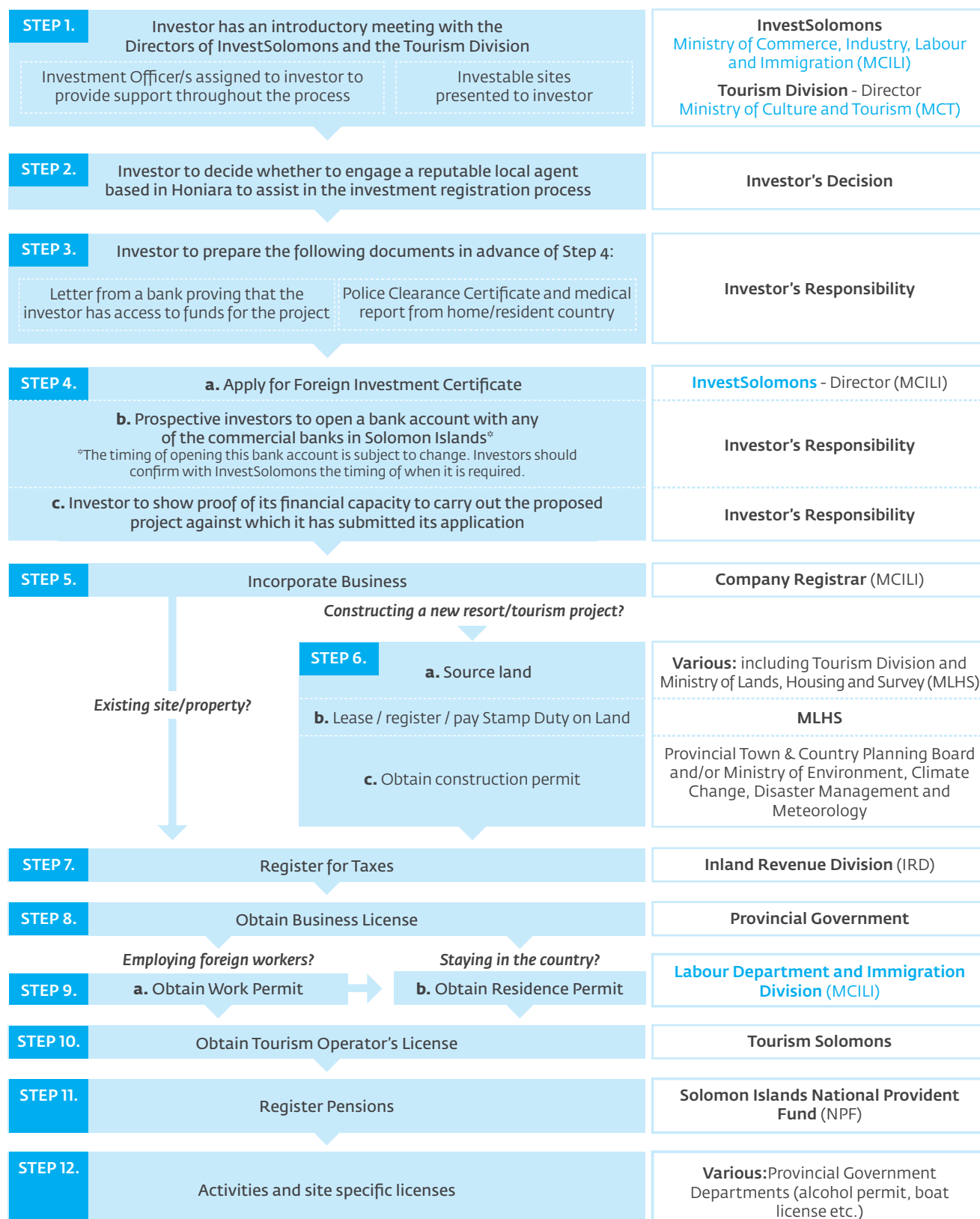
²⁶ When the Director of Foreign Investment acts or is tasked with administrative matters then they are addressed as ‘Director of Foreign Investment’. However, when addressing technical matters (for example approval of foreign investment registration) then they are referred to as the ‘Registrar of Foreign Investment’. Thus, foreign investment approval certificates refer to ‘Registrar’ and not ‘Director’.

²⁷ Refer to contact details on [Page 56](#) (back cover).

²⁸ <https://www.solomonbusinessregistry.gov.sb>

²⁹ [Advice provided by Austrade on doing business in Solomon Islands](#) In-person meetings remain possible and preferred, due to no COVID-19 community transmission in Solomon Islands (as of time of writing).

Figure 2: Overview of the Tourism Investment Process for Foreign Investors in Solomon Islands



Source: This is an updated version of the original flowchart published by IFC in *The Foreign Investment Process for Tourism in Solomon Islands: Recommendations for Improvement and Reform* (2010). The flowchart has been adapted for the purpose of this Guide.

5.3 Permits, fees, taxes, levies and import duties for investors

A. Permits and Fees

Table 1 outlines the permits and fees applicable to foreign tourism investments in Solomon Islands at time of publication. Please note, these are subject to change. An up-to-date list of permits and a schedule of fees can be obtained from the investment officer. The fees are updated on a regular basis.

Table 1: Tourism Investment Permits and Fees, Solomon Islands

Permit/ Certificate	Government Department Obtained from	National or Provincial Government Level
Foreign Investment Certificate	InvestSolomons – Foreign Investment Division	National
Company Incorporation: Tax Identification Number (TIN) - Inland Revenue Division, Ministry of Finance and Treasury	InvestSolomons – Company Haus	National
Work Permit, including visa application for each foreign national	Labour Department and Immigration Division	National
Provincial Business License*	Business License Division	Provincial
Alcohol License*	Liquor License Board	Provincial
Planning Permits*	Planning Officer at Ministry of Lands, Housing and Survey (MLHS)	National
	Town and Country Planning Board or Planning Unit at Provincial Government	Provincial

*Depending on investment type and/or need

Investors may be subject to other fees related to specific investment types, such as boat registration or restaurant fees.

B. Taxes and Levies

Once the tourism operation is in business, the following taxes and levies could apply:

- **Company Tax Rate = 30 percent (locally registered company) or 35 percent (foreign companies or branches of international companies).** Companies incorporated in Solomon Islands are subject to a flat rate tax imposed on the company's worldwide profit, which consists of business revenue less expenses. Company tax is collected by the Inland Revenue Division (IRD).

Solomon Islands' Income Tax Act provides a range of incentives (refer to [Section 5.4](#)) intended to encourage investment in Solomon Islands. The power to exempt lies with the Commissioner of Inland Revenue and is

discretionary in nature.

- **Bed and Unit Levy = 10 percent.** Applicable to tourism operations only. The levy can be compared to a value-added tax (VAT). It is collected by Tourism Solomons and used to fund marketing activities of Solomon Islands as a tourism destination.
- **Other key taxes:**^{30,31} Goods Tax, Sales Tax, Stamp Duty, and Withholding Tax.

This Guide is not intended to provide and should not be relied upon as providing financial, accounting, legal, regulatory or tax advice. Investors should obtain advice from reputable entities on their tax liabilities.

More information on tax can be found at [Inland Revenue Division, Solomon Islands](#).

³⁰ Solomon Islands Inland Revenue Division. Tax Types. Accessed online via [Solomon Islands Inland Revenue Division - Tax Types](#)

³¹ Solomon Islands Government - Inland Revenue Division. 2013. Solomon Islands Stamp Duties Act. Cap. 126. 30 August 2013. Accessed online via: [Inland Revenue Division Solomon Islands](#)

C. Import Duties

There are four *ad valorem* import duty rates on most imported goods – **5, 10, 15 and 20 percent**. However, certain importers and investors in the tourism sector receive full or partial exemptions. For example, depending on the size of investment, investors may be eligible to receive up to 100 percent import duty exemptions on all capital goods not available locally. For details, refer to [Section 5.4](#) below, and the [Tourism Incentives Package, 2017](#).³²

5.4 Tourism investor incentives

Once an investment has been approved to proceed, investors in the tourism sector in Solomon Islands are eligible to receive a range of tourism-specific incentives, as detailed below (correct at time of publication).

Tourism Incentives Package: In 2017, MCT launched a range of incentives aimed at attracting domestic and foreign investment into tourism. The incentives are linked to the size of investment and include various tax and import duty exemptions. Refer to [Annex 1](#) for an overview of investment categories and incentive types. For details of each incentive type, the value and time frame, refer to the [Tourism Incentives Package, 2017](#).³³

Tourism Grants: MCT has a grants program aimed at funding tourism start-ups, business upgrades and the expansion of existing tourism operations. Most grant recipients to date have been accommodation operators, but tours and attractions are also eligible. The funding available for grants varies from year-to-year depending on government budget allocation. The grants are primarily earmarked for domestic investors due to most Solomon Islanders' difficulties in accessing finance³⁴, however, some foreign-owned businesses have received MCT grants for upgrades, particularly those that provide benefits to local communities from employment and tourism capacity building.

5.5 Other tourism investor requirements

Tourism Minimum Standards: In 2018, MCT launched the Minimum Standards for Tourism Accommodation program. The program aims to raise the standards and quality of tourism accommodation in Solomon Islands to enhance the sector's competitiveness with neighboring countries. There are eight classification categories of accommodation with a respective set of criteria. Seven of the eight categories are relevant for prospective investors (hotel, resort, motel, ecolodge, tourist bungalow, serviced apartment and budget accommodation), whilst the homestay accommodation category is more applicable to small-scale ventures. The criteria include all operational aspects of a tourism property. MCT assessors periodically visit accommodation operators to make assessments and classify accommodation into relevant categories.³⁵

Investment officers can provide prospective investors with copies of the minimum standards criteria before commencement of accommodation planning and construction to ensure compliance.

