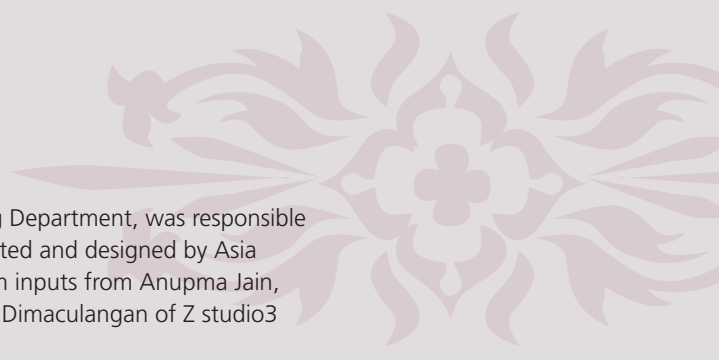


# *The Greater Mekong Subregion Tourism Sector Strategy*





Alfredo Perdiguero, project economist, Social Sectors Division, Mekong Department, was responsible for development of the GMS tourism strategy. The document was drafted and designed by Asia Pacific Projects, Incorporated, led by Ludwig Reider, and benefited from inputs from Anupma Jain, social sector specialist, Social Sectors Division, and Flor Melendez. Ted Dimaculangan of Z studio3 prepared the layout and artwork. Jay Maclean edited the document.

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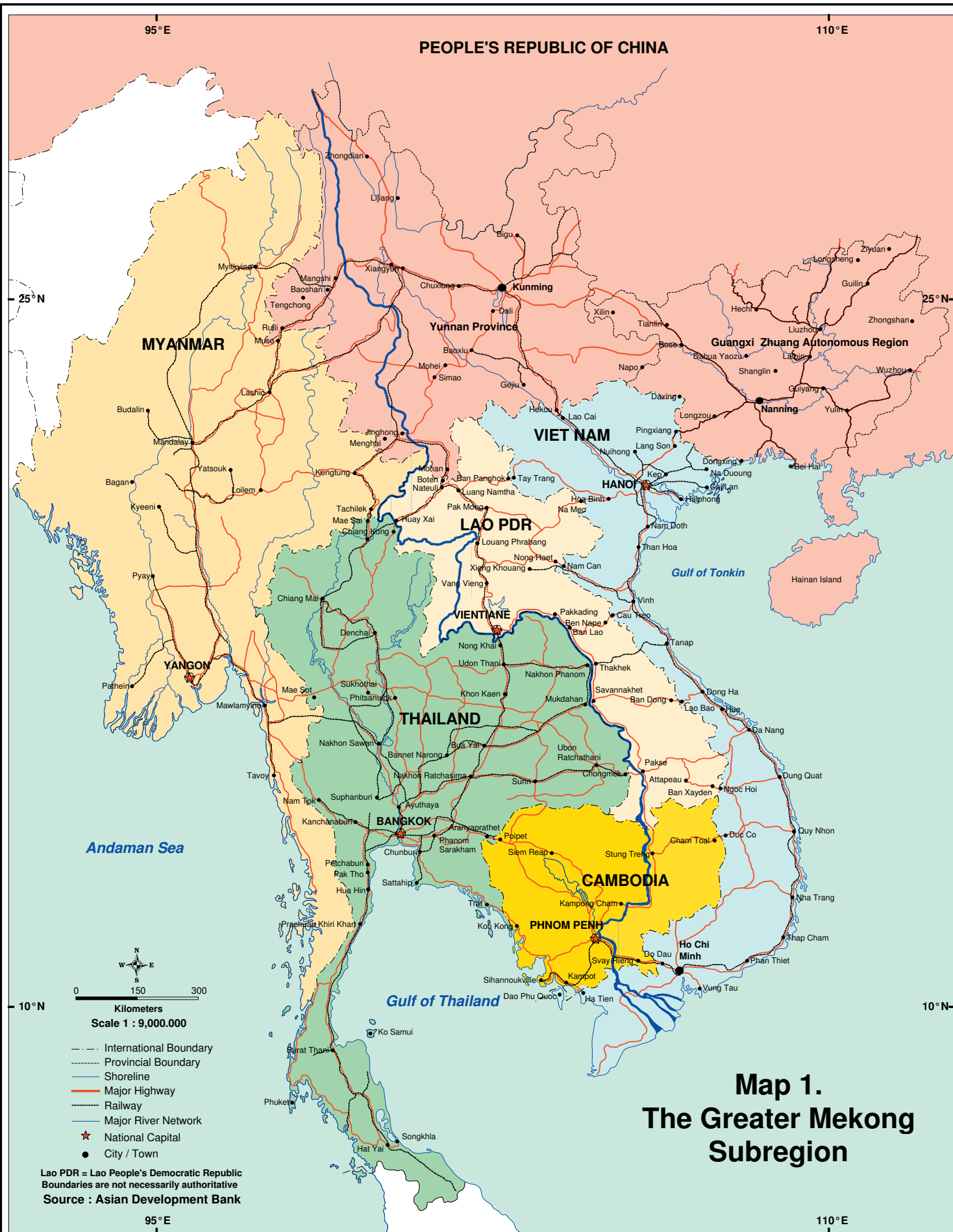
**Asian Development Bank**

6 ADB Avenue, Mandaluyong City  
1550 Metro Manila, Philippines  
Tel +63 2 632 4444  
Fax +63 2 636 2444

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# The Greater Mekong Subregion Tourism Sector Strategy

Asian Development Bank



# Foreword

The tourism sector is a major contributor to the socioeconomic development of the Greater Mekong Subregion (GMS). For this reason, the GMS Ministers include tourism as one of the flagship programs of the ten-year GMS strategic framework. The framework envisions a future where the vast potential of the subregion is fulfilled, people are freed from poverty, and sustainable development provides opportunities for all.

If managed strategically, tourism has the potential to generate jobs and economic benefits for people across the subregion. Managing strategically means ensuring that the benefits of tourism are more equitably distributed among countries and, especially, to the poor. It also means minimizing the negative impacts of tourism on the subregion's cultural and natural heritage, on the environment, and on society as a whole. If these challenges are met, the tourism sector will increasingly contribute to the GMS vision, and help GMS countries achieve the Millennium Development Goals of poverty reduction, gender equality, and environmental sustainability.

It is within this context that the GMS countries requested the assistance of the Asian Development Bank (ADB) in preparing a strategy to address key challenges in the tourism sector. This strategy is the result of the work of the six GMS countries, the private sector, nongovernment organizations, and development partners. ADB is pleased to have supported development of the strategy and looks forward to working with all partners to implement it.

The strategy envisions the GMS as a single destination, with a strong focus on culture, nature, and adventure. It is hoped that the strategy will inspire not only governments of the subregion, but all stakeholders, particularly in the tourism industry, to develop a truly unique Mekong brand of tourism – a brand that will showcase the subregion's incomparable beauty, diversity, and spirit, and bring its people a better quality of life.

  
**Haruhiko Kuroda**  
President



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# Executive Summary

## *The Strategic Challenge*

The tourism sector is included as one of the 11 flagship programs in the ten-year strategic framework of the Greater Mekong Subregion Economic Cooperation Program. This is in recognition of the important contribution that the tourism sector could make toward socioeconomic development (especially poverty reduction) and conservation of natural and cultural heritage resources. Underlying this framework is the vision of a GMS that fulfills its vast potential, frees its people from poverty, and provides sustainable development opportunities for all.



Current forecasts suggest that growing connectivity, development, and awareness of the subregion as a global destination could increase total international tourism arrivals to the subregion from 14.6 million in 2004 to between 46 and 52 million by 2015—thus more than tripling total volumes over the next decade. Although much has already been achieved in subregional cooperation in the tourism sector during the past decade, a review and evaluation of the sector found that

- most of the economic benefits of tourism are concentrated in one country and the distribution of the benefits uneven, especially for the poor, women, and ethnic communities;
- the capacity to manage the cultural and natural heritage of interest to tourists in the subregion is limited; and
- the framework for ensuring that tourism is socially responsible needs to be strengthened.

Some of the factors underlying these issues are the high levels of imports associated with tourism expenditures; weak economic linkages between tourism and other sectors of the economy, especially at the provincial and local level; low priorities in resource allocation given to the tourism sector by national and provincial governments; and the absence of appropriate enabling policies.



In this context, the GMS countries requested the Asian Development Bank to provide financial assistance to prepare within the overall ten-year GMS strategic framework, a strategy to increase and share the benefits of subregional tourism in a more environmentally and socially responsible manner.

## *Goal and Objective*

The overall goal of subregional cooperation is to contribute toward the vision of the ten-year strategic framework of the GMS Economic Cooperation Program, that can also be defined in terms of the Millennium Development Goals of achieving substantial poverty reduction, greater gender equality and women's empowerment, and sustainable development. The objective for the tourism sector is to address the impediments that prevent it from making a bigger and more potent contribution to achieving the goal. More precisely, the objective is



*To develop and promote the Mekong as a single destination, offering a diversity of good quality and high-yielding subregional products that help to distribute the benefits of tourism more widely; add to the tourism development efforts of each GMS country; and contribute to poverty reduction, gender equality and empowerment of women, and sustainable development, while minimizing any adverse impacts.*

## *Programs of the Strategy*

To work toward the overall goal and objective for the development and management of the tourism sector, seven core strategic programs have been identified—in marketing, human resource development, heritage and social impact management, pro-poor tourism development, private sector participation, the facilitation of the movement of tourists to and within the subregion, and the development of tourism-related infrastructure.

The subregion will be marketed as a single destination based on culture, nature, and adventure products by

- positioning the subregion as a cultural, nature, and adventure destination around a “Mekong brand,” supported by travel trade, media, and consumer promotions in its primary source markets, including a strong internet presence and circulation of appropriately branded promotional materials;
- encouraging the development of competitive, cross-border nature, culture, and adventure tour programs in 13 priority tourism destination zones, including two that have the Mekong River as the core; and
- strengthening the capacity to manage the marketing of the subregion by replacing the Agency for Coordinating Mekong Tourism Activities (AMTA) with the Mekong Tourism Coordinating Office (MTCO) and building partnerships and alliances with the private sector.

The strategy seeks to raise tourism management capacities in the public sector, improve service standards among tourism service providers, and meet the training needs for an estimated 2.5 million qualified staff between 2006 and 2015 (especially poor communities in pro-poor tourism areas) by



- developing a culture of human resource development (HRD) in the national tourism organizations (NTOs) and the private sector;
- building the management and technical capacity of middle-level public NTO and related government officials;
- training a group of master hospitality skills trainers in each country based on Association of Southeast Asian Nations skills standards and certification systems; and
- upgrading the capacities of deans, professors, and lecturers in academic institutions.

*The strategy seeks to promote the  
development of competitive, cross-border culture,  
nature, and adventure-based tour programs.*

To ensure the sustainable management of the natural and cultural heritage resources important to tourism, and to minimize and control the adverse social impacts of tourism—especially on women, children, and ethnic communities—the strategy seeks to



- enhance the management of historic and living cultural heritage through capacity building of heritage managers, building ethnographic databases, enhanced protection measures including the utilization of local community resources;
- better protect and manage priority heritage sites for tourism by training guides at heritage sites, setting up transborder planning and administration arrangements for better tourism management in protected areas and increasing local community participation; and
- address the negative social impacts (trafficking; drug use; commercial sex work, especially sexual exploitation of women and children in tourism; and HIV/AIDS transmission) by advocating change at the highest levels to generate support, and by working on the community level where the impact is most immediately felt.

To ensure that tourism development in the subregion is more pro-poor orientated, the strategy seeks to

- expand opportunities by bringing tourists to villages and towns in provinces with high incidence of poverty, or linking poor communities to the tourism industry through the supply of handicraft, agricultural, and other products;
- ensure that tourism is recognized as a major actor in the poverty reduction policies, plans, and programs of the GMS countries;
- provide the framework for local populations to engage in businesses and in direct employment in the tourism area; and
- create indirect employment opportunities from the production of tourism-related inputs.

The program will be implemented using seven demonstration, pro-poor, tourism, development projects.



The strategy will strengthen the role of the private sector in the tourism sector in the GMS by

- developing a tradition of partnering between the private sector and public sector tourism agencies by undertaking joint projects;
- strengthening this subsector and its institutions in the tourism sector;
- encouraging small and medium-sized enterprise development and small business investment in the hotel, travel, and tourism sector and related areas;
- developing a subregion-wide approach to establishing effective mechanisms for private-public sector interface and communication, such as tourism promotion and marketing boards; and
- promoting a more environmentally and socially responsible approach to tourism by the private sector.

The movement of tourists to and within the subregion will be facilitated, and the monitoring of people in order to minimize the risk of human trafficking and exploitation will be improved, by

- increasing the number of border checkpoints and the number of existing points providing visas on arrival, and make visa extensions easier to obtain in local areas, especially in the priority tourism zones;
- developing and introducing a GMS-wide visa;
- reducing border checkpoint inspection, processing times, and costs, giving special attention to helping the movement of public and private tourist vehicles across borders;
- harmonizing and standardizing the collection and reporting of data on people moving across borders in the GMS; and
- facilitating the development and operation of good quality international transportation services to and within the subregion.



To ensure that the priority zones are effectively connected to the developing subregional transportation network, and that the necessary facilitation and protection infrastructure is put in place to support the sustainable development and management of tourism in these zones, the strategy seeks to develop and provide

- access infrastructure, such as feeder roads, piers, and jetties leading to tourist attractions and poor communities, to spread the benefits of tourism more widely and to reduce poverty;
- small-scale social and environmental infrastructure to support tourism activities at the town and village level;
- tourism-related infrastructure designed to enhance the protection and interpretation of the subregion's key natural and cultural heritage sites;
- highly tourist-friendly border facilities and services;
- rest areas, toilets, visitor information, and other support infrastructure at key tourism sites for the protection of important natural and cultural heritage sites; and
- technical assistance for studies and institutional capacity building of provincial and local government officials.



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## Implementation

The strategy programs will be implemented through 13 spatial projects that deal with the planning and development of priority tourism zones and 16 thematic projects dealing with specific GMS-wide interventions. Except for the projects involving the marketing of the subregion as a single destination, and monitoring cross-border developments and movements of tourists, all project implementation will be undertaken at the GMS country level and one GMS country will take the overall lead, with coordination at the subregional level being undertaken by the MTCO.

The estimated cost of implementing these projects between 2006 and 2010 is \$440.8 million of which tourism-related infrastructure accounts for \$372.7 million. The programs will be financed from a mix of subregional government appropriations, technical assistance from development partners, loans from bilateral and multilateral financial institutions, and private sector participation.



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A regular meeting of tourism ministers and/or NTO leaders will be convened to provide leadership to the GMS Tourism Working Group (TWG), the MTCO, and the subregional industry. At the same time, the TWG's capacity will be expanded by creating national GMS tourism committees to closely coordinate programs and projects with related national agencies. The MTCO will be advised by a private sector group that will support its marketing functions and provide feedback on the implementation of the strategic projects. The Mekong Tourism Forum will be refocused toward the program areas under this strategy, with organizational responsibility being shared by the host country and the MTCO.

The implementation of this strategy will require the support of the related national, provincial, and local governments; the private sector; and development partners, including nongovernment organizations, mass organizations, multi- and bilateral financial institutions, and donor agencies.

### *Main Impacts, Outcome, and Outputs*

Implementation of the strategy will

- position the subregion as a single destination for culture, nature, and adventure tourism products and markets that seeks to benefit the poor in an environmentally and socially responsible manner;
- create a more equitable distribution of tourism benefits by increasing the share of total arrivals in less-developed subregional countries (other than Thailand) from 31% to 33% in 2010 and to 41% in 2015;
- raise the capacity of the subregion's tourism human resources to plan, develop, manage, and operate the sector at a higher standard, and ensure that ethnic communities and women have equal access to training and employment opportunities by 2010;
- contribute substantially to the protection of natural and cultural heritage sites of importance for tourism in the key tourism zones by building capacity to protect and enhance them by 2010, with related measures to ensure a more environmentally responsible approach by the private sector of the industry;
- lay the foundation for boosting pro-poor tourism development in the subregion to raise 1.0–1.2 million persons out of extreme poverty by 2015, giving special attention to women, ethnic persons, the disabled, and other groups;
- boost private sector participation and entrepreneurship in the tourism sector as well as opportunities for participation of female entrepreneurs in tourism; and
- help to protect vulnerable groups, including women, children, and ethnic communities from exploitation and the transmission of diseases, such as HIV/AIDS, while enhancing their opportunities and access to wholesome livelihood.



# Introduction

Tourism is a place-dependent industry. It is developed from the natural, cultural, and historical resources in a particular location. The value of these resources arises from the local environments in which they exist. These environments are not defined by clear political boundaries. They are described by overlapping natural, cultural, and socioeconomic systems that cross and connect politically-defined areas. Similarly, the users of these resources—tourists and nontourists alike—are not necessarily constrained by boundaries drawn on a political map. This is the primary rationale for a regional approach to tourism development.



A regional approach to tourism planning recognizes the multiplicity of interests in an area. This can make it possible to define strategies that can ensure an equitable distribution of benefits, as well as a fair accounting of the costs for the countries that share the regional resources. Recognizing the common interests within a region also enables the pooling of resources needed to build, market, and manage tourism in a profitable, sustainable, sensitive, and socially and environmentally responsible manner.

It is in the above context that the Greater Mekong Subregion (GMS) consisting of six countries—Cambodia, People’s Republic of China (Guangxi Zhuang Autonomous Region and Yunnan Province), Lao People’s Democratic Republic (Lao PDR), Myanmar, Thailand, and Viet Nam (see map 1)—that share the Mekong River and also have in common a rich and diverse natural and cultural heritage, sought to formulate a long-term tourism strategy that would contribute to a more integrated, prosperous, and equitable vision of the subregion. The key building blocks for attaining this vision are enhanced regional connectivity, increased competitiveness, and the building of an increased sense of community among the Mekong countries (3 Cs) adopted by the 12th GMS Ministerial Conference in 2003.



In preparing a 10-year strategy<sup>1</sup> to guide the development and implementation of the tourism sector, the GMS countries were particularly conscious of the need to

- develop greater policy commitment to subregional cooperation and provide the development partners with a mechanism for prioritizing action on a subregional basis, as well as allocating resources in an integrated, more effective and more efficient manner; and
- provide a clear framework of programs and projects for the subregion for a 10-year period (2006–2015), including recommendations and guidance for future interventions in support of the strategy by national tourism organizations (NTOs) and related national and local government organizations impacting on tourism, development partners, nongovernment organizations (NGOs), and mass organizations.

The preparation of the strategy was undertaken between 2 November 2004 and 30 June 2005, with the technical assistance of the Asian Development Bank.

Development of the strategy involved a review of existing studies and plans, and three rounds of field visits and consultations with stakeholders from the six GMS countries. About 600 representatives of government, private sector (both within and outside the subregion), NGOs, mass organizations, and development partners, were consulted and more than 300 stakeholders from these sectors participated in the 13 national and 3 subregional strategic planning workshops. This strategy, the result of these activities and consultations, reflects a truly subregional view of the future of the tourism sector.

The strategy begins with an analysis of the current context of the tourism sector and identifies the main issues and challenges that need to be addressed to boost tourism's contributions toward subregional goals. The specific objectives and targets to be met by 2010 and 2015, and the related programs and projects directed at achieving these, are presented. Finally, mechanisms for implementation, monitoring, and updating the strategy and action plans are presented.

Many organizations contributed to the production of this strategy and while it is not possible to mention them all specifically, the efforts of the NTOs of each country and the major development partners, such as the Pacific Asia Travel Association, United Nations Economic and Social Commission for Asia and the Pacific (UNESCAP), United Nations Educational, Scientific and Cultural Organization (UNESCO), the World Tourism Organization, and the Netherlands Development Organization in supporting the efforts of the Tourism Working Group and its advisors must be acknowledged. In addition, the important contributions of the private sector, academe and vocational training institutions, and NGOs covering the environment, natural and cultural heritage conservation, social development, labor, women, children, and health also need to be acknowledged. Finally, special appreciation is expressed to the Ministry of Tourism and Sports of the Royal Thailand Government for making available office space and equipment at its Bangkok offices for the project team during the course of the project.

