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**From Isolation to Opportunity:
Sustainable Tourism Development in the Federated States of Micronesia**

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Abstract

This paper explores the untapped potential of sustainable tourism in the Federated States of Micronesia (FSM), a remote Pacific small island developing State (SIDS), rich in ecological and cultural assets but constrained by geographic isolation, limited infrastructure and fragmented marketing. Drawing on comparative insights from successful models like Indonesia's Raja Ampat, the study identifies structural and institutional barriers to tourism development in FSM and proposes strategic pathways for inclusive, sustainability-centred growth. Key recommendations include: diversifying tourism offerings through eco-tourism, cultural heritage and adventure travel; enhancing digital visibility; improving infrastructure; and fostering multi-stakeholder collaboration. By embedding sustainability into its tourism strategy, FSM can transform from an overlooked destination into a resilient, high-value model of sustainable island tourism.

Keywords: Digital marketing; eco-tourism; Federated States of Micronesia (FSM); Raja Ampat model; small island developing States (SIDS); sustainable tourism

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1. Introduction

Tourism is a critical pillar of economic development for many small island developing States (SIDS) in the Pacific. It serves as a major source of employment, foreign exchange earnings and community livelihoods. Countries such as the Cook Islands, Fiji and Palau have effectively harnessed their natural assets and cultural heritage to attract international visitors, thereby enhancing economic resilience and supporting progress towards national development objectives.

The global tourism sector faced an unprecedented disruption during the COVID-19 pandemic. International travel came to a near halt due to border closures and public health measures, severely affecting tourism-dependent economies and the livelihoods of millions of workers worldwide (UNWTO, 2020). Although the sector has begun to recover, the pandemic highlighted the vulnerability of small Pacific islands to external shocks and reinforced the urgency of developing more resilient and diversified tourism strategies.

The Federated States of Micronesia (FSM), despite its exceptional ecological and cultural assets, including the *Nam Madol* World Heritage site,² vibrant coral reefs, dense rainforests and a rich tapestry of indigenous traditions, remains a relatively underdeveloped and under-visited tourism destination. In contrast to neighbouring Palau, which has positioned itself as a high-value eco-tourism hub, FSM derives only a modest share of its economy from tourism (PSDI, 2021). The country's geographic isolation, limited infrastructure and fragmented marketing efforts have constrained its ability to compete in the global tourism market.

This paper critically examines the structural, logistical and institutional barriers that have hindered the development of FSM's tourism sector. It also explores strategic pathways for promoting sustainable tourism as a means of enhancing economic diversification, strengthening climate resilience and supporting inclusive development. Drawing on international best practices, including a comparative case study of Raja Ampat in Indonesia, the paper offers actionable recommendations for positioning FSM as a model of sustainable island tourism in the Pacific region.

2. Background: FSM's challenges in tourism

Situated approximately 4,000 kilometres from major urban centres such as Brisbane, Manila and Tokyo, FSM is a remote tropical archipelago located in the northern Pacific Ocean. Positioned just north of the equator, FSM spans an exclusive economic zone of over 2.6 million square kilometres. Despite this vast maritime area, the country comprises more than 700 islands with a combined land area of less than 700 square kilometres. Of these, only 65 islands are inhabited, accommodating a population of approximately 117,000 people (Macmillan, 2023). FSM is a federal sovereign state composed of four constituent states, Chuuk, Kosrae, Pohnpei and Yap, each characterized by distinct cultures, languages and demographic profiles. Geographically, FSM is part of the Micronesia subregion, which also includes four other independent island nations: Kiribati, Marshall Islands, Nauru and Palau (see Figure 1).

² Nan Madol, a complex of more than 100 artificial islets off the south-east coast of Pohnpei, harbours the remains of stone palaces, temples, tombs and residential domains constructed between 1200 and 1500 CE. These structures formed the ceremonial centre of the Saudeleur dynasty, a period marked by significant social and political development in Pacific Island culture. The site is notable for its monumental scale, technical sophistication and concentration of megalithic architecture, which reflect the complexity of the island societies of the time (UNESCO, 2025).

