

China Eyes Huge Tourism Development for Yap

By Jon A. Anderson, Tuesday October 4 2011, [Maraiana Variety News](#)

Competition for Guam?

A development proposal which would dwarf anything so far seen in the Federated States of Micronesia has been proposed by Chinese investors for Yap State, the closest FSM state to Guam.

As reported in the Oct. 3 edition of Kaselehlie Press—a biweekly newspaper published in the State of Pohnpei—a private investor group called the **Exhibit and Travel Group (ETG)** from Chengdu in Sichuan Province, in the People's Republic of China, has met with Yap State officials to discuss the proposal. The development could involve as many as eight to 10 hotel complexes with up to 4 000 guest rooms which, if approved, could be ready for occupancy in 2015. The plans actually envision an ultimate total of 20 000 rooms—more than twice the number currently available on Guam.

The ETG proposal involves what they call a "*world-class island international tourism resort*" with convention centers, casinos and entertainment centers, and from eight to 15 golf courses. The implementation of such a large-scale project would require a vastly improved infrastructure in Yap. Anticipating that, ETG says they will improve the transportation system in order to "*satisfy the need of large passenger jets,*" and the expansion of ports "*to satisfy the need of international tourism and shipment.*"

An ETG entourage headed by Chairman **Dèng Hóng** flew into Yap in August on a chartered plane to meet with Yap State leadership. The state government has not agreed to any development plans but, according to the article by Yap correspondent **Arlyne Chugen** in the Kaselehlie Press, Governor **Sebastian Anefal** has called for the formation of a task force of the Yap State Legislature and Chief's Council members to "*identify and describe each land parcel that is suitable for development, its relative size, and who owns it; recommend the types of development (hotel, teach expansion, golf course, etc.) most compatible for each identified parcel of land; and identify such land areas that are so ecologically, historically and culturally important to the people of Yap that they should be exempted from development plans.*"

In addition to consensus decisions within the "work group," the government would need to work out some major current roadblocks to such a large-scale project. For example, ETG's proposal to build casinos would require changes in Yap law, which currently prohibits gambling.

In their presentation, ETG claimed their proposed development will highlight the long history of the indigenous (Yapese) culture, adding a unique ethnic element to sightseeing. The completion of the project will make tourism the key industry in the FSM, but the investors say they will also promote the development of agriculture, fisheries, crop farming and other industries.

No dollar amounts are mentioned in the article, but such a development can expect to run into the billions of dollars. It would also enable mainland Chinese tourists to fly directly into Yap, bypassing Guam and the CNMI. The next scheduled session of the Yap State Legislature is not until January, but the working group formed by the governor is considering the huge development proposal.