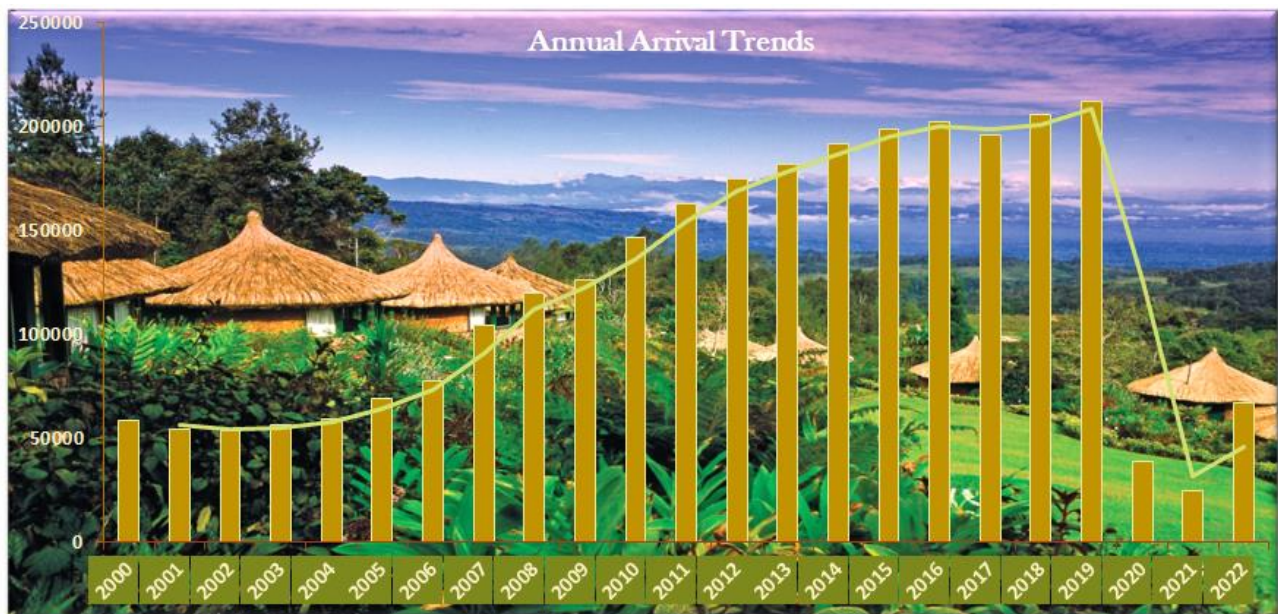




PAPUA NEW GUINEA TOURISM PROMOTION AUTHORITY

2022

VISITOR ARRIVAL REPORT



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1.1 Introduction

The last two years (2020 and 2021) have been the most challenging years in the history of tourism worldwide as a result of the unprecedented impact of the COVID-19 pandemic on global tourism, with restrictions on travel, low consumer confidence and a global struggle to contain the COVID-19 virus, all contributing to the worst years on record in the history of tourism worldwide. In 2022 international arrivals picked up well in all the regions around the world including the Asia Pacific region and Papua New Guinea.

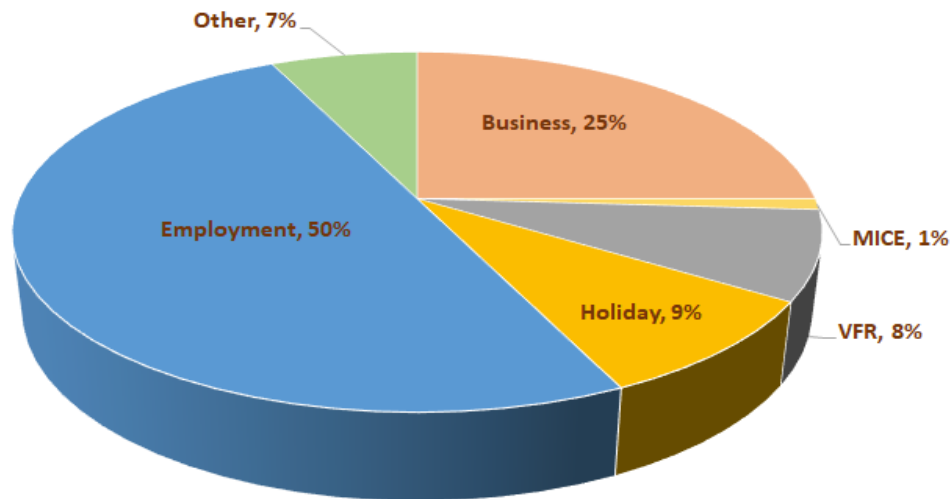
This report presents the trends and market analysis of all short-term international visitors to PNG in 2022, emphasizing more on the holiday market. It is reported by **source market** and **purpose of visit** to the country. The report also presents summary tables and graphical analysis of the annual trends to see historical performance of tourism in the year compared to the previous years. Additional marketing briefs are also included to compliment the arrival trends from the key source markets and geographical regions.

1.2 Executive Summary

Papua New Guinea received about 69,376 international visitors in 2022. This was an increase of over 300% or 52,530 additional international arrivals compared to 16,846 arrivals received in 2021. Holiday arrivals to the country increased by over 500% in 2022. Business, VFR, MICE and Employment related arrivals to the country also increased by big margin during the year. On the other hand, cruise tourists to Papua New Guinea also show a big increase in 2022 compared to 2021.

Out of the total arrivals, 25% came for business, 9% on holiday, 8% came to visit friends and relatives, 50% came for employment, 1% MICE and the remaining 7% visited the country for other reasons. The big increase in international arrivals to the country is a direct result of opening up our international borders in the country and in many destinations around the world. Cruise tourists to the country also recorded a big increase in 2022, and the healthy trend in international arrivals to PNG is expected to continue in 2023.

Percentage Distribution by Purpose of Visit – 2022



Holiday Arrivals from all the key source markets also increased by big margin in 2022:

Australia (↑)	United Kingdom (↑)	New Zealand (↑)
America (↑)	Canada (↑)	Malaysia (↑)
Japan (↑)	China (↑)	Singapore (↑)
Germany (↑)	France (↑)	Philippines (↑)