Despite its year-round tropical climate, extensive coral reef systems, abundant marine resources and lush rainforests, the tourism sector in FSM remains underdeveloped. In 2019, before the onset of the COVID-19 pandemic, the country received approximately 18,000 international visitors, generating an estimated average revenue of USD 1,000 per visitor (PSDI, 2021). Consequently, the sector's contribution to the national economy was limited, accounting for merely 6.5 per cent of gross domestic product (GDP), equivalent to approximately USD 18 million, and providing employment for fewer than 800 Micronesians (PSDI, 2021).

Figure 1: Map of the Federated States of Micronesia



Source: U.S. Department of State. (2024). *Limits in the Seas No. 152: Federated States of Micronesia*. <https://www.state.gov/wp-content/uploads/2024/02/LIS152-FSM-508-Final.pdf>

Although the Government of FSM has articulated its commitment to advancing tourism as a strategic sector, a 2015 national report acknowledged that “FSM has made no progress in establishing a vibrant tourism industry. In fact, the tourism sector is in decline” (Government of the Federated States of Micronesia, 2015, p. 27). The current national tourism strategy aspires to position FSM as “a leading sustainable tourism destination” by 2030 (FSM Department of Resources & Development, n.d.)

The underperformance of the tourism sector in FSM can be attributed to a combination of structural and geographic constraints, with extreme remoteness being a key factor. FSM is situated more than ten hours by air from major regional hubs such as Australia, Japan and the Philippines, often requiring multiple flight connections. This geographic isolation places FSM at a competitive disadvantage compared with more accessible and well-established tourism destinations in the Asia-Pacific region, including Indonesia, Thailand and Viet Nam.

In addition, underdeveloped infrastructure continues to constrain the growth of the tourism sector in FSM. The country has only four international airports, one in each state, with limited connectivity beyond the Micronesian subregion. International flights are frequently described as unreliable, time-consuming and costly. United Airlines is currently the primary carrier servicing FSM, operating the “Island Hopper” route three times a week (flights UA154 outbound and UA155 return), which connects Micronesia to Guam, Hawai’i and other Pacific islands (see Figure 2). Round-trip fares from Guam to FSM often exceed US\$ 1,000 (United Airlines, 2025). United Airlines also operates biweekly flights between Guam and Yap (FlightsConnections, 2025). Alternatively, Nauru Airlines offers weekly Island Hopper services from Brisbane through Pohnpei to Koror, Palau, at comparable prices (Nauru Airlines, 2022) (see Figure 3).³

Figure 2: United Airlines Island Hopper route



Source: WeatherWatch. (2018). *The flight on every aviation fan’s bucket list*.
<https://www.weatherwatch.co.nz/content/the-flight-on-every-aviation-fans-bucket-list>

Figure 3: Nauru Airlines Island Hopper route



Source: Nauru Airlines. (2025). *Nauru Airlines*. <https://www.nauruair.com/>

³ Nauru Airlines has expanded its weekly island hopper services to the Clark International Airport in the Philippines since September 2025.

Despite the efforts of international visitors who undertake the journey to FSM, many encounter additional challenges due to the country's limited domestic tourism infrastructure. FSM currently has approximately 30 hotels, offering a total of around 500 rooms, nearly half of which are concentrated in the capital and primarily cater to business travellers (PSDI, 2021). These constraints significantly limit the country's capacity to accommodate a larger volume of international tourists. As a result, travel to FSM remains cost-prohibitive for many, particularly budget-conscious travellers, contributing to persistently low arrival numbers.

To date, tourism infrastructure has largely focused on business travel, with limited investment in facilities and services tailored to leisure tourism. The small number of hotels, many of which are outdated and lack modern amenities, combined with the absence of resorts or specialized accommodation options, restricts FSM's ability to attract higher-spending market segments. Moreover, essential tourist services such as guided tours, water-based recreational activities and cultural experiences are either underdeveloped or absent (PSDI, 2021). Without targeted investment in these areas, FSM's considerable potential as a sustainable and attractive tourism destination remains largely unrealized.