Reserved List: Certain business activities in Solomon Islands are reserved for domestic investors only. This 'Reserved List' is a Schedule from Solomon Islands Foreign Investment Act 2005 and is maintained by InvestSolomons.³⁶ The list aims to protect specific opportunities for domestic business providers and prevents foreign investment in these activities.

Tourism accommodation, tours and activities are not reserved activities, with the exception of bungalows, eco-lodges and homestay accommodation with less than ten beds. Some tourism-related services are also reserved activities. These include: operating buses, taxis and car hire services; producing handicrafts and cultural artifacts; providing hair and beauty services; retail trading, and restaurants, cafes and other eating and drinking businesses other than specialty businesses operating within an area of less than 25 square meters or within tourism accommodation.

³² <https://tourismsolomons.com/wp-content/uploads/2018/11/TourismIncentivesPackage.pdf>

³³ IBID

³⁴ Access to finance by the private sector in Solomon Islands is constrained by risk aversion at commercial banks, unclear land rights, systemic difficulties in using most types of collateral for loans, lack of a clearing system outside Honiara, and large infrastructure gaps. Source: ADB. 2019. Pacific Finance Sector Briefs – Solomon Islands. ADB Pacific Liaison and Coordination Office. October 2019. DOI: <http://dx.doi.org/10.22617/BRF190375-2>

³⁵ [Tourism Solomons - Minimum Standards for Tourism Accommodation program](#)

³⁶ [Solomon Islands Business Registry - activities reserved for domestic investors](#)



6. Understanding Land Tenure and Land Titles in Solomon Islands



Land tenure and land titles in Solomon Islands are complex subjects to understand and navigate.

This section provides investors with critical information on both with the aim of helping investors make more informed decisions before entering into land agreements for their tourism development.

Land Ownership: Can a foreign investor own land in Solomon Islands?

Foreign nationals or foreign companies cannot own land in Solomon Islands. The only instance where foreigners can be land-owning shareholders is when the Perpetual Estate titleholder is a company. A land-owning company can have up to 40 percent foreign ownership. Leasing land is the most common scenario (refer to [Section 6.3](#) and [Section 6.4](#) for leasing options available to foreign investors).

6.1 Overview of land tenure

Land tenure determines ownership, use and administration of land. There are two very different types of land tenure in Solomon Islands – **registered land and unregistered land**.

1. **Registered land:** Includes all land that is publicly or privately owned and accounts for 20 percent of all land in Solomon Islands. Registered land is administered by the Commissioner of Lands (CoL) on behalf of SIG, with CoL responsible for keeping the records of boundaries and ownership. Registered land is also referred to as Public, Crown, or Alienated land and is divided into land parcels, each of which is assigned a parcel number. Each land parcel has a land title certificate (refer to [Annex 2](#)) kept by the Registrar of Titles. Registered land can be bought and sold by Solomon Islanders, but for foreign investors it can only be leased for up to 75 years. It can be owned by the national government, such as CoL, or alternatively by provincial government, Solomon Islander private individuals, commercial enterprises or entities. Most registered land is owned by the CoL on behalf of the government, or by individual Solomon Islanders and entities.
2. **Unregistered land, also known as 'customary land':** Unregistered land has traditional customary land ownership and accounts for 80 percent of all land in Solomon Islands. Customary land can be described as land that is administered communally, by tribes or

family groups. This land is not usually bought and sold, but inherited. Any activities on the land, such as a tourism development, need the approval of the larger family, group or tribe. Since these informal agreements are not recorded, there is no legal protection for an investor in case of a dispute. Under the current legal system, customary land is not 'bankable' and landowners cannot seek finance from commercial banks using customary land as security for loans.

Registering 'customary land'

The process whereby customary land is alienated and registered is called 'land acquisition' in Solomon Islands. 'Land acquisition' in this context should not be confused with the transaction of purchasing land. Once customary land is alienated through the process of 'land acquisition', the land can legally be sold or leased out. This is rarely done, usually only for major infrastructure developments of national importance.

Without government support, it is very difficult to alienate land. Some foreign investors have tried working with customary landowners to register land, but the process is time consuming, complicated, expensive, and there are very few success stories to act as precedents.

Land acquisition in Solomon Islands can be controversial, as once land is alienated from customary landowners it can be lost from the traditional owners forever if it is sold. In the past, individuals have registered land without the knowledge of the wider family and sold it to outsiders. The CoL does not encourage land acquisition, except in cases where land is needed for important public services or economic activities.

The Commissioner of Lands and the Ministry of Culture and Tourism consider unregistered land to be very risky for investors as there are seldom any records of ownership. They recommend that investors should only consider investing in registered land and that hotels, resorts and lodges be developed on secure land with clear title (registered land which is not contested).

Many current foreign-owned tourism operations are located on registered land. While registered land accounts for a relatively small share of overall land in Solomon Islands, there is expected to be enough with tourism potential to meet anticipated investment needs. A significant amount of registered land is old plantations concentrated on small islands and along the coast with access to regional tourism hubs. These hubs have the necessary infrastructure to support tourism development, such as airports, ports, suppliers and services.



6.2 Overview of land titles

There are three types of land titles for registered land in Solomon Islands: Perpetual Estate, Fixed-Term Estate and Lease.

1. **Perpetual Estate:** Land is owned by a titleholder in perpetuity and it is the same as freehold title, or ownership. Most land under Perpetual Estate title is owned by the CoL on behalf of SIG, or by individual Solomon Islanders. Government-owned Perpetual Estate land is regularly leased to individuals, enterprises or entities. Foreign nationals are not allowed to hold Perpetual Estate titles, but they can lease from CoL, individuals or trustees of tribes who hold Perpetual Estate titles.
2. **Fixed-Term Estate:** Land leased from the government for a given length of time, as outlined in the terms of the Fixed-Term Estate. Before or upon the expiry of the Fixed-Term Estate, the FTE owner can apply for it to be extended. As long as there are no irregularities or special circumstances, a Fixed-Term Estate title can be similar to actual ownership. The titleholder of a Fixed-Term Estate can sell the title or sub-lease the land with approval from CoL, if the land is used or developed. Land under Fixed-Term Estate that is not used can in theory be reclaimed through a process known as 'forfeiture'. This can be done in cases of 'land banking' or when undeveloped Fixed-Term Estate-held land is blocking development of important infrastructure.
3. **Lease:** Similar to a Fixed-Term Estate lease, however, Lease land is leased from the holder of a Perpetual Estate title to an individual, enterprise or entity.

Sub-Leasing: All of the above three types of titleholders can sub-lease their land, subject to the Perpetual Estate owner's permission. A foreign investor sub-leasing land will be the holder of a Lease title.

6.3 Land titles available for investment

1. Fixed-Term Estate

Fixed-Term Estate titles are available for a maximum of 75 years for private or commercial use and are considered the 'safest' type of title for tourism development because of their longevity. A foreign investor can buy a Fixed-Term Estate title from a private titleholder if the remaining term of the Fixed-Term Estate is no more than 75 years, and pending approval from CoL.

When obtaining a Fixed-Term Estate from the government, the Lease Premium or price is calculated at 10 percent of the

Unimproved Capital Value (UCV), meaning the value of the land alone, and not including the value of any fixed assets existing on the land. This Lease Premium is a one-time fee to lease the land, following which rent is paid yearly and is set at 10 percent of the Lease Premium.

The UCV is set by government land valuers and in some cases, the lessee has disputed the estimate by the government land valuer. If a lessee thinks the UCV is unreasonably high, it may contract its own third party valuer (usually from a bank or law firm) to negotiate a lower Lease Premium based on the independent valuation.

2. Lease

Lease titles are available when land is leased from a private owner or Fixed-Term Estate titleholder. The price is market-driven and open to negotiation.

Landowner versus Titleholder

The term 'landowner' in Solomon Islands is often used when referring to both Perpetual Estate holders (owner in perpetuity) and Fixed-Term Estate holders (temporary owner) and sometimes even by Lease holders. The correct term should be 'titleholder' and as such, is used in this Guide. Since 'titleholder' and 'landowner' are used interchangeably in Solomon Islands for these different lease types, investors should seek clarification around the exact nature of any current or proposed lease for a site.

6.4 Types of landlords investors can lease land from

Foreign investors can enter into lease agreements with five types of landlords. Investors can also enter into partnerships with private owners or entities, such as companies, churches and trusts. In such agreements, the land is usually owned by the local partner, but the business operating on the land is owned by the foreign national. Such agreements usually occur when the investor has an extremely good understanding of the operating environment after many years operating a business in Solomon Islands.

It is the responsibility of the investor to conduct due diligence on the entity or individual before entering into an agreement with a landlord. Moreover, an investor should directly confirm and document any lease agreement with local entities before finalizing.

The five types of landlords that foreign investors can lease land from are:

1. **Commissioner of Lands (CoL):** Administers land owned by the government, and acts as a landlord on behalf of the government. CoL is considered a stable partner for foreign investors as it has the support of the government. CoL prefers that land is used for economic development that creates local employment (as is usually the case with tourism).
2. **Provincial government:** Administers land owned by a province. Often the land owned by the provincial government is in urban areas, but it can also be in more remote locations.
3. **Entity, e.g., church, organization or company:** Owners or leaseholders of land (usually Fixed-Term Estate or Perpetual Estate titleholders). These are considered stable entities and good partners.
4. **Individual(s):** Owners or leaseholders of land (usually Fixed-Term Estate or Perpetual Estate titleholders). Most agreements are with individuals who have Fixed-Term Estate titles on land owned by the government.
5. **Trustees:** The maximum number of individual owners of a land parcel is five. When five individuals are listed as owners this often indicates they are trustees of a landholding group representing a tribe, family or community. The suitability of trustees as landlords should be assessed on a case-by-case basis, noting that land owned by groups often has similar complexities to working with customary land. Issues are less likely to be around the initial development, but may emerge subsequently, for example, around internal governance and profit sharing once the business is operational. Disputes can arise when one or more of the trustees dies and successors have not been chosen to replace the deceased trustees.