<sup>1</sup> The full details, including outlines of proposed projects, are contained in the Greater Mekong Subregion Tourism Strategy (TA 6179-GMS) Report submitted to the national tourism offices of the GMS countries.

# The Current Situation

## GMS Tourism Assets, Facilities, and Services

### Tourism Assets

The GMS is bounded by the Qinghai Plateau and associated mountain ranges in the north of Yunnan Province PRC, and Myanmar with elevations of 4,000–6,500 meters; narrow coastal plains and forested mountain ranges rising to more than 6,000 meters to the west in Myanmar, and to more than 3,000 meters to the east in Viet Nam; and to the south by the Gulf of Thailand and the South China Sea.



The central part of the subregion comprises an extensive stepped plateau and plain area. There are five major watersheds. From west to east, these are the Ayeyarwady, Salween or Thanlwin, Chao Phraya, Mekong, and Red river watersheds. The subregion also contains the upper reaches of the Pearl River that rises in Yunnan Province PRC and flows through Guangxi Zhuang Autonomous Region PRC before passing into Guangdong Province PRC.



**22** The dominant features of the subregion are its snow- and glacier-capped mountains to the north; the forested mountain ranges to the west and east; its coastal and island environments; the subtropical limestone landscape of western Yunnan Province PRC and Guangxi Zhuang Autonomous Region PRC and of northern Viet Nam; and the Mekong River, with a catchment of 795,000 km, that runs through all the countries of the subregion and empties into the sea at the Mekong Delta near Ho Chi Minh City in southern Viet Nam. The Mekong River is also fed by many inland flowing rivers rising from the western plateau and mountain ranges in Myanmar and Thailand and the eastern mountain ranges bordering Lao PDR and Viet Nam.

The subregion contains a wide range of landscapes—alpine ecosystems in the far north, subtropical monsoonal forest ecosystems in the central and eastern parts, and tropical forest ecosystems in the south—and is fringed in part by striking beaches and coral reefs. Some of the richest biodiversity areas in the world are found within the subregion. Large animals of conservation importance include the Asian elephant, douc langur, banteng (wild cattle), Indochinese tiger, Siamese crocodile, Mekong or Irrawaddy dolphin, and giant Mekong catfish. There are more than 2,500 species of flora, including the famous orchids of Thailand.



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The subregion has one of the highest proportions of forest cover in the world, particularly in Cambodia, Lao PDR, and Myanmar. There are four natural sites<sup>2</sup> inscribed in the UNESCO World Heritage list, with several others in the planning stages; and some 550 protected areas that range from sustainable use areas to strict nature reserves, of which 380 have been cited for their biodiversity conservation value. Cambodia, Lao PDR, and Thailand have reserved large areas for protection and biodiversity conservation purposes. As indicated in the GMS Atlas on the Environment, more than 300 of these protected areas are listed by the United Nations as being of special significance at the subregional level, and in some cases are of world importance.

The GMS has a rich cultural heritage and complex cultural diversity. The history of the subregion is deep, reaching back several thousand years. A strong Bronze Age civilization had already emerged in what is now northern Viet Nam by the 1st century A.D. By the sixth and seventh centuries A.D., Hindu-influenced civilizations had appeared in the areas that are now Cambodia, Lao PDR, Myanmar, Thailand, and Viet Nam, heralding the spectacular achievements of the Khmer civilization represented by the Angkor Wat complex. Within the subregion, there are ten cultural sites inscribed in the UNESCO World Heritage list<sup>3</sup> and several other sites listed on the World Heritage tentative list.



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The brilliance of the ancient civilizations of the subregion is matched by the rich diversity of its living cultures, which include not only those of the dominant ethnic group in each country (i.e., Burmese, Han Chinese, Khmer, Lao, Thai, and Vietnamese), but also of many other ethnic groups. Yunnan Province PRC has classified 25 different ethnic groups, while there are 49 in Lao PDR, more than 100 in Myanmar, 7 in Thailand, and 54 in Viet Nam. Each of these groups speaks a language distinct from that of the country's national language and belongs to one of four different language families<sup>4</sup> in the subregion. Each group represents a completely different culture that is reflected not only in language, but also in dress, customs, belief systems, and social systems.

<sup>2</sup>Thailand: Thungyai-Huai Kah Khaeng wildlife sanctuaries; Viet Nam: Ha Long Bay, Phong Nha-Ke Bang National Park; Yunnan Province PRC: Three Parallel Rivers National Park.Son; Yunnan Province PRC: Lijiang.

<sup>3</sup>Thailand: Ayyuthaya, Sukhothai, Ban Chiang; Lao PDR: Luang Prabang, Vat Phou; Cambodia: Angkor Wat; Viet Nam: Hue, Hoi An, My Son; Yunnan Province PRC: Lijiang.

<sup>4</sup>Sino-Tibetan, Tai-Kadai, Austro-Asiatic, and Miao-Yao.

## Tourism Connectivity and Cross-border Facilitation

There has been much progress in the development of the GMS economic and transport corridors with considerable ongoing road and bridge construction. Significant progress has also been made with the GMS Cross Border Transport Agreement with full implementation targeted by 2007-2008. Further progress is expected on the Red River road and rail connections, with removal of remaining bottlenecks in the economic corridors being given high priority. Progress has been made in telecommunications at the national level and with a view to increasing access at all subnational levels. The Regional Power Trade Coordination Committee, which commenced in 2004, has proceeded with a strategy that will allow cross-border power trade in the medium term.

By land, the major gateways into the subregion are via the Dan Nok-Bukit Kayu Hitam border between Thailand and Malaysia; between Guangxi Zhuang Autonomous Region PRC and Yunnan Province PRC from the northern and coastal provinces of PRC; and from Bangladesh and India through Myanmar. In addition, major subregional rail, road, and water transport networks are now the subject of upgrading and expansion through the strategic framework of the GMS Economic Cooperation Program. When completed, these will have the potential to move millions of passengers around the subregion.

There are currently 9 land borders that provide visa-on-arrival facilities, 16 that require pre-obtained visas, and 20 that are open only to border pass travellers, i.e., residents of adjacent provinces.

The major air gateways for international tour operations into the subregion are Bangkok, Hong Kong Special Administrative Region (SAR), and Singapore (Map 2). There are 16 airports accepting international flights from outside the subregion. Of these, Bangkok is the main gateway for long-haul intercontinental flights; the others receive flights primarily from major Asian hubs, such as Bangkok, Hong Kong SAR, Seoul, Shanghai and Beijing, Singapore, and Tokyo and Kansai. The air transportation system within the subregion is still in the early stages of development, with connections between most of the subregional capitals and important secondary cities and some key tourist areas, such as Bagan, Guilin, Jinghong, Lijiang, Luang Prabang, and Siem Reap. Potential emerging air gateways to the subregion include Guilin in the Guangxi Zhuang Autonomous Region PRC, Phnom Penh in Cambodia, and Hanoi in Viet Nam.

Typical tour circuits operated by GMS tour operators comprise what are referred to as classic tours of a country covering a few destinations within the country; cross-border visits to major Mekong Heritage Jewels sites by air, land, or water; trips on the Mekong River; and visits to natural areas. Ecotourism and various forms of community-based tourism are gaining in popularity in the subregion but are yet to have a sound product base for their operation.



## Tourist Accommodations

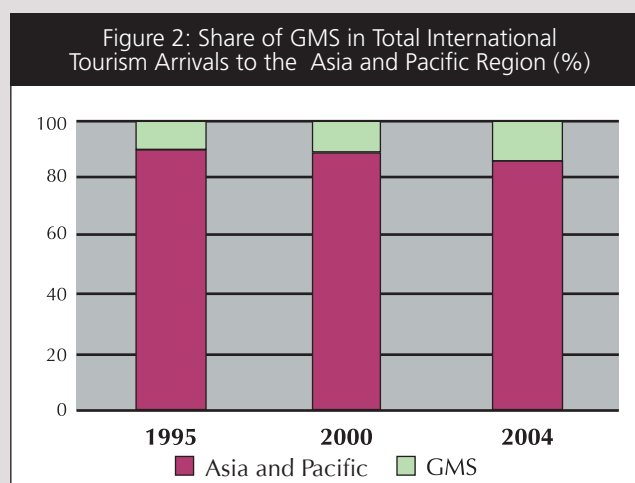
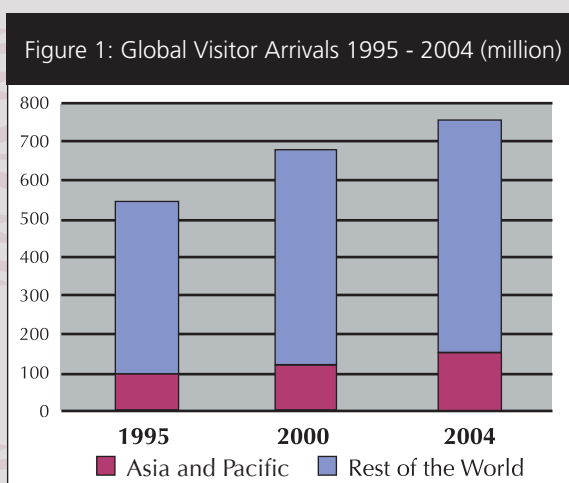
The subregion contains an estimated 475,200 rooms in hotels, guesthouses, and inns supplying accommodation services to the tourism market. Of these, it is estimated that 308,500 are classified as hotel rooms. The overall annual utilization of the existing hotel accommodation capacity is estimated to be in the range of 50 to 60 percent although some countries, such as Viet Nam, are experiencing much higher room utilization rates. The guest houses and inns generally experience lower room occupancies than the hotels but overall, room occupancy rates are increasing.

## *Tourism Sector Size and Impact*

The tourism assets, facilities, and services of the subregion attracted around 16.4 million international visitors primarily from outside the GMS in 2004. This represented around 10.7 percent of total international visitor arrivals to the Asia and Pacific region and around 2.2 percent of global international visitors in 2004. In addition, more than 24 million tourists travel between border provinces of the subregion each year using border travel passes.

In terms of its economic contribution, it is estimated that in 2004, international tourism to the subregion generated around \$14.8 billion in total receipts,<sup>5</sup> \$22.2 billion in economic output, \$18.6 billion in final income, and around \$2.3 billion in government revenue, and sustained 3.8 million jobs.

International tourism in the subregion has been growing at around 8 percent per annum since 1995, around twice the pace of global international tourism. (Figures 1 and 2). As shown, the global share of total international arrivals to the Asia and Pacific region has increased significantly since 1995, reaching around 153 million out of around 760 million (20 percent) in 2004.



Source: Greater Mekong Subregion Tourism Sector Strategy. June 2005

<sup>5</sup>The total receipts refers to all expenditure by international tourists (excluding border pass travelers) accruing to the GMS. The total economic output of tourism refers to the final effect of tourism expenditure on the subregional economy taking into account indirect and induced effects. The total economic income refers to total output less the import or economic leakage component.

Forecasts of international tourism volumes prepared by the World Tourism Organization suggest that by 2020, global international tourism will increase to around 1.6 billion. Based on global trends and the factors shaping the share of international tourism in the subregion, particularly the level of cooperation between the GMS countries, it is expected that the subregion could attract between 46 and 52 million arrivals by 2015, almost three times the current number.

A survey of 2,100 international tourists and 110 tour operators in the subregion and its main markets, undertaken in November and December 2004, indicated that the key products of interest to the higher-yielding, international travel market will be those based on culture, nature, and adventure tourism; and that the primary markets for these products will be (in order) Japan, PRC, intra-GMS, Association of Southeast Asian Nations (ASEAN), Republic of Korea, United States, France, United Kingdom, Germany, Australia, and India.

## *Subregional Tourism Cooperation*

Since 1993, GMS cooperation in tourism has been coordinated by the Tourism Working Group (TWG) formed by representatives of the national tourism organizations (NTOs) with the Agency for Coordinating Mekong Tourism Activities (AMTA) as its secretariat.

Over the past 10 years, the TWG has built up a substantial subregional co-operation agenda that includes initiatives on promoting the subregion as a single destination, developing tourism-related infrastructure, improving human resources in the tourism sector, improving standards of management of natural and cultural resources for conservation and tourism, and promoting community-based tourism projects.

AMTA has been responsible primarily for promoting the subregion as a single destination and monitoring developments in cross-border facilitation using the resources of the Tourism Authority of Thailand with small contributions by the GMS countries. The two main components of this subregional campaign have been: the “Jewels of the Mekong” project that began in 1996, and the “GMS Destination Marketing Program” that has been running since 1997.

The Mekong Tourism Forum has been held annually since 1996 with the support of the Pacific Asia Travel Association (PATA) and financial assistance from the Asian Development Bank and the United Nations Economic and Social Commission for Asia and the Pacific (UNESCAP). The Forum has provided a venue to engage the private sector in the development of subregional tourism and promote dialogue between private and public sectors.



## *Main Issues, Opportunities, and Challenges*

The emerging pattern of tourism in the subregion indicates a role in contributing to the subregional development priorities of poverty reduction, sustainable use of natural and cultural resources, and human development. On the surface, the size and growth prospects for international tourism look quite attractive, but a deeper analysis of the situation indicates several issues of concern:

- highly inequitable distribution of tourism benefits between the GMS countries and within the borders of each country, and between urban and rural areas, with minimal impact on the poor and socially disadvantaged groups;
- an inability to develop subregional tourism products and to sustain, at a high level, the marketing of the subregion as a single destination;
- weak cultural and natural heritage conservation management capacities;
- lack of a spatial framework for structuring and focusing the development of tourism-related infrastructure;
- inadequate recognition of the potentially adverse social impacts of tourism;
- inadequate participation by the private sector;
- continuing barriers to the movement of tourists to and within the subregion;
- weak organizational and human resource capacities; and
- weak subregional cooperation mechanisms in the tourism sector.

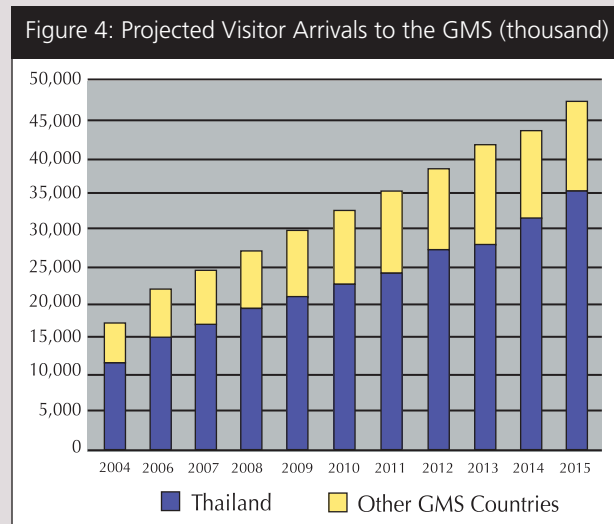
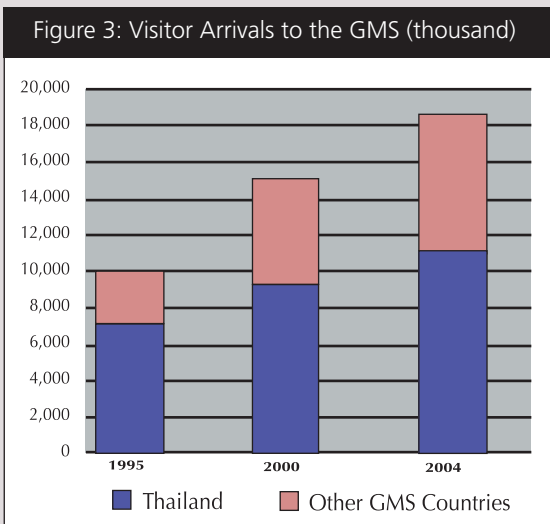
Unless effectively addressed, these could lead to an unmanaged pattern of tourism that could have negative impacts in the subregion by attenuating imbalances in the distribution of benefits; stressing natural and cultural tourism assets; and promoting the trafficking of people and drugs, the exploitation of women and children, and the spread of HIV/AIDS.

### *Distribution of the Benefits of Tourism*

At the subregional level, Thailand is the dominant player in the tourism sector, receiving 69 percent of all international arrivals in 2004 and accounting for almost 75 percent of total tourist expenditure in the subregion (Figures 3 and 4). Thailand's prominence is a result of Bangkok's role as a major global international aviation hub, its excellent ground transportation infrastructure, proximity to the surrounding GMS countries as well as Malaysia and Singapore, and willingness to invest in a sustained tourism marketing program.

Thailand's large share of total tourism benefits in the subregion is not only because of its high share of international tourists, but also because it has sought to create strong linkages between tourism and other production sectors, such as agriculture, fishing, mining, and manufacturing. Thus, it has been able to service almost all the needs (food, beverage, tourism commodities, materials, transport, and other goods and services) of tourists from domestic rather than foreign sources and

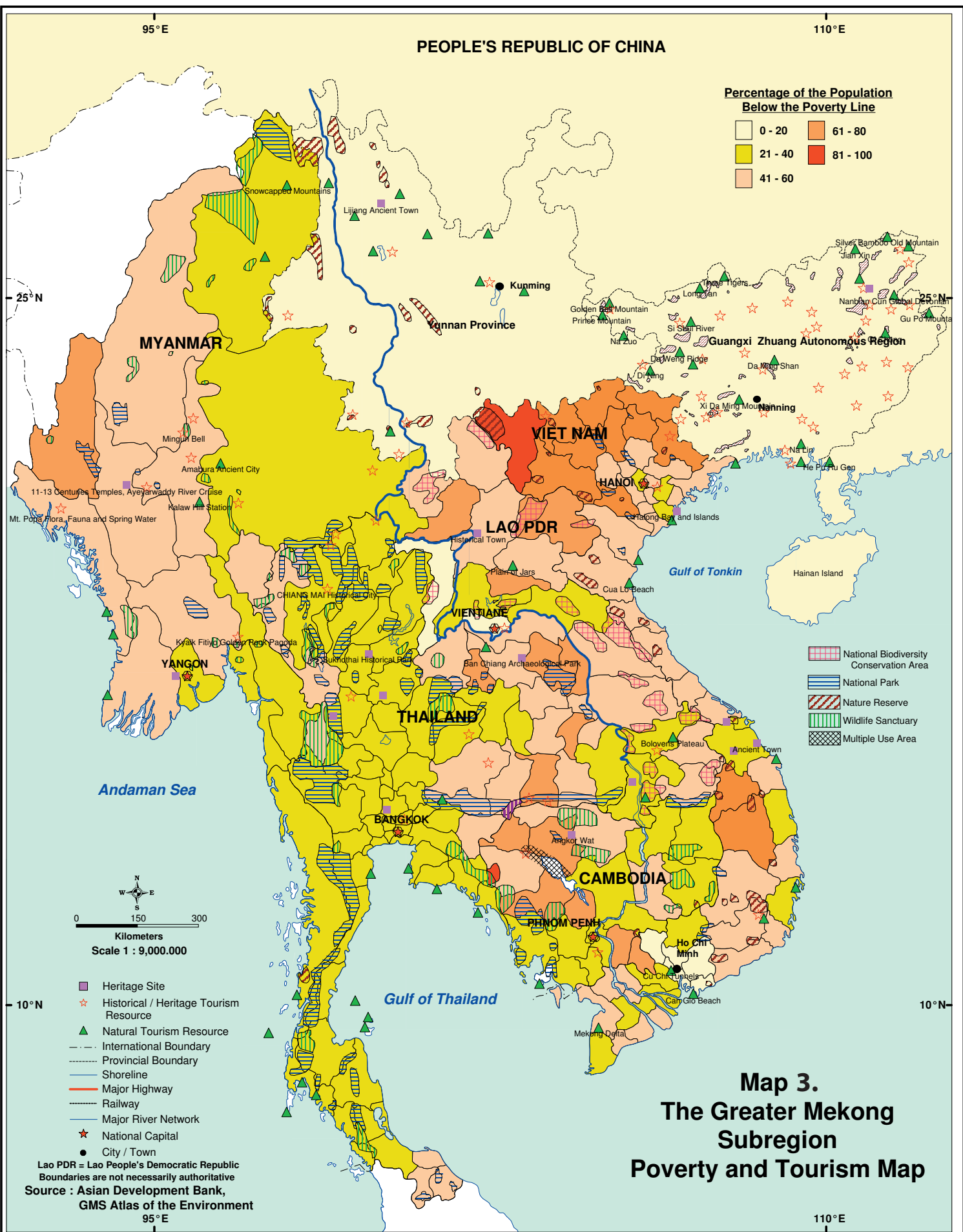
keep imports related to tourism to below 4 percent of gross receipts. In contrast, the other GMS countries have significantly lower net benefits due to the need to import a significantly higher proportion of tourism supplies estimated to range from 20 to 40 percent of total receipts, and tourism may actually be contributing to inequalities among different population groups, particularly among the vulnerable and disadvantaged groups.