Holiday Arrivals by Source Market – 2022/2021

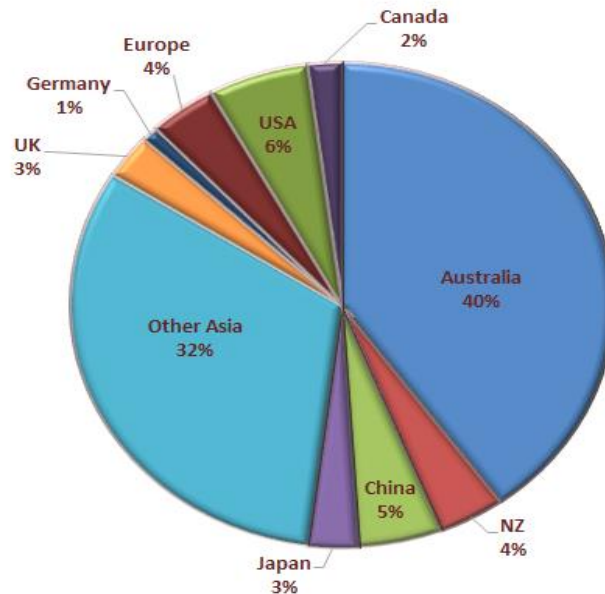
Holiday Arrivals - 2022/2021			
Country	2022	2021	Change
Australia	2793	23	2,770
New Zealand	157	3	154
Oceania	119	5	114
China	120	4	116
Japan	45	0	45
Korea	24	1	23
Malaysia	135	5	130
Singapore	35	0	35
Philippines	269	22	247
Indonesia	39	1	38
India	145	9	136
Other Asia	110	4	106
United Kingdom	239	3	236
Germany	164	1	163
France	94	0	94
Netherlands	28	0	28
Other Europe	333	1	332
USA	539	1	538
Canada	47	0	47
Other America	46	0	46
Africa	85	0	85
Russia	19	2	17
Italy	22	0	22
Scandinavia	15	0	15
Chile	1	0	1
Israel	52	0	52
Total	5,675	85	5,590



1.3 Market Share Distribution

On the total arrivals, Australian market represented 40 percent of the arrivals, followed by Asia (32%), USA (6%), China (5%), NZ and total Europe (4%), Japan and UK at 3% each, Canada with (2%), while Germany contributed 1% of the total arrivals to PNG.

Visitor Arrivals Share by Source Market – 2022

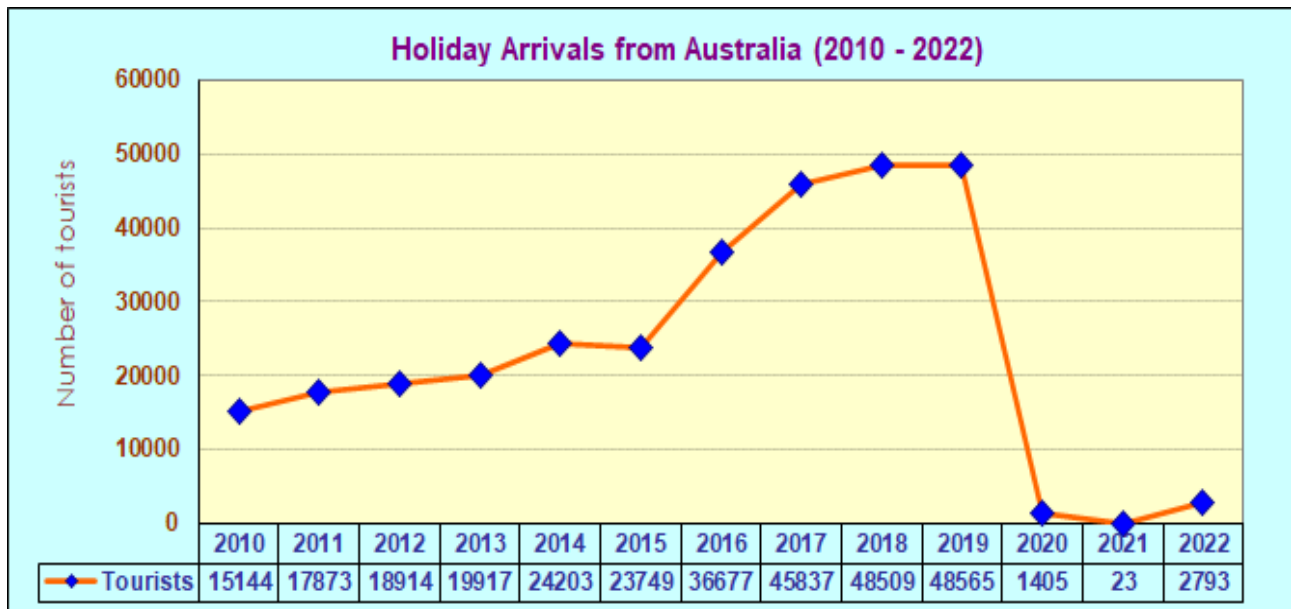


Market share from Australia, Germany, UK and Japan increased significantly as a result of opening up the international borders in 2022. Most of the visitors came to PNG for business and holiday reasons.

1.4 Source Market Performance

Australian Market

The Australian market is the highest single source market for Papua New Guinea over the years. It accounts for more than 50 percent of the total arrivals to Papua New Guinea. However, the total holiday arrivals from Australia dropped by 98% in 2021, while business and other arrivals also dropped compared to 2020 arrivals from the market. However, in 2022 holiday arrivals from Australia recorded an increase.



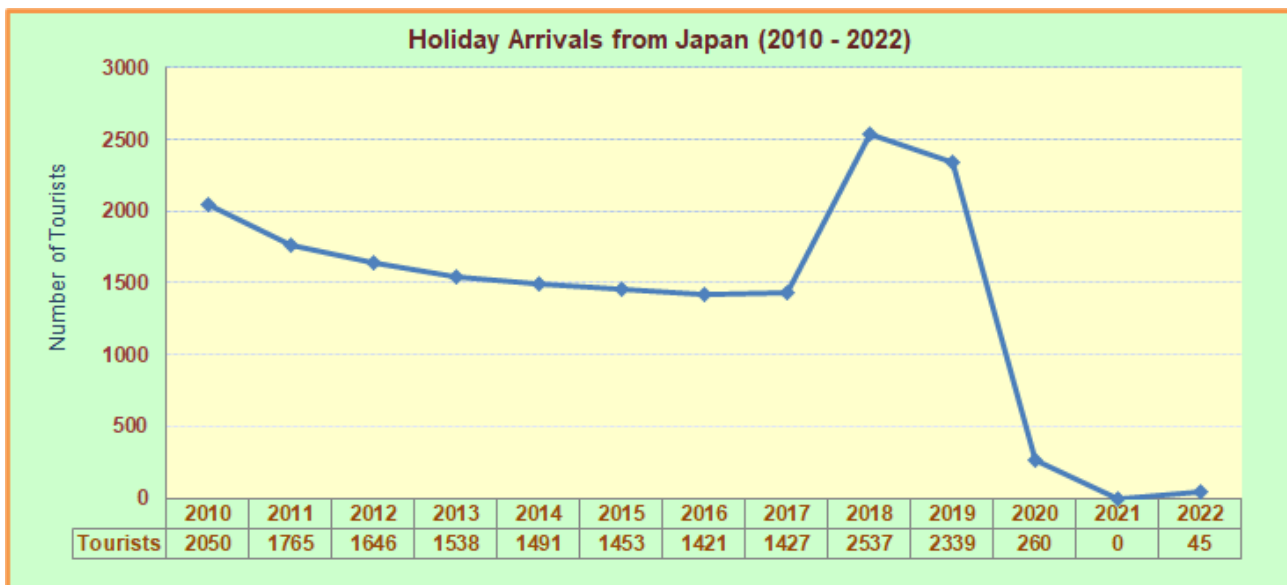
Japan Market

Japan is one of Papua New Guinea's key source markets, and one of the high spending markets for Papua New Guinea. Growth in visitor numbers has improved in 2010 after performing poorly in 2009. The healthy growth in 2010 was a result of launching the additional flight by Air Niugini on the PNG/Japan route and the appointment of a new marketing manager for the PNG TPA Japan Office, who has come up with new marketing initiative to grow the market share for Papua New Guinea. The Japan market recorded an increase of 17% in holiday arrivals in 2010, while the business sector also recorded an increase in 2010 compared to 2009 arrivals.