Intra-state and inter-district travel within FSM presents considerable challenges for both international visitors and residents. The absence of formal public transportation systems, such as buses, trams or rail networks, on the islands significantly limits mobility. Tourists must rely on taxis, hotel shuttle services or rental vehicles; however, these options are not consistently available across all locations (PSDI, 2021).

Each of the four main islands is served by a single ring road, which facilitates basic circulation but does not provide comprehensive coverage or flexibility, particularly for accessing more remote areas. The limited transport infrastructure not only constrains the visitor experience but also poses logistical difficulties for domestic travel and the delivery of essential services (UNFCCC, 2022). These constraints underscore the broader infrastructural gaps that continue to hinder the development of a more inclusive and accessible tourism sector in FSM.

Inter-island transportation within FSM is primarily reliant on maritime services as domestic air travel remains infrequent and limited in coverage. Two large passenger vessels provide ferry services between the islands, offering a significantly more affordable alternative to air travel with fares starting at approximately USD 28 per trip and reaching up to USD 150 for private cabin accommodation. However, these ferries are predominantly utilized for essential domestic purposes, including official government travel, educational visits, family obligations and medical referrals (UNDP, 2025). While tourism-related travel via ferry is technically feasible, it remains uncommon due to irregular schedules and limited services that are not tailored to the needs of international visitors.

These logistical constraints, ranging from high international airfare and limited flight connectivity to inadequate domestic transport infrastructure, pose significant barriers to accessibility. As a result, they hinder the development of a competitive and inclusive tourism sector, diminishing the country's appeal to global travellers despite its exceptional natural beauty and rich cultural heritage.

In addition to structural and geographic constraints, FSM faces challenges related to limited international visibility and fragmented tourism promotion. The national tourism authority, under the Department of Resources and Development, is formally tasked with transnational marketing, including branding, advertising and public relations. However, the implementation of these responsibilities is highly decentralized. Each of the four states, Chuuk, Kosrae, Pohnpei and Yap, maintains its own tourism authority

and independently manages its promotional activities, resulting in a lack of coherence at the national level. (PSDI, 2021)

Variations in digital outreach are evident across the states of FSM. Kosrae's official tourism website (www.visitkosrae.com) offers comprehensive information on accommodation, cultural experiences and activities. Similarly, Yap's tourism portal (www.visityap.com) presents a well-structured and visually engaging platform that highlights the island's marine biodiversity and cultural heritage. Chuuk also maintains a dedicated website (www.visitchuuk.com), which provides useful information on sightseeing, activities and lodging options. In contrast, Pohnpei's tourism promotion is divided between an official website (www.visitpohnpei.travel) and an older Facebook page, resulting in inconsistencies in content quality and outreach. These differences underscore the need for greater coordination and investment in digital platforms to strengthen the visibility and coherence of FSM's tourism sector.

Although the national tourism website (www.visit-micronesia.fm) provides state-specific information, it lacks a unified and strategic approach to promoting FSM as a cohesive tourism destination. Moreover, the website appears to be inactive, with the most recent update dating back to July 2022, over two and a half years before the time of writing. As a result, prospective visitors face considerable difficulty in accessing reliable and up-to-date information on travel to FSM. Much of the available content is hosted on outdated websites or minimally maintained social media pages, which do not meet the expectations of international travellers.

This limited digital presence contributes to FSM's low visibility in global tourism markets, particularly among high-spending travellers. For instance, European tourists who frequently travel to tropical destinations in South-East Asia, East and Southern Africa and Latin America rarely consider FSM as a viable option, as current visitor numbers show (Palgrave Macmillan, 2023). The country's absence from mainstream travel platforms and promotional campaigns may be a significant factor contributing to this lack of awareness.

Limited coordination across the states continues to constrain the effectiveness of national tourism branding and reduce FSM's competitiveness in the global tourism market. While a National Tourism Sector Development Framework was developed with support from the Asian Development Bank, progress in implementation has been gradual, and inter-state collaboration remains limited (Asian Development Bank, 2016). Strengthening institutional coordination and aligning marketing efforts across the four states are critical to advancing FSM's vision of becoming a leading sustainable tourism destination.