Source: Greater Mekong Subregion Tourism Sector Strategy. June 2005

From a poverty reduction point of view, tourism is considered to have a number of advantages over other productive sectors: (1) customers (tourists) are often attracted to destinations where the poor are located, (2) tourism is relatively labor intensive and more easily entered at the lower levels of services for both men and women, and (3) tourism can build and strengthen the poor's access to and control over cultural and natural assets. Tourism is pro-poor if it provides economic gain; employment; opportunities for small and medium-sized enterprises; infrastructure, such as improved potable water, communications, roads (access to markets), and improved health and education services; protection of natural and cultural resources; and opportunities and capacity for the poor to improve their livelihoods.

At present, much of the current benefits of tourism in the subregion bypass the vast majority of the poor, especially in areas with high poverty incidence (Map 3). Many of the pro-poor tourism initiatives underway in the subregion have been based on preparing single local communities in small villages to host tourists either for day trips or on an overnight basis. This approach is certainly necessary but not sufficient if tourism is to play a significant role in contributing toward the objective of equitably distributed pro-poor tourism. If the effort is to be sustainable, many other factors outside the village must be integrated. A broader approach is needed that can make a much greater contribution to poverty reduction in the subregion.



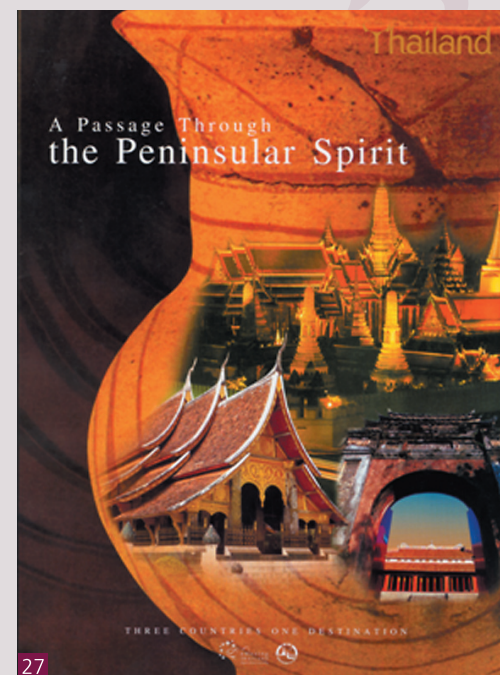
Some of the key elements of a wider approach to tourism and poverty reduction are in place in the subregion. For example, there is a good correlation between the presence of tourism resources of interest to markets, the location of poverty incidence, and the evolving subregional transportation system. Thus, there is an opportunity to shape the pattern of tourism development toward greater equity in the sharing of benefits and to contribute more substantially to poverty reduction.

## Marketing and Product Development

Anecdotal evidence indicates that the “Jewels of the Mekong” campaign undertaken by AMTA has put the Mekong (if not the subregion) firmly on the world tourism stage. However, this impact has not been matched by the resources needed to take advantage of the initial momentum created to develop and promote subregional products, directed at spreading the benefits of tourism more widely.

Most of the tourism resources of the subregion are located outside urban areas, many of them close to poor rural and mountainous communities. Yet, the development focus of marketing programs such as the “Jewels of the Mekong” has led to a pattern of development around selected tourism attractions, resulting in intense migration from rural areas to these sites. Not only does this pattern of development constrain the distribution of tourism benefits, but it also results in increased pressure on the natural resources and infrastructure, leading to an unsustainable pattern of development.

At the individual country level, with the exception of Thailand, the GMS countries have not taken full advantage of the opportunities that a subregional approach offers for their promotional and product development programs. There have been insufficient effort and support for adopting and promoting a single brand image for the Mekong; diversifying the product offering to bring benefits to the poor; and strengthening product presentation, standards, and quality assurance.



## Organizational and Human Resource Development Capacities

The number of NTO personnel engaged in such functions as regulation, marketing, and administration (including provincial tourism offices) is estimated to take up the bulk of total staff resources at the present time. The staff resources given to tourism policy, planning, programming, pro-poor tourism development, and international cooperation and coordination currently represent only a small fraction of the total staff engaged. These staff functions are clearly those with the greatest future need and impact potential.

Despite the large proportion of staff resources given to marketing and regulation, the results have been quite disappointing due to poor governance and weak competencies in the implementation of regulations, inadequate funding, lack of a subregional approach, and weak marketing capacities. There is a need to adjust the way an NTO and its legal framework are structured in order to ensure better balance between the available resources and priority needs.

Initiatives for the creation of tourism marketing and promotion boards in Cambodia, Lao PDR, and Viet Nam<sup>6</sup> already point the way. Further, industry associations should be given more responsibility to regulate the activities of their members under a law supervised and audited by the NTO. These self-regulatory responsibilities should cover not only business standards and ethical practices, but also responsibility for controlling the negative social impacts of tourism. These changes will release substantial staff and financial resources that could focus on more critical needs.

In the human resource development (HRD) area, the key issues constraining the tourism sector are

- a weak human resource development culture in the tourism industry;
- inadequate female and ethnic representation in NTOs and among public sector tourism officials;
- poorly integrated national human resource development policies;
- insufficient training of public sector officials at all levels in sustainable tourism planning, development, and management;
- inadequate standards of service among small to medium-sized lodging establishments and restaurants, tour operators, travel agencies, airline companies, and other tourist transport providers;
- low sense of customer service among tourism-related officials, such as customs and immigration personnel, police and security officers, and tourism information officers;
- weak and inconsistent training systems, trainers, and training facility standards in the subregion's university and vocational training institutions;
- insufficient private sector participation in vocational and management training in the tourism sector; and
- insufficient investment in training by the tourism industry.



In the private sector, the challenge will be educating and training up to 2.5 million additional qualified hospitality and tourism staff to service the expected growth of tourism in the subregion during 2006–2015. At the same time, the existing skill standards, particularly among the small to medium-sized hospitality enterprises and among tourist guides, need to be raised if the subregion is to become more competitive. To meet the challenge of upgrading the skills of existing hospitality staff and supplying a large number of new qualified staff requires the expansion of the existing pool of trainers and educators and the strengthening of tourism education and training institutions.

<sup>6</sup>These initiatives form part of the capacity-building component of the ongoing ADB-financed Mekong Tourism Development Project.

Given the limited resources of the public sector in this area, opportunities exist to

- engage the private sector to do the training, with the public sector providing strong policy, financial, and regulatory support;
- give high priority to HRD and capacity building at the local level, especially of host communities and local officials; and
- link the heritage conservation management and pro-poor tourism programs.

Tourism has an opportunity to provide equal access to jobs for women given the multiple entry points available. However, tourism and hospitality employers need to be sensitive to the fact that few women are found in supervisory and management positions in the industry. Thus, HRD policies should have a clear gender focus. To achieve this, people involved in HRD need to undergo training on gender issues. Gender focal points need to be assigned in HRD departments to ensure that gender mainstreaming activities are included in HRD programs.

The weak organizational and human resource capacities result in a widening gap between the demand for qualified tourism workers and their supply and make it difficult to develop and implement tourism policies and programs directed at creating a more sustainable, equitable, and pro-poor pattern of tourism in the subregion.

## Cultural and Natural Heritage Management



**29** Tourism's impact on most of the cultural heritage sites in the subregion is considered to be moderate. However, wear and tear of continuous visitation is beginning to show at several sites, such as Angkor Wat in Cambodia and Lijiang Old Town in Yunnan Province PRC. Thus, if current management, protection, and development of cultural and natural heritage sites continue as they are, and if the predicted increase in volume of tourists takes place, the negative impact on cultural heritage of the subregion will greatly increase. The pattern of tourism will shift to a form of development that does not add value to, but rather worsens the condition of the sites.



**30** Many of the subregion's ethnic communities that represent its living cultural heritage live in remote areas. These people are frequently the poorest of the poor rural populations. They have the lowest levels of education and often do not speak the national language well. Ethnic communities, especially ethnic minority women, are vulnerable and at high risk of experiencing negative impacts of unsustainable tourism development. Hence, tourism needs to be planned and managed carefully to take into consideration ethnic communities in its development.

All the GMS countries recognize and value the importance of their historic heritage and living, ethnic cultural traditions, as well as their natural heritage. However, the heritage institutions responsible for conservation of these are often poorly funded and have weak human resources. Although technical skills for safeguarding, preserving, and managing heritage sites exist, these skills need to be upgraded and improved and more tourism revenue allocated to preserve this heritage.

A similar pattern is predicted for natural heritage areas. In some GMS countries, for example, current management of protected areas is minimal. Trails are only casually maintained and other visitor facilities are almost nonexistent. There is an absence of zones to regulate where and when visitors are permitted. If visitor volumes increase dramatically without the necessary management safeguards in place, the negative impact on the environment will increase, and the value of these important natural areas will be eroded.

The erosion of the value of the subregion's cultural and natural heritage of importance for tourism, unless checked, will lead to reduced income and may result in negative economic impacts. For example, the resulting loss of economic value and opportunity will further limit the resources available for site conservation management, reduce economic opportunities for local communities living in and around these sites, and lead to increased poverty levels.

Overall, there is inadequate funding and weak capacity for sustainable management of the subregion's important cultural and natural heritage resources. Although there is recognition of the importance of heritage protection, critical constraints remain: poor communication between NTOs and site management institutions and laws and regulations for heritage protection that tend not to be integrated with tourism development. Common, consistent approaches to managing the negative impacts of tourism on the cultural and natural heritage need to be adopted, and local communities empowered to participate fully in the management and protection process.

## Managing the Social Impacts of Tourism

Commercial sex work—especially the sexual exploitation of children—HIV/AIDS, human trafficking, and drug use are all serious social problems. The root causes are not due to the tourism industry, but they can be exacerbated by insensitive, rapid, and poorly planned tourism development. These negative social impacts are also linked with both perceived and real poverty due to

- the relative isolation from the mainstream of GMS society of the poor, particularly ethnic communities;
- their low levels of education; and
- lack of awareness about tourism and its possible negative impacts.



As a result, the poor are particularly vulnerable to exploitation, and the unmanaged expansion of tourism in the GMS (especially border tourism between the GMS countries) poses a significant threat in this regard.

At present, the negative social impacts of tourism are moderate. Areas that are currently experiencing some of the highest negative social impacts in the subregion are border towns, cities, and major tourist centers. Without the proper management of the social impacts of tourism, countries could limit or reverse the impact of tourism on economic growth, poverty reduction, social well being, and overall tourism sustainability.

A number of the elements needed to manage the negative social impact of tourism are in place. At the regional level, there are a number of large-scale programs directed at preventing commercial sex work, the sexual exploitation of children, HIV/AIDS, human trafficking, drugs, and labor exploitation by United Nations agencies, including the United Nations Education, Scientific and Cultural Organization (UNESCO), United Nations Development Programme (UNDP), United Nations Development Fund for Women (UNIFEM), United Nations Children's Fund (UNICEF), World Health Organization (WHO), and World Tourism Organization. Other multilateral and bilateral development partners are also actively contributing to programs in this area. Finally, there are many active non-government organizations supporting the various initiatives on these issues in the GMS countries, including several women's groups.

In addition to regional programs, there are also national programs directed at increased compliance and enforcement activities of the public security bureaus and ministries, and the implementation of a basic legal framework in each country that establishes the rights of women and children.

Of particular importance from a tourism point of view is the agreement and action plan adopted at the GMS senior officials' meeting in Yangon, 28 October 2004 to strengthen regional cooperation with the tourism sector to prevent and combat trafficking in persons, especially children and women.

However, important obstacles remain to be addressed if the negative social impacts of tourism are to be effectively managed in the subregion:

- a common legal framework preventing commercial sex work and human trafficking needs to be adopted by the GMS countries,<sup>7</sup>
- linguistically and culturally appropriate education materials for vulnerable minorities need to be prepared and circulated along the lines already successfully demonstrated in Lao PDR,
- basic rights to those segments of the population without citizenship status are needed,
- land rights and environmental sustainability for the poor and marginalized groups should be provided,
- greater social accountability among key players in the tourism industry is needed, and
- enforcement of legislation needs to be strengthened by increasing resources and building human resource capacities in the local police forces and the judiciary.

<sup>7</sup>For example, in the PRC and Viet Nam, commercial sex work is illegal, and both the sex worker and client are fined or punished. Under Cambodian law, only forced prostitution and trafficking are offences.



## Private Sector Participation

The private sector already delivers much of the tourism goods and services enjoyed by tourists in the subregion and has been at the forefront in developing and promoting subregional tourism products. However, there remain many obstacles that make it difficult for the private sector to be a more effective partner in subregional tourism development:

- NTO officials do not have a tradition of partnering with the private sector in the areas of tourism planning and development, investment, promotion, and regulation;
- often, in the GMS countries that are gradually moving away from centrally-planned economic systems, the potential role of the private sector is not understood and its participation marginalized;
- investment in the tourism sector is generally not mediated by NTOs but by other agencies that have little contact with private tourism investors and do not understand their needs and concerns;
- tourism industry associations are weak, with scarce human and financial resources;
- there is a lack of a conducive legal framework for investment in the tourism sector; and
- mechanisms for a permanent private-public tourism sector interface, such as in the key area of marketing and promotion, are generally absent or at best limited.

The required business support services—including commercial information dissemination, networking, and matchmaking at the national level—are most effectively handled by national chambers of commerce, some of which (in Cambodia, Lao PDR, and Viet Nam) are being strengthened to undertake improved services. These activities should be supported at the subregional level by the GMS Business Forum, which can play an important role in promoting awareness of tourism investment and business opportunities in the subregion.

## Facilitating the Movement of Tourists

Despite the implementation of the visa-free travel provisions for ASEAN citizens in the ASEAN Tourism Agreement, visa issues remain a significant travel industry concern in the subregion. Some of the GMS countries currently use visas to either attract more tourists from specific countries—through waivers or exemptions—or to generate more revenue for the government. This has created a confused mixture of negative and positive lists, frequent changes, different rates, and different procedures. Feedback from tour operators and tourists indicates that to encourage the movement of tourists around the GMS countries, and help distribute tourism benefits more equitably, there is a need to introduce a GMS-wide visa for non-GMS tourists who want to visit more than one country in the subregion.

There is also a need to

- extend the availability of visas on arrival at land border points,
- introduce new border check points at strategic locations,
- provide more convenient locations for obtaining visa extensions, and
- improve the border checkpoint facilities to better control the illegal movement of people across borders.

The condition of the land border checkpoint facilities and areas needs to be improved substantially. The working conditions of the border personnel are quite poor; foreign language skills very limited; and conditions do not promote an environment of friendliness and welcome. Although some initiatives have been undertaken to strengthen border management capabilities at the national level, there is a need to adopt a subregional approach to the handling of tourists that will complement the subregional transportation network.



Issues related to commercial aviation among the countries, including the development of safe and professionally-managed local airlines and low-cost carriers, must be addressed in order to promote the development of high-yield tourism in the subregion. In particular, the “open skies” agreement between Cambodia, Lao PDR, Myanmar, and Viet Nam needs to be expanded to bring about a single GMS aviation market that would spur growth, open new routes, create new subregional tour products, and promote a more equitable pattern of tourism in the GMS.

Similarly, the operation of ground transportation services, such as tourist vehicles, at the subregional level is generally restricted notwithstanding the implementation of the GMS Cross Border Transport Agreement. As a result, the quality of most ground transportation services is poor, professional management is lacking, and the ability to support subregional tour programs limited.

## Tourism-related Infrastructure

Tourism related-infrastructure comprises public infrastructure, such as road, air, rail and water access infrastructure and related terminals and border checkpoints; utilities such as power, water, telecommunications, and sanitation services; and superstructure, such as tourist accommodations, restaurants, shopping, human-made attractions, and such support facilities as tourist information centers, museums, theme parks, toilets, and roadside rest areas. Tourism-related infrastructure can play a crucial role in supporting a pattern of tourism development in the GMS that is environmentally sustainable, socially responsible, and economically viable. If properly planned, developed, and managed, tourism-related infrastructure helps to

- control and better manage the movement of tourists to zones of minimal impact in highly sensitive natural and cultural environments;
- provide additional economic opportunities for poor communities through improved access and services; and
- limit the negative social impacts that tourism can create through increased education, awareness, and communication.

Although there has been much progress in the development of transportation access and utility services infrastructure and, to a lesser extent, tourism superstructure in the GMS economic and transport corridors, there remains no spatial framework for prioritizing and structuring the development of tourism-related infrastructure designed to

- support access to key tourism destinations, attractions, and related poor communities;
- provide healthier environments in local villages, towns, and urban areas of importance to tourism;
- help protect, preserve, and enhance the quality of cultural and natural heritage sites of importance to tourism; and
- provide services to tourists (water supply, electricity, health facilities, information, rest areas, toilets, etc.).

There is a need to ensure that the development of tourism-related infrastructure in the subregion, such as rural roads and area development, is sensitive to environmental issues as well as issues of land acquisition, resettlement, customary rights over land use, and reliance on common property resources by affected populations.



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However, there is need for a framework in which to prioritize tourism projects and investment. Large investments have been made in infrastructure in the sub-region's strategic corridors by national governments and multilateral and bilateral donors, and this should be used where it coincides with cultural and natural heritage of importance for tourism. However, much of the tourism-related infrastructure needed to spread the benefits of tourism more widely, reduce poverty, and minimize the negative social impacts of tourism, remains to be put in place in the subregion.



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## Measuring and Monitoring the Impact of Tourism

Although all GMS countries collect and maintain a database on tourism demand and supply, the data are not collated at the subregional level. Moreover, the definitions, collection methodologies, data scope, and systems used to store and retrieve data vary between the GMS countries. Of particular concern is the lack of harmonization of the statistical data being collected on the demand and

supply of international and domestic tourism, and the general lack of data on the economic impacts of tourism at the national level. Together, these make it difficult to

- compare country performance;
- plan tourism development that is more environmentally sustainable, socially responsible, and pro-poor; and
- make a stronger case for the allocation of additional resources for tourism by the GMS governments.

While some initiatives are being implemented at the ASEAN and subregional level, a common database to measure and assess the flow and economic impact of international tourism to the subregion needs to be developed and standardized. At the same time, economic growth and social impacts of cross-border tourism need to be better monitored and managed.

## Subregional Cooperation

Considerable progress has been made by the TWG in developing its subregional tourism agenda, but the initiatives have been undertaken without an overall strategic framework and related set of priorities, and without senior-level NTO attendance at TWG meetings. Thus, the overall GMS approach has been ad hoc and the effect has been limited to individual countries with limited sub-regional impact.