Since 2011, holiday arrivals from Japan started to drop and remained stagnant over the years. This was the result of the chain of disasters that was triggered by the 9.0 magnitude earthquake in northern Japan on March 11, 2011 that hampered growth of Japanese outbound tourists since April 2011. Air Niugini's suspension to its Wednesday service to Narita, on 7th September 2010 had also contributed to the drop in arrivals from the market.

In 2018, arrivals from this market picked up strongly by recording an increase of 35% compared to the previous year. This was a result of more tourists arriving by cruise ships to the country, however, it slightly decreased again in 2019, and dropped sharply in 2020 and 2021 as a result of the Covid-19 pandemic. In 2022, tourist arrival from the market picked up well and increased by 100% compared to 2021.

Annual holiday arrivals from Japan Market



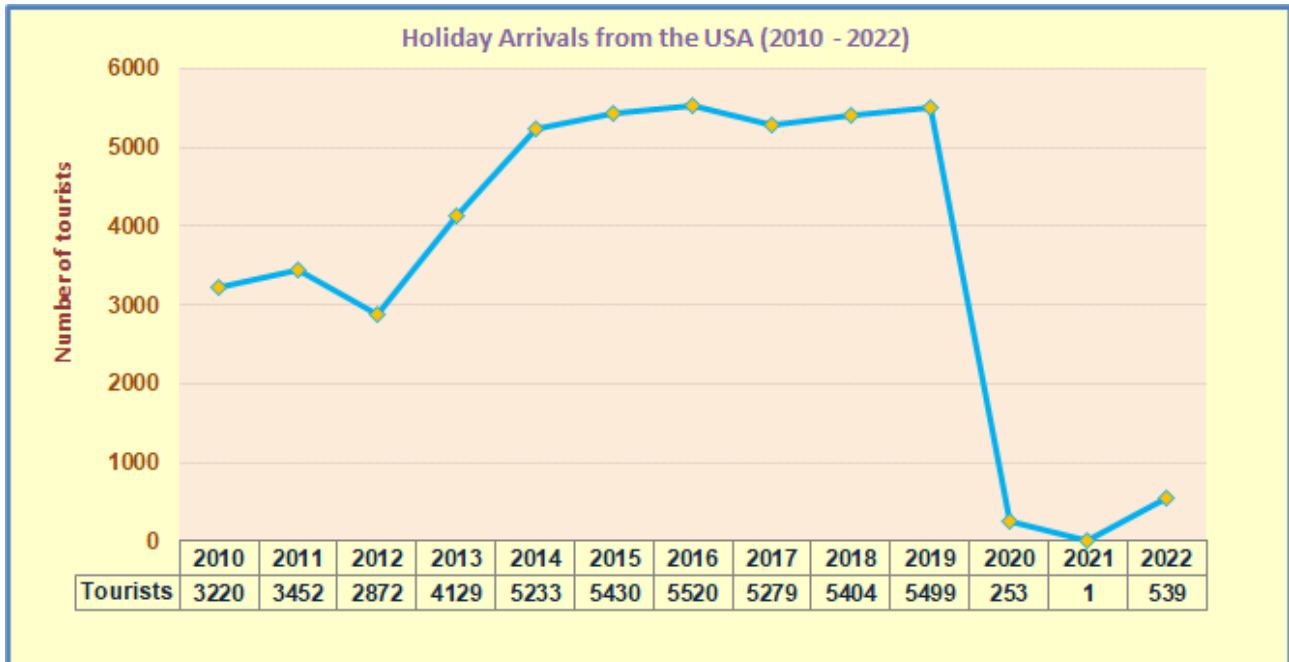
North American Market

The North American market collectively generates about 7% of the aggregate arrivals to Papua New Guinea.

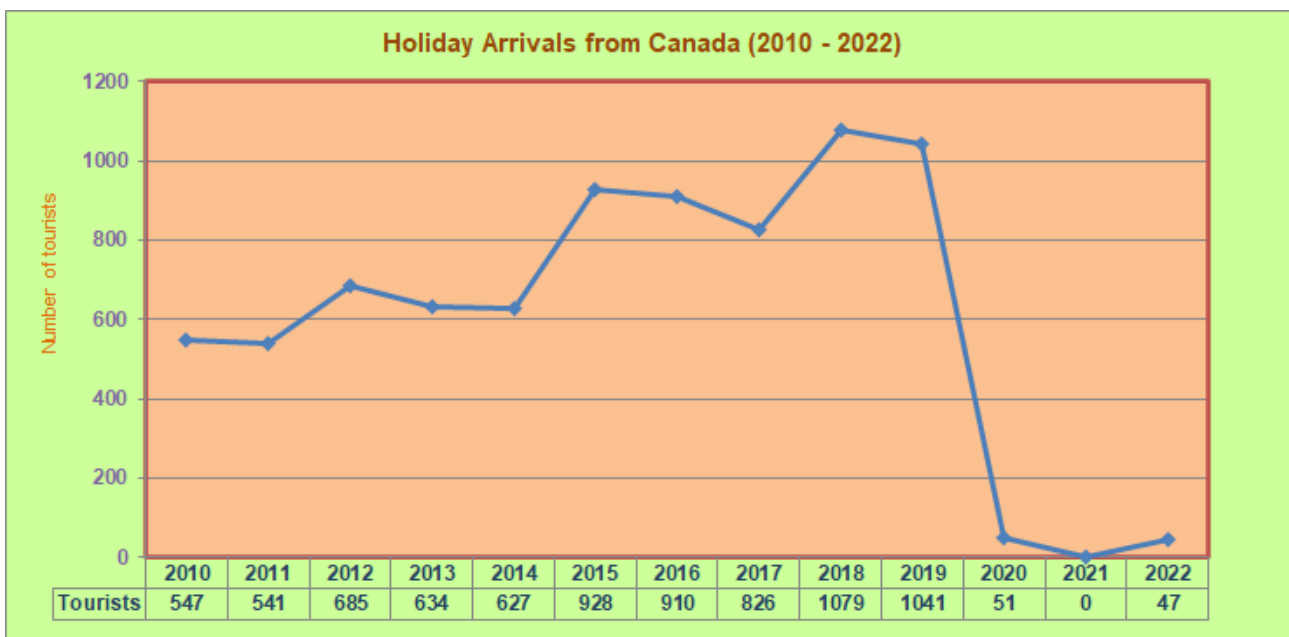
Between 2003 and 2009, total arrivals from the US increased by around 88 percent, and in 2009 arrivals from the market declined by 14 per cent, with arrivals being slightly impacted by the financial crisis in the United States. In 2010 arrivals picked up well and recorded an increase of 26 percent after a slow growth in the first quarter. Papua New Guinea remained well-positioned with good air access and cruise ship visits from the market until 2017, and picked up again and performed well in 2018 and 2019. The TPA Los Angeles Office has been working hard to promote Papua New Guinea under the brand 'A MILLION DIFFERENT JOURNEYS' in the North American Market and will continue to remain one of the key source markets for Papua New Guinea.