Finally, climate change and its associated extreme weather events present an additional and growing challenge to the sustainable development of tourism in FSM. As noted by Veron *et al.* (2019), island nations, particularly those situated near the equator, are disproportionately affected by the impacts of climate change. These include rising sea levels, increasing ocean temperatures, greater variability in terrestrial and marine temperatures and a heightened frequency of extreme weather events such as prolonged droughts and intense rainfall. Such environmental stressors not only threaten the natural ecosystems that underpin FSM's tourism appeal but also place additional strain on already limited infrastructure and resources, thereby constraining the sector's resilience and long-term viability (World Bank, 2022)

3. Diversifying tourism offerings in FSM

To enhance its appeal to international visitors and increase tourism-related revenue, FSM may benefit from a strategic shift in its tourism development approach. A more targeted strategy could focus on niche segments such as eco-tourism and cultural tourism, which are well aligned with the country's

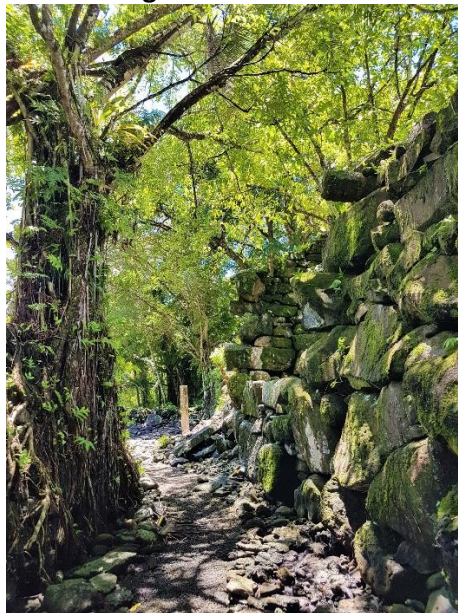
environmental and socio-cultural assets, including the Nam Madol World Heritage site on Pohnpei (Figure 4) and Lelu Ruins on Kosrae (Figure 5). In particular, FSM is well-positioned to attract environmentally conscious and culturally engaged travellers seeking authentic experiences in pristine, non-commercialized settings. For these visitors, the country's remoteness and absence of mass tourism may be perceived not as limitations, but as distinctive strengths (Grilli *et al.*, 2023).

Figure 4: Nam Madol World Heritage site



Source: UNESCO (2025). Nan Madol: Ceremonial Centre of Eastern Micronesia. *UNESCO World Heritage Convention*. <https://whc.unesco.org/en/list/1503>

Figure 5: Lelu Ruin



Source: Federated States of Micronesia. (2021). *Ancient Site*. [https://visit-micronesia.fm/ruins/#:~:text=Lelu%20Ruins%20\(KOSRAE\),other%20islands%20in%20the%20Pacific](https://visit-micronesia.fm/ruins/#:~:text=Lelu%20Ruins%20(KOSRAE),other%20islands%20in%20the%20Pacific).

To unlock the full potential of its tourism sector, FSM must adopt a more diversified and strategic approach to tourism development. By leveraging its unique ecological and cultural assets, FSM can position itself as a niche destination for sustainable and experience-based tourism. Targeted efforts in this direction would

enable the country to attract specific market segments and enhance its global visibility. The following thematic areas present promising avenues for sectoral development and focused marketing:

(i) Eco-tourism through guided rainforest expeditions

FSM's dense tropical rainforests, home to hundreds of endemic bird species and unique flora, offer significant potential for eco-tourism. Structured and professionally guided hikes could provide immersive experiences for nature enthusiasts, birdwatchers and conservation-minded travellers. High-end offerings such as private eco-lodges, luxury trekking packages and premium photography tours could appeal to affluent tourists seeking exclusivity and environmental authenticity (Grilli *et al.*, 2023).