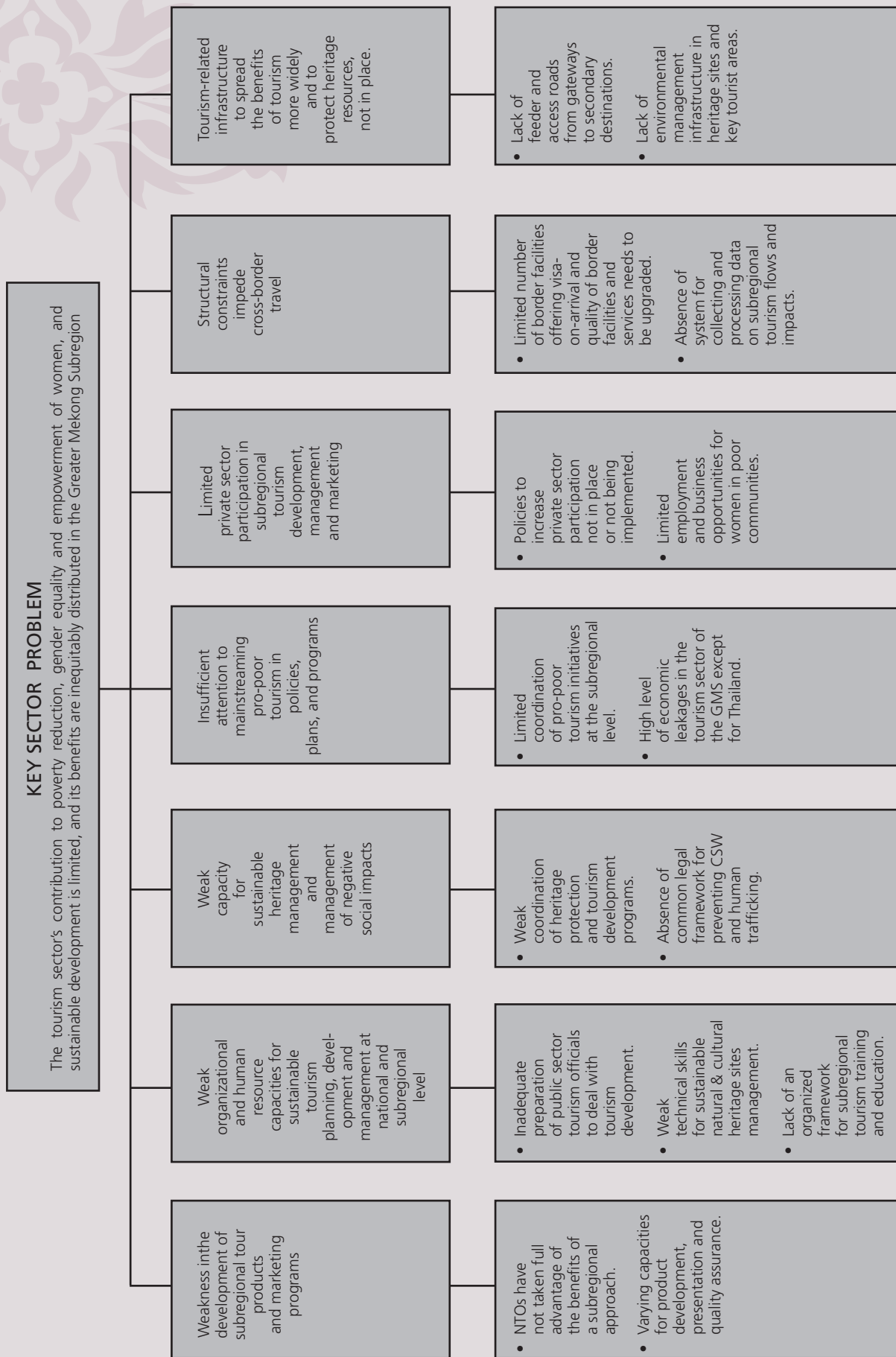
AMTA's work in promoting the subregion as a single destination and monitoring developments in cross-border facilitation has been hampered by insufficient financial and human resources, limited private sector participation, and over reliance on the Tourism Authority of Thailand.

Although the Mekong Tourism Forum has certainly provided a vehicle for private sector participation in subregional issues, the focus of future forums needs to be more orientated to specific issues if it is to attract greater private sector interest and spur private sector initiatives. These issue-specific forums, comprising smaller groupings of interested participants, should be led by the private sector. Continuous issue-specific forums can also be maintained using the MTCO website.

## *Summary*

Figure 5 summarizes the main issues and problems confronting the tourism sector in the subregion and shows their relationships with each other and with the key problem: limited contribution of the sector to poverty reduction, gender equality and empowerment of women, and sustainable development.

Figure 5 : The Greater Mekong Subregion Tourism Sector Problem Tree



CSW = commercial sex work; NTO = national tourism organization; GMS = Greater Mekong Subregion

# The Strategy

## Goal and Objective

The overall goal of subregional cooperation in the subregion is to contribute toward the ten-year GMS strategic framework that seeks to develop the vision of a GMS that fulfills its vast potential, frees its people from poverty and provides sustainable development opportunities for all.<sup>8</sup> This will also contribute toward the Millennium Development Goals of achieving substantial poverty reduction, greater gender equality and empowerment of women, and sustainable development of the environment.<sup>9</sup> To achieve its vision, the GMS Program seeks to (1) create an enabling environment and effective infrastructure linkages that will facilitate cross-border trade, investment, tourism and other forms of economic cooperation; and (2) develop human resources and skill competencies. In this framework, the tourism sector has been recognized as a major growth engine for socioeconomic development and poverty reduction for its contribution to the gender objective, and as a promoter not only of the conservation of natural and cultural heritage, but also of peace in the subregion.

However, the sector's ability to contribute to attaining the goal of the GMS and the related Millennium Development Goals is challenged by a series of equity, capacity, and policy-based structural problems that effectively limit its current and likely future contribution. Addressing these structural problems is the primary focus of this strategy.

In the context of the ten-year GMS strategic framework goal with its focus on poverty reduction and sustainable development for all its people, the tourism sector's potential, and the challenges it faces in contributing to attaining this goal, the primary objective for the development of the tourism sector at the subregional level is to

*Develop and promote the Mekong as a single destination, offering a diversity of good quality and high-yielding subregional products that help to distribute the benefits of tourism more widely; add to the tourism development efforts of each GMS country; and contribute to poverty reduction, gender equality and empowerment of women, and sustainable development, while minimizing any adverse social impacts.*



<sup>8</sup>ADB. 2002. *Building on Success, A Strategic Framework for the Next Ten Years of the GMS Economic Cooperation Program*. Manila.

<sup>9</sup>These are three of eight Millennium Development Goals: poverty alleviation (MDG1) that targets the eradication of extreme poverty and hunger and halving between 1990 and 2015 the proportion of people whose income is less than \$1.00 per day; promoting gender equality and the empowerment of women (MDG3); and ensuring environmental sustainability (MDG7) that targets integrating the principles of sustainable development into country policies and programs and reversing the loss of environmental resources.

This objective focuses on developing a pattern of tourism and a “tourism economy” that is characterized by (1) a larger volume of subregional tourists<sup>10</sup> who are higher yielding in terms of income retained within the subregion; (2) lower seasonal demand volatility to provide a sounder basis for investment and business operational viability; (3) more equitable distribution of tourism benefits between the more developed and less developed GMS countries; and (4) increased contribution by tourism to poverty reduction, socioeconomic development, and cultural and natural heritage conservation. Table 1 lists some indicative targets for the GMS tourism sector given this objective.

The objective also recognizes that tourism is not without its costs. If tourism development is not well managed, it could have significant adverse impacts on the subregion’s natural and cultural tourism resources and on its society, especially women and children. These adverse impacts could potentially reverse the efforts made in tourism to reduce poverty, gender disparities, and inequitable distribution of tourism benefits.

**Table 1: Indicative Targets for the GMS Tourism Sector**

Target	Indicators	2004	2010	2015
Volume of international tourist arrivals and economic benefits	• Arrivals at GMS borders (million)	16.4	31.9	52.0
	• Total tourism receipts (\$ billion)	14.8	29.5	52.4
	• Total Output (\$ billion)	22.2	44.3	78.8
	• Total Income (\$ billion)	18.6	39.2	69.3
	• Government Revenue (\$ billion)	2.3	4.6	8.2
	• Employment (million jobs)	3.8	5.5	7.3
Distribution of international tourism and its benefits to the less developed GMS countries <sup>(a)</sup>	Share of total arrivals	31%	33%	41%
	Share of total receipts	29%	30%	43%
	Share of total income	21%	22%	37%
	Economic leakages <sup>(b)</sup>	34%	32%	24%
Poverty reduction	Estimated number of people lifted out of poverty	-	132–158 thousand	1.0–1.2 million

(a) Refers to the share of tourism benefits going to other GMS countries excluding Thailand.

(b) Refers to the proportion of total output from international tourism (i.e. the value of goods and services consumed by international tourists) that is imported by the GMS countries excluding Thailand.

Source: Greater Mekong Subregion Tourism Sector Strategy. June 2005

<sup>10</sup>Subregional tourists are those international tourists who visit at least two GMS countries during their trip to the subregion. Based on survey estimates, they currently comprise about 28 percent of total international arrivals to the subregion.



## *Strategic Directions*

To reach the targets in Table 1, the overall approach is to distribute the benefits of tourism more widely by encouraging travel around all the GMS countries. Specifically, the strategy aims to direct increased tourism flows to key zones in the subregion, involving natural, cultural, and historical resources shared by neighboring countries, in areas where there are poor communities. The development focus will be to ensure that the GMS countries and the tourism zones and communities in each country—are equipped with the skills, capabilities, systems, and infrastructure necessary for sustainable development of their shared natural, cultural, and historical resources.

The strategy promotes the positioning of the subregion as a single tourism destination. It recognizes that international tourism to the subregion flows through Bangkok (Thailand)—the main gateway—and key, alternative emerging gateways, such as Guilin (Guangxi Zhuang Autonomous Region PRC, Phnom Penh (Cambodia), and Hanoi (Viet Nam). From these gateways, tourists will be encouraged to travel not only to other tourist spots in the host country, but also to other cities and tourist hubs in other countries of the subregion. To support the development of the subregional air gateway concept, the strategy seeks to create a single aviation market, based on the progressive expansion of the existing open skies agreement between Cambodia, Lao PDR, Myanmar, and Viet Nam to include the PRC and Thailand.

The strategy builds on the brand recognition and popularity of the gateways and tourist hubs to link the GMS countries into priority tourist zones, and to move traffic from the popular tourism hubs to the less-developed tourist destinations in other areas of each country. Priority will be given to the development of transnational tourism zones involving two or more countries, and located in areas where tourism development has the potential to contribute significantly to poverty reduction. Targeted marketing and product development approaches will be employed to reach market segments that are interested in the kinds of transnational and pro-poor tourism products of this strategy.

The economic viability of this strategy depends greatly on the relative ease with which tourists can travel within the subregion, as well as gain access to the priority tourism sites. Thus, the strategy calls for the construction of infrastructure to promote travel between GMS countries, improve access to areas with strong culture, nature, and adventure tourism resources, and build the capacity of local communities (especially ethnic communities) as local entrepreneurs to participate more effectively in the tourism industry. It also calls for minimizing the immigration and customs obstacles that constrain cross-border tourism travel.

The strategy is founded on principles of sustainable tourism development. This implies that the GMS countries must have the capacity to develop tourism that is economically viable, ecologically sound, and has minimal negative social impacts on the local community. It also implies a holistic approach to capacity building for tourism development. The capabilities of tourism professionals to

promote and manage tourism must be built up through appropriate training programs and technical assistance. Public and private tourism institutions should be brought together in partnerships that will enable more efficient and effective pooling of resources as well as distribution of development responsibilities.

Resource managers, particularly those in the priority tourism sites, must be supported with the necessary facilities and infrastructure for heritage conservation while local communities must be empowered to plan, operate, and manage their own tourism enterprises to contribute to poverty reduction, gender equality, and sustainable development.

## *Programs*

The strategy will be implemented through seven programs following the initiatives being pursued by the Tourism Working Group:

- **Marketing and Product Development.** Foster the development of multicountry tourism in the subregion by stimulating demand from appropriate high-yield markets and products through joint promotional activities.
- **Human Resource Development.** Upgrade the skills of the tourism leaders and tourism trainers of the subregion.
- **Heritage Conservation and Social Impact Management.** Promote higher standards in the management of natural and cultural resources for conservation and tourism purposes, and enhance measures to manage the negative social impact of tourism.
- **Pro-poor Tourism Development.** Help reduce the incidence of poverty and increase rural incomes in poor areas.
- **Private Sector Participation.** Encourage private sector participation and partnerships in planning, investment, and marketing of the subregional tourism sector.
- **Facilitating the Movement of Tourists.** Identify and address impediments to travel to and within the subregion.
- **Tourism-related Infrastructure Development.** Jointly plan and develop tourism infrastructure in the subregion with a view to ensuring a wider distribution of tourism benefits and supporting pro-poor tourism development in designated priority zones.

The objectives, scope, expected outputs, overall outcome, and implementing arrangements of each program are set out below.



## Marketing and Product Development Program

The objectives of this program are to strengthen and focus subregional product development, implement a sustained single destination promotion campaign, and develop a strong subregional marketing institution.

A key element in achieving these objectives is to enable the private sector to design, develop, promote, and operate competitive, sound cross-border products based on culture, nature, and adventure tourism, directed at widening the distribution of tourism benefits and promoting pro-poor tourism. To achieve this, 13 subregional priority tourism corridors, zones, circuits, and lines have been identified. These are

- Mekong River Tourism Corridor, including all GMS countries;
- Golden Quadrangle Tourism Zone, including Lao PDR, Myanmar, Thailand, and Yunnan Province PRC;
- East West Tourism Corridor, including Lao PDR, Myanmar, Thailand, and Viet Nam;
- Emerald Triangle Tourism Zone, including Cambodia, Lao PDR, and Thailand;
- Green Development Triangle Tourism Zone, including Cambodia, Lao PDR, and Viet Nam;
- Heritage Necklace Circuit, including all GMS countries;
- Southern Tourism Coastal Corridor, including Cambodia, Thailand, and Vietnam;
- Red River Valley Tourism Zone, including Yunnan Province PRC, and Viet Nam;
- Andaman Coast Tourism Zone, including Myanmar and Thailand;
- Lao PDR – Viet Nam Cross-border Community-based Tourism Zone;
- Shangri-la – Tengchong – Myitkina Tourism Development Zone, including Myanmar and Yunnan Province PRC;
- Zhuang Autonomous Region PRC – Northeast Viet Nam Borderlands Tourism Zone; and
- GMS Coastal and River Cruise Lines, including Cambodia, Myanmar, Thailand, and Viet Nam.

These priority tourism corridors, zones, circuits, and lines (all referred to as zones hereafter) contain most of the subregion's major cultural, natural, and adventure tourism resources of strong interest to the market, are connected to the developing subregional transportation network, and contain an estimated 12.5 million poor people. If carefully planned, developed, and managed, these zones have the potential to make a substantial contribution to the Millennium Development Goals underlying this strategy. The GMS countries, through their NTOs, have already agreed to cooperate in the development and promotion of these zones under this strategy. In addition, these zones fit within the GMS strategic framework agreed on by the GMS leaders in 2002.

Map 4 gives the approximate location of the tourism priority zones. The Heritage Necklace Circuit and GMS Coastal and River Cruise Lines are not shown. A summary of the projects is given in Appendix 1.<sup>11</sup>

<sup>11</sup>Detailed project profiles have been prepared and are contained in the Greater Mekong Subregion Tourism Strategy volume 2, financed by the Asian Development Bank and circulated to the GMS countries.

# PEOPLE'S REPUBLIC OF CHINA

1. The Mekong River Corridor
2. The Golden Quadrangle
3. East West Corridor
4. Emerald Triangle
5. The Southern Coastal Corridor
6. The Green Triangle
7. Houaphanh-Thanh Hoa-Son La Tourism Circuit
8. Andaman Coast and Islands
9. Shangri-la/Tengchong/Myitkyina Cluster
10. The Red River Valley
11. Guangxi-Northeast Vietnam Karst Borderlands

North-South  
Economic Corridor

East-West  
Economic Corridor

Southern  
Economic Corridor


Andaman Sea

0 150 300  
Kilometers  
Scale 1 : 9,000,000

- Nature/Adventure-based Tourism
- Culture/Nature-based Tourism
- Marine/River-based Tourism
- International Boundary
- Provincial Boundary
- Shoreline
- Proposed Subregional Road
- Railway
- Major River Network
- National Capital
- City / Town

Lao PDR = Lao People's Democratic Republic  
Boundaries are not necessarily authoritative  
Source : Asian Development Bank

**Map 4.**  
**The Greater Mekong**  
**Subregion**  
**Priority Tourism Zone**



To support product development and bring about a more equitable distribution of tourism benefits while managing the negative social impacts in these zones, the strategy seeks to

- improve access roads to key cultural and natural attractions;
- improve border access facilities and processing procedures;
- provide safe and secure access to the Mekong River;
- improve heritage site protection measures; and
- ensure high standards in food and beverage preparation, accommodation, and presentation of cultural and natural heritage sites.

Although many of these issues are addressed in the programs dealing with tourism-related infrastructure and cultural and natural heritage site management, this spatial framework of new destinations in the GMS is an essential element in the implementation of the marketing program.

## Product Development

### *Rationale*

The primary rationale for product development in the subregion is to foster greater equity, poverty reduction, and environmental sustainability by increasing and diversifying the number of cross-border subregional tour products based on nature, culture, and adventure experiences giving priority to the 13 subregional tourism zones.

### *Scope*

Product development will involve

- creating a conducive environment to encourage appropriate product development by the private sector;
- focusing on the development of priority tourism zones with emphasis on pro-poor tourism;
- raising quality standards in food safety, small lodgings, and heritage site presentation and management; and
- engaging local and international tour operators to take up the challenge of developing and marketing nature, culture, and adventure tour products in the priority zones.

## *Expected Outputs and Outcome*

The main outputs of this part of the marketing program will be

- a strong facilitating environment at the national level for quality product development by the private sector;
- strong participation by international and local tour operators;
- improved food safety, small lodgings, and heritage site presentation and protection standards; and
- a growing number of high-quality nature, culture, and adventure tour products based on the priority tourism zones.

The main outcome will be a better distribution of the benefits of tourism within the subregion as well as improved protection of the cultural and natural heritage and support for a more socially responsible pattern of tourism where negative impacts are minimized. In this context, the share of total international tourist arrivals to the GMS countries other than Thailand is targeted to increase from 31 percent in 2004 to 33 percent in 2010 and to 41 percent by 2015.

## *Implementation Arrangements*

The product development component of the marketing program will be implemented primarily by the private sector as it is the only sector with the resources needed to develop, promote, distribute, and operate good quality subregional culture, nature, and adventure tourism products. The NTOs and their development partners will support the private sector through planning, development of support infrastructure, and provision of the necessary safeguards—especially in the priority zones—to ensure that development is environmentally sustainable and socially responsible. The MTCO will coordinate and monitor this part of the marketing program.

## *Promoting the Subregion as a Single Destination*

### *Rationale*

The promotion of the subregion as a single destination is considered to be the most effective way to promote subregional nature, culture, and adventure products designed to deliver tourism benefits to the target groups (i.e., the poor, especially women and ethnic communities) in the less developed GMS tourism countries.



### A single destination approach to promotion

- taps the strong preference for multi-country destination experiences by markets seeking culture, nature, and adventure experiences;
- takes advantage of product complementarity and attractiveness between the GMS countries;
- is highly cost effective;
- can take full advantage of new opportunities arising from the development of subregional transportation infrastructure;
- provides the opportunity to develop a common market segmentation, positioning, and branding platform; and
- increases the attractiveness of the subregion and its member countries.