6.5 Investor research on land and host communities

Having selected an investable site, and prior to entering negotiations for land with a titleholder, it is critical investors conduct their own research on the proposed site and surrounding communities. Due to the combination of registered and unregistered land tenure, there are often disputes over land. This is not limited to the tourism industry – all sectors in Solomon Islands experience the same challenge.

InvestSolomons' and the Tourism Division's investment officers can assist investors in gathering information for their research. However, it is the sole responsibility of the investor to make the final decision about entering into a lease agreement, legally binding or other. Regardless of

whether or not investors have been provided with a 'profile' on the investable site by an investment officer, they should continue to conduct their own research. The provision of detailed information in the investable site profile can assist in identifying sites with less likelihood of land disputes; however, it is not a guarantee there will not be issues in the future.

Reflecting Solomon Islands' context within the investor's research process:

When an investor conducts its own research on land and host communities, the following three steps may be considered appropriate in the context of Solomon Islands.

1. For a small fee, an investor should secure its own certified hard copy(s) of the land title from the Registrar of Titles office in Honiara, which will confirm the legal tenure of the land parcel. The certified hard copy(s) should be obtained at several points during the investment process: when the investor is doing initial research on the land parcel, just before entering into any legal agreements, and even once the negotiations have been completed. While there are rare instances of falsified land titles, the main reason for always having the most recent copy is that land tenure can change quickly. At the time of this report's publication, copies of land titles are paper-based and must be certified and stamped by the Registrar of Titles office in Honiara.

2. Understand the dynamics in the area surrounding the investable site to establish relationships with host communities. Obtaining the following information can also be useful when establishing a working relationship with the host community:

- **Tribe:** Establish which is the dominant tribe in the area, and if there is more than one. In some areas, the investable site may have been historically controlled by a different tribe.
- **Village:** Most areas have a main village where tribal chiefs usually live. Establish which is the main village for the area. This may not always be the closest village, but instead the dominant village of the area.
- **Religion:** In remote areas, churches can often be influential when it comes to community governance. Establish which is the dominant Christian denomination of the area, and how it affects community life.
- **Settlers:** Some areas are settled by migrants from other areas, mainly Malaitan descendants of plantation workers and Micronesians who were relocated from Kiribati. In some areas, these migrants may even be the dominant population and sometimes own or lease land,

even without customary links to the area.

- **Regional power dynamics:** Political leaders, businesspeople or individuals from prominent families may have influence on local affairs, even if they no longer live in the community. A Government Minister or Member of Parliament may also be closely related to a local tribal chief or to religious leaders. It is common that a region or tribe has a powerful patron in Honiara, who in various ways can be a person of influence. These types of local power dynamics are important to understand.
 - **Neighboring settlements:** Identify smaller villages or settlements in the immediate area and analyze where they fit into the local context. If local people use resources on the land (e.g., collect firewood or fish), it is important to establish where they come from and their links to the land.
 - **Water use rights:** Regardless of the ownership of dry land above the high water mark, customary landowners may claim ownership of the waters, i.e. the land below high water mark. Unlike many other countries, land below high water mark is not owned by the State, and customary landowners can claim ownership, including over reefs. Any investor considering reclaiming land or building a jetty or buildings over the water needs to consider this.
- 3. Understand the history and background of the investable site** to assist in establishing good relationships with the titleholders and host community and to pre-empt any potential land disputes.
- How and when was the land alienated originally? Who were the original customary owners?
 - How and when did the current land titleholder obtain the title and thus obtain ownership?
 - Identify any legal caveats lodged disputing ownership, and the current status of any court rulings involving the land.
 - Determine the dynamics within the titleholding entity, such as ongoing conflict within the family, company, church or trustees listed as titleholders.
 - Understand if there are any current users of the land (other than the titleholder).
 - Determine if there are any local interpersonal disputes, which can sometimes spill over into land disputes.

Information gathered from these three steps should be handled with appropriate discretion and can help investors

understand the dynamics of the area surrounding the investable site and social license with the host community. Refer to [Section 7.3](#) for more information on social license.

6.6 Preparing for negotiations with titleholders

Before starting land lease agreement negotiations, investors should conduct an initial site visit and meet the titleholder(s), i.e., landowner. Most titleholders do not live on the site. Investment officers will facilitate organization of the meeting for investors and usually attend the negotiations. Their presence helps bridge social and cultural differences that can exist between the investor and titleholder. Investment officers can also play a key role in helping to minimize any misunderstandings between the two parties.

To prepare for the initial meeting, investment officers should, subject to a confidentiality agreement with the investor, provide the investor with relevant background information on the titleholder. It is worth noting that titleholders are not always an individual, they can be an entity such as a company, church or trustees of a tribe.

Prior to the meeting, enquire if an interpreter is needed.

6.7 Negotiating the land lease agreement

Investment officer(s) will support investors in preparing for land negotiations and usually attend to play the role of facilitator.

If an investor is leasing land directly from the government or an entity, negotiations may be more business-like and straightforward. However, an investor could potentially miss out on building solid links to the local community via a titleholder. There are pros and cons to both options that investors should understand.

Prior to entering into lease negotiations with the titleholder, investors are encouraged to consider the following Solomon Islands-specific factors:

- a. Obtain background information on the titleholder(s) attending the negotiation.
- b. Where possible, understand the expected value of the lease. Due to limited tourism development in Solomon Islands, this figure can be challenging to estimate. While past leases have typically been low, the country is becoming more developed. Titleholders may also have unrealistic expectations on what their land is worth. In the past, some titleholders have felt disenfranchised after agreeing to a fixed lease rent that over time decreased in value.

- c. Consider negotiating an agreement whereby the success of the tourism operation will be reflected in the benefits for the titleholder over and above the one-off lease payment and monthly or yearly rent. This could also contribute significantly to building a long-term relationship with the titleholder. For example:

- **Profit sharing:** on top of the one-off lease payment and monthly or yearly rent, the landlord receives a fixed commission based on revenue or profit. This may incentivize the land titleholder(s) to assist and protect the tourism operation.
- **Service agreement:** apart from acting as a land titleholder, the land titleholder(s) may also be contracted as a service provider in charge of transport, fresh produce or security. Some tourism operations may keep the titleholder(s) on a retainer to manage government compliance procedures and community relations.

- d. Establish positive relationships with the titleholder. This is a critical component to the success of the negotiation, and also throughout the operational phase. Titleholders can assist investors by adding value in many ways, for example navigating local bureaucracy and forming good relationships with the host community. If a titleholder becomes dissatisfied, it could affect the tourism operation.

- e. Be aware that the Land and Titles Act does not allow for the termination of a lease unless both the lessor and lessee agree.

6.8 Post-land lease negotiations

Once the lease price and other details have been negotiated and agreed, InvestSolomons and the Tourism Division will assist investors to obtain locally required licenses and permits, such as a Provincial Business License and site-specific building permit(s).

It is recommended that investors should not start paying the lease, or breaking ground on site before these licenses and permit(s) have been secured.



7. Understanding Operational, Environmental and Socio-Cultural Challenges

This section outlines some of the potential challenges for investors when planning and operating a tourism business in Solomon Islands. Many of these issues are faced by tourism operators throughout the Pacific, or anywhere where tourism operations take place on remote islands in developing countries. Almost all such challenges can be managed, particularly if mitigated early in the investment process, and certainly before starting to design and plan buildings or other tourism operation-related infrastructure.

The findings in this section are based on interviews with regional investors, lessons learned from existing tourism operators in Western Province and the Pacific, and IFC's 2021 [Boosting Tourism: Environmental and Social Diagnostic of the Tourism Sector in Solomon Islands' Western Province](#).

7.1 Operational challenges

Key operational challenges include:

1. **Accessibility/tourism operation (distance, safety and cost):**
 - a. **Distance:** Most tourism operations in Solomon Islands are accessed by boat. The distance to the nearest airport becomes an important part of the operation in terms of transfer time, safety and cost. For practical reasons a tourism operation benefits from being close to an airport, yet often sites of attraction are located in more remote areas. When selecting a site, investors must weigh the quality of the site against the practicality of access. Most current operators in Solomon Islands are located within 20km of an airport, with a small number of remote operations up to 60km away.
 - b. **Safety:** When it comes to safety, distance alone is not the main factor. Most investable sites can only be reached by boat. Some journeys take place on protected waters, such as lagoons sheltered by reefs and islands, while others are on open water or the exposed 'weather coasts' of islands. Land situated near a protected lagoon can be accessed in any weather, in contrast to open water crossings not feasible in bad weather. The safety of guests and staff, of course, is paramount at all times.
 - c. **Cost:** The high price of fuel in Solomon Islands is a key input cost for an investor to consider, particularly for boat travel. Distance traveled has a direct impact on the cost of bringing visitors and staff to a tourism operation.



2. **Availability of basic services/key utilities:** Basic services such as power, water and sewage are only available at Solomon Islands urban hubs of Guadalcanal and Western Province (Gizo, Munda, Noro and Seghe). Similar to most remote island destinations around the world, investors may need to plan their tourism operation in Solomon Islands to be completely self-sufficient in accessing and/or providing these basic services. Depending on location, accommodation investments may benefit from being developed as off-grid operations with the ability to manage their own energy supply, water and waste management.