Visitors from the United States rate PNG’s environment and the activities we have on offer more highly than other markets, showing that PNG’s offering as a destination fits well with Americans from our target market. In particular PNG has very strong appeal as a niche destination among North American travelers interested in the outdoors, adventure and culture. Being our second largest holiday market, Papua New Guinea continues to attract only a tiny proportion of US outbound travelers and awareness remains low. In US and Canada, interest in Papua New Guinea is strong, but due to the recent coronavirus threats around the world, arrivals from USA and Canada dropped sharply in 2020 and 2021. However, arrivals from the North American Market picked up in 2022 and recorded an increase of 167% compared to 2021.

Annual holiday arrivals from the American Market



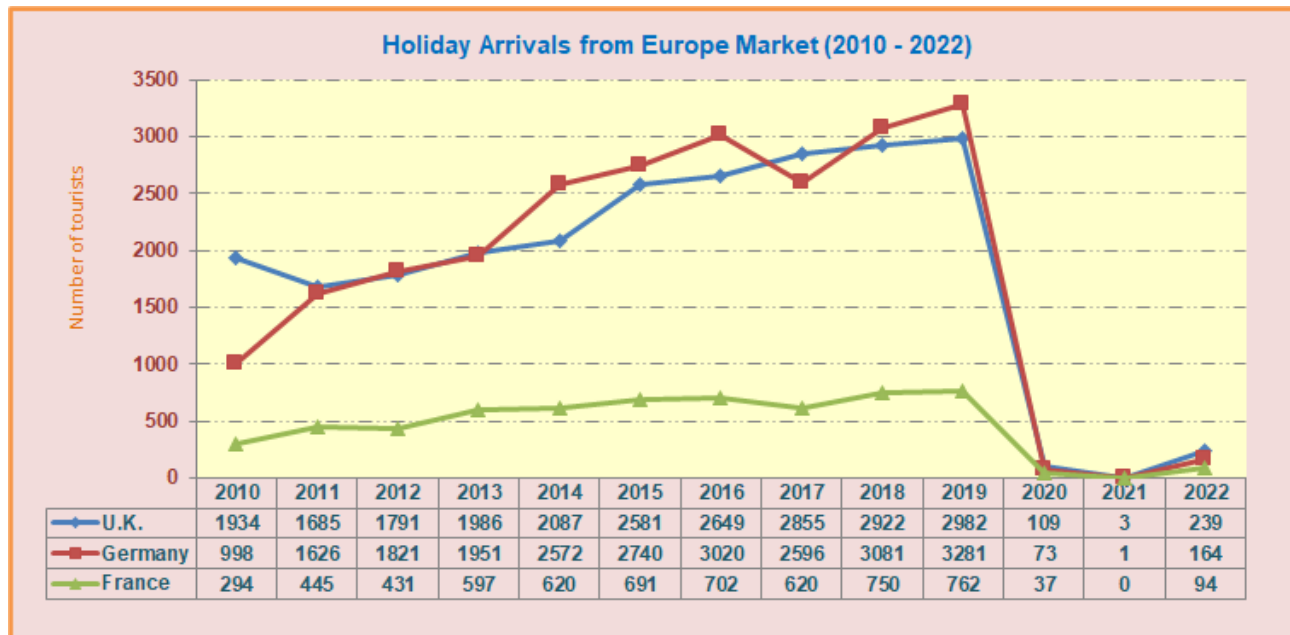
As it can be seen from the graph, the trend in holiday arrivals from the US market maintained a steady growth from 2012 to 2016, but slightly dropped in 2017 due to the general election and picked up again in 2018 and 2019. In 2021, holiday arrivals from the USA market dropped to the lowest by 100 percent compared to the previous year, and slowly increased in 2022. Below is a similar holiday arrival trends for the Canadian market from 2010 - 2022.



Europe

Europe is a valuable holiday market for Papua New Guinea with long-staying visitors who like to engage in multiple activities. The Europe market comprise of the United Kingdom, Germany, France, Netherlands and other smaller contributing European markets. As PNG's fourth largest holiday markets, the United Kingdom and Germany are the key focus of Papua New Guinea Tourism Promotion Authority's international marketing, trade and public relations activities. However, the smaller European markets have shown their resilience over the past years, despite the negatives, many present good growth opportunities for the Papua New Guinea Tourism Industry. In 2021, holiday arrivals from Europe posted a negative growth as a result of the COVID-19 Pandemic, and picked up again in 2022 and expected to continue in 2023.

Annual holiday arrivals from Europe Market



Most of the European tourists traveling to Papua New Guinea are motivated by PNG's unique culture and natural environment. TPA's effective marketing of the cultural festivals and unique tourism products in the region had generated a lot of demand in the market in the previous years.

China

In the Asian region, China and Korea are potential markets for Papua New Guinea and represents about 8% of the total arrivals. Most of the visitors from these markets visit for business and employment reasons like all other Asian countries, however, arrival from China has been performing well in the past.

After a drop in 2017, outbound travel had started to rebound, and more Chinese were travelling overseas for holidays than ever before, with 2019 showing an increase in holiday arrivals to Papua New Guinea. Contributing factors are renewed confidence after the Influenza A (H1N1) Swine Flu and more flights in and out of Asia.

The healthy growth recorded in 2019 had slowed down since 2020 as a result of the coronavirus threat in China and around the globe. However, arrival numbers started to pick up in 2022, and the outlook of the Chinese outbound market remains high and arrival from this market is expected to grow from this year (2023) onwards.