### *Scope*

To implement sustained single destination promotion, the program seeks to position and promote the subregion as a culture, nature, and adventure destination. To achieve this, the program will

- develop a strong commitment and sense of mission between the NTOs and the private sector, and among the subregion's citizens;
- develop a powerful, globally recognized brand, "The Mekong," that positions the subregion as a "must see" destination;
- build capacities of the NTOs to implement customer-based, market-led subregional promotion activities;
- position and promote the subregion's tourism products in primary source markets and segments using trade, consumer, and media promotion tools; and
- develop a mechanism to monitor the effectiveness of subregional promotion activities.

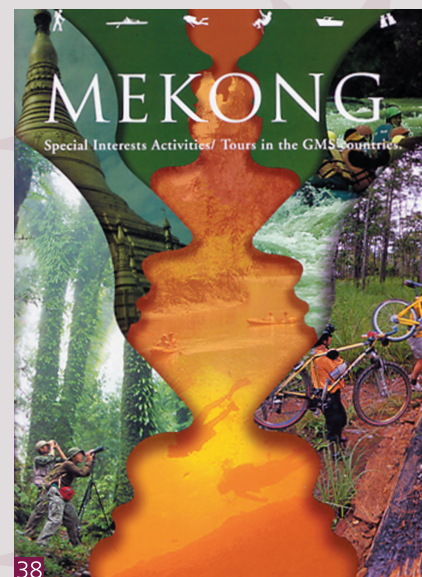
### *Expected Outputs and Outcome*

The primary outputs of this part of the marketing program will be

- strong commitment and support from all stakeholders,
- sustained subregional promotion campaigns,
- a strong internet presence,
- wide market recognition of "The Mekong" brand, and
- a mechanism for monitoring the results of promotion activities.

The main outcome will not only be an increase in arrivals and tourism benefits, but also a more balanced, equitable, and pro-poor pattern of tourism that is environmentally sustainable and culturally sensitive. The promotion of the subregion as a single destination targets increasing total foreign subregional travelers to the GMS by 1.3 million between 2004 and 2010, and by 6 million between 2011 and 2015.<sup>12</sup>

<sup>12</sup>A subregional traveler is defined as a person who visits at least two countries during his or her trip to the GMS.



## *Implementation Arrangements*

This component will be implemented and coordinated by the MTCO in partnership with the private sector and the NTOs.

### *Developing a Subregional Marketing Institution*

#### *Rationale*

The current institutional capacity of AMTA to develop, finance, and sustain single-destination promotion activities has reached its limit given its financial and human resource limitations. Greater emphasis will need to be given to private-public sector partnerships in developing, funding, and implementing future subregional marketing activities. Therefore, the existing institutional arrangements for the coordination of subregional marketing activities will need to be strengthened.

#### *Scope*

The development of an effective institution able to implement sustained marketing of the subregion as a single destination will involve

- establishing the MTCO as the successor to AMTA with expanded capacities and responsibilities in marketing;
- appointing a full-time executive director to be responsible for managing the subregional marketing and other program coordination functions;
- building the necessary resources to raise the level of marketing activities through partnerships and alliances with the private sector;
- developing a greater commitment and responsibility among industry players on the negative social and environmental impacts of tourism; and
- developing trust, confidence, and commitment from the stakeholders, especially the GMS countries and the private sector, to finance the marketing program.

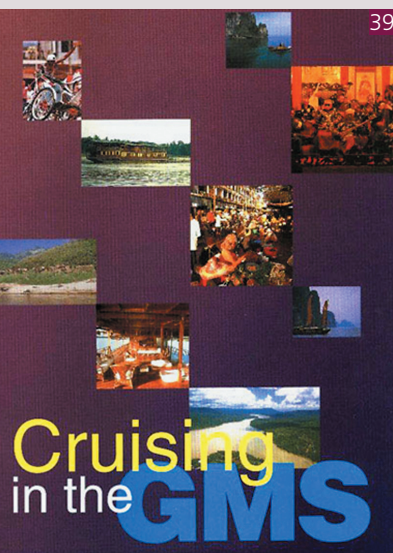
Ultimately, the MTCO would be transformed into a subregional tourism marketing and promotion board, based on a strong private-public sector partnership at the subregional level.

#### *Expected Outputs and Outcome*

The main outputs of this component will be

- the MTCO established and adequately financed to undertake the subregional marketing function;
- strong commitment and funding support from NTOs and the private sector for subregional marketing;

- greater accountability by the tourism industry on the negative social and environmental impacts of tourism; and
- establishment of the Mekong Tourism Marketing and Promotion Board in 2010.



39 The implementation of this component will provide the platform for sustained marketing of the subregion as a single destination in order to increase the overall benefits of tourism in the subregion and to develop a pattern of tourism that is equitable, pro-poor, environmentally sustainable, and culturally sensitive.

### *Implementation Arrangements*

The MTCO will be established by the NTOs on 1 January 2006 and based initially in offices provided by the Thailand Ministry of Tourism in Bangkok. The Pacific Asia Travel Association has agreed to assist in the recruitment of the executive director. Initial funding for the operations of the MTCO will be provided by the NTOs.

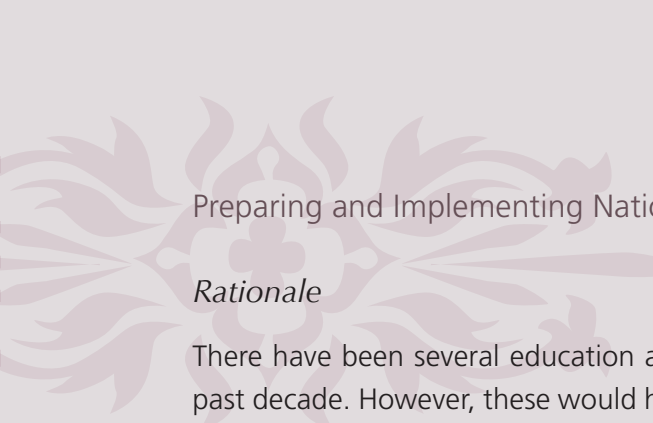
## Human Resource Development Program

The overall objective of the human resource development (HRD) program is to develop a system-wide approach to HRD planning designed to raise the capacities of public sector officials to deal with tourism development issues; raise the standards of service provided; supply the demand for additional qualified staff in small and medium-sized hospitality enterprises; and upgrade the management and teaching capacities of academic and vocational institutions offering tourism programs.

To achieve this objective, the HRD program will be implemented in four parts:

- preparing and implementing national tourism HRD plans,
- capacity building of middle-level public officials,
- training of trainers in hospitality skills in vocational institutions, and
- upgrading the management and teaching capacities of academic institutions with tourism programs.

Details of the four parts of the program follow.



## Preparing and Implementing National Tourism HRD Plans

### *Rationale*

There have been several education and training programs introduced in the GMS countries in the past decade. However, these would have been more effective if they had been part of an organized, system-wide HRD plan that viewed capacity building in a wider and systemic context. This component of the HRD program attempts to replace the practice of delivering ad hoc training by situating education and training in a framework that addresses recruitment policies, proper compensation, job satisfaction, and career paths.

### *Scope*

A top-level official in each NTO will be identified to act as the HRD “champion” to mobilize a group of government officials responsible for HRD to develop a national HRD plan for the tourism sector that

- incorporates a system-wide approach to HRD in the tourism sector,
- promotes effective and gender-sensitive recruitment policies and practices,
- establishes a system of proper salaries and incentives that leads to increased job satisfaction and performance,
- creates career paths,
- encourages life-long education and training, and
- is incorporated into the legal framework of each country.

### *Expected Outputs and Outcome*

The main outputs of this component of the HRD program will be

- several well-crafted national HRD plans for the tourism sector of each country;
- a legislative framework that incorporates HRD as a cornerstone for development; and
- a group of top- and senior-level officials—of whom 50 percent should be women—with a strong culture of HRD who will actively work for change in the NTO and the private sector of the tourism industry.

The implementation of this part of the HRD program will result in a better capacity to plan and implement tourism sector HRD programs at the national and subregional level. The adoption of a stronger HRD culture by the private sector will help to provide equal opportunities to women, ethnic communities, and other groups and empower tourism workers (and their associations) with the knowledge, skills, and attitudes necessary to be more productive, contribute to enterprise decision making, and command higher employee compensation.

## *Implementation Arrangements*

This component will be implemented by the GMS countries through their NTOs with the support of appropriate development partners, and coordinated by the MTCO.

### *Capacity Building of Middle-level Officials*

#### *Rationale*

A major problem in addressing the weak capacity of middle-level public officials (directors, deputy directors, chiefs, deputy chiefs, and technical personnel) in NTOs and in other ministries—such as culture, education, forestry, and foreign affairs—whose work has an impact on tourism, is that the resources needed to avail of professional development programs given abroad are not available and most do not have the English language skills needed to undertake these. Among these are women who have been in public service and have reached middle-level positions. Middle-level public officials require training in sustainable tourism development and management. This part of the HRD program seeks to overcome this problem by developing the in-country capability to strengthen the capacities of middle-level public officials in the tourism sector.



#### *Scope*

Technical assistance will be provided to appropriate institutions to

- conduct a training-needs analysis of middle-level officials, taking into account specific gender needs;
- develop customized training programs and teaching materials/case studies based on the training-needs analysis;
- develop teacher training kits and translate materials into the subregional languages;
- digitize the training materials and make them available through CD-ROM and internet-based media;
- train the trainers, from institutions that provide training of public sector officials in English, on the use of new teaching materials;
- conduct the training programs in-country in subregional languages;
- cascade the training to other trainers in-country; and
- evaluate the effectiveness of the program and adjust accordingly.

### *Expected Outputs and Outcome*

This part of this HRD program will deliver

- training-needs analysis, with special emphasis on the needs of female officials;
- customized training programs reflecting needs and priorities identified during the training-needs analysis;
- teacher training materials suitable for both men and women, case studies, reading materials on best practices, CD-ROMs, and other materials that are digitized and translated into subregional languages;
- a group of trainers; and
- an internet-based knowledge center.

The implementation of this component will result in a group of male and female tourism experts in the public sector and a wide audience of public sector officials, teachers, students, and other parties interested in, and able to contribute more effectively to sustainable tourism development and management at the national and subregional level.

### *Implementation Arrangements*

This part will be implemented by the GMS countries through their NTOs and executed by a single training institution already dealing with developing the capacity of government officials in the sub-region. The development partners will provide financial support and the MTCO will coordinate and monitor implementation.

### *Training the Trainers in Hospitality Skills in Vocational Institutions*

#### *Rationale*

Delivering a high and consistent quality of service in the tourist establishments of the priority tourism zones and the subregion in general requires training of prospective employees and retraining of people already employed in the industry. Special attention should be given to women and poor communities needing the right skills in order to participate in the industry, especially those participating in pro-poor tourism development. The approach is to train a group of master hospitality trainers in each country who will, in turn, train other trainers in their respective countries in a flow-on scheme.



## Scope

The implementation of this component of the HRD program will involve

- adopting the ASEAN common skills standards in hospitality as the basis for training,
- adopting existing train-the-trainers programs in the subregion that are deemed to be successful,
- translating the training manuals into the subregional languages and disseminating these widely,
- developing teacher training kits in the subregional languages, and
- digitizing and making them available in an internet-based knowledge center that will be accessible to a wide audience.

The training of the master trainers will be conducted in English in a regional center, but the flow-on programs in-country will be conducted in the national language in each country to give effective reach to tourism enterprises.

## Expected Outputs

The main outputs of this component will be

- gender-sensitive training manuals in food and beverage service, cookery, housekeeping, bartending, front-office reception, security, and safety, following ASEAN competency or skills standards;
- teacher training kits on how to train according to competency standards;
- CD-ROMs and internet-based training materials with translated versions of these in the subregional languages.

The implementation of this component will result in a group of trainers in master skills in hospitality, who will train other trainers in their respective communities. Twenty trainers per country per annum for four years are targeted, with women constituting, as far as practicable, 50 percent of the trainers.



## Implementation Arrangements

Private sector participation and partnership will be essential for the success of this part of the HRD program. The hotel and restaurant associations in each country, the larger hotel organizations, and the NTO will form a working group to implement this part of the program. The development partners will provide funding support and the MTCO will undertake the coordination and monitoring role.



## Upgrading the Management and Teaching Capacities of Academic Institutions Offering Tourism Programs

### *Rationale*

The growth of the tourism sector poses challenges in meeting the demand for qualified hospitality managers, tourism planners, tourism economists, marketing specialists, and many other types of specialists, all of whom require a sound education. Thus, graduate and postgraduate programs developed by academic institutions with high standards are important pillars of tourism education.

However, subregional institutions generally lack good teachers who have both the academic background and the experience to teach tourism and hospitality. Information on indigenous cultures and of social impacts resulting from socially responsible tourism needs to be integrated into teaching materials and programs. Many professors do not speak English, still refer to old textbooks, and use outdated teaching methodologies. For the deans and heads of tourism faculties, there is a need to develop skills in curriculum design and development, standard setting, and faculty development.

### *Scope*

The implementation of this part of the HRD program will involve

- conducting organized study tours for deans and heads of tourism/hospitality faculties to universities overseas with high academic standards;
- sending teachers on scholarships to take up their masters or doctoral degrees, making sure that choices of scholars are gender balanced; and
- developing a customized training program for teachers to train them in-country, in their national language, on the latest trends in tourism and hospitality education as well as integrating indigenous cultural and social impact issues.

Case studies and teaching materials will be adapted to subregional conditions and made easily available by translating them into subregional languages, and circulating these to the NTOs and training institutions using CDROM and internet-based media. Visiting lecturers/professors from overseas will be asked to conduct these training programs.

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## *Expected Outputs*

The main outputs of this component of the HRD program will be

- deans and tourism faculty heads from each country who are exposed to quality/world-class tourism education and can effect changes in their respective institutions,
- universities with more teachers with postgraduate degrees in tourism and hospitality,
- regular teachers' forums for exchanging ideas on how to improve tourism education in their respective universities,
- training programs for teachers, and
- an internet-based knowledge center.

The implementation of this component will result in higher standards of tourism and hospitality education in universities and colleges in the subregion. Ten deans and tourism faculty heads from each country per annum for four years are targeted.

## *Implementation Arrangements*

A technical task force, chaired by the ministry of education and/or training, will be responsible for the implementation of this part of the program in each GMS country. The development partners will provide financial support and the NTOs will coordinate the work of each technical task force at the national level. The MTCO will coordinate and monitor implementation at the subregional level.

## Heritage Conservation and Social Impact Management Program

The objectives of this program are to manage effectively the conservation of the subregion's cultural and natural heritage and reduce the risk of the negative social impacts arising from increased tourism and greater distribution to the less developed areas of the GMS between 2006 and 2015.

To achieve the conservation and social impact management objectives, the program has been designed to

- enhance the management of historic, religious and living cultural heritage through capacity building of heritage managers, training of guides and designation of key demonstration projects;
- address the need for improved natural heritage site management through training of site managers, creation of cooperative cross-border protected area management units, training of guides, and creating biodiversity conservation corridors; and
- address the negative social impacts—trafficking and commercial sex work, especially sexual exploitation of children in tourism, and transmission of HIV/AIDS.

Details of the three elements of the program are set out below.

## Managing the Cultural Heritage of Importance to Tourism in the Subregion

### *Rationale*

Unless carefully managed, large expected increases in tourism will lead to the destruction of the subregion's cultural heritage, erode its product potential, and lead to fewer tourists and increased poverty. Good management, protection, and explanation of the historic, religious and living cultural heritage assets of the subregion will be fundamental to protecting and enhancing the value of these resources.



However, overall site management capacities, especially in relation to tourism activity, remain weak; tour guide understanding and explanation of the value of the subregion's cultural assets are poor; and local communities have limited participation in the site management and tour guide process. Previous ad hoc short courses are not a sustainable solution to producing knowledgeable cultural heritage managers who understand the issues of tourism development and management and are able to achieve the necessary protection and enhancement of the subregion's cultural assets of importance to the tourism sector.

In addition, well-trained heritage site guides from local communities can play a critical role in protecting and enhancing the value of heritage sites by imparting a greater concern for conservation through good interpretation and presentation.

The strategy addresses both the immediate need to upgrade the tourism management skills of existing cultural heritage site managers and that of heritage tour guides, especially in the primary tourism zones, and the longer-term need to develop the next generation of professionals who will have enhanced tourism management skills. Local communities, including poor women and ethnic groups, should have equal access to training opportunities for guides. Providing scholarships with support from the industry will be explored.

## *Scope*

The implementation of this part of the program involves

- developing a database of cultural heritage sites in the subregion – and especially in the priority tourism zones;
- developing more effective cooperation and coordination mechanisms between the NTOs and the cultural heritage organizations in each GMS country;
- training master trainers in heritage site tourism management from the GMS countries at a centrally located institution, based on a two-month training course with certification and replication after in-country customization;
- supporting the establishment of local guide groups, with members from local communities;
- establishing an initiative to conserve the historic and religious monuments of the subregion, including enhanced community participation and awareness and improved interpretation and presentation through training of heritage guides;
- creating a subregional ethnographic databank of written, oral, and visual material; and
- developing guidelines and best and worst practice case studies for site managers.

## *Expected Outputs and Outcome*

The main outputs will be

- a subregional database of cultural sites;
- improved understanding between NTOs and cultural heritage managers;
- skilled trainers, curriculum, and materials translated into national languages in place for continued training in-country;
- site managers with upgraded skills and knowledge;
- a new group of specialized heritage guides;
- improved management at heritage sites;
- enhanced protection of the historic and religious monuments of the subregion;
- a subregional ethnographic databank based on an information and communications technology facility for cultural heritage in the subregion.

The implementation of this part of the program will improve the management of cultural heritage sites and the living cultural heritage with greater community participation. The subregion's historic and living cultural heritage will be better protected, its value enhanced, the capacity to handle tourism growth increased, the subregion's attractiveness as a destination enhanced, and poverty reduced.

### *Implementation Arrangements*

This component will be implemented by ministries of culture, cultural institutions that are part of other ministries, museums of ethnography, and the NTOs. UNESCO could be asked to serve as technical advisor, with nongovernment organizations and mass organizations providing on-site mentoring support. The MTCO will coordinate and monitor implementation at the subregional level.

## Managing the Natural Heritage of Importance to Tourism in the Subregion

### *Rationale*

Despite a number of previous initiatives, cooperation in the area of natural heritage management remains weak. The capacity of natural heritage site managers is limited and the sustainability of the resources is threatened. It is also necessary to ensure that people's access to common property resources and customary land rights are protected. As in the case of cultural heritage, existing site management and conservation skills need to be upgraded and the next generation of professionals developed to have enhanced visitor management skills. More attention to the participation of local communities in management and the promotion of responsible ecotourism business practices that contribute to protection are also needed. Local communities, including the poor, women, and ethnic groups, should have equal access to training opportunities for guides. The provision of scholarships, with the support of the industry, will be explored.



### *Scope*

To meet the objectives of this part of the program, it will be necessary to

- develop partnerships between NTOs and natural heritage management organizations in each GMS country to improve coordination and cooperation in the management of tourism;
- train existing and future managers of natural heritage sites more effectively, especially in the priority tourism zones; and
- establish transnational biodiversity conservation corridors in important areas for tourism to improve protection and management.

## *Expected Outputs and Outcome*

The main outputs will be

- improved cooperation and coordination between NTOs and natural heritage management organizations;
- skilled trainers, and curriculum and materials translated into national languages;
- framework in place for continued training in-country;
- natural heritage managers with upgraded skills and knowledge;
- greater participation by the poor, women, and local ethnic communities in natural heritage management;
- improved visitor management at heritage sites; and
- greater contribution to the protection and management of transnational biodiversity conservation corridors by the tourism sector.