- a. **Power:** Solar-generated power is an option for investors in Solomon Islands rather than relying on fuel-driven generators which can be expensive to run due to high fuel costs.
- b. **Water:** Access to freshwater is also a factor when selecting land for tourism development. Some sites have freshwater springs or access to water from nearby streams, while other sites are dry. Investors should consider obtaining advice on the most appropriate water system for their site, for example, rainwater harvesting systems or desalination plants to produce sufficient freshwater to support a tourism operation.
- c. **Telecommunications:** The telecommunications network in Solomon Islands has improved significantly in recent years. Many remote areas now have access to the 3G network. The recent completion of the Coral Sea Cable³⁷ will likely lead to faster and more affordable internet in the near future. In some areas where the network is still patchy, tourism operators use a satellite internet service provided by a local operator.
- d. **High start-up infrastructure and transport costs:** The lack of basic services and utilities available in Solomon Islands involves higher start-up costs for businesses. Investors will need to import and transport specialized equipment long distances, such as solar panels, water treatment systems and building materials, all of which become a major expense. Import costs likely can be offset through tourism investment incentives.³⁸ Investors can potentially reduce construction costs by using local materials as much as possible. Several operators have used small

portable timber sawmills to produce their own timber from locally sourced logs. In the longer term, being an off-grid tourism operation has the advantage of not having to pay for utilities. The return on investment in these initial infrastructure and transport costs may be realized over time.

7.2 Environmental challenges

Investors can also encounter a range of environmental challenges, as summarized below. For a more detailed overview of potential environmental considerations, refer to IFC's 2021 ESDS. Most challenges identified in the ESDS will also apply to other areas of Solomon Islands.

1. **Tropical climate:** Ongoing maintenance is required to mitigate the effects of humidity on equipment and buildings.
2. **Natural disasters:**
 - a. Tropical cyclones: Due to the geographical location of Solomon Islands they are not as powerful as in other, more southern, regions of the South Pacific. Tourism operators may incur damage to roofs and marinas due to such storms.
 - b. Tsunamis and volcanic activity: As Solomon Islands is a seismically active area, earthquakes and tsunamis can occur despite being historically rare.
3. **Climate change:** This is an issue for the whole Pacific region, not just Solomon Islands. Climate change may have two major impacts on Solomon Islands.
 - a. **Rising sea levels:** Land located on low-lying islands may be particularly vulnerable to sea-level rises. Small narrow islands frequently lashed by storms may not be sustainable in the long term. Fallen palm trees along a coastline can be a sign of coastal erosion. Plan the development of any tourism infrastructure accordingly and avoid building on the lowest points of the site. Adaptive strategies may include building on stilts rather than on the ground, erecting seawalls in exposed areas and planting vegetation that protects the coastline, such as mangroves.

³⁷ The 4,700km Coral Sea Cable System is a 40Tbps submarine fibre optic cable that brings next-generation connectivity to the people of Solomon Islands. It directly connects Honiara in Solomon Islands to the global internet hub of Sydney, Australia. Source: <https://coralseacablecompany.com/the-system>

³⁸ Refer to: <https://tourismsolomons.com/wp-content/uploads/2018/11/TourismIncentivesPackage.pdf>

b. **Rising ocean temperatures:** Over recent years, warmer ocean temperatures have already led to coral bleaching events in some areas of Solomon Islands. This threat may continue resulting in coral reefs being significantly damaged. Some tourism operators have initiated coral replanting projects and have partially restored reefs surrounding their properties.

4. **Wildlife:** Divers frequently interact with sharks and other marine life without problems. There are very few venomous spiders or snakes and reported bites on humans are rare. Estuarine Crocodiles are present throughout Solomon Islands and present a hazard to humans. Crocodiles live mainly in tidal reaches of rivers, as well as in freshwater lagoons, swamps and waterways. Frequency of sightings vary from area-to-area. Most tourist operations are located in areas with clear water where there is less chance of encountering crocodiles.

- **Unexploded Ordinance (UXO):** UXO from World War II poses a risk in some areas of Solomon Islands. Local communities often know where UXO may be encountered and which areas have been cleared. There are also qualified UXO clearance contractors in Solomons Islands. Investment officers can provide investors with these details if needed.

- **Extractive industries:** Logging and mining are both important contributors to the economy of Solomon Islands. Logging operations can cause detrimental damage to pristine island landscapes. The run-off and erosion caused from logging operations can pollute waterways and damage coral reefs.

Currently, logging operations in Solomon Islands are decreasing and, in some areas, they are being replaced with more sustainable forestry plantations. Selecting land for tourism development should take into account the proximity to any current or proposed logging and mining operations. Conservation non-governmental organizations (NGOs) active in Solomon Islands, such as World-Wide Fund for Nature (WWF) and Wildlife Conservation Society (WCS), keep abreast of new logging operations and their locations. Before finalizing the selection of land for development, ascertain if extractive industries pose a threat either in the immediate or surrounding areas of the proposed site.

7.3 Socio-cultural considerations

Understanding the Wantok system

The word 'Wantok' is pidgin for 'one talk'. The Wantok system can be seen as an unwritten social contract between those who speak the same language or are from the same village and/or family to assist each other in times of need.³⁹

The Wantok system has traditionally delivered many benefits, such as sharing and caring for the less fortunate in the wider family and tribe. The system can also be used for personal gain, and 'Wantoks' may receive preferential treatment from other 'Wantoks' in positions of power.⁴⁰

Many titleholders are also customary landowners. While leasing registered land is a normal business transaction, the titleholder may also expect that 'Wantoks' receive preferential treatment in terms of employment and sourcing of local products. Initially this can be useful for investors unlikely to have a local network to source staff, services and material from. Hiring locals is also a good way to build good relationships with the host community. However, some resort managers have noted that local staff may take their employment for granted if the landlord is their 'Wantok'. One suggested model is to initially offer jobs to locals from the host community (or Wantoks of the landlord) but make it clear that continued employment and service agreements are based on performance. Details of this type should be discussed and clarified before entering into a land lease.

The importance of building and maintaining community support

A tourism operation in Solomon Islands cannot exist in isolation. It needs the host community to source staff, produce, materials and access to areas where tourism activities are conducted.

The host community can be the local people the tourism investor and its operation need to engage on an ongoing basis, such as immediate neighbors or the wider community in the area.

39 Solomon Times. 2008. The Cost of the "Wantok System". Newspaper Article. 16 February 2008.

40 Global Informality Project. 2021. Wantoks and Kastom (Solomon Islands and Melanesia). 18 January 2021. Accessed online via: <https://www.in-formality.com/>

The importance of good relationships with the host community is a critical condition for a tourism investment's sustainability and success. The concept of gaining approval and maintaining acceptance is sometimes referred to as obtaining 'social license'. This social license is important to ensure the investment is realized and that tourism operations can continue long term.

What is Social License?

Defined as existing when a project has the ongoing approval within the local community and other stakeholders, ongoing approval or broad social acceptance and, most frequently, as ongoing acceptance. It is dynamic and non-permanent because beliefs, opinions and perceptions are subject to change as new information is acquired. Hence, the social license must be earned and then maintained.⁴¹

In the context of a tourism operation, social license is achieved when the operation is accepted and approved by the host community. Solomons Islands' customary land ownership and tribal governance system makes it even more important for investors to establish good working relations with the host community.

Work to gain social license starts early in the investment process and is usually established via two-way consultations between the investor and community, providing the latter with an opportunity to express its views on the investment and allowing investors to respond.

Obtaining social license can also involve providing a mixture of economic and social benefits for the host community, as well as having friendly relationships with neighbors and community leaders. The extent and degree of engagement required in the initial stages should be commensurate with the project's risks, potential adverse impacts and concerns raised by communities.

The following is a suggested list of ideas for investors to consider when building and maintaining social license. It draws on previous experiences and lessons learned from tourism investors in Solomon Islands and the Pacific Region. It is not an extensive nor complete list, nor does implementing one or all the ideas guarantee results. However, it can be used as a starting point for investors when thinking about their situation-specific approach to building social license.

Furthermore, as global best practice, investors can refer to IFC's Performance Standards 1, 5 and 7⁴² which establish standards on what investors should meet throughout the life of an investment in relation to affected communities and indigenous peoples.

1. **Identify the host community:** A good starting point is to determine the host community. In some cases it is the neighboring village, but that is not always the case. Typically, there are certain villages where tribal chiefs and locally-important families live. These villages are the center of the host community. This is particularly relevant in more remote areas. Closer to larger villages, different ethnicities and tribes may live intermingled and the host community might not be as clearly identifiable.
2. Consultations with the host community should always be based on **prior disclosure and dissemination of relevant, transparent, objective, meaningful and easily accessible information** in culturally appropriate local language(s) and a format that is understandable by communities.
3. **Document the two-way consultation process**, with records of what was discussed and responses. This can be useful over the longer term when reflecting on the effectiveness of the process.
4. **Consider the economic benefits**
 - **Employment:** Usually the most important community benefit a tourism operation brings is employment. Regular employment outside main towns in Solomon Islands is challenging to secure. In many locations, tourism operations are the only provider of jobs. Additionally, tourism resorts may hire locals for temporary contract work to spread benefits within the community. If payment is fair and workers are treated well with opportunities for training and advancement, employment is the most important factor to establish social license.
 - **Sourcing goods locally:** Buying local is another way to spread tourism's economic benefits within the host community. Many Solomon Islanders who live subsistence lifestyles can generate income by selling produce, fish, local materials and handicrafts directly to tourism operations. This provides benefits to the community and tourism operation, especially in remote areas.