(ii) Cultural tourism through traditional festivals and heritage experiences

FSM's rich cultural heritage, shaped by over 4,000 years of human settlement and layered with Spanish, German, Japanese and American influences, remains a largely untapped asset. Events, such as Yap Day, celebrated annually on 1 March (Figure 6), showcase traditional dances, crafts and competitions that preserve and promote local identity (Embassy of the FSM, 2022). Each of the four states, Chuuk, Kosrae, Pohnpei and Yap, possesses distinct cultural expressions that could be curated into heritage trails, cultural immersion programmes and community-based tourism initiatives.

Figure 6: Yap Day



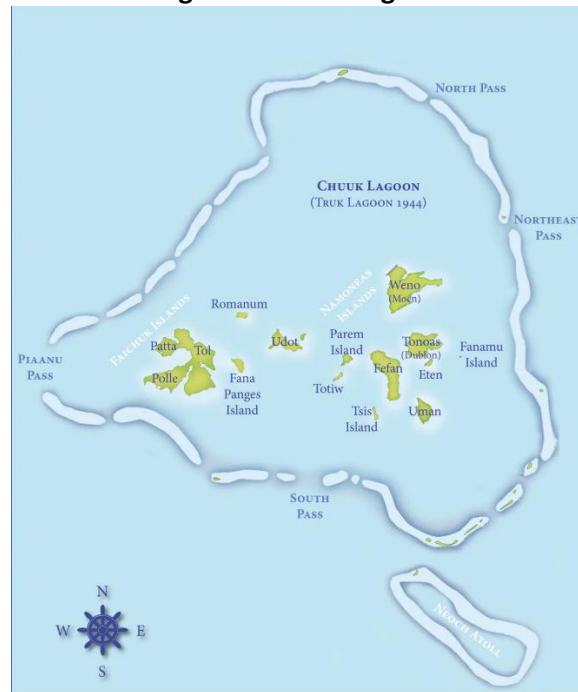
Source: Yap Visitors Bureau (2025). *Yap Festivals & Events*. https://www.visityap.com/events_in_yap.php

(iii) Marine tourism and diving experiences

FSM offers some of the world's most pristine coral reefs and marine ecosystems, suitable for both novice and experienced divers. Kosrae, for example, is renowned for its vibrant coral gardens while Pohnpei boasts nine marine protected areas with thriving reef biodiversity. Chuuk Lagoon is internationally recognized for its concentration of World War II shipwrecks, offering a unique blend of historical and recreational diving

(Padi, 2025) (Figure 7).⁴ Despite these assets, only a limited number of dive sites are currently listed with major international diving organizations (SSI, 2025). Expanding visibility through partnerships with global dive networks and promoting eco-certification for dive operators could enhance FSM's profile as a premier diving destination.

Figure 7: Chuuk Lagoon



Source: Macdonald, R. (2025). Feature: Operation Hailstone, 17-18 February 1944. *The Past*. <https://the-past.com/feature/operation-hailstone-17-18-february-1944-the-task-force-58-raid-on-the-japanese-fortress-of-truk/>

(iv) Adventure and water-based tourism

Beyond diving, FSM's coastal and marine environments are well-suited for a range of water sports, including kayaking, sport fishing, sailing, rafting and kitesurfing. These activities could be developed into adventure tourism packages that appeal to active travellers and generate high returns with relatively low environmental impact. Investment in safety standards, equipment rental services and trained guides would be essential to ensure quality and sustainability.

(v) Land-based adventure tourism

FSM possesses a diverse and mountainous terrain that offers considerable potential for the development of land-based adventure tourism. Activities such as mountain biking and trekking could be expanded through the establishment of marked trails, bicycle rental services and guided electric bike tours. These offerings would not only appeal to physically active travellers but also to a broader demographic, including less athletic visitors, thereby enhancing inclusivity and accessibility. In addition to traditional trekking and cycling, FSM's topography is well-suited for the development of low-impact, high-revenue adventure attractions such as zip lines and treetop canopy trails. Zip lines are particularly popular among adventure

⁴ There have been reports of oil leakage from World War II shipwrecks in Chuuk Lagoon, posing an ongoing environmental threat to the lagoon's ecosystem (U.S. Department of State, 2024).