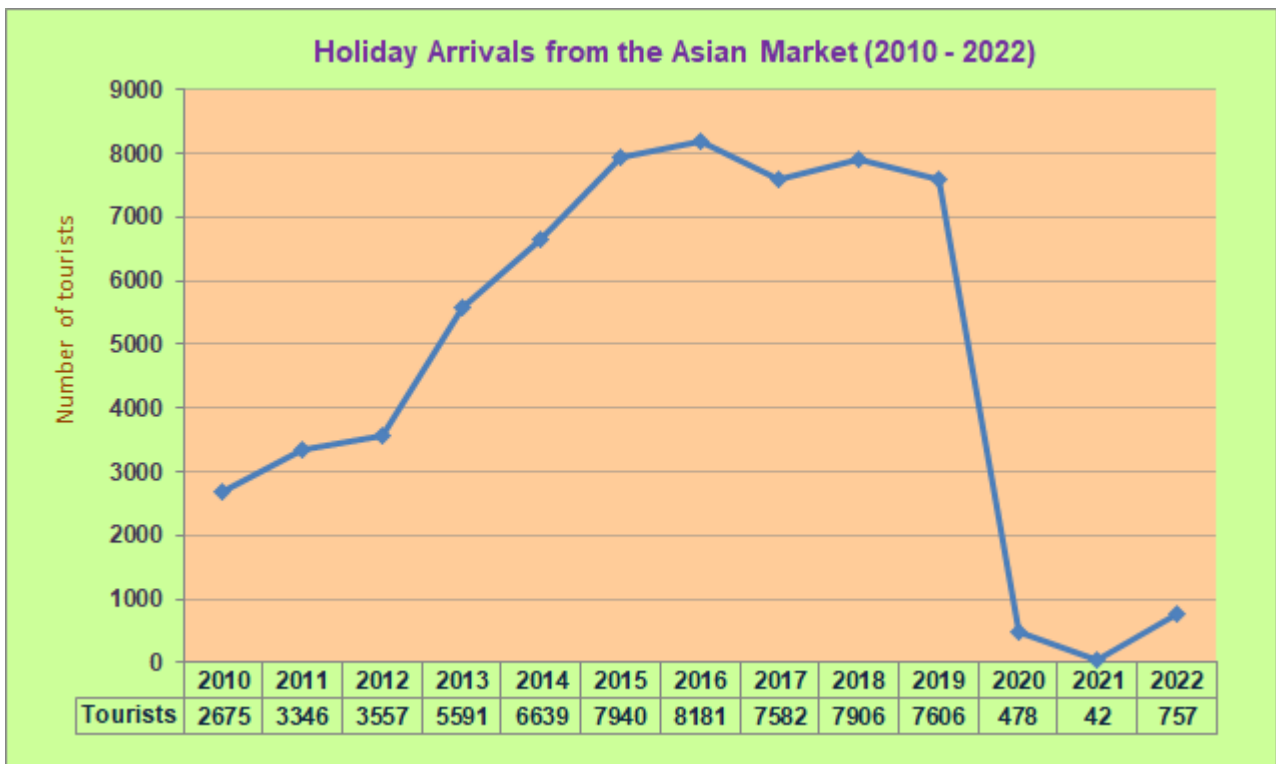
PNG TPA's new marketing plans to carry out marketing activities in Chinese Language will boost tourist arrivals from the market in the future.



Other Asian Markets

The other Asian markets collectively represent over 20 percent of the total arrivals to PNG. In 2022, holiday arrivals from the other Asian countries increased by over 100 percent compared to the previous year. Most of the visitors from the Asian market visited PNG for business and employment reasons.

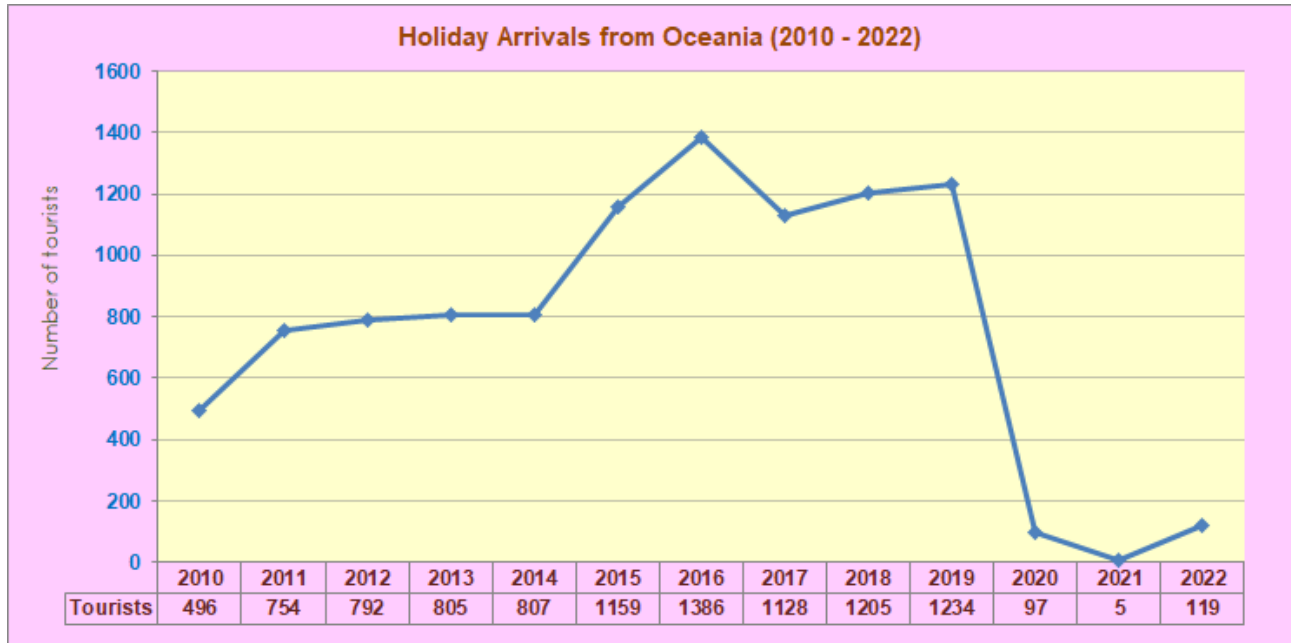
Asian tourists are often seen as just one category - package tourist, but there are other categories. By recognizing these categories and catering for them better, Papua New Guinea has a great opportunity to take advantage of growth in the number of Asians including Japanese holidaying overseas. In the past, most of the Asian tourists preferred package tours. Today, many Japanese/Asians have already experienced overseas travel, so their desires are changing. As a result, travel agencies in Japan are providing various kinds of new services to attract customers, where PNG tourism operators can take advantage of maintaining a close relation with the Japan travel agencies and wholesalers and sale their products.



Oceania

Total arrivals from Oceania in 2021 decreased by 95 percent compared to the total arrivals in 2020. Most of the visitors from this market come for business and employment reasons. In 2022 it has started to pick up and recorded an increase of over 800% compared to the previous year.