The main outcome will be improved site tourism management skills and practices and greater participation of local communities in the management and explanation of natural site values. This will increase the level of protection and sustainable capacity of the subregion's natural heritage sites and contribute to poverty reduction.

## *Implementation Arrangements*

The ministries of forestry or the environment, protected area management units, and NTOs of each GMS country will be responsible for the implementation of this component. The development partners will provide technical support, with NGOs and mass organizations providing necessary on-site mentoring support. The MTCO will provide monitoring and coordination support at the subregional level.

## *Management of Negative Social Impacts*

### *Rationale*

The potential negative social impacts of tourism on such groups as women, children, disabled, and ethnic communities are currently among the least addressed by the tourism sector. These impacts include human trafficking in the context of tourism; drug trafficking and abuse; child sex tourism; the rise and spread of HIV/AIDS that accompanies commercial sex work and drug use; and the marginalization of ethnic communities, women, and workers' organizations in tourism development. These are related directly to tourism. Other issues relate to land acquisition, resettlement, and environmental management. While governments now acknowledge the dimensions of the problem, this needs to be understood by key actors in the tourism sector—the NTOs, tourism operators, and workers' organizations—and incorporated into their strategies and programs to bring about a more socially responsible pattern of tourism development.



## *Scope*

Overcoming these potential negative social impacts needs a multi-pronged approach. This will include advocating change at the highest levels to generate support and working at the community level. The strategy calls for working with the tourism industry by forming partnerships with the private sector, tour operators, hotel industry, small business associations, workers' organizations, and airlines, as well as with tourists. It will work in the four key areas: (1) anti-trafficking and tourism; (2) preventing commercial sex work, especially the sexual exploitation of children in tourism; (3) awareness about the transmission of HIV/AIDS through tourism; and (4) promotion of women's, ethnic communities' and workers' participation in the tourism sector.

These initiatives will be designed to complement and support the activities of other agencies in these areas.

## *Expected Outputs and Outcome*

The main outputs of these initiatives will be

- national tourism strategies that recognize and address the negative social impacts of tourism;
- training materials for different stakeholders of the tourism industry in different languages, using different cultural approaches;
- awareness materials, including brochures, posters, TV and radio messages, and community dramas on negative social impacts, including culturally sensitive issues for communities, officials, and tourists; and
- strengthened partnerships among NTOs, other ministries, NGOs, local communities, workers organizations, and the tourism industry to confront and combat these problems.

The implementation of this part of the program will result in a more effective and sustainable tourism sector development in the subregion by minimizing the risk of negative social impacts.

## *Implementation Arrangements*

Key ministries, selected NGOs, mass organizations, women's groups, workers organizations, and bilateral and international development partners will assist the NTOs in each GMS country in implementation. The MTCO will monitor and coordinate the overall implementation of this component at the subregional level.

## Pro-poor Tourism Development Program



The overall objectives of the pro-poor tourism development program are to provide income opportunities to the poorer sectors of society living in rural and urban areas; contribute to the empowerment of poor local communities so that they are better able to shape their futures; and support the development of a framework of increased security in the areas of food sufficiency, health, land tenure, criminality, and especially the rights of women, children, and ethnic communities and disadvantaged groups such as the disabled and street children.

The program has three pillars:

- linkage between employment of unskilled and semiskilled women and ethnic groups with better education in the tourism industry in urban, rural, coastal, and mountain tourism areas with large concentrations of the poor;
- linkage between natural, cultural, and historic tourist attractions and the location of poor rural communities for community-based tourism opportunities; and
- linkage between tourism and the opening-up of new markets for farm, handicraft, and other products arising from improvements in access and social infrastructure.

The program focuses on the need to develop local tourism economies that exhibit a high level of linkages with other sectors of the local economy and, as a corollary, relatively modest economic leakages. The strategy's approach to tourism and poverty reduction goes beyond the traditional community-based tourism concept, and promotes the integration and mainstreaming of tourism into the programs of NTOs and national agencies responsible for poverty reduction. To realize poverty reduction through tourism, it will be necessary to address key barriers in the areas of



- connections with local industries such as suppliers;
- community preparation, awareness, and education and training;
- access to credit finance;
- organizational and entrepreneurial capabilities;
- access and other tourism-related infrastructure;
- market knowledge and access;
- regulations and bureaucracy; and
- participation of public and private stakeholders.

Poor local communities will be the primary beneficiaries in planning and owning their future in tourism development with the public sector, development partners, and nongovernment organizations providing policy, technical assistance, capacity building, and financial support.

The program has two parts:

- developing models to demonstrate a broader approach to pro-poor tourism in seven locations in the subregion, and
- incorporating pro-poor tourism in the development agendas of the NTOs and national poverty reduction programs in each GMS country.

## Broadening the Current Pro-poor Tourism Development Approach

### *Rationale*


There have been several success stories in pro-poor tourism development, particularly through community-based tourism initiatives, but the current approach needs to be broadened if the tourism sector is to make a significant impact on poverty reduction in the subregion. Future interventions should focus not just on small tourism initiatives in a single village, attraction, or activity but also on the broader local economy that may include a main town or small city and many other villages. Interventions need to be designed to improve economic linkages not only between village tourism producers and tourism service providers in other locations, but among these and other sectors of the local economy, such as those connected with agriculture, craft production, and trade.

### *Scope*

This part of the program will involve seven pro-poor tourism demonstration projects in areas with a high incidence of poverty that could be used as demonstration cases. The projects will be implemented in the following areas in each country:

1. Cambodia – In Stung Treng, Ratanakiri and Siem Reap provinces.
2. Lao PDR – In the provinces of Phongsaly, Houaphan, and Xienghuang.
3. Myanmar – In the Mount Popa area, north of Bagan in the divisions of Mandalay and Magwe.
4. PRC – In the southwest of Guangxi Zhuang Autonomous Region, PRC bordering Viet Nam, and
5. PRC – In the Xishuangbanna area of Yunnan Province.
6. Thailand – In the northeast, in the provinces of Ubon Ratchathani and Sisaket.
7. Viet Nam – In the Son La and Dien Bien provinces in the northwest.

The precise locations of each project area will be determined by each country based on agreed criteria.



For each of the selected areas, the main tasks will be

- enhancing access to tourism resources and potential markets;
- integrating national and provincial policies in planning, marketing, product development, and infrastructure (wells, roads, and sanitation) directed at poverty reduction in designated areas;
- supporting the establishment of micro and small enterprises, and increasing human capacities and the role of women and ethnic communities;
- creating “supplier support partnerships” between micro and small businesses and medium-to large-scale tourism service providers; and
- developing targets and indicators to measure impacts and assessing and circulating lessons learned.

### *Expected Outputs and Outcome*

The main outputs will be

- replicable demonstration projects in each country that show how to adopt broader pro-poor tourism development approaches;
- specific training programs for local communities in tourism support services and product development, government offices, and private operations;
- workshops and seminars in tourism zones; and
- mobilization of stakeholders in the development of pro-poor tourism projects.

The implementation of this component will result in a shift of focus and enhanced use of tourism as a tool to assist in poverty reduction in the subregion, associated with a reduction of poverty in targeted areas. The overall target is to take up to 158,000 persons out of poverty by 2010, and up to 1.2 million by 2015.

### *Implementation Arrangements*

The pro-poor tourism projects will be implemented by NTOs, with the support of appropriate development partners and NGOs and mass organizations that will provide on-site mentoring support. The MTCO will coordinate and monitor overall implementation.

### *Including Pro-poor Tourism Development in National Poverty Reduction Programs*

#### *Rationale*

Although some GMS countries have integrated tourism policies and plans in their national poverty reduction strategies, tourism remains largely on the periphery in terms of its recognition as a major contributor to poverty reduction and in the corresponding allocation of resources. Given its strong

potential contribution to poverty reduction, pro-poor tourism development needs to be given higher priority in both national poverty reduction strategies and in national tourism legislation, policies, strategies, and programs. This will make it possible to command resources commensurate with its potential for poverty reduction. Tourism also needs to be included in subregional agreements aimed at poverty reduction and the protection of ethnic communities.

### *Scope*

This part of the pro-poor tourism development program involves

- establishing the link between the tourism sector and economic growth and poverty reduction;
- incorporating a strong role for the tourism sector in the preparation of national and provincial poverty reduction policies, strategies, and programs;
- incorporating poverty reduction in national tourism policies, strategies, plans, and legislation;
- providing training programs for policy makers and planners on tourism and poverty reduction;
- developing case studies of good and bad practice and making them available; and
- establishing tourism-related poverty reduction indicators that are practical and achievable.

### *Expected Outputs and Outcome*

The main outputs will be

- greater cooperation and coordination between NTOs and the related poverty reduction organizations in each country,
- policy and legislation to incorporate and raise the priority of tourism in national poverty reduction programs,
- tourism sector strategies and plans with poverty reduction as a key focus,
- a plan to address human resource development requirements,
- indicators for measuring the impact of tourism on poverty reduction, and
- methods of sharing best practices, nationally and subregionally.

The overall outcome will be a greater role and higher priority in resources for tourism in national poverty reduction programs, thus contributing to the overall target of lifting up to 158,000 persons out of poverty by 2010, and up to 1.2 million by 2015.

## Implementation Arrangements

The NTOs in conjunction with the related government ministries will be responsible for implementing this part of the program at the national level. The development partners and NGOs will provide technical support and mentoring to the NTOs and concerned government agencies. Monitoring and coordination at the subregional level will be undertaken by the MTCO.

## Private Sector Participation Program

The primary objective of this program is to fully harness the capacity of the private sector toward the sustainable and socially responsible development of the tourism sector in the subregion. Details of the program follow.

### Rationale

The private sector already delivers a growing proportion of the goods and services enjoyed by tourists in the subregion. It also has far greater flexibility, access to resources, know-how, and technological capacity than the public sector and can therefore play a key role in delivering a more environmentally sustainable and socially responsible pattern of tourism in the subregion in the future. However, the participation of the private sector in tourism remains beset by a number of institutional, regulatory, and attitudinal obstacles that make it difficult to

- attract private sector investment,
- support the growth of small and medium-sized tourism enterprises,
- involve private sector participation in national and subregional marketing and human resource development activities,
- generate greater industry self regulation,
- develop and sustain partnership approaches, and
- develop tourism-wide and industry sectoral associations.

Harnessing the full potential of the private sector in the above areas will be crucial if the overall objective of tourism development in the subregion is to be achieved. The program seeks to create a conducive regulatory, institutional, and attitudinal environment that will encourage greater private sector participation in tourism in the subregion.



## *Scope*

The program will involve

- facilitating the harmonization of rules and regulations, increased transparency, accountability and predictability, and the exchange of information among GMS countries to promote greater investment in the tourism sector;
- establishing a regulatory environment that supports the expansion of the small and medium-sized enterprise sector that is important in the GMS and for poverty reduction;
- encouraging the private sector to participate in marketing and promotion through involvement in national and subregional tourism marketing and promotion boards;
- facilitating the participation of the private sector in the area of human resource development and training;
- establishing a regulatory environment that supports the formation of industry associations at the national and subregional level, encourages industry self-regulation, and promotes greater social corporate responsibility;
- developing partnerships with the public sector, including build-operate-transfer (BOT), build-lease-transfer and concessions, and with local communities at the site and destination level; and
- enlisting the support of national and regional chambers of commerce in each country and, where appropriate, the GMS Business Forum.

## *Expected Outputs and Outcome*

The main outputs of this program will be

- a tourism regulatory and institutional environment that is investor friendly,
- a regulatory and institutional framework supporting small and medium tourism-related enterprise development,
- participation in marketing and promotion in national and subregional tourism marketing and promotion boards,
- participation in human resource development and training,
- formation of industry associations at the national and subregional level,
- greater industry self-regulation and social corporate responsibility,
- partnerships with the public sector and with local communities at the site and destination level, and
- active participation in national and regional chambers of commerce and the GMS Business Forum.

The implementation of this program will result in a more effective harnessing of the resources of private enterprise toward the management and future development of tourism that is equitable, socially responsible, and environmentally sustainable.

## *Implementation Arrangements*

The program will be implemented and coordinated by the MTCO in association with the NTOs and a committee of private sector advisors to the TWG and MTCO. The MTCO will play an important role in coordinating, supervising, and monitoring social responsibility and accountability among key private sector groups.

### Program to Facilitate the Movement of Tourists



Although some progress has been made in recent years in increasing connectivity between the GMS countries, cross-border access into and within the subregion by international tourists remains an obstacle, hindering the development of sub-regional culture, nature and adventure products, and therefore a more equitable and pro-poor pattern of tourism in the subregion. At the same time, the volume of cross-border travel using border passes by residents of border provinces is growing rapidly.

This program seeks to minimize the difficulties of access into and around the subregion through measures aimed at both ease of entry and quality of transportation. Another key aim of the program is to improve monitoring of people moving across borders to minimize the risk of human trafficking and exploitation through improved border checkpoints and services. Details of the program follow.

### *Rationale*

The development of an integrated tourism transportation system to increase connectivity, service priority tourism zones, and deliver greater benefits to those in most need requires not only infrastructure development but also a policy and regulatory framework that supports the movement of tourists. The facilitation of the movement of tourists could also move drugs more easily across borders (although not necessarily in bulk as in the transport corridors) and increase person smuggling. An awareness of these issues and mechanisms for dealing with them are important elements in facilitating the movement of international tourism.

## *Scope*

The program will involve

- developing and introducing a GMS-wide visa for third-country nationals from outside the subregion;
- reducing border checkpoint inspection and processing times and costs, and upgrading border checkpoint facilities to better monitor the illegal movement of people;
- extension of the one-stop checkpoint immigration and customs procedures under the GMS transportation agreement on goods and passengers to all key checkpoints of importance for tourism;
- opening additional border checkpoints that offer visas on arrival;
- increasing the number of points and time availability for visa extensions in local areas;
- facilitating the operation of international airlines, bus services, cruise vessels, car rental operators, and private vehicles in the subregion through appropriate changes in existing unilateral, bilateral, and multilateral agreements and regulations and full application of the agreement for facilitation of cross-border transport of goods and people; and
- establishing an appropriate system for collecting, storing, and processing data on subregional tourism flows and impacts and for monitoring developments in the facilitation of international and border-pass tourism.

## *Expected Outputs and Outcome*

The main outputs of the program will be

- a GMS-wide visa;
- reduced border checkpoint processing times and costs;
- improved border facilities and services;
- additional border checkpoints and easier availability of visa extensions;
- improved multimodal access to and within the subregion; and
- an effective system for collecting, storing, and processing data on subregional tourism flows and impacts.

The implementation of this program will result in a smoother movement of tourists to and between the GMS countries, improved competitiveness of the subregion as a single destination, and increased volumes of higher-yield subregional tourists to priority zones and subsequent poverty reduction. Sustained poverty reduction will be generated through participation in entrepreneurship and direct and indirect employment arising from additional tourist expenditure in the local economy.

### *Implementation Arrangements*

This program will be led and coordinated by the MTCO, working closely with the NTOs and related agencies in each country as well as the Ayeyarwady – Chao Phraya – Mekong Economic Cooperation Strategy (ACMECS) Single Visa Working Group, and the development partners.

### Tourism-related Infrastructure Development Program in Priority Tourism Zones

Tourism development and related infrastructure and superstructure have a key role to play in achieving the overall objective of the strategy. Infrastructure is vital not only to ensure access to and within the subregion but also to protect the environment from the impact of large tourism flows, including cultural and natural heritage sites.

The key objectives of the tourism infrastructure program are to

- link the priority tourism zones identified in the marketing program to the subregional and regional transportation network ;
- protect natural and cultural heritage sites; and
- develop tourism-related infrastructure in the priority tourism zones to support their sustainable development while bringing benefits to the poor, including improvement of health conditions for local communities and tourists.

This will involve developing secondary road, air, and water-based transportation to key staging towns in the zones.

### *Rationale*

The program seeks to promote tourism-related infrastructure development in the 13 priority tourism zones in order to support poverty reduction and the participation of vulnerable groups, such as women and ethnic communities in tourism. It is also designed to help mitigate the environmental impact of the expected larger tourism flows, and assist in better explaining and protecting the key natural and cultural tourism resources of the subregion.



### *Scope*

A tourism-related infrastructure component will be undertaken in each priority tourism zone that is environmentally and socially responsible and where the negative impacts are considered and steps to reduce risks undertaken. The program will involve

- technical assistance for planning, feasibility, and environmental impact studies including land acquisition requirements;
- identifying priority infrastructure, including roads, river facilities, border facilities, environmental infrastructure, such as sanitation, in towns and villages, and other supporting facilities;
- developing project management and administration skills in the NTOs at the national, provincial, and local level; and
- social and environmental impact studies to determine the contribution of projects to poverty reduction, gender equality and minimization of negative social impacts.

### *Expected Outputs and Outcome*

The main outputs of the program will include zonal tourism development plans, tourism-related infrastructure development feasibility studies and financing plans, and the building of priority infrastructure.

The implementation of this program will play a critical role in achieving the overall objective of the strategy by

- creating a more equitable distribution of tourism benefits,
- enhancing poverty reduction,
- raising the quality standards of the subregion's destinations,
- contributing to the environmental protection and management of cultural and natural heritage sites including customary access/rights,
- improving health conditions for local populations and tourists in towns and villages, and
- protecting and providing livelihood opportunities for the poor.

### *Implementation Arrangements*

One country will lead the implementation of one or more priority zone projects with the support of development partners, who could provide technical assistance, grants, and loan funding. Each lead country will create a project coordination unit (PCU) to supervise the implementation of the project among the participating countries. Each participating country for a particular project will establish a project implementation unit (PIU) that will undertake the day-to-day supervision of their components of the project. The MTCO will monitor and coordinate the implementation of the program.

### *Action Plan*

To implement the strategy, a five-year plan comprising 29 strategic project concepts has been prepared.<sup>12</sup> These comprise 16 thematic project concepts that deal with specific GMS-wide interventions, and 13 spatial project concepts that deal with the development of priority subregional tourism zones in selected locations within the subregion as identified in the product development

<sup>12</sup>Appendix 1 provides the details for each of the 29 strategic project concepts.

component of the marketing program and further elaborated in the tourism-related infrastructure development program. These project concepts are examples of government commitment, and represent road maps for the implementation of the strategy.

The thematic subregion-wide project concepts are

1. marketing and product development;
2. developing a culture of human resource development in national tourism organizations;
3. training middle-level public tourism officials;
4. training of trainers in tourism vocational institutions;
5. training of deans and professors/lecturers in academic institutions;
6. training of guides at heritage sites;
7. saving cultures, saving lives: addressing the negative impacts of tourism;
8. preserving the soul of the ancestors: protection of traditional living cultures;
9. capacity building for heritage managers: managing tourism at heritage sites;
10. developing sustainable tourism in transnational biodiversity conservation corridors;
11. in the steps of Shiva and Lord Buddha: linking ancient heritage sites;
12. pro-poor tourism;
13. supporting and promoting private sector participation;
14. GMS-wide visa;
15. upgrading key border checkpoints; and
16. information databank and cross-border travel facilitation.

The preparatory phase for these thematic projects will take place in 2006 and 2007. Initial studies, financing, and implementation plans will be developed in this phase. Implementation will take place during 2008–2010.