tourists and can generate significant economic returns with relatively modest infrastructure investment. Treetop trails, while less adrenaline-focused, offer family-friendly alternatives that provide immersive experiences in the forest canopy. Both activities have the potential to gain international visibility through social media platforms, as demonstrated by similar attractions in other countries (e.g., the bike zipline in El Salvador). Further opportunities include the establishment of designated climbing areas, quad bike tours and the organization of international sporting events such as marathons or trail races. These initiatives would not only diversify FSM's tourism portfolio but also stimulate local entrepreneurship and employment. Importantly, many of these activities require relatively low levels of public investment and can be developed in partnership with the private sector and local communities, ensuring both economic viability and environmental sustainability.

Diversifying tourism offerings in FSM is essential to unlocking the country's potential as a sustainable and high-value destination. By strategically developing niche markets such as eco-tourism, cultural heritage tourism and marine and adventure tourism, FSM can attract a broader and more discerning visitor base. These efforts, if guided by inclusive planning, environmental stewardship and targeted marketing, can contribute meaningfully to economic diversification, community empowerment and the preservation of the country's unique natural and cultural assets.

4. Raja Ampat archipelago: A model for sustainability-centred tourism

FSM, like many SIDS, faces a constellation of structural and geographic constraints that inhibit the development of a robust and competitive tourism sector. These include extreme remoteness, limited transport and hospitality infrastructure, fragmented governance and vulnerability to climate change. Nevertheless, FSM possesses exceptional ecological and cultural assets, ranging from biodiverse coral reefs and endemic rainforest species to rich indigenous traditions, that remain largely underutilized. In this context, the experience of the Raja Ampat archipelago in Indonesia offers a compelling and instructive case study for FSM and other SIDS seeking to transition toward sustainability-centred tourism models.

Situated in the province of West Papua, Raja Ampat is located over 2,500 kilometres from Jakarta and shares many characteristics with FSM: geographic isolation, vibrant indigenous cultures and some of the world's most biodiverse marine ecosystems. Despite significant logistical challenges, including travel times exceeding 24 hours from major international markets, Raja Ampat experienced a transformative increase in international tourist arrivals from fewer than 1,000 in 2007 to approximately 25,000 in 2019 (Mawaddah *et al.*, 2024). This growth was not driven by mass tourism but by a deliberate and strategic approach that embedded sustainability as the cornerstone of tourism development.

Central to Raja Ampat's success was the adoption of the "Pentahelix" model, a multi-stakeholder governance framework that integrates five key actors: the government, the private sector, academia, civil society (including local communities) and media. This inclusive model facilitated the alignment of tourism development with environmental conservation, scientific research and socio-economic empowerment. It enabled the co-creation of policies and programmes that were both locally grounded and globally informed, ensuring that tourism growth did not compromise ecological integrity or cultural authenticity (McLeod *et al.*, 2009).

A pivotal milestone in Raja Ampat's branding strategy was the attainment of UNESCO Global Geopark status, which conferred international recognition and credibility. This designation served as a powerful marketing tool, attracting environmentally conscious travellers and unlocking access to international funding for conservation and infrastructure development. It also reinforced the archipelago's identity as a

premium eco-tourism destination committed to sustainability and community engagement (Unesco, 2023).

Raja Ampat's digital outreach strategy was equally instrumental. The region invested in high-quality, multilingual digital content and leveraged social media platforms, including Instagram, Facebook and YouTube, to reach global audiences. Strategic partnerships with travel influencers and participation in international tourism fairs amplified visibility and positioned Raja Ampat as a low-impact, high-value destination. Campaigns were tailored to niche markets such as divers and snorkelers, emphasizing the archipelago's marine biodiversity and cultural richness (Mawaddah *et al.*, 2023)

At the heart of Raja Ampat's tourism model was a deep commitment to environmental stewardship. Conservation campaigns and educational initiatives were launched to raise awareness among both tourists and residents. Environmentally responsible practices were mainstreamed across tourism offerings and traditional resource management systems such as *Sasi*, which imposes temporary bans on the use of specific marine areas to allow for ecological regeneration, were revitalized and integrated into formal conservation frameworks. As documented by McLeod *et al.* (2009), *Sasi* has proven effective in preserving fish stocks and coral reefs, which are central to the region's eco-tourism appeal. Importantly, *Sasi* also enabled communities to generate revenue through access fees, which were reinvested in conservation and local development.