⁴¹ Further information on social license can be found at: <https://sociallicense.com/definition.html>

⁴² <https://www.ifc.org/performancestandards>

5. Consider the social benefits

- **Raising awareness of tourism amongst the host community:** Local communities' understanding of tourism concepts varies from province-to-province depending on existing levels of tourism business and visitors in the respective area. In locations with limited community understanding of tourism, awareness-raising activities should be a key component of building social license.

Firstly, establish if any entities (government, NGOs, tourism businesses) have already conducted tourism awareness-raising activities near the site or the general area. Understand what type of activities took place, where, when and with whom in the host community.

- **Designing and implementing tourism awareness-raising activities:** Typically, a tourism awareness program starts with engaging the community and explaining what the investor hopes to achieve in the area, how the development will look, what type of activities tourists will engage in and discuss the potential positive and negative impacts of tourism, and associated risks. Additionally, potential business arrangements with the community - such as employment, services and fresh produce sales - may be discussed.

In countries like Solomon Islands, business owners and tourists are sometimes perceived as having unlimited wealth. This may lead to unrealistic expectations of the benefits that tourism can bring to a community. A discussion around this can be useful to ensure expectations are not raised. It is also appropriate to discuss any "boundaries" that maybe required between the two parties.

Examples of boundaries established by the host community:

- it may prefer set times for tourists to visit villages
- it may require modest dress as a requirement to enter villages
- certain days may be off-limits for religious reasons
- it may prefer that visitors are accompanied by a local guide.





Examples of boundaries established by tourism operators:

- it may not be comfortable with local community members selling souvenirs to guests inside the resort
- it may prefer to allocate an agreed time with the community when souvenir sales can take place and limit this to certain locations.

Building a community's tourism awareness typically evolves over time. Despite likely misunderstandings and challenges along the way, it will be a learning process for both parties. Local employees often play an important role in raising awareness of tourism and its benefits within a community.

- **Community projects:** A common way to help establish social license is to engage in community projects. This may be any charitable project or activity that is beneficial to the community, such as one focused on education or health. Engagement may be practical, such as helping to replace a roof on a school or financial, by funding the same roof. Investors can also support community activities, such as cultural or sporting events. In some areas, there may already be ongoing community development programs and investors can support these rather than starting new ones. While involvement in community projects is welcomed, interference in village affairs is not. There is a fine line between trying to mitigate local issues and being seen as meddling. Before engaging in community projects, investors should first discuss them with the relevant community leaders, such as village chiefs, teachers and/or church leaders.
- **Community profit-sharing via village funds:** Another model used by tourism businesses is to set up a community profit-sharing scheme. This works best in areas where the 'community' is easily defined, for example a neighboring village. The most common system is a type of voluntary fee where a small, fixed amount per tourist arrival goes to the village fund. Such village funds are usually used for community social and development needs identified by the host community. In Solomon Islands, funds could be used for school fees for local children, often the largest expense in villages where most parents are subsistence farmers and fishermen. Funds can also be used to cover emergency medical expenses or community infrastructure projects.



IMPORTANT: Investors should think carefully about what the village funds should be used for in partnership with relevant community leaders. The system should be simple, transparent and one that is well understood by the community. Funds should only be transferred to legitimate and reliable representatives of the village. Business operators should not promise regular contributions to village funds without means or intentions to follow through.

- **Kastom fees:** The system of 'kastom fees' is a key part of the operational environment for tourism businesses in Solomon Islands, and establishing social license with surrounding communities.

In Melanesian culture, customary landowners historically control access to their land. This is still the case today in many areas of Solomon Islands. Most tourism operations are located on registered land, not customary land tenure. But the surrounding land usually still belongs to local communities. Access or use of this land for tourism activities requires the approval of customary landowners. For regular commercial tourism activities, operators pay a so-called 'kastom fee', which can be compared to an entrance fee. In areas with regular tourist activities, this system is well established and business operators know the owner(s) and fee(s).

Kastom fees can be an effective way of sharing the financial benefits of tourism with the wider community. Ideally, the fees are used to benefit local communities, but landowners decide.

When establishing kastom fees, an investor may want to follow these steps:

1. Identify and map the local attractions in and around the proposed tourism operation, e.g., dive sites, surf zones, waterfalls, caves.
2. Establish who the customary landowners are where

the attractions are located. Landowners may also have customary ownership of marine resources near their land. Customary ownership is usually related to fishing grounds, but also relevant to attractions such as dive sites or surfing zones "owned" by customary landowners.

3. Contact the customary landowners and negotiate a reasonable fee for staff and visitors to access the site(s). If there are already tourism activities in the area, new operators should ensure they pay the going rate and not undercut or inflate prices.

One of the challenges tourism businesses face is establishing who the customary landowner of a particular site is as there have been cases where more than one group claims ownership. Also, in remote areas where there are few tourists, locals may have unrealistic expectations on what tourists are willing to pay to visit certain attractions. Developing an effective system with customary landowners can take time and effort.

6. Maintaining social license

Maintaining social license is an ongoing process. Despite the best intentions, it is normal for most tourism operators to experience ups and downs in relationships with host communities. Changes within the host community might mean that a tourism operation needs to re-establish its social license or change community engagement strategies. Equally, changes in the management of a tourism operation can lead to turbulence in community relations.

Larger tourism operations, such as resorts, may consider employing or engaging a dedicated community liaison officer. This role is usually focused on building and maintaining social license and the officer will have regular contact with the host community(s), landowners, and local authorities to ensure smooth operations. Paying due attention to establishing and maintaining social license will assist investors in building legitimacy, credibility and trust with the host communities, thus ensuring the investment is realized and that tourism operations can continue long term.



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Annexes

ANNEX 1. SUMMARY OF SOLOMON ISLANDS' TOURISM INVESTMENT CATEGORIES AND INCENTIVE TYPES FOR INVESTORS

INVESTMENT CATEGORIES	INVESTMENT VALUE* *Solomon Islands Dollar (SBD)	INCENTIVE TYPE
NEW TOURISM INVESTMENTS Value = minimum investment requirement, excluding land cost.		
<i>MAJOR</i>	SBD 20 million	Tax Incentives: - Tax Free Period - Trading Loss Tax Offset Duty Exemptions: - Import Duty Exemption - Renewable Energy Generation Equipment Other Incentives: - Electricity Generation - Accelerated Depreciation Allowance
<i>SMALL TO MEDIUM</i>	SBD 1 million	Tax Incentives: - Investment Tax Allowance - Trading Loss Tax Offset Duty Exemptions: - Import Duty Exemption Other Incentives: - Electricity Generation - Accelerated Depreciation Allowance
TOURISM JOINT VENTURE INVESTMENTS Value = minimum investment requirement, excluding land cost	SBD 15 million	Tax Incentives: - Income Tax Exemption
EXISTING TOURISM OPERATORS Value = minimum investment requirement, excluding land cost	SBD 20 million	Tax Incentives: - Income Tax Exemption Duty Exemptions: - Import Duty Exemption - Renewable Energy Generation Equipment Other Incentives: - Marketing and Promotion Expenses
MARINE AND DIVE TOURISM INVESTMENTS Value = minimum cost of Marine Vessel	SBD 2 million	Tax Incentives: - Investment Tax Allowance Duty Exemptions: - Tourism Cruise Vessel and Dive Equipment
AVIATION INVESTMENTS Value = minimum investment requirement	SBD 5 million	Duty Exemptions: - Import Duty Exemption - Goods and Services Tax (GST) Exemption

Source: *Tourism Solomons - Tourism Incentive Package, 2017*

ANNEX 2. LAND TITLE RECORDS EXPLAINED

Below is an explanation of terms used on land title certificates in Solomon Islands. Refer to [Figure 3](#) to understand how to read a land title certificate.

Land Title Certificate – Front Page

1. **Type of title:** there are three types of title:
 - (i) Perpetual Estate (PE) – ownership in perpetuity;
 - (ii) Fixed-Term Estate (FTE) – time limited ownership (similar to a lease); and
 - (iii) Lease or Sub-Lease.

It is common practice that, where there is a Fixed-Term Estate or Lease and people wish to confirm ownership of the Fixed-Term Estate or Lease, they just get a copy of the Fixed-Term Estate Register or Lease Register and not the “parent” Perpetual Estate Register. If a potential investor relies solely on the Fixed-Term Estate Register or Lease Register for all ownership details, they may mistakenly assume that the name of the “Grantor” on the Fixed-Term Estate Register or Lease Register is still today the name of the owner of the Perpetual Estate. In most cases it is still the same, but in a minority of cases the Perpetual Estate has been transferred, and such transfer is not reflected on the Fixed-Term Estate Register or Lease Register. To be sure of who the landlord is of a Fixed-Term Estate or Lease, you must obtain a copy of the Perpetual Estate Register as well.
2. **Title number:** number used to reference a land parcel. The title number is a 10-digit number, with digits divided into three groups. Example: 123-002-0001. The first three digits are area specific, the second three digits refer to the parcel and the final four digits refer to any parcel subdivisions, so this is often shorthand to 123-002-1.
3. **Part A – Property section:** on a PE title, this box contains information about the land parcel such as site name, lot number, reference and area. On an FTE and LR title, this box does not show the lot number, but names the landlord and the tenant and the terms of the FTE or LR. This information may be outdated, but the current tenant (Grantee or Lessee) – or most recent tenant in the case of a lapsed lease – is always listed in Part B – ownership section.
4. **Certified copy stamp:** this stamp, which includes the title number and date, certifies that the document is a true copy of the original land title certificate.
5. **Grantor:** in this context, Grantor is the PE holder (owner) of the land parcel, and the landlord of the FTE holder.
6. **Grantee:** in this context, Grantee is the tenant of the owner/landlord.
7. **Term:** the length of the lease, e.g., FTE or LR.
8. **Area:** size of land parcel in Hectares (ha). 1 ha = 0.01km².
9. **Rent:** yearly lease fee, in Solomon Island Dollars (SBD).
10. **Part B – Ownership section:** the bottom row indicates the current owner of the title, with previous titleholders struck out.
11. **Caveat:** a notice that a legal document has been lodged disputing the legal claim to a land parcel. Lodging a caveat allows time for both parties to state their claim in court. No other transactions should be registered against the title until the caveat is resolved. In theory, a caveat should be removed within a few months, but sometimes a caveat may remain on the land title certificate for years, even if the claim has been settled in court. The Registrar of Titles can assist in investigating whether caveats remain valid and striking the caveat off the title if the case has in fact been settled.
12. **Struck through:** entries that are struck through by pen are no longer valid and have been removed. This applies to previous ownerships, removed caveats, lapsed leases.
13. **Mutation number:** relevant if the land parcel has been sub-divided.
14. **Restrictions:** what a tenant can and cannot do in regard to the lease. Usually refers to the fact that any sub-lease or transfer of lease must be approved by the landlord.

