



**JOINT STEERING COMMITTEE MEETING**  
**GMS SUSTAINABLE TOURISM DEVELOPMENT PROJECT**  
**Bagan, Myanmar, 28 November 2011**

**SUMMARY OF PROCEEDINGS**

**Introduction**

1. The Joint Steering Committee Meeting of the GMS Sustainable Tourism Development Project (STDP) was held in Bagan, Myanmar, on 28 May 2011. Representatives of the National Tourism Organizations (NTOs) of the 6 GMS countries (Cambodia, People's Republic of China-Guangxi Zhuang Autonomous Region, Lao PDR, Myanmar, Thailand, and Viet Nam), the Mekong Tourism Coordinating Office (MTCO), and ADB attended. A list of participants is in [Appendix 1](#) and a copy of the Agenda is in [Appendix 2](#).

**Agenda Item 1: Opening Remarks**

2. In his Opening Remarks, Mr. Aung Zaw Win, Director General, Ministry of Hotels and Tourism of Myanmar, noted that tourism is one of the lucrative sectors for socio-economic development in the GMS and that the GMS Tourism Working Group (TWG) has laid down the road map for the implementation of several projects to promote tourism in the subregion. He hoped that the meeting would contribute to further strengthening GMS cooperation and close relations among the participating countries through the active participation of all the participants.

3. Mr. Craig Steffensen, Country Director, ADB Resident Mission in Thailand, expressed on behalf of ADB, his sincere appreciation to the Ministry of Hotels and Tourism of Myanmar for hosting the meeting, and acknowledged MTCO's role as meeting secretariat. He congratulated the Ministry for taking the initiative to organize the previous day's GMS Travel Leaders' Symposium on Sustainable Tourism. The STDP Steering Committee Meeting presented another opportunity to share knowledge on innovative approaches to sustainable tourism in the GMS – not only in the participating countries (Lao PDR and Viet Nam), but in the whole subregion. At project mid-point, Lao PDR has made substantial progress towards its objectives of poverty reduction and improved heritage management at urban and natural tourist destinations. In Viet Nam, the project is moving a bit slower but has begun to accelerate in recent months. Going forward, it is anticipated that both countries would take advantage of opportunities to collaborate with each other and with other neighbouring countries on the development of multicountry tour circuits, human resource development, and joint promotion of pro-poor tourism products and services as prioritized in the Refocused Tourism Sector Strategy's Roadmap for 2011-2015. He stated that the administration of the project and ADB's GMS Tourism sector assistance program had recently shifted to the ADB Thailand Resident Mission to facilitate enhanced coordination with GMS tourism stakeholders.

4. The Meeting was chaired by Mr. Aung Zaw Win, and co-chaired by Mr. Craig Steffensen.

## **Agenda Item 2: Progress Report by Viet Nam**

5. Dr. Tran Van Ngoi, National Director, STDP Viet Nam, reported that to date, elapsed time was 50%, progress at 35%, and disbursement at 20%. Compared with figures reported in Champasak, Lao PDR in May 2011 (TWG-27), data had increased but project was still delayed due to several reasons (in fact, project activities started only since April 2011) due to internal approval procedure; personnel change/turnover at all levels; delay in recruiting consulting firm; limitation of PIUs' capacity; prioritization of software activities with small budget allocations; and some new government regulations.

- On community-based tourism (CBT) software activities, progress was at 40% with 41 activities completed, and 58 ongoing.
- On development of tourism infrastructure, concept design, detailed design, and cost estimates had been completed; 2 packages in Quang Binh and Bac Kan are in process, all others are ready. Construction started in Hue and Cao Bang since Sep.2011, others will be started early 2012. Purchase of office equipment completed and other equipment in process due to price increase and new government regulations. On HRD, recruitment completed and training activities in process. Establishment of steering committee and PCU/PIUs completed.
- On contract award and project projection for 2012: disbursement projections at US\$4,668,670 (approximately 46.7% of the total project budget); cumulative disbursement to the end 2012 at US\$ 6,355,108 (approximately 63.6 % of the total project budget. Until the end of 2012, projected elapsed time is at 75%, and disbursement at 63.6%.
- On regional cooperation: training course for officials in protected areas from GMS countries, July-August 2012 in Phong Nha-Ke Bang National Park, Quang Binh Province (Lao, Vietnam and other GMS countries); creation of tourism signages along East-West Economic Corridor (Lao/Savanakhet and Vietnam/Quang Tri), November 2012; Tourism Marketing Plan along East-West Economic Corridor (Lao and Vietnam), March- June, 2012; and Training course for CBT in Chiang Mai, Thailand or in Guilin, China, April 2012 are planned.

6. A copy of the presentation is in [Appendix 3](#).

### **Discussion:**

7. Mr. Steven Schipani, ADB, thanked Dr. Ngoi for successfully accelerating project activities since TWG-27 in Pakse. He suggested for STDP Viet Nam to avail itself of MTCO's help in leveraging resources from other countries and organizing training activities in order to strengthen subregional cooperation under the project. He inquired how soon the new government regulations could be put in place and if they could put project progress at risk.
8. Dr. Ngoi thanked Mr. Schipani for his suggestion and said that he would coordinate with MTCO. He stated that he was exerting his best effort to follow-up with relevant government ministries/agencies and to reprocess affected project items to avoid further delays.
9. On Mr. Schipani's suggestion that tourism information centers could be utilized for some subregional cooperation activities, Dr. Ngoi informed that in fact the government plans to top off STDP support with its own resources and that he planned to organize a meeting of all target provinces and relevant officials.
10. Mr. Mason Florence, MTCO, seconded Mr. Schipani's suggestion for the project to utilize MTCO's services for development of multi-country routes.