The role of non-governmental organizations (NGOs) was critical in operationalizing sustainability. NGOs provided technical assistance, facilitated capacity-building in hospitality and tourism management and supported the development of community-based accommodation models such as homestays. These models offered tourists authentic cultural experiences while ensuring that economic benefits accrued directly to local households. Homestays were marketed internationally and operated in accordance with the best environmental practices, reinforcing the sustainability narrative.

Raja Ampat's conservation efforts extended to the designation of over 18,000 square miles of marine protected areas, including sanctuaries for sharks and manta rays. These initiatives, supported by strong community participation and NGO engagement, led to a 90 per cent reduction in overfishing and contributed to healthier marine ecosystems. The resulting improvements in biodiversity not only enhanced food security but also increased the region's attractiveness to eco-tourists (D'Agnes, 2019).

For FSM, the lessons from Raja Ampat are both relevant and actionable. Traditional marine management systems in FSM, many of which share principles with *Sasi*, could be revitalized and adapted to support biodiversity conservation and sustainable livelihoods. The establishment of a national homestay network could address infrastructure gaps while ensuring that tourism revenues benefit local communities. Strategic partnerships with NGOs, the private sector and international development agencies, including United Nations entities, would be essential to build local capacity, expand protected areas and promote community-based tourism.

Perhaps the most critical takeaway is the imperative of a coherent and professional tourism marketing strategy centred on sustainability. Raja Ampat's success in branding itself as a premier eco-tourism and diving destination through multilingual digital campaigns, influencer partnerships and global tourism fairs underscores the transformative potential of strategic communication. FSM, with its similarly rich biodiversity and cultural heritage, is well-positioned to adopt this approach and market itself as an untouched natural sanctuary offering authentic, low-impact travel experiences.

By embedding sustainability into every aspect of its tourism development from conservation and community participation to branding and infrastructure, FSM can attract high-value visitors, preserve its unique ecosystems and foster inclusive, long-term economic growth. The Raja Ampat model demonstrates that even the most remote and ecologically sensitive regions can become globally recognized tourism destinations when guided by visionary leadership, inclusive governance and a steadfast commitment to sustainability.

5. FSM's strategies for promoting sustainable tourism

Despite its exceptional ecological and cultural assets, FSM has yet to fully harness its tourism potential. The country continues to face structural barriers, including geographic remoteness, limited infrastructure and a fragmented tourism marketing approach. To address these challenges and unlock the sector's potential, FSM must adopt a comprehensive and sustainability-oriented tourism development strategy. The following strategic priorities are recommended:

(i) Infrastructure development and investment incentives

Limited accessibility and underdeveloped domestic infrastructure continue to constrain tourism growth in FSM. Expanding international airport capacity and enhancing regional air connectivity, particularly with key source markets such as Australia, China, Japan, the United States and South-East Asia, would significantly improve access and facilitate visitor flows. Concurrently, investment in accommodation infrastructure across all budget categories, including eco-lodges, hostels and mid- to high-end hotels, is essential to cater to a diverse tourist base. To stimulate private sector engagement, the Government may consider introducing targeted tax incentives and regulatory support for both domestic and foreign investors. These measures should be designed in consultation with traditional landowners to ensure alignment with local governance structures and cultural practices. Such an approach could catalyze foreign direct investment (FDI), promote inclusive development and initiate a virtuous cycle of infrastructure expansion and economic growth.

(ii) Advancing sustainability initiatives

Sustainability must be embedded as a core principle in FSM's tourism strategy. This includes the development and enforcement of national guidelines for environmentally responsible tourism with a particular focus on the protection of coral reefs and marine biodiversity. The designation of new marine protected areas supported by community-based management systems would help preserve critical ecosystems while enhancing the country's appeal to eco-tourists. Collaboration with international organizations and NGOs can provide technical expertise, capacity-building and financial support for conservation and sustainable tourism initiatives.