Figure 3: Example of Fixed-Term Estate (FTE) Certified Land Title Certificate

HONIARA LAND REGISTRY

FIXED - TERM ESTATE REGISTER

PARCEL NUMBER **133-190-2**

PART A - PROPERTY SECTION

Grantor: **COMMISSIONER OF LANDS**

Grantee: **ANDERSEN & SONS PTY LIMITED**

Term: **75 YEARS** From: **31/12/77** Rent: **325-00**

Area (approx.): **4.00** ha. Survey Plan No: **1779**

Date of Grant: **By operation of Pt. VIA of L.T.A.**

Mutation Number: **-**

Superseded Parcels: **-**

Current Parcels: **-**

LAND AND TITLE ACT (S. 12D)

fixed to be at True Copy page 1 of FTE Lease Register 133-190-2 100 hours the 18 day of Sept 2015

PART B - OWNERSHIP SECTION

Entry No.	Name, Description and Address of Owner and Restrictions affecting Right of Disposition	Application Number and Date of Presentation	Observations (Nature of Instrument, Consideration, etc.)	Signature of Registrar
1.	RESTRICTIONS: As set out in Part VIA of L.T.A.	- 1977 12 31	By operation of Pt. VIA of L.T.A. conversion of former perpetual estate.	<i>[Signature]</i>
2.	ANDERSEN & SONS PTY LIMITED, P.O. Box 8, Honiara.	86/71 1971 3 12	First Registration under Pt. 111 of L.T.A. (Cap 93).	<i>[Signature]</i>
3.	CAVEAT BY: National Bank of Solomon Islands Limited, P.O. Box 37, HONIARA.	674/89 1989 8 10	See application	<i>[Signature]</i>

LANDS 68

ANY ENTRIES STRUCK THROUGH IN RED ARE NO LONGER SUBSISTING

ANNEX 3. SUGGESTED INVESTOR CHECKLIST

The following is a listing of some of the key mandatory and suggested steps that an investor would need to take in considering and implementing a tourism investment project in Solomon Islands. This listing is not exhaustive or meant to be definitive and the investor will have to undertake its own due diligence, but it includes key points covered in this Guide and may be useful for an investor to use as an aide-memoire in moving forward with an investment to ensure that important points are covered.

- ☐ Set up initial meetings with the Directors of InvestSolomons and Tourism Division, MCT to present investment concept
- ☐ Allocation of investment officer(s) by InvestSolomons and MCT
- ☐ Decision to engage/not engage a reputable local agent in Honiara to assist with the investment process
- ☐ Identify a short list of land parcels suitable for the investment project provided by an MCT investment officer
- ☐ Obtain land parcel information from MCT (where available)
- ☐ Arrange to visit the land
- ☐ Arrange to meet with the titleholder
- ☐ Conduct research on land parcel and titleholder
- ☐ Obtain latest copy of land title(s) from Registrar of Titles' office, and check for any unresolved caveats. Follow up with Registrar of Titles if necessary.
- ☐ Make final decision on the land
- ☐ Prepare for land negotiations – clarify social and economic benefits (if any) to be included
- ☐ Set date for lease negotiation and negotiate with titleholder
- ☐ Understand permits, taxes, levies and import duties applicable to the tourism investment project
- ☐ Clarify investor incentives applicable for the tourism investment project
- ☐ Letter from a bank proving access to funds for the investment project
- ☐ Obtain Police Clearance Certificate from home/resident country
- ☐ Apply for a Foreign Registration Certificate
- ☐ Incorporate business in Solomon Islands
- ☐ Register for Taxes with Inland Revenue Division (IRD)
- ☐ Apply for Provincial Business License from provincial government
- ☐ Apply for planning/building permits from Planning Officer at Ministry of Lands, Housing and Survey and Town and Country Planning Board or Planning Unit at the Provincial Government
- ☐ Apply for work permit(s) from Labour Department and Immigration Division
- ☐ Receive Provincial Business License from Provincial Government
- ☐ Set up bank account in Solomon Islands
- ☐ Receive planning/building permits from Planning Officer at Ministry of Lands, Housing and Survey and Town and Country Planning Board or Planning Unit at the Provincial Government
- ☐ Pay Lease Premium and rent
- ☐ Pay stamp duty on land
- ☐ Ensure Tourism Minimum Standards are included in architectural and construction plans
- ☐ Develop plan for obtaining and maintaining social license
- ☐ Commence implementing social license plan prior to breaking ground for construction
- ☐ Receive work permits for foreigners working in tourism operation from Labour Department and Immigration Division
- ☐ Obtain residence permits for foreigners staying in Solomon Islands from Labour Department and Immigration Division
- ☐ Obtain tourism operator's license from Tourism Solomons
- ☐ Register pensions for all staff with Solomon Islands National Provident Fund
- ☐ Apply for alcohol license from Liquor License Board at provincial government
- ☐ Receive alcohol license from Liquor License Board at provincial government
- ☐ Apply for other site-specific licenses (including boat registration)

ANNEX 4. INVESTABLE TOURISM SITE PROFILE – EXAMPLE ONLY

Information provided in this example investable tourism site profile is fictional and is provided for illustrative purposes only.



Western Province
Roviana Lagoon

Ilasana Island

331-023-0001 – 13.5 Hectares



Site Summary

Ilasana Island is a 13.5-hectare uninhabited island located in Roviana Lagoon in Western Province. The island is easily accessible by boat from Munda. The island is an old coconut plantation and the vegetation consists of tropical foliage and coconut groves. The island is surrounded by a lagoon and the northern side has an attractive beach. Near the beach is a clearing which is used for picnics and camping by domestic tourists. Visiting yachts often anchor just north of the island. The attributes of the island and the convenient location makes it ideal for tourism development, such as a small to medium resort. The Fixed-Term Estate (FTE) for this parcel is held by a national individual. The land title certificate is clear and up to date.

IN PARTNERSHIP WITH



Description

Ilasana island has an irregular, elongated oval shape, oriented from north to south. It is 750 meters long (north-to-south), 310 meters wide (west-to-east) at its widest point. The southern end is narrower and turns slightly to the west. The circumference of the island is 1,930 meters. The island is located just outside just outside Roviana Lagoon.

The northern end of the island ends in a flat cleared area with a beach. This area is used for picnics and has a caretaker's cabin. This area is attractive for tourism development, such as a small resort. The southern part of the island consists of an old overgrown coconut plantation and is more thickly vegetated. Toward the south, there is a low hill toward the center of the island. There is a small cave at the southern side of the hill. The soil is mainly coral gravel and sandy loam which is well drained. There are no creeks or ponds on the island, but there is a swampy mangrove area at the eastern tip of the island.

The coastline around the southern part of the island mainly consists of coral gravel and stones. The northern side of the island is lined with a beach and looks onto Roviana Lagoon. There is a small house reef around the northern side of the island with a shallow lagoon suitable for swimming. The lagoon east of the island has extensive seagrass beds where dugongs are sometimes seen. The southern point of the island looks out across Blanche Channel and Rendova Islands. This side is very rocky, with a three-meter-high vertical rock wall. During seasonal storms, this side of the island is pounded by large waves. The western side of the island overlooks Roviana Island. Because of its location, surrounded by sea on all sides, the island is breezier, with more comfortable temperatures than the larger islands.

The only development on the island is a small cabin for the caretaker and overnight bungalow used by visitors. There are no utilities on the island. Any development on this site must be designed as off-grid, as there is no access to public services. There is 3G network in the area.

Location

-8.371292, 157.432393

Ilasana Island is located in the Roviana Lagoon in central Western Province. The distance to Munda International Airport is 9.3km.

Land Tenure

Perpetual Estate (PE - freehold): Commissioner of Lands, on behalf of Solomon Islands Government.

Fixed-Term Estate (FTE - leaseholder): FTE valid until 2063 is held by a national individual. The Leaseholder may enter into contractual agreements with third parties.

Current status (2021): The land title certificate for this parcel is clear and up to date.

For further information on this site, please contact:

The contents of this work are intended for general informational purposes only and do not constitute, nor should they be construed as constituting, legal, securities, or investment advice, an opinion regarding the appropriateness of any investment, or a solicitation of any type. IFC does not guarantee the accuracy, reliability or completeness of the content included in this work, or for the conclusions or judgments described herein, and accepts no responsibility or liability for any omissions or errors (including, without limitation, typographical errors and technical errors) in the content whatsoever or for reliance thereon.