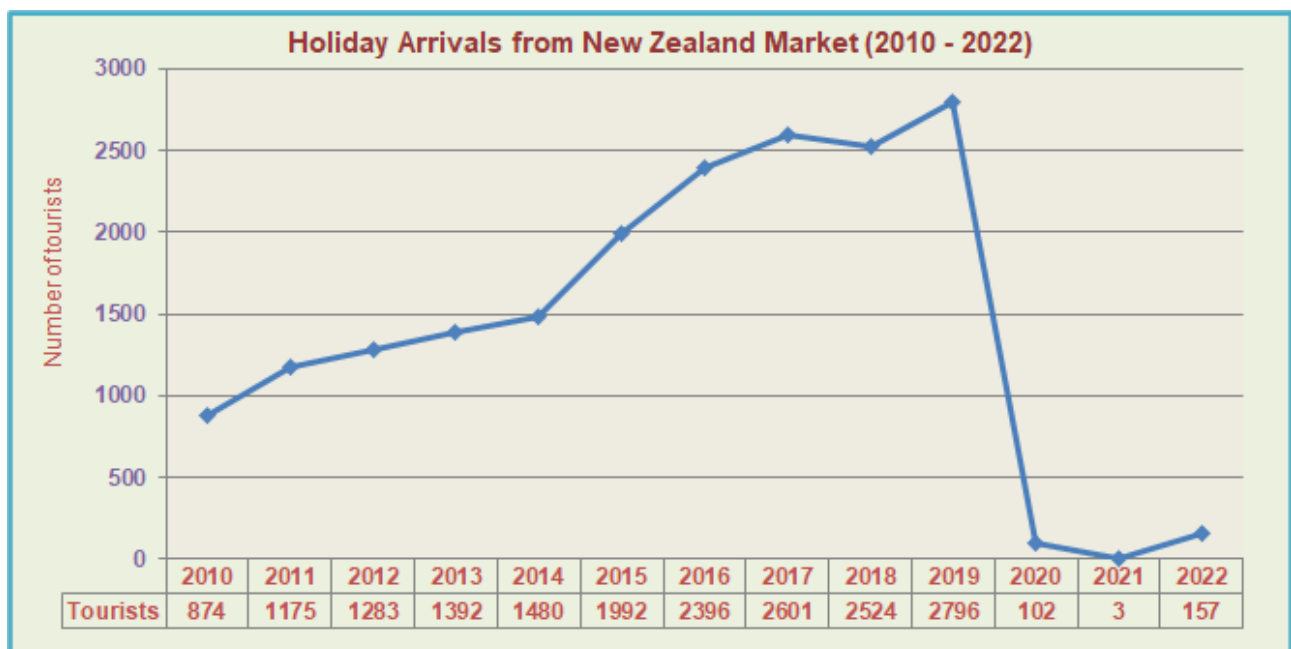
Annual holiday arrivals from the Oceania Market



New Zealand

New Zealand contributes about 5 percent of the total arrivals to PNG, and holiday arrivals from this market increased by over 100% in 2022 compared to 2021.

Annual holiday arrivals from the New Zealand Market

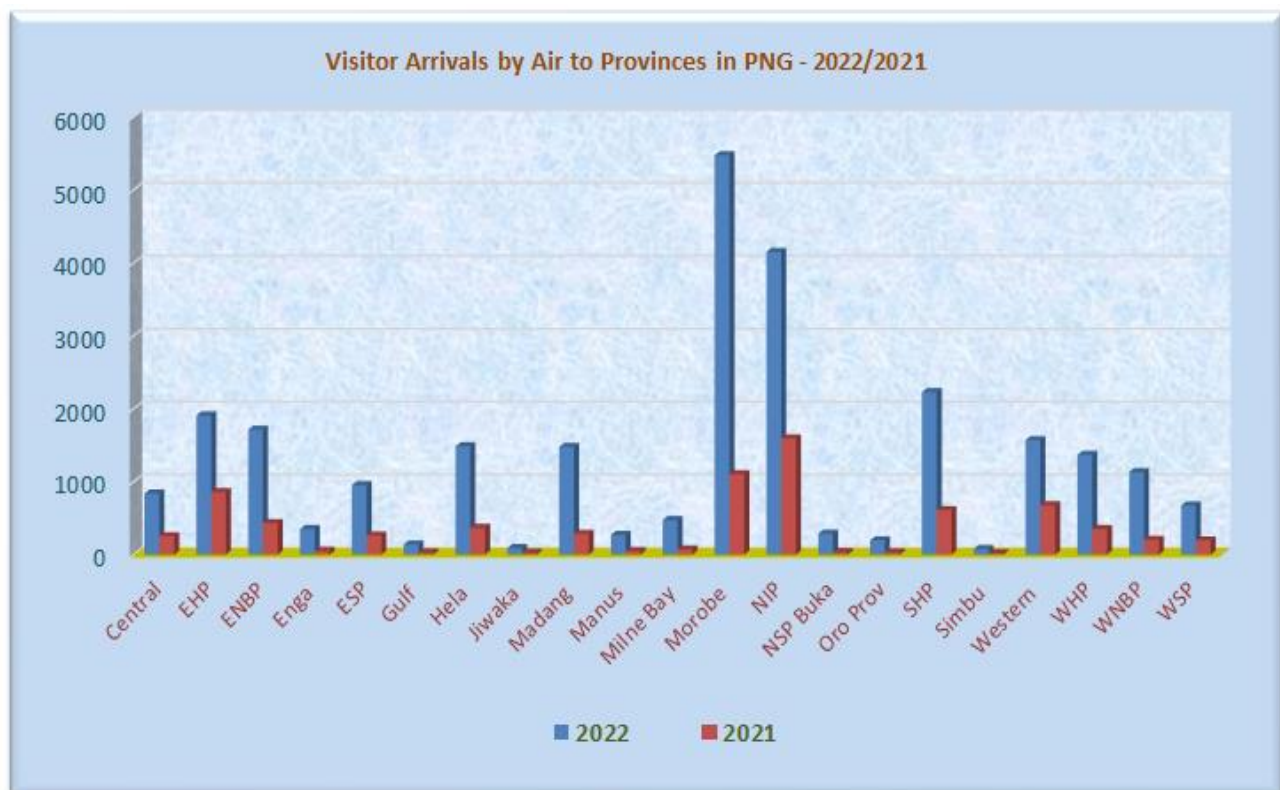


1.5 Areas/Provinces visited by international visitors in PNG

Port Moresby being the gateway to the country, visitor arrivals to the country remains high for the National Capital District (NCD).

The high visitation to Morobe, New, Western, Eastern Highlands, Southern Highlands and Hela Provinces is attributed to the increased business and mining activities in the areas, while most of those visiting Milne Bay, ENBP, New Ireland and Madang are mainly due to cruise ship visits and increase tourism activities in these provinces. New Ireland, East New Britain, Madang and Milne Bay received the highest number of tourists, followed by West New Britain, Western Highlands, East Sepik, West Sepik and other provinces.