(iii) Strengthening digital marketing and online visibility

FSM's current digital presence is limited and does not meet international standards. A modern, multilingual national tourism website should be developed to serve as a central platform for up-to-date information, high-quality visuals and interactive content. This should be complemented by a coordinated presence across major social media platforms (e.g., Facebook, Instagram and TikTok), with content tailored to diverse linguistic and cultural audiences including English, Japanese, Chinese, German and French. Collaborations with travel influencers and content creators can amplify FSM's visibility at relatively low cost. Innovative approaches such as 360-degree virtual reality (VR) content showcasing coral reefs and cultural sites could further enhance engagement. Partnerships with online travel agencies and airlines, as well as targeted

digital advertizing campaigns, would help position FSM as a desirable destination for environmentally conscious travellers.

(iv) Strategic sector-wide recommendations

To support the above priorities, FSM should consider the following cross-cutting strategies:

- Integrated national tourism branding: Develop a unified tourism identity that reflects FSM's ecological and cultural richness, supported by coordinated marketing across all four states.
- Capacity-building and training: Invest in hospitality training, eco-tourism certification and community-based tourism skills to ensure service quality and inclusive participation.
- Public-private partnerships: Facilitate investment in sustainable tourism infrastructure through collaborative models involving government, the private sector and civil society.
- Multi-stakeholder governance: Adopt inclusive planning frameworks that involve local communities, traditional leaders, NGOs and the private sector in tourism decision-making.
- Pursue international recognition: Seek designations such as UNESCO Global Geopark status to enhance credibility and attract niche tourism markets.
- Regional and international cooperation: Engage with regional tourism bodies, including the Pacific Tourism Organisation (SPTO) and the Pacific Asia Travel Association (PATA), development partners and global travel platforms to enhance visibility, access funding and share best practices.

By adopting a holistic and sustainability-driven approach to tourism development, FSM can diversify its offerings, attract higher-value visitors and ensure that tourism contributes meaningfully to inclusive and resilient economic growth. With strategic investment, coordinated marketing and strong community engagement, FSM has the potential to emerge as a leading model of sustainable island tourism in the Pacific region.

6. Conclusions

FSM has yet to fully capitalize on its rich natural and cultural endowments as a tourism destination. The reasons for this underperformance are multifaceted. Key challenges include the country's geographic isolation, limited global visibility, underdeveloped infrastructure and the absence of a coherent and well-resourced tourism marketing strategy. These factors collectively contribute to FSM's low profile on the international tourism map, making it a less accessible and less appealing option for global travellers. In contrast, destinations such as Raja Ampat in Indonesia have successfully integrated sustainability into their tourism development frameworks, transforming similar constraints into competitive advantages. FSM, by comparison, remains a largely undiscovered destination with minimal integration into global tourism networks.

However, this current state of underdevelopment also presents a unique opportunity. As global tourism trends increasingly favour sustainability, authenticity and low-impact travel, FSM is well-positioned to brand itself as a destination for environmentally conscious travellers. By promoting its pristine ecosystems and cultural heritage, such as Nam Madol, FSM can appeal to niche markets seeking immersive experiences in unspoiled environments. Activities such as diving, hiking, ziplining and mountain biking, particularly in remote and ecologically rich settings, can serve as key pillars of an eco-tourism strategy that differentiates FSM from more commercialized destinations.

For tourism development in FSM to be both effective and sustainable, it must be underpinned by inclusive and coordinated action. This requires the active participation of all stakeholders, including government institutions, local communities, the private sector and international development partners. The case of Raja Ampat offers a compelling example of how remote island regions can successfully position themselves as sustainable tourism destinations through visionary leadership, strategic investment and community engagement.

FSM stands at a critical juncture. The decisions made today will shape the trajectory of its tourism sector for decades to come. To realize its potential, the country will require bold policy interventions, sustained capacity-building and strong international cooperation. With the right vision and commitment, FSM can transition from a hidden gem to a globally recognized model of sustainable island tourism.

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