Tourism Features

Currently, the main tourism activities in the wider Roviana Lagoon area are scuba diving and fishing, followed by cultural site visits. Most tourists visiting Roviana Lagoon are based in Munda or on nearby resorts and lodges. These lodges offer a range of activities, but are best known for fishing. Visiting yachts regularly anchor in the lagoon just north of Ilasana and it is known as a safe anchorage. Tourism activities in the area include:

- **Scuba diving:** within 10-30 minutes of Ilasana there are several well-known dive sites, including WWII plane wrecks
- **Fishing charters:** mainly organized by nearby lodges that arrange fishing tours led by experienced guides
- **Cultural experiences:** visits to local villages and tambo-sites
- **Surfing:** Tambu Island Break is located 3km southwest of Ilasana
- **WWII heritage:** there are numerous Japanese and US wrecks and relics on the surrounding islands
- **Island excursions:** there are several uninhabited 'paradise' islands nearby that are regularly visited by tourists
- **Yacht anchorage:** there is a deep sheltered anchorage often used by visiting yachts.

There are many additional tourism activities on Ilasana Island and Roviana Lagoon region that could be further developed, particularly ecotourism tourism activities, such as nature walks, birdwatching and mangrove tours.





Suitability for Tourism Development*



Ilasana Island has excellent tourism development potential, due to the proximity to Munda International Airport and to a range of tourism attractions and activities in the wider area. As a potential resort site, Ilasana is one of the most attractive in Western Province. There is sufficient space for a small- to medium-sized resort on the island. The proximity to Noro International Port offers further opportunities. The clear and stable land tenure is adding to the overall allure of this site.

Strengths

- Location close to Munda
- Attractive site
- Beauty of Roviana Lagoon and surrounding area
- Opportunities for a wide range of tourism activities in the area
- Clear and stable land tenure.

Weaknesses

- Lack of freshwater source
- Run-off from logging activities on nearby New Georgia island sometimes affects water clarity
- Logging ships sometimes anchor near the island.

* More detailed information about each site itself is available on request from the Ministry of Culture and Tourism – Tourism Division. Note that a lower 'Suitability for Tourism Development' assessment does not mean that the site is off-limits for tourism development, rather that the development of the site can be more challenging.

Usage, Access, Amenities & History

Etymology, pronunciation and alternate names

Ilasana is a combination of local language words meaning 'shelter'. It refers to local fishermen sheltering on the island during storms.

Communities

There are small settlements and villages on the islands inside the lagoon north of Ilasana. The closest is Sasavele village, located on an island 1.6km northeast of Ilasana. The largest village in the area is Roviana on Roviana Island.

Occupation and usage

Ilasana is undeveloped and uninhabited, apart from a small caretaker's cabin at the north end of the island. There are only a few visible remains from when there was a trading post and coconut plantation on the island, such as pieces of machinery and equipment. The northern area has been cleared and is being used as a picnic area by visiting tourists. There is no tourism accommodation on the island, and it is mainly used for day visits or camping by domestic tourists, for example expats living in Western Province.

Access

Ilasana Island is reached by boat from nearby Munda. From the small port at Munda market, boats travel in an easterly direction for 9km. The route initially follows the New Georgia coastline eastward. At the southern tip of Munda township (Ilanga Point) cross over to the barrier islands, towards Roviana Island. At Sasavele village, turn sharply to the south and exit the lagoon through Honiavasa Passage. Ilasana Island is just outside the passage. Locals regularly travel this area in small boats, and it is generally safe except during very windy conditions.

Water sources

There is no freshwater well on the island. Past inhabitants used rainwater tanks and any future development will need to install rainwater harvesting or desalination systems.

Mobile phone networks

There are 3G network mobile towers at nearby Munda and Rendova Island. A direct line of sight to both towers means that Ilasana Island has good access to mobile networks.

Unexploded Ordinance (UXO)

During WWII there was heavy fighting around Munda, but there are no records of fighting on Ilasana. US marines landed on Ilasana during the buildup to the battle of Munda, but only stayed for a few days. The current titleholders have not encountered any war relics or heard of any UXO on the island.

Historical use by tribes, individuals

Ilasana was one of the first islands in the area to be settled by foreign traders. In the second half of 1800s, there was a trading post on the island owned by Hans Svensen. The trading post was taken over by John Smith when Svensen was killed in 1880. John Smith became a prosperous and influential trader and planter in the region.

Known history of landownership and commercial usage

The first recorded land transaction for Ilasana was in 1915 when John Smith purchased the Island from a local chief. Similar to many other islands in the region a coconut plantation was established on Ilasana. The Island remained with the Smith family until 1954 when it was bought by Bob Anderson. He later sold the Island to a company trading under the name Ilasana Island Co Limited, owned by a shipping company in Cairns. In 2002, the lease was transferred to the current owner's family who has strong links to the island, having kinship to both the Smith family and customary landowners from the local tribe.

Tourism Attractions and Activities

Currently, the main tourism activity in the immediate area is scuba diving, fishing, followed by cultural site visits. Most tourists visiting Roviana Lagoon are based in Munda or one of several small lodges in the area. Paradise Lodge is located on Alo Island, 35km east of Ilasana. This lodge offers a range of activities but is best known for fishing. Visiting yachts regularly anchor in the lagoon just north of Ilasana and it is known as a safe anchorage. Some of the tourism activities in the area include:

- **Scuba diving:** Mainly organized by Dive Munda, visiting diving liveaboard boats and yachts. Within 10-30 minutes of Ilasana there are several well-known dive sites, including a few WWII plane wrecks.
- **Fishing charters:** Mainly organized by Paradise Lodge that offers deep-sea, reef, lagoon and river fishing led by experienced fishing guides.
- **Cultural experiences:** Skull Island with a warrior chief skull shrine, and village experiences in Honi Village in Roviana Lagoon.
- **Surfing:** Tambol Island Break is located 3km southwest of Ilasana. This wave is described as a rather inconsistent left-hander, with a clean break during the right combination of swell and wind.
- **WWII heritage:** Apart from several underwater plane and shipwrecks, there several relics around Roviana Lagoon and nearby New Georgia and Kolombangara islands, including a US M3A1 Stuart tank and several Japanese naval guns.
- **Island excursions:** There are several uninhabited 'paradise' islands nearby that are regularly visited by tourists, for example Palm Island, which has a beautiful beach and good snorkeling.
- **Yacht anchorage:** There is a deep sheltered anchorage which is often used by visiting yachts. So-called super yachts are increasingly stopping over at Ilasana. Expeditions cruise ships have also used Ilasana for excursions.

For more detailed information on tourism activities in the area, visit the websites of local operators:

- www.zipolohabu.com.sb/tours/
- www.divemunda.com/sites
- www.agneshotelsolomon.com/tour

There are additional tourism activities on Ilasana Island and Roviana Lagoon region that could be further developed:

- Snorkeling and freediving along the house reef of the island.
- Swimming and beach leisure on the north side of the island.
- Stand-up paddle boarding or kayaking around the island and in Roviana Lagoon.
- Mangrove tours and wildlife viewing in nearby waterways.
- Bushwalks including visit to waterfalls, crocodile lake on nearby New Georgia and Rendova islands
- Birdwatching: Solomons is known for its many endemic species. International birding tour operators regularly visit nearby Kolombangara Island.
- Cultural experiences: Rarumana village, one of the last builders of traditional 'Tomoko' war canoes.

Note that access to land in the Melanesian culture must be negotiated with landowners in advance. Usually this access involves a so-called 'kastom' fee. This is the general practice for all tourism operators in Solomon Islands.

Future Usage

This site has potential high suitability for tourism development due to an attractive site, scenic location and its proximity to Munda International Airport. The beach at the northern tip of the island is currently used for picnics and overnight camping by domestic tourists. This area would be a natural center for any tourism operation. The west side of the island is suitable for accommodation development, either on land, or overwater bungalows.

Back-of-house infrastructure such as laundry, maintenance, workshops, staff quarters can be located in the interior of the parcel, or on the opposite side of the island from where accommodation is developed.

The length of the available waterfront is 1,930 meters. Based on the length of the available waterfront and median data extrapolated from existing island resorts, the following development models are possible:

- Low-density development: ≤ 30 rooms.
- Medium-density development: Approximately 50 rooms.
- High-density development: ≥ 150 rooms.

If only the eastern side of the island is used for accommodation, there is room for 50 percent of the above rooms.

Note that there are no utilities in this area and any development will be 'off-grid' and must by necessity be self-sufficient in terms of energy production, water supply and waste management.

Tourism Development Suitability Index Criteria

Tourism Development Suitability Index (TDSI) criteria are provided to assist interested parties in comparing sites at an early stage of interest.

Disclaimer: The Tourism Development Suitability Index (TDSI) and its criteria are intended for general informational purposes only and do not constitute, nor should they be construed as constituting, legal, securities, or investment advice, an opinion regarding the appropriateness of any investment, or a solicitation of any type.

The TDSI criteria are not an in-depth Environmental Impact Assessment (EIA) or Environmental and Social Impact Assessment (ESIA) nor do they replace a comprehensive Integrity Due Diligence (IDD) check on the part of the investor. Major tourism development projects need a development permit from provincial governments and an EIA from the central government. The developer needs to conduct a separate EIA as part of the compliance procedure.