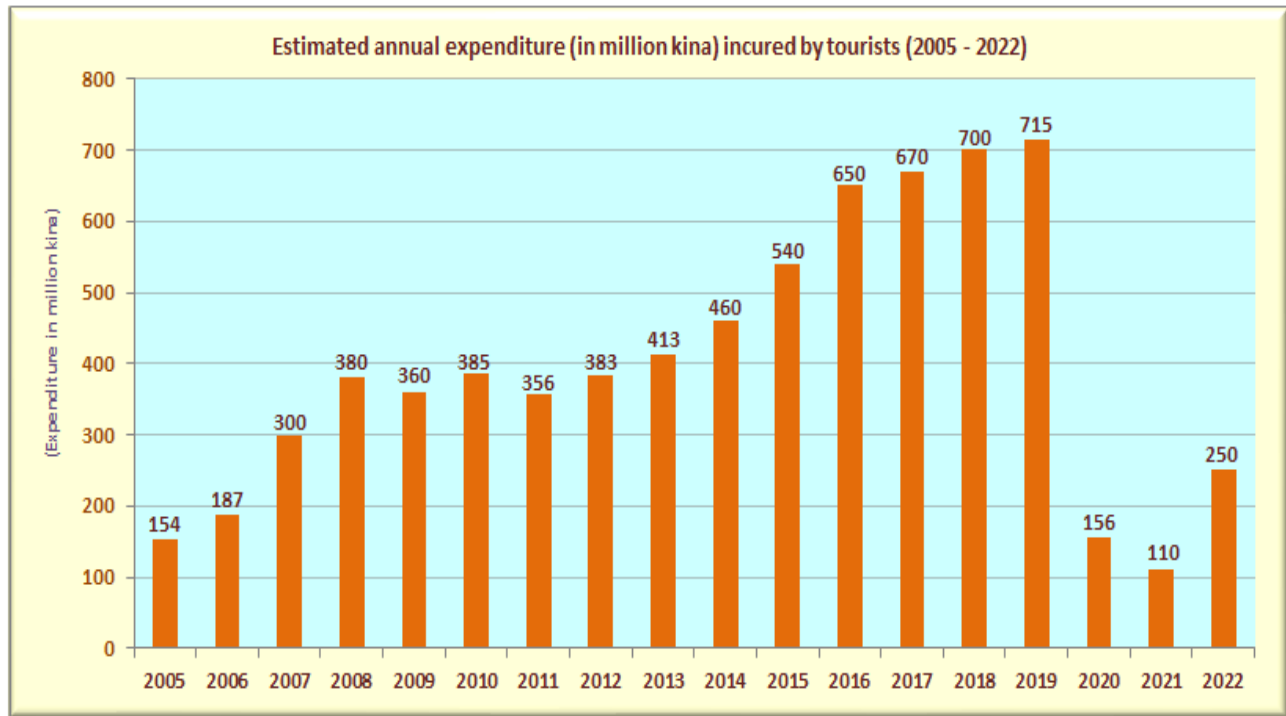
Main Areas Visited & Purpose Visit - 2022											
Province	Purpose of Visit							Total 2022	Total 2021	Change	% (+/-)
	Business	MICE	Holiday	VFR	Employment	Education	Other				
Central Prov	129	3	61	185	413	17	31	839	254	585	230
EHP	261	12	116	181	952	57	330	1,909	858	1,051	122
ENBP	273	5	236	195	913	10	81	1,713	434	1,279	295
Enga Prov	55	0	16	19	252	5	5	352	54	298	552
ESP	176	2	107	63	537	4	66	955	263	692	263
Gulf Prov	21	1	1	14	87	2	16	142	30	112	373
Hela Prov	254	0	9	7	1,198	2	16	1,486	368	1,118	304
Jiwaka Prov	4	0	5	22	24	7	29	91	27	64	237
Madang Prov	170	8	93	120	943	16	128	1,478	285	1,193	419
Manus Prov	65	0	13	27	155	0	12	272	51	221	433
Milne Bay Prov	59	2	121	59	199	1	34	475	74	401	542
Morobe Prov	1,229	16	276	358	3,248	37	309	5,473	1,103	4,370	396
NCD(POM)	11,698	260	3,572	3,309	17,609	475	2,841	39,764	9,319	30,445	327
NIP	678	2	220	113	3,051	9	77	4,150	1594	2,556	160
NSP Buka	69	4	35	65	100	0	16	289	36	253	703
Oro Prov	27	0	180	22	89	0	15	333	32	301	941
SHP	384	3	13	30	1,756	1	41	2,228	612	1,616	264
Simbu Province	10	0	3	16	33	0	18	80	21	59	281
Western Prov	264	0	26	25	1,194	4	59	1,572	678	894	132
WHP	136	7	195	109	794	10	117	1,368	352	1,016	289
WNBP	142	1	324	96	507	8	54	1,132	205	927	452
WSP	58	1	53	6	519	4	34	675	195	480	246
Total	16,162	327	5,675	5,041	34,573	669	4,329	66,776	16,845	49,931	296



1.6 Tourism Receipts (Estimate)

According to our International Visitor Exit Survey:

It was estimated that genuine visitors have spent a total of **K250 million**, an increase of over **120%** or **K140 million** more spending in PNG compared to the amount spent by visitors in 2021. The increase in expenditure was a direct result of the higher number of tourists to the country in 2022.