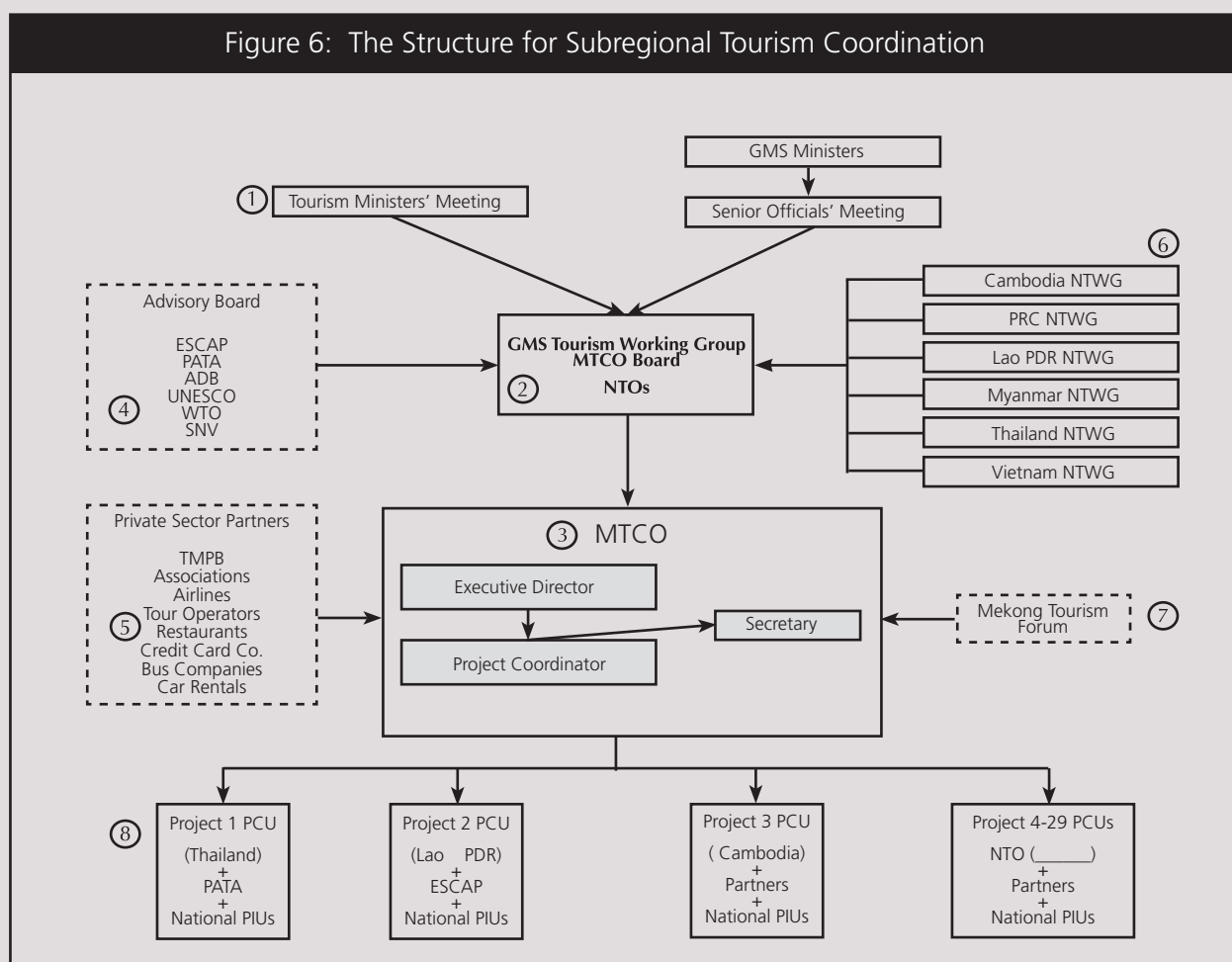
The 13 spatial project concepts comprise

17. Mekong River Tourism Corridor;
18. Golden Quadrangle Tourism Zone;
19. East West Tourism Corridor Zone;
20. Emerald Triangle Tourism Zone;
21. Green Development Triangle Tourism Zone;
22. Heritage Necklace Circuit;
23. Southern Tourism Coastal Corridor;
24. Red River Valley Tourism Zone;
25. Andaman Coast Tourism Zone;
26. Lao PDR – Viet Nam Cross-border Community-based Tourism Zone;
27. Shangri-la – Tengchong – Myitkina Tourism Development Zone;
28. Guangxi Zhuang Autonomous Region, PRC–Northeast Viet Nam Borderlands Tourism Zone; and
29. GMS Coastal and River Cruise Lines.

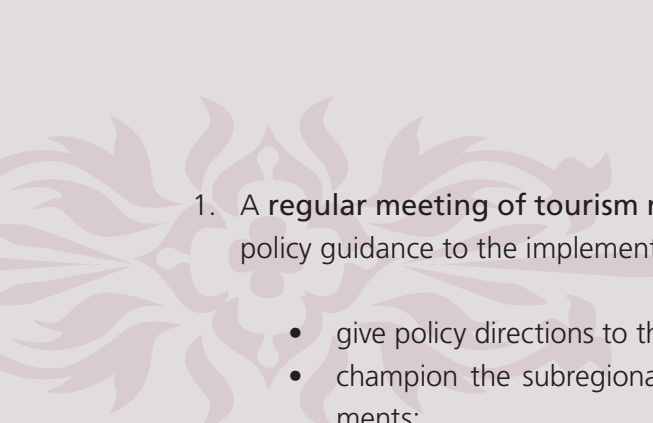
# Implementation and Monitoring

## Organizational Framework

The organizational framework for implementing subregional programs and projects under the strategy will involve establishment of several subregional and national-level groups as illustrated in Figure 6 and described in the following pages. Circled numbers in the figure refer to the numbered text paragraphs, in which each component is explained.



ADB= Asian Development Bank; ESCAP = Economic and Social Commission for Asia and the Pacific; GMS = Greater Mekong Sub-region; NTO= national tourism organization; MTCO = Mekong Tourism Coordination Office; NTWG = national tourism working group; PATA= Pacific-Asia Travel Association; PCU = Project Coordination Unit; PIU = Project Implementation Unit; PRC= People's Republic of China; SNV = Netherlands Development Organization; TAT = Tourism Authority of Thailand; TMPB= tourism marketing and promotion board; UNESCO = United Nations Educational, Scientific and Cultural Organization; WTO= World Tourism Organization.



1. A **regular meeting of tourism ministers and/or NTO leaders** that will provide leadership and policy guidance to the implementation of the strategy. They will

- give policy directions to the GMS Tourism Working Group on its programs and projects;
- champion the subregional tourism strategy and action plan to their respective governments;
- provide recommendations for presentation at GMS summits;
- review progress on the implementation of the strategy and recommend adjustments as necessary; and
- meet at least once every two years and chair the meetings on a rotational basis.

2. The **GMS Tourism Working Group (TWG)** will continue to be responsible for formulating and directing the implementation of the programs and projects for subregional tourism development. It will

- review the programs and projects under the strategy to determine their feasibility and, where appropriate, initiate actions to revise and modify proposals;
- determine the level of negative impact of the project on the local communities, including women and ethnic populations;
- act as the board of the MTCO;
- set the priorities for implementation by the MTCO;
- review and monitor progress of MTCO implementation of the strategy's programs and projects;
- maintain relations with development partners;
- deal with significant program or project disruptions, as required;
- coordinate closely with other regional and subregional groups;
- report to the GMS senior officials' meetings, and the meeting of tourism ministers; and
- meet at least twice each year.

NTO representation in the GMS Tourism Working Group will be, at minimum, the highest-level technical person, i.e., director general or deputy director general.

3. The **Mekong Tourism Coordination Office (MTCO)** (formerly AMTA) will provide a sustained organizational capacity to address tourism issues at a subregional level. This will be responsible for

- marketing the subregion as a single destination;
- coordinating the implementation of the programs and projects of the strategy and action plan;
- measuring the flows and impact of tourism;
- monitoring developments in cross-border arrangements;
- providing regular progress reports to the TWG;
- undertaking the secretariat functions related to the activities of the TWG; and

- maintain relations with the private sector, NTOs, and development partners, including the promotion and monitoring of social responsibility and accountability in the industry.


The MTCO will be staffed by

- a full-time executive director who will be responsible for the overall management of the programs and marketing functions;
- a program coordinator to be responsible for program and project coordination and monitoring, and organization of meetings and conferences; and
- a secretary to support the secretariat functions of the office.

A nonexecutive chairperson at ministerial or vice-ministerial level, with the position rotated on a 6- or 12-month basis will be appointed as a link between the executive director, the TWG, and the tourism ministers and/or NTO leaders. The MTCO will report directly to the TWG.

The MTCO will be located to new offices in Bangkok at the Royal Thailand Government's Ministry of Tourism and Sports, which will provide an equipped office space with some related support for up to two years until the MTCO becomes self financing.

4. An **advisory board** of international and bilateral development partners, including representatives from partners for women, ethnic communities, and tourism employee organizations will advise and support the TWG and the MTCO. When required by the TWG, the board will
  - provide technical assistance and financing,
  - advise on policy changes to facilitate the implementation of the programs and projects,
  - support the TWG in issues relating to the social and environmental impacts of projects, and
  - meet in conjunction with the TWG as necessary.
5. A **private sector partners group** will be appointed to support the marketing and product development functions of the MTCO. It will comprise senior representatives of the GMS tourism marketing and promotion boards, tourist associations, tour operators, air and land carriers, hospitality operations, financial institutions, oil companies, car rental operators, and food and beverage manufacturers. It will be responsible for
  - advising the MTCO on the development and implementation of subregional product development and marketing campaigns,
  - participating in the implementation of subregional marketing campaigns,
  - assisting in raising finance to cover the cost of the MTCO's marketing programs,
  - supporting the operation of the Mekong Tourism Forum,
  - monitoring and promoting tourism development in an environmentally and socially responsible manner, and
  - meeting as and when necessary.

- 
6. **National tourism working groups** (NTWGs) will be appointed in each GMS country to strengthen national-level cooperation and coordination in the implementation of the strategy's projects and to provide a broader and more effective feedback mechanism to the TWG. These will be responsible for

- advising the NTO on key issues that need to be raised at the subregional level,
- setting the priorities for implementation of subregional programs at the country level,
- assisting the NTO to coordinate implementation and resources with other agencies and the development partners,
- reviewing and monitoring progress of programs and projects at the national level, and
- meeting as and when required.

The NTWGs will be chaired by the NTO and will include senior representatives of the national agencies responsible for the natural environment, culture, transportation, security, immigration, and consular affairs, as well as ministries dealing with labor, women, ethnic communities, and poverty reduction.

7. The **Mekong Tourism Forum** (MTF) will be refocused to support a strong dialogue between the public and private sector on the implementation of the projects of the strategy. The MTF will be organized at least once every year by the MTCO in association with the host country. In addition, and where appropriate, further round tables on specific issues of the strategy will be organized annually.
8. **Project coordination units** (PCUs) for each project will be established at the NTO of the lead countries and be responsible for the overall coordination of the project in all the participating countries. Project implementation units (PIUs) will then be established in each of the participating countries. These will be responsible for the day-to-day implementation of the subregional projects at the national level. The staffing of these units should be gender sensitive.

The PCUs will

- seek financing for the projects;
- coordinate the preparation of detailed project specifications, work plans, feasibility studies, contract documents, and selection of contractors by the PIUs; and
- monitor project implementation and provide progress reports, including elements of social responsibility and accountability to the NTO, NTWG, and MTCO.

The PIUs in each country participating in the project will

- prepare detailed project specifications, work plans, feasibility studies, contract documents, and evaluation of contractors;
- assist in the selection of appropriate contractors, based on national government guidelines;
- supervise the day-to-day project implementation;
- review and evaluate the quality, quantity, and timeliness of work undertaken; and
- provide regular progress reports to the NTO, NTWG, and PCU.

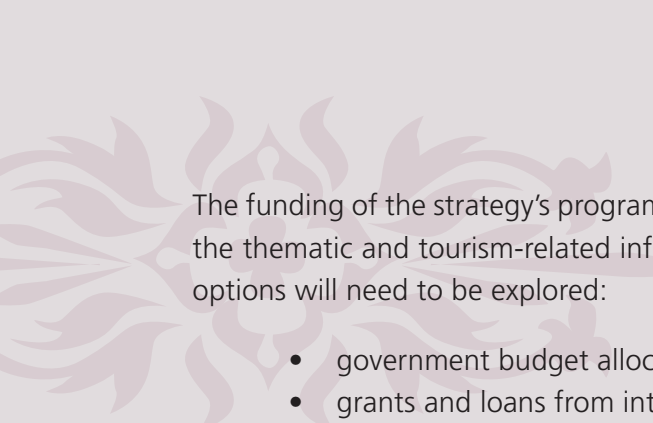
## *Financing the Strategy*

A broad indication of the total financing task and its distribution over the first five years for the programs of the strategy is given in Table 2. The full cost of the strategy's programs in this period will be around \$441million. In 2006 and 2007, most of the costs are for preparatory studies, plus a component for tourism-related infrastructure development in 2007.

**Table 2 : Estimated Program Costs, 2006-2010 (\$ Million)**

Programs	Total	2006	2007	2008	2009	2010
Marketing and Product Development	5.00	0.15	0.50	1.00	1.50	1.85
Human Resource Development	18.10	1.00	4.28	4.28	4.28	4.28
Heritage Conservation and Social Impact Management	21.70	1.09	2.17	5.43	5.43	7.60
Pro-poor Tourism Development	13.50	0.68	1.35	3.38	3.38	4.73
Private Sector Participation	3.00	0.15	0.30	0.75	0.75	1.05
Facilitating the Movement of Tourists	6.75	0.61	1.63	1.45	1.45	1.60
Tourism-related Infrastructure Development	372.73	3.85	53.85	97.70	97.70	119.63
<b>Total</b>	<b>440.78</b>	<b>7.52</b>	<b>64.07</b>	<b>113.98</b>	<b>114.48</b>	<b>140.72</b>

Source: Greater Mekong Subregion Tourism Sector Strategy Report, July 2005



The funding of the strategy's programs will be undertaken on a project-by-project basis. In financing the thematic and tourism-related infrastructure components of the strategy, the following funding options will need to be explored:

- government budget allocations to the NTO and other related agencies,
- grants and loans from international and bilateral development partners, and
- the private sector.

Where appropriate, public-private partnership and private sector participation in infrastructure investment through build-operate-transfer (BOT), build-lease-transfer, and similar financing instruments will be encouraged in keeping with the principle of greater participation by the private sector in the development and management of the tourism sector. Cofinancing arrangements for specific projects will also be sought between the governments and development partners. Debt instruments, such as national and local government bonds, to finance strategic tourism-related infrastructure will be used where user-pays revenue can be readily generated.

The operational budget of the MTCO will be about \$100,000 in 2006. This would be funded through a contribution by each GMS country of \$15,000. The MTCO will generate new sources of funds to finance its operations and its marketing program beyond 2006. A formula for cost sharing the MTCO's operations will be developed in 2006 to determine the annual recurrent contributions by the GMS countries toward the funding of the MTCO between 2007 and 2010.

## *Monitoring of Results*

To ensure that the TWG is able to assess the results of the implementation of the strategy in terms of its overall impact, outcome, and outputs, baseline indicators have been identified that will be monitored yearly by the MTCO. These indicators will be disaggregated by gender, ethnicity, and income levels where results would provide meaningful information. The indicators, method, and frequency of measurement and reporting, and the responsible agencies for the expected impact, outcome, and outputs of the strategy are shown in Appendix 2.

The projects under the seven strategic programs will be reviewed annually. At the end of the first year, monitoring will determine those action items that have been accomplished and those that have not. If the elements not accomplished are still valid, they will be carried to the next year and incorporated in that year's program of activities for implementation. The same exercise will be repeated at the end of each succeeding year.

Where modifications need to be made, they can be shown in the revised action plan for the succeeding year. In this manner, the action plan will be always valid and usable. Any changes to the action plan, however, will be made within the framework of the overall strategy and the lessons learned during its implementation. At the end of five years, another rolling five-year action plan will be produced, built around specific time-bound projects to guide the further implementation of the seven strategic programs.

# Appendixes

## APPENDIX 1 : Subregional Strategic Projects for Implementation in 2006-2010

Project Name	Project Description	Participating Countries	Estimated Cost (\$ million)	Lead Country
<b>MARKETING AND PRODUCT DEVELOPMENT PROGRAM</b>				
1. Marketing and Product Development	Technical assistance for the development of tourism marketing and product development and related institutional strengthening and capacity building to promote the subregion as a single destination.	All countries through MTCO	5.00	MTCO
<b>HUMAN RESOURCE DEVELOPMENT PROGRAM</b>				
2. Human Resource Development and Capacity Building in the GMS (Target: Middle-Level Public Officials).	The project aims to develop a corps of middle-level public officials in each of the countries who are tourism specialists, especially in subregional tourism; and to exchange ideas and experiences in tourism in the subregion and elsewhere in Asia, thus enriching the dialogue on tourism development and management.	All countries	2.50	Cambodia
3. Human Resource Development and Capacity Building in the GMS (Target: Hospitality Skills Trainers in Vocational Schools)	The project aims to raise the standards of service to international levels and ensure a consistent quality of service.	All countries	2.50	Cambodia
4. Preparing and Implementing an HRD Plan for NTOs (Target: Top and Senior levels and Technical Personnel in the NTOs)	The project aims to ensure that all education/training/professional development efforts in the NTOs are built into a system-wide HRD plan and to ensure that all efforts at education and training result in tangible changes in the NTOs.	All countries	3.10	Cambodia
5. Human Resource Development and Capacity Building in the GMS (Target: Deans and Professors/Lecturers in Institutions with Tourism and Hospitality Management Degree Programs)	The project aims to produce tourism and hospitality management graduates from universities and colleges who have both the knowledge and skills that will make them "employable" after they graduate, and to raise the academic standards of universities and colleges offering tourism and hospitality management courses.	Cambodia/PRC/Lao PDR/Viet Nam	6.50	PRC (Guangxi)
<b>HERITAGE CONSERVATION AND SOCIAL IMPACT MANAGEMENT PROGRAM</b>				
6. Training of Guides at Heritage Sites	The aim of the project is to interpret the cultural treasures/heritage sites in the subregion using guides who are trained according to high-quality standards; to ensure consistency in the delivery of guide interpretation across the subregion; and to ensure that visitation to cultural heritage sites is of high quality to create customer satisfaction, word-of-mouth endorsement of the destination, and repeat visitation.	All countries	3.50	Lao PDR
7. Saving Cultures, Saving Lives: Confronting the Reality of Negative Social Impacts of Tourism Development on the People of the GMS	The project aims to mitigate the potentially harmful impacts linked with expanding tourism, giving special attention to safeguarding the rights of individuals, such as women and children in exploitative situations.	All countries	6.00	Cambodia
8. Preserving the Soul of the Ancestors: Protection of Traditional Living Cultures in the Framework of Tourism Development in the GMS	This project seeks to create a principled and rights-based strategy for the countries in their approach to tourism, focusing on the ethnic communities living inside their borders. It emphasizes the need to work with the ethnic communities in determining tourism policies and development strategies.	All countries	2.70	PRC (Guangxi)

