

**Funding Source:**

Australian Agency for International Development (AusAID) – 49%  
Carnival Australia – 51%

**Program:**

Enterprise Challenge Fund for the Pacific and South East Asia

**Project name:**

Economic Diversification in Remote South Pacific Islands through Cruise Tourism Partnerships with Carnival Australia

**Project location:**

Mystery & Wala Island, Champagne Beach Vanuatu

**Project Start Date:**

1 January 2009

**Project End Date:**

31 December 2011

**Total Grant Funds Approved:**

A\$805,000

# Carnival Australia

## ABOUT THE COMPANY

Carnival Australia is a cruise company which has been operating in Vanuatu for over 75 years. It carries over 150,000 passengers to the Pacific Islands each year. Its passenger ships visit Port Vila, the capital of Vanuatu, on a regular basis and also calls at locations in more remote areas of the country.

Carnival Australia has an established market for stopovers in several areas of Vanuatu. However, poor facilities at the locations and the increasing size of cruise ships reduces the options for stopovers. ECF funding will contribute to upgrading these facilities, therefore, opening up a new, lucrative market for locals and Carnival Australia.

## ABOUT THE PROJECT

With the support of ECF, Carnival will improve jetty landings on Mystery Island, Wala Island and Champagne Beach, build sanitary facilities and provide fresh water supplies on the two islands. This investment in infrastructure will increase tourism and will lead to greater income generation opportunities. In addition, Carnival will provide training for the local traders in hospitality, financial management and development of local trade initiatives to maximise income generated from the increased tourist trade.

## PRO-POOR BENEFITS OF THE PROJECT

The anticipated benefits of this project include:

- increased and consistent sources of revenues for the local communities through the large and increasing numbers of tourists visiting each site
- training to community members in hospitality and financial management which will stimulate small business activities in the region
- improved living standards for the local communities as a result of the improved facilities

The improvements in the jetty facilities will also facilitate improved goods and passenger sea transport between the islands and other areas on the country and there will be flow on benefits to the communities and small business.

This project addresses important business enabling impediments in terms of inadequate infrastructure in the locations, limited business knowledge and skills in the local communities, as well as improved tourism promotion through the extensive Carnival networks. To improve safe navigational practices of vessels in and around Vanuatu, Carnival will position several beacons in the project destination waters, compliant with the International Association of Lighthouse Authorities.

In addition, the project will provide a good model for others in terms of integrated tourist infrastructure and technical support in order to maximize the returns to the investor and local communities.

## THE ROLE OF ECF FUNDING SUPPORT

The ECF grant will be used to upgrade poor infrastructure at the three destinations. Carnival will use the ECF funding support to partly fund the upgrade of the jetty systems, the construction of a sanitary system that will utilise rainwater for flushing and a solar powered treatment system that will allow the final output to be used for irrigation purposes.

Carnival has over 50 destinations in the Pacific and could not justify extensive expenditure on basic infrastructure facilities in particular destinations. Therefore without the ECF grant, this project would not go ahead.

For more information please visit our website  
[www.enterprisechallengefund.org](http://www.enterprisechallengefund.org)



**Australian Government**  
**AusAID**

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