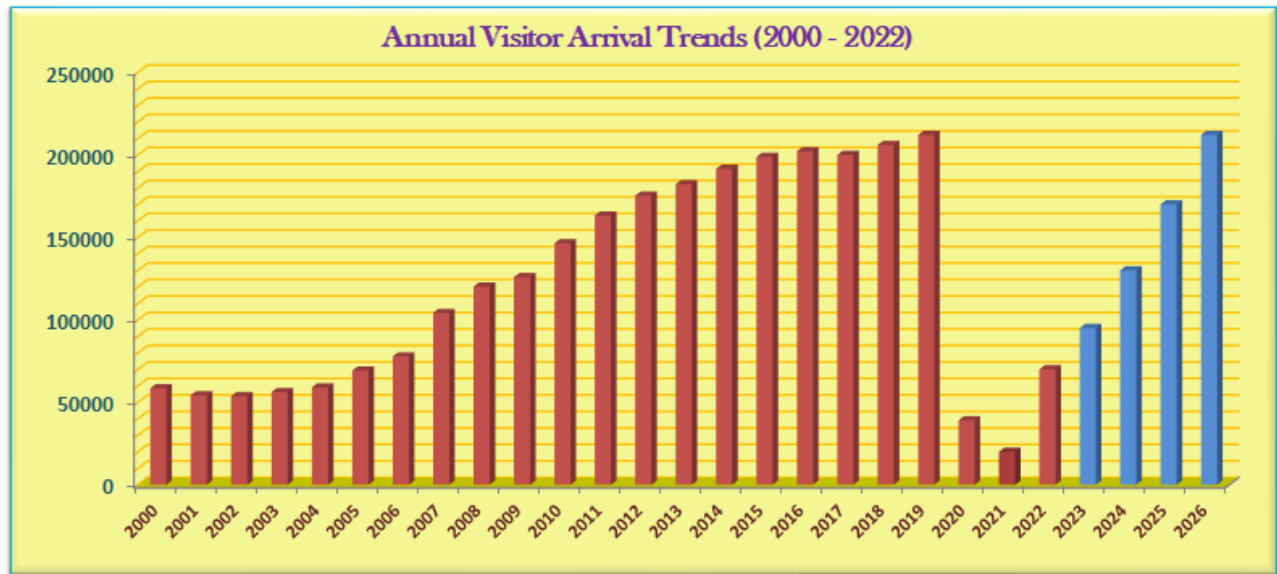


2022 Visitor Arrival Summary Table

Visitors Arrival Analysis													Total - 2022		January - December		Total 2022	Total 2021	Change	% (+/-)
Country	Busins	MICE	VFR	Holiday (Air)	Holiday (Cruise)	Emplmnt	Educatr	Medical	Sports	Church	Other	Total 2022	Total 2021	Change	% (+/-)					
Australia	7343	100	2786	2793	2,600	9581	230	14	57	65	906	26475	4272	22203	520					
New Zealand	755	20	183	157	0	1274	19	0	5	13	92	2518	578	1940	336					
Oceania	635	39	255	119	0	877	84	0	67	24	175	2275	250	2025	810					
China	673	8	140	120	0	2798	11	0	5	3	83	3841	1452	2389	165					
Japan	358	30	15	45	0	134	2	0	0	2	53	639	158	481	304					
Korea	143	4	21	24	0	156	4	0	2	7	24	385	95	290	305					
Malaysia	648	18	117	135	0	2420	22	1	0	8	133	3502	1032	2470	239					
Singapore	261	2	27	35	0	173	2	0	0	1	21	522	74	448	605					
Philippines	630	24	368	269	0	7753	79	4	0	66	464	9657	3061	6596	215					
Indonesia	359	9	29	39	0	2152	12	1	1	12	104	2718	1028	1690	164					
India	512	7	236	145	0	2018	47	2	7	48	259	3281	996	2285	229					
Other Asia	440	6	105	110	0	947	15	1	0	17	154	1795	338	1457	431					
United Kingdom	602	6	124	239	0	783	7	0	0	9	97	1867	471	1396	296					
Germany	125	6	43	164	0	150	9	4	0	20	46	567	143	424	297					
France	239	2	22	94	0	133	6	0	1	1	60	558	68	490	721					
Netherlands	52	2	42	28	0	59	4	3	0	8	28	226	92	134	146					
Other Europe	431	5	78	333	0	657	13	2	2	47	165	1733	367	1366	372					
USA	1075	23	274	539	0	944	68	8	10	231	368	3540	1324	2216	167					
Canada	167	1	26	47	0	327	9	4	0	17	44	642	230	412	179					
Other America	120	1	16	46	0	147	8	1	1	19	29	388	102	286	280					
Africa	406	9	114	85	0	849	16	3	9	18	108	1617	477	1140	239					
Russia	43	1	4	19	0	110	0	0	2	0	11	190	92	98	107					
Italy	49	2	9	22	0	54	0	0	0	8	7	151	49	102	208					
Scandinavia	8	0	1	15	0	17	0	12	0	4	10	67	11	56	509					
Chile	9	1	1	1	0	8	1	1	0	0	0	22	1	21	2100					
Israel	79	1	5	52	0	52	1	0	2	2	6	200	85	115	135					
Total 2022	16162	327	5041	5675	2,600	34573	669	61	171	650	3447	69376	16846	52530	312					
Total 2021	2184	21	410	85	0	12674	133	51	3	306	979									
Change	13978	306	4631	5590	2600	21899	536	10	168	344	2468									
% (+/-)	640	1457	1130	6576	0	173	403	20	5600	112	252									

1.7 Tourism Arrival Trends & Forecast (2000 – 2026)

After experiencing a drop in arrivals in 2017 as a result of the national election and security threats, Papua New Guinea's tourism industry has performed well in the last two years, in terms of international arrivals to Papua New Guinea. In 2018, a total of 194,876 international visitors were recorded, which was an increase of 7% compared to the other year. In 2019, the arrivals maintained the upward trend by recording 210,980 international visitors, an increase of 8% compared to 2018. Healthy growth was seen from the holiday sector, however, international arrival around the world was hit hard by the Coronavirus Pandemic and PNG recorded decrease in visitor numbers in 2020 through to 2021. In 2022, arrivals started to pick up and healthy growth was seen from all the markets and forecasted to continue in the next four years.



***Bars in blue are forecasts**

The visitor arrival trends from 2005 to 2016 have been positive, and the holiday segment from most of our key source markets have been performing well. Most of the growths in visitor arrivals were within our target and that was to double the holiday figures every five years. However, 2017 was an election year and due to security threats and travel warnings, travel was limited.

Visitor arrival numbers to the country picked up again in 2018 and 2019 as the PNG Tourism Promotion Authority in partnership with the industry players were able to develop new tourism products and carry out more marketing and promotional activities in the overseas markets. However, the worldwide tourism industry was hit hard by the COVID-19 Pandemic and international arrivals to destinations globally sank to the lowest in 2020 and 2021. In 2022, arrivals started to pick up and healthy growth was seen from all the markets and forecasted to continue going forward.

In the next three years (2023 - 2025), international arrival numbers are forecasted to pick up strongly, and by 2026 close to 200,000 international visitors will have visited Papua New Guinea, spending an estimated revenue of K2.0 billion into the economy. The growth will be supported strongly by the implementation of the TPA plans and Air Niugini's plan to expand its flight services to other international and domestic destinations. Increased marketing activities and packaging of new tourism products by TPA and the tourism industry partners will also determine our predicted growth in visitor arrival numbers to PNG.

According to UNWTO, International tourism showed robust performance in 2022, with arrivals reaching 63% of pre-pandemic levels in the twelve months of 2022. An estimated 700 million tourists travelled internationally between January and December 2022, more than double (+133%) the number recorded in the same period of 2021. Results were boosted by improved confidence levels and the lifting of restrictions in an increasing number of destinations.

The safe resumption of international tourism will continue to depend largely on a coordinated response among countries in terms of travel restrictions, harmonized safety and hygiene protocols and effective communication to help restore consumer confidence. This is particularly critical at a moment when cases are surging in some regions and new Covid-19 variants are emerging in different parts of the world. Therefore, it is important at this time to take proactive steps to grow domestic tourism as well to help our tourism industry recover quickly, whilst we continue to maintain online presence to connect with our potential international tourists/visitors.

Conclusion

PNG after experiencing a healthy growth in visitor arrival numbers in the past, numbers declined sharply in 2020 and 2021 as a result of the Covid-19 pandemic that brought down the tourism industry worldwide to its lowest on record. However, as many destinations have started to re-open their international borders and allowing fully vaccinated tourists/visitors to travel, arrival numbers started to pick up in 2022. Therefore, we must be prepared to meet the demand/needs of our tourists/visitors because travel patterns and product needs in the markets are fast changing and destinations around the world are now adapting to the new changes to remain competitive in the market place. As such, TPA must work closely with tour operators and product owners to diversify the current tourism products and develop new tourism packages to meet the demand/needs of our local and international tourists.

.....*THANK YOU*.....

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