## APPENDIX 1 (continued)

Project Name	Project Description	Participating Countries	Estimated Cost (\$ million)	Lead Country
9. Capacity Building for Heritage Managers to Protect and Manage Priority Sites for Tourism	The project aims to guarantee the best possible management and protection of cultural and natural heritage of the subregion by strengthening coordination and site management capacities.	All countries	2.00	Thailand
10. Creating Biodiversity Conservation Corridors: Setting Up Transborder Complementarity to Strengthen Tourism Management in and around Protected	The aim of the project is to develop ecotourism activities in and around the target protected area corridors (especially in transborder situations) to strengthen the primary purpose of these areas—biodiversity conservation.	All countries	3.00	Lao PDR
11. In the Steps of Shiva and the Lord Buddha: Linking the Ancient Monumental Heritage of the GMS	In addition to promoting a new cultural tourism product, the project will address the needs of collaborative cross-border research, promote quality and standard heritage management at all the participating sites, assist conservation and visitor management, and alleviate environmental degradation at the sites.	Cambodia/ Lao PDR/ Myanmar/ Thailand/ Viet Nam	8.00	Cambodia
PRO-POOR TOURISM DEVELOPMENT PROGRAM				
12. GMS Tourism Initiatives to Reduce Poverty	This project will involve the implementation of seven pro-poor tourism pilot programs in each of the seven GMS entities, based on a district or country approach rather than the customary single village approach of the past. The project will also include creating economic linkages between local communities and main tourism areas and service providers.	All countries	13.50	All countries
PRIVATE SECTOR PARTICIPATION PROGRAM				
13. Project to Promote Small and Medium-sized Enterprise Development and Investment in Tourism-related Facilities and Infrastructure in the GMS	The project aims to facilitate tourism-related development, socioeconomic growth, and job creation through the institutional strengthening of private sector tourism-related intermediary organizations, and introduction of measures to improve the small enterprise investment and business environment throughout the subregion.	All countries	3.00	Cambodia
PROGRAM TO FACILITATE THE MOVEMENT OF TOURISTS				
14. GMS-wide Visa Scheme	The project aims to facilitate the movement of third-country (non-ASEAN) tourists across the borders of the subregion through the introduction of a single visa scheme. The project is already on the agenda of the Ayeeyarwady – Chao Phraya – Mekong Economic Cooperation Strategy (ACMECS)	ACMECS and PRC	5.05	ACMECS
15. Tourism Facility and Processing Improvements at Key Border Checkpoints in the GMS	The project aims to improve and upgrade key border checkpoint infrastructure, facilities, and services for tourists at the existing land border points in the subregion.	PRC/Cambodia/ Lao PDR/ Viet Nam	0.75 (technical assistance only; estimated 15.5 needed for construction)	MTCO
16. Information Databank and Monitoring of Progress on Travel Facilitation Initiatives	The project will collect and disseminate information and data on transborder movement of tourists, as well as progress on the bilateral and subregional initiatives to facilitate travel into and within the subregion.	All countries	1.50	MTCO

## APPENDIX 1 (continued)

Project Name	Project Description	Participating Countries	Estimated Cost (\$ million)	Lead Country
PRIORITY TOURISM ZONES DEVELOPMENT PROGRAM				
17. The Mekong World Tourism River Corridor – An Endless Stream of Tourism Cooperation	To develop and implement an integrated tourism development plan combining management, capacity building, and infrastructure aimed at poverty reduction along the river corridor provinces.	All countries	20.00	
18. Development of the Tourism Potential of the North-South Economic Corridor – The Golden Quadrangle Area	This area is developing rapidly for tourism but needs management/development, destination planning, tourism-related infrastructure, and marketing in order to ensure that development is sustainable and that undesirable social impacts are minimized.	PRC/Lao PDR/ Myanmar/Thailand	23.40	Thailand
19. East-West Economic Corridor Tourism Development Study	Formulation of an overall development program for several projects previously identified but not yet approved or in the pipeline. The project will also assist in institutional strengthening and capacity development at the provincial level where responsibility for most activities takes place. Infrastructure-related loan projects will be identified and prepared for implementation.	Lao PDR/Myanmar/ Thailand/Viet Nam	21.30	PRC (Yunnan)
20. Tourism Development Plan with Infrastructure Support for the Implementation of the Emerald Triangle Area Tourism Zone	The project aims to facilitate tourism development and socioeconomic growth, and reduce poverty using the high potential of the tourism resources in this zone.	Cambodia/Lao PDR/ Thailand	14.90	Lao PDR
21. Tourism and Infrastructure Feasibility Study and Development Along Coastal Route of the Southern Economic Corridor	Tourism development sector plan designed to provide access and support infrastructure to support development of key land and marine-based attractions and related poor communities.	Cambodia/Thailand/ Viet Nam	23.00	Cambodia
22. Tourism Sector Development in the Cambodia – Lao PDR – Viet Nam Green Development Triangle Area	Development and implementation of a pro-poor tourism program focusing on tourism-related infrastructure to benefit 1.8 million people living in poverty, and assist in bringing about a more sustainable use of the natural and cultural environment.	Cambodia/Lao PDR/ Viet Nam	10.60	Viet Nam
23. Infrastructure, Conservation, and Development Support for the Development of the Heritage Necklace Circuit.	The project addresses the high impact of tourism on the major cultural heritage sites (including 5 UNESCO-listed sites) in the subregion, and distribution of the benefits of tourism to the poorer sectors of society surrounding these sites.	All countries	121.10	Thailand

## APPENDIX 1 (continued)

Project Name	Project Description	Participating Countries	Estimated Cost (\$ million)	Lead Country
24. Lao PDR – Viet Nam Cross-border Community-based Tourism Zone	The project aims to prepare the way for community-based tourism development that is environmentally sustainable and pro-poor in character in the area containing Luang Prabang/Houaphan/Xien Khouang in Lao PDR, and Son La/Dien Bien/Lao Cai in Viet Nam.	Lao PDR/Viet Nam	24.20	Lao PDR
25. Andaman Coast Tourism Zone	The project aims to prepare the way for tourism development that is environmentally sustainable and pro-poor in character.	Myanmar/Thailand	45.90	Thailand
26. Red River Valley Tourism Zone	The project aims to develop an integrated tourism development plan combining management, capacity building, and infrastructure development directed at poverty reduction.	Myanmar/Thailand	22.50	Viet Nam
27. Shangri-la – Tengchong – Myitkyna Tourism Development Zone	The project aims to spread the benefits of tourism to the poorer communities off the main and developing road system in the area north of Dali and Tengchong and west to Myitkyna in Myanmar along the old Burma Road to Assam.	PRC (Yunnan)/Myanmar	17.00	PRC (Yunnan)
28. Guangxi – Northeast Viet Nam Borderlands Tourism Zone	The project aims to spread the benefits of tourism to the poorer communities along the border regions of southern Guangxi and northeast Viet Nam, utilizing the shared cultural landscapes of the countries as reflected in the scenery, ethnic communities, and revolutionary history.	PRC (Guangxi)/Viet Nam	15.30	PRC (Guangxi)
29. GMS Coastal and River Cruise Lines	The project will develop and implement an integrated tourism development plan combining management, capacity building, and infrastructure aimed at poverty reduction along the network linking key coastal cities of Cambodia, Guangxi, Myanmar, Thailand, and Viet Nam. The project will also include studies on the potential contribution of cruise-based tourism development along this tourist line, as well as possibilities for linking this coastal line to the Mekong River line.	Cambodia/PRC (Guangxi)/Myanmar/Thailand/Viet Nam	2.10	PRC (Guangxi)

ACMECS = Aseanwady – Chao Phraya – Mekong Economic Cooperation Strategy; ASEAN = Association of Southeast Asian Nations; GMS = Greater Mekong Subregion; HRD = human resource development; Lao PDR = Lao People's Democratic Republic; MTCO = Mekong Tourism Coordinating Office; NTO = national tourism organization; PRC = People's Republic of China; UNDP = United Nations Development Programme; UNESCO = United Nations Educational, Scientific and Cultural Organization.

Note: project leadership means that a country has the commitment, ability, and capacity to implement the project. The main tasks involved in implementing the projects at a country or provincial level are: (i) assign full-time staff; (ii) call meetings of the participating countries and other related agencies; (iv) act as the secretariat for project implementation; (v) write proposals to development partners for funding; (vi) follow-up development partners; and (vii) make progress reports to the GMS Tourism Working Group and other organizations as needed.

## APPENDIX 2 : GMS Tourism Sector Strategy Monitoring Framework

Program/Output	Performance Targets Indicators	Data Sources, Reporting Mechanisms
<p>IMPACT:</p> <p>Contribute to an improved quality of life of the population in line with the Millennium Development Goals (MDGs) on poverty alleviation, gender equality and empowerment of women, and environmental sustainability.</p>	<ul style="list-style-type: none"> <li>• Assist in halving, by 2015, the proportion of people whose income is less than one dollar a day.</li> <li>• Help to eliminate gender disparity in wage employment and in access to tertiary education.</li> <li>• Support the integration of the principles of sustainable development into policies and programs and reverse the loss of environmental resources.</li> </ul>	<p>Reports and statistics from government agencies, development partners, and nongovernment organizations</p>
<p>OUTCOME:</p> <p>Greater distribution of the economic benefits of tourism within the Greater Mekong Subregion (GMS) and significant contribution to sustainable development, gender equality, and poverty alleviation through tourism in the GMS.</p>	<ul style="list-style-type: none"> <li>• Share of total arrivals by less-developed GMS countries (other than Thailand) to 33% in 2010 and 41% in 2015; and the share of net income from tourism after leakage effects (imports) to 22% in 2010 and 37% in 2015.</li> <li>• Reduce by around 0.16 million the number of persons living in extreme poverty by 2010, and up to 1.2 million people by 2015.</li> <li>• Enhanced capacity to implement measures to protect and raise the value of the natural, cultural, and historical resources in the GMS's key tourism zones by 2010, with related measures in place in all key sites by 2015.</li> <li>• Culture of HRD adopted by all NTOs by 2010 and capacity in place to meet the training needs for staff in the sector by 2015. Gender gaps in tourism employment and education eliminated by 2015.</li> <li>• Strong private sector participation in the tourism sector as evidenced by growth in the number, size and ownership of enterprises; number of industry associations, and creation of private-sector led Tourism Marketing and Promotion Boards by 2010.</li> <li>• Full participation in multisectoral subregional programs for addressing the negative social impacts from tourism, such as HIV/AIDS, by 2010.</li> </ul>	<p>Annual reports from NTO</p> <p>Annual reports from national economic agencies.</p> <p>Biennial surveys of natural, cultural and historical sites in priority tourism zones</p> <p>Survey of NTO HRD policy and practices.</p> <p>Annual reports from NTOs and economic development agencies and statistics offices</p> <p>Progress reports from NTOs and related organizations</p>

## APPENDIX 2 (continued)

Program/Output	Performance Targets Indicators	Data Sources, Reporting Mechanisms
<p>OUTPUTS:</p> <p>1. Strengthened subregional marketing and product development program</p>	<ul style="list-style-type: none"> <li>Total international visitor arrivals increased from 16.4 million in 2004 to 31.90 million by 2010 and 52.02 million by 2015.</li> <li>Total receipts from international tourism to the subregion increased from \$14.8 billion in 2004 to \$29.4 billion by 2010 and \$52.4 billion by 2015.</li> <li>Share of total tourism arrivals to the subregional countries (excluding Thailand) raised from 31% in 2004 to 33% by 2010 and 41% by 2015.</li> <li>Number of subregional tour products on offer doubled by 2010, and tripled by 2015.</li> <li>Media exposure of the “Mekong” brand increased to twice the current amount of column inches by 2010, and three times the current exposure by 2015.</li> <li>Recognition and awareness of the “Mekong” brand for both travel trade and consumer markets increasing strongly by 2010 and well established by 2105.</li> <li>Adoption of ASEAN tourism product quality standards by 2010 and full implementation by 2015.</li> </ul>	<p>Immigration arrival cards</p> <p>Ad hoc tourist exit surveys</p> <p>Ad hoc tourist exit surveys</p> <p>Survey of tour offerings</p> <p>Number of media pieces about the subregion as a destination</p> <p>Travel trade and consumer surveys</p> <p>NTO reports</p>
<p>2. Enhanced human resource development capacities in the subregional tourism sector</p>	<ul style="list-style-type: none"> <li>HRD “ champion” appointed in all NTOs by 2007.</li> <li>Strategy for expanding wage employment opportunities and access to tourism training and education for women incorporated into national tourism HRD plan by 2010.</li> <li>Strategic tourism HRD plan incorporated into national policy and budgets by 2010.</li> <li>Plan for developing sustainable tourism management and development capacities of tourism-related government personnel in place and being implemented in each country by 2010. All tourism-related government personnel trained by 2015, taking specific gender needs into account.</li> <li>Train-the-trainers plan for each country developed and implemented by 2010.</li> <li>All subregional countries to adopt the ASEAN skills standards and put in place a certification and accreditation scheme by 2010.</li> <li>Development and circulation of gender-sensitive training manuals and kits according to ASEAN training standards by 2010.</li> <li>Subregional academic capability building plan developed and implemented by 2010.</li> </ul>	<p>NTO interviews and reports</p> <p>As above</p> <p>As above</p> <p>Survey of training institutions and government agencies</p> <p>Survey of vocational training institutions</p> <p>Survey of academic institutions</p>

## APPENDIX 2 (continued)

Program/Output	Performance Targets Indicators	Data Sources, Reporting Mechanisms
<p>3. Improved heritage conservation and social impacts management capabilities</p> <p>3.1 Enhanced capacities for managing and developing natural and cultural heritage resources of interest to the tourism sector</p> <p>3.2 Improvements in ability to manage the negative social impacts of tourism</p>	<p><b><i>Managing Cultural and Natural Heritage</i></b></p> <ul style="list-style-type: none"> <li>• Capability building and training programs for cultural and natural heritage site managers implemented in all priority areas by 2010.</li> <li>• Development of indicators and baseline study for impact on ethnic communities.<sup>a</sup></li> <li>• Creation of biodiversity conservation corridors in priority tourism areas.</li> <li>• Development of indicators and baseline study for number of commercial sex workers in priority tourism zones by 2007.</li> </ul> <p><b><i>Managing the Negative Social Impacts</i></b></p> <ul style="list-style-type: none"> <li>• Development of indicators and baseline study for the incidence of HIV/AIDS in priority tourism zones by 2007</li> </ul>	<p>Survey of academic institutions</p> <p>Survey at key sites</p> <p>Biodiversity surveys at key sites</p> <p>Social sentinel surveillance survey at key sites</p>
<p>4. Increased contribution to poverty alleviation from the tourism sector</p> <p>4.1 Mainstreaming of pro-poor tourism development</p> <p>4.2 More equitable distribution of tourism benefits</p> <p>4.3 Improved economic yield from tourism</p>	<p><b><i>Mainstreaming of Pro-poor tourism</i></b></p> <ul style="list-style-type: none"> <li>• Incorporation of tourism in the development agendas of the NTOs and national poverty reduction programs in each GMS country by 2015.</li> <li>• Seven broad-based pro-poor tourism pilot projects completed by 2010, with at least five replications in each country/province by 2015.</li> <li>• Improvements in social indicators in target group (health levels, literacy, income security, rate of formal to informal employment, levels of land ownership, and availability of basic infrastructure).</li> </ul> <p><b><i>Equitable distribution of benefits</i></b></p> <ul style="list-style-type: none"> <li>• Raise the share of total tourism arrivals to the GMS countries (excluding Thailand) from 31% in 2004 to 33% by 2010 and 41% by 2015.</li> </ul> <p><b><i>Improved economic yield</i></b></p> <ul style="list-style-type: none"> <li>• Plans and programs to increase the level of economic linkages between tourism and other sectors of the economy in the priority tourism zones in place by 2010, and fully implemented by 2015.</li> <li>• Raise the subregional average daily expenditure from \$97 in 2004 to \$99 by 2010, and \$104 by 2015, in 2004 dollars.</li> <li>• Improve the subregional average length of stay from 7.6 days in 2004 to 7.7 days by 2010 and 7.9 days by 2015.</li> </ul>	<p>Progress reports from NTOs</p> <p>Survey of samples of communities in the priority zones</p> <p>Reports from NTOs, local tourism offices, and visitor sample surveys</p> <p>Exit surveys</p> <p>Progress reports from NTOs and statistical reports by responsible agencies</p> <p>Statistical reports by responsible agencies</p> <p>As above</p>

## APPENDIX 2 (continued)

Program/Output	Performance Targets Indicators	Data Sources, Reporting Mechanisms
5. Increased private sector participation in the tourism sector	<ul style="list-style-type: none"> <li>• Change in the volume of tourism-related investment in hand (project under construction), committed, and planned on an annual basis during 2006–2015.</li> <li>• Policies in place and being implemented to increase private sector participation by 2010.</li> <li>• Number of small and medium-sized tourism enterprises controlled or run by women doubled by 2010 and tripled by 2015.</li> <li>• Three countries have tourism marketing and promotion boards with strong private sector participation by 2010 and all countries by 2015.</li> </ul>	<p>Progress reports from NTOs and statistical reports by responsible agencies</p> <p>Progress reports from NTOs</p> <p>Progress reports from NTOs and statistical reports by responsible agencies</p> <p>Progress reports from NTOs</p>
6. Reduction of barriers to cross-border travel	<ul style="list-style-type: none"> <li>• Number of border checkpoints offering visa-on-arrival facilities doubled by 2010 and extended to all checkpoints by 2015.</li> <li>• 11 new border checkpoints developed in the priority tourism zones by 2015.</li> <li>• Study on GMS-wide visa completed by 2007 and being implemented by 2010.</li> <li>• Provision of single-stop inspection and processing centers at 7 key border points by 2010, and extended to 14 key border points by 2015.</li> <li>• System for collecting, storing, and processing data on subregional tourism flows and impacts developed and implemented by 2010.</li> </ul>	<p>Reports from immigration authorities</p> <p>Reports from related authorities</p> <p>Progress reports from the related ACMECS group</p> <p>Progress report from related agencies</p>
7. Construction of tourism-related infrastructure for promoting greater distribution of tourism benefits in the subregion and for protecting the natural and cultural heritage resources of interest to tourism	<ul style="list-style-type: none"> <li>• 3,000-4,000 km of secondary and feeder access roads developed in the priority tourism zones by 2010.</li> <li>• Infrastructure for environmental protection and for managing environmental impacts installed in the priority tourism zones by 2010.</li> <li>• Ten border facilities upgraded by 2010.</li> <li>• Heritage protection infrastructure plans and programs in place for all key sites in the priority tourism zones by 2010, and fully implemented by 2015.</li> </ul>	<p>Progress reports from provincial road transportation units</p> <p>Progress reports from responsible national and provincial units</p> <p>Progress reports from immigration authorities</p> <p>Progress reports from responsible national and provincial agencies</p>

<sup>a</sup>Because systematic and comparable baseline data do not exist for the subregional countries, a proposal is made to include a baseline study coupled with long-term monitoring as part of the “Soul of the Ancestors” Project. Ideally, the study will select 12 pilot sites, two in each subregional country.

ACMECS = Ayeyarwady – Chao Phraya – Mekong Economic Cooperation Strategy; ASEAN = Association of Southeast Asian Nations; GMS = Greater Mekong Subregion; HRD = human resource development; NTO = national tourism organization



## *Abbreviations*

ACMECS	Ayeyarwady – Chao Phraya – Mekong Economic Cooperation Strategy
ADB	Asian Development Bank
APPI	Asia Pacific Projects, Inc.
AMTA	Agency for Coordinating Mekong Tourism Activities
ASEAN	Association of Southeast Asian Nations
GMS	Greater Mekong Subregion
HRD	human resource development
Lao PDR	Lao People's Democratic Republic
MTCO	Mekong Tourism Coordinating Office
NTO	national tourism organization
NZAID	New Zealand Agency for International Development
PRC	People's Republic of China
SNV	Netherlands Development Organization
TWG	GMS Tourism Working Group
UNESCAP	United Nations Economic and Social Commission for Asia and the Pacific
UNESCO	United Nations Educational, Scientific and Cultural Organization
WTO	World Tourism Organization

In this publication, “\$” refers to US dollars



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This document sets out the strategy of the six countries of the Greater Mekong Subregion for the sustainable development of the tourism sector in the subregion. A chapter on the Current Situation of the Tourism Sector in the Greater Mekong Subregion reviews and evaluates the current and likely future situation in the tourism sector at the subregional level. It also identifies the key issues, challenges, and opportunities for harnessing the sector toward the goals of subregional cooperation. The chapter on The Strategy sets out the goal, objective, programs, and projects that need to be implemented between 2006 and 2010. Finally, the Implementation and Monitoring chapter sets out the way in which the programs and priority projects will be implemented, financed, and monitored.

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The Asian Development Bank is a multilateral development finance institution owned by 64 members, 46 from Asia and the Pacific and 18 from other parts of the globe. ADB's vision is an Asia and Pacific region free of poverty. Its mission is to help its developing member countries reduce poverty and improve their living conditions and quality of life.

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