Score	1-10	Each site has been given a score from 1-10 (with 1 being least suitable, to 10 most suitable) against four criteria:
Tourism Appeal	8	Tourism Appeal An assessment of a site's inventory of tourism assets and their quality. The presence and proximity of existing and potential tourism attractions and activities and the overall appeal of the immediate area around the site is also included in a site's tourism appeal.
Land Tenure	8	Land Tenure Assessment of the legal strength of tenure, and the probability that an investment can be realized on the site. This assessment includes the clarity of title and lack of disputes over title or use of land, the cohesiveness and decision-making capabilities of the titleholder(s) and the likelihood that social license can be established with nearby communities.
Access and Connectivity	5	Information about land tenure is fluid, confidential and sensitive. This information is not publicly available but held by Ministry of Culture and Tourism that will support investors on specific enquiries and facilitate contact with relevant landowners. The rating given here reflects the confidential information held.
Environmental and Social Risks	7	Access and Connectivity Access and connectivity are an overall assessment of how convenient, reliable and safe it is to travel to the site. This is based on the distance to the nearest airport, standard of the airport and how weather-dependent boat travel is to the site.

Environmental and Social Risks

Refer to IFC's high-level Environmental and Social Diagnostic Study (ESDS). The ESDS is a comprehensive analysis that warrants deeper study once potential sites of interest are identified. The ESDS can help to identify complex E&S risks and challenges very early on and highlights potential mitigation measures that investors could undertake that may lessen or help avoid impacts and may reduce the chances of unexpected delays arising from stakeholder concerns.

IFC Environmental and Social Diagnostic Study (ESDS)

Overall Risk Rating = Low

Ilasana Island is a site east of Munda in the Roviana Lagoon off New Georgia Island. The island's vegetation consists of a coconut plantation with secondary regrowth forest. There is a shallow fringing coral reef around the island with patches of sea grass. The coral is healthy, but fish numbers are low. The site is close to Roviana Community Marine Managed Areas, however, interviewees noted these are no longer maintained by the communities. The northern end of the island is developed into a camping and picnic site frequented by the public and managed by an on-site ranger (who lives on the site year-round). The site owner confirmed there are no cultural artefacts on site.

Understanding E&S Risk Ratings for Tourism Development

International Finance Corporation (IFC) conducted an Environmental and Social Diagnostic Study (ESDS) in 2020. This was a landscape-level study of the tourism corridor within Western Province, and screening of selected sites within that corridor. The study is an overview of social and environmental risks conducted by assessors. Apart from overall risk, the specific impacts and opportunities associated with tourism development were also assessed. A detailed explanation of the weighting and measurements of the risk indicators can be found in the ESDS report. The full report and individual site profiles are available from Ministry of Culture and Tourism and IFC.

Risk ratings lower on the scale are more desirable when considering a site for development. A high risk-rating does not mean the site is off-limits for tourism development, however, rather that the developer needs to work harder on reducing risks and mitigating impacts. Some sites may be more challenging to develop. On the table below, 1 is low risk, and 10 is high risk against each metric, and when considered together the ESDS returns a rating of Low, Moderate or High risk for tourism development. This rating then feeds into the Tourism Development Suitability Index (TDSI) above.

Natural Hazard Risks				
Coastal vulnerability	4	Sea-level rises	3	
Social Risks				
Presence of people	1	Presence of livelihoods	1	Remoteness of site 2 Presence of cultural heritage 1
Environmental Risks				
Terrestrial biodiversity	3	Marine biodiversity	6	

Highlighted environmental considerations

Crocodiles are present all over Solomon Islands, particularly deep inside the lagoons near rivers and mangrove areas.

Highlighted local considerations

Due to the proximity of local settlements, it will be important to develop good relationships with neighbors.

Disclaimer

The International Finance Corporation ("IFC"), a member of The World Bank Group, is an international organization whose mission is to promote sustainable private sector investment in developing countries, helping to reduce poverty and improve people's lives.

The purpose of this site profile is to provide interested parties with information to assist them in making their own determination whether a site may be suitable for their needs at an early stage of interest.

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ANNEX 5. FULL WEB LINKS FOR ALL HYPERLINKED REFERENCES

Full links are presented in the order in which they appear in this document *Solomon Islands Tourism: Investor Guide. A guide to investing in land for tourism development.*

- Attractive incentives for prospective investors. SIG offers incentives to new investors in tourism with a range of exemptions on import duties and tax holidays. Refer to [Solomon Islands' Tourism Incentives Package](#).

FULL LINK: <https://tourismsolomons.com/wp-content/uploads/2018/11/TourismIncentivesPackage.pdf>

- Ministry of Commerce, Industry, Labour and Immigration, Solomon Islands. 2021. Accessed online via [Solomon Islands Investment Promotion](#)

FULL LINK: <https://www.commerce.gov.sb/departments-units/foreign-investment/functions-of-the-division/investment-promotion/why-invest-in-the-solomon-islands.html>

- World Bank Group. 2021. Economy Profile, Solomon Islands. Doing Business 2020 - World Bank Group. Accessed online via: [Doing Business.org - Solomon Islands](#).

FULL LINK: <https://www.doingbusiness.org/content/dam/doingBusiness/country/s/solomon-islands/SLB.pdf>

- DFAT. 2021. Solomon Islands Market Insights. Connecting Australian Businesses to the World. Accessed online via: [DFAT.gov.au Solomon Islands Market Insights 2021](#). Population figure from 2019.

FULL LINK: <https://www.dfat.gov.au/sites/default/files/solomon-islands-market-insights-2021.pdf>

- World Bank. 2020. The World Bank Data. Accessed online via: [World Bank Data - Solomon Islands](#). GDP per capita figure from 2019.

FULL LINK: <https://data.worldbank.org/country/SB>

- Economic indicators about Solomon Islands can be found at the [Central Bank of Solomon Islands](#), [Asian Development Bank](#), [World Bank](#), and the [International Monetary Fund](#).

FULL LINKS:

- Central Bank of Solomon Island <http://www.cbsi.com.sb>

- Asian Development Bank <https://www.adb.org>

- World Bank https://databank.worldbank.org/views/reports/reportwidget.aspx?Report_Name=CountryProfile&Id=b450fd57&tbar=y&dd=y&inf=n&zm=n&country=SLB

- International Monetary Fund <https://www.imf.org/en/Home>

- World Travel and Tourism Council (WTTTC). 2020. Solomon Islands 2020 Annual Research: Key highlights. Accessed online via: [WTTTC Economic Impact Report, Solomon Islands 2020](#)

FULL LINK: <https://wtcc.org/Research/Economic-Impact>

- Solomon Islands Government. 2019. Solomon Islands International Visitor Survey. Visitors to Western Province compared to Honiara / Guadalcanal. January 2018 to June 2019. Accessed online via: [Solomon Islands International Visitor Survey](#). Uses Western Province average length of stay figure.

FULL LINK: <https://www.nztri.org.nz/sites/default/files/Solomon-Islands-Western-HoniaraGu-only-visitor.pdf>

- Accessed online via: [Tourism Solomons - Our Brand](#)

FULL LINK: <https://tourismsolomons.com/our-brand/>

- Visit the country's marketing body [Tourism Solomons](#) to learn more about the approach to marketing Solomon Islands as a tourism destination.

FULL LINK: <https://tourismsolomons.com/about-us/>

- South Pacific Tourism Organisation (SPTO) <https://southpacificislands.travel>
FULL LINK: <https://southpacificislands.travel>
- Pacific Asia Travel Association (PATA) www.pata.org
FULL LINK: <https://www.pata.org>
- United Nations World Tourism Organization (UNWTO) [UNWTO Tourism Recovery Tracker](#)
FULL LINK: <https://www.unwto.org/unwto-tourism-recovery-tracker>
- Learn more at [InvestSolomons](#) and [Solomon Islands Business Registry](#)
FULL LINKS:
[InvestSolomons](#) - <https://www.commerce.gov.sb/departments-units/foreign-investment.html>
[Solomon Islands Business Registry](#) - <https://www.solomonbusinessregistry.gov.sb>
- Tourism Solomons. 2021. Press Release, 1 March 2021. Accessed online via [Solomon Airlines goes live with Iumi Tugeda holidays](#)
FULL LINK: <https://www.visitsolomons.com.sb/solomon-airlines-goes-live-with-iumi-tugeda-holidays/>
- [Advice provided by Austrade on doing business in Solomon Islands](#)
FULL LINK: <https://www.austrade.gov.au/australian/export/export-markets/countries/solomon-islands/doing-business>
- Ministry of Commerce, Industry, Labour and Immigration (MCILI)
FULL LINK: <http://www.commerce.gov.sb/>
- Ministry of Culture and Tourism
FULL LINK: <https://solomons.gov.sb/ministry-of-culture-and-tourism/tourism-division/>
- Invest Solomons
FULL LINK: <https://www.solomonbusinessregistry.gov.sb/>
- Labour Department and Immigration Division
FULL LINK: <https://www.labour.gov.sb/work-permt/>
- Some of these steps, but not all, can be completed online via [Solomon Islands Business Registry](#)
FULL LINK: <https://www.solomonbusinessregistry.gov.sb>
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FULL LINK: <http://www.ird.gov.sb/Article.aspx?ID=647>
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FULL LINK: <http://www.ird.gov.sb/Resource.aspx?ID=156>
- More information on tax can be found at [Inland Revenue Division, Solomon Islands](#)
FULL LINK: <http://www.ird.gov.sb/Article.aspx?ID=689>
- For details refer to [Section 5.4](#), and the [Tourism Incentives Package, 2017](#).
FULL LINK: <https://tourismsolomons.com/wp-content/uploads/2018/11/TourismIncentivesPackage.pdf>

- Refer to [Annex 1](#) for an overview of the investment categories and incentive type. For details of each incentive type and the value and time frame of each incentive refer to the [Tourism Incentives Package, 2017](#).
FULL LINK: <https://tourismsolomons.com/wp-content/uploads/2018/11/TourismIncentivesPackage.pdf>
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