### **Agenda Item 3: Progress Report by Lao PDR**

11. Mr. Sounh Manivong, Director General, Department of Tourism Development, Ministry of Information, Culture and Tourism, Lao PDR, reported that as of 30 September 2011, time elapsed was 30 months (55.56%; 30 of 54 months); weighted progress was 74.48%; and disbursement progress was 72% (US\$ 7,176,634.13 of US\$ 10 million).

12. Following are details of the status of project components:

➤ **Part 1.A: Biodiversity Conservation and Protection through Tourism at the Siphandone Wetland**

• **1.A.1 Infrastructure related to tourism: 100% completed**

Access road, drainage, promenade and boat landing at Ban Nakasang: 100%.  
Market and Information Center at Ban Nakasang and Done Khong: 100%.  
*Improvement of Tourist Facilities at Done Det-Done Khone: 100%.*  
Several information and interpretation materials produced.

➤ **Part 1.B: Urban Environment Protection and Management - Vang Vieng Town Waste Water Centralization and Treatment**

• **1.B.1 Infrastructure related to tourism**

Vang Vieng Side Walk and Side Drain Improvement (100% completed).  
Vang Vieng Drainage and Environmental Improvement (83% completed).

➤ **Part 2: Pro-Poor Tourism Development in Salavanh, Vientiane Province, Houaphanh, Oudomxay, Sayabouli and Bokeo + 3 Target Provinces**

• **Community-based tourism (CBT) and tourism supply chain initiatives in 6 (+3) target provinces:**

Activities include development of community-based tour products and services; public awareness program on sustainable tourism; identification and development of tourism-related supply-chains; micro and small enterprise capacity development; construction of small tourism-related infrastructure; promotion of gender and ethnic participation; marketing and promotion; promotion of community tourism networks and tourism stakeholder associations; preparation of joint manuals to guide the preparation and implementation of pro-poor tourism initiatives in the GMS (coordinated between the Lao PDR and Viet Nam); and monitoring and evaluation.

Several CBT and supply chain products are under development in the provinces of Vientiane, Bokeo, Houaphanh, Oudomxay, Sayabouli, and Salavan,

➤ **Part 3.A. Facilitation of Tourism on the North-South Economic Corridor**

• **3.A. Facilitation of Tourism on the North-South Economic Corridor**

Infrastructure (completion approximately 64%) involving renovation of Fort Carnot and construction of Don Chai Service Shop, Nam Phae Viewpoint and Bor Kung Recreation Area, Nam Eng Cave Improvements and Nam Ha Information Center. Bokeo and Luang Namtha provinces approved the Stay-longer Strategy for the North-South Economic Corridor, and are implementing components of this plan

with STDP support. A plan for Luang Namtha as a tourism town along the NSEC has been prepared.

CBT development is proceeding with small infrastructure at Nam Dee waterfall; home stay at Ban Vieng-neua. Additional new supply chain products along NSEC are being developed. Marketing and promotion: Tea Caravan Trail guidebook, map, poster. Luang Namtha website upgrade.

### ➤ **Part 3.B. Facilitation of Tourism on the East-West Economic Corridor**

#### • **3.B. Facilitation of Tourism on the East-West Economic Corridor**

Infrastructure (completion approximately 75%) covering Muang Phine Tourist Information Center and retail market. Small infrastructure: Savannakhet Night Market.

On CBT development Dong Sakee Sacred Forest, Muang Phine: CBT program planning. Supply chain products: Rice alcohol, Ban Nong Nyang, Muenag Phine: assistance with production, bottling, labeling, marketing; Textiles: Bang Kaeng Lin and Ban None Kadaeng: training

### ➤ **Part 4: Human Resource Development**

#### • **Training:**

Activities include consultative round table meetings on improvement of text books for the tourism sector and training of trainers for 20 university lecturers and college teachers. Government officials were trained as trainers on food hygiene and safety, tour guiding and tourism management and administration and other subjects. The LNTA's Mobile Training Unit conducted hospitality training at provincial level. Two LNTA-UNESCO Cultural Heritage Specialist Guide Training workshops were conducted.

#### • **Production and dissemination of text books and manuals:**

12 Lao language text books have been published and 6 more are being finalized. Textbooks are being uploaded to the web-based Knowledge Center of the project's website [www.stdplaos.com](http://www.stdplaos.com). Several training courses are targeted: masters trainers in small scale tourism and hospitality management, master trainers from the public sector in sustainable tourism planning and management, and scholarships for master trainers. Textbooks for university and schools as well as training manuals for the LNTA Tourism and Hospitality Training Center on various topics are being developed. Under the LNTA-UNESCO Cultural Heritage Specialist Guide Training Programme, site specific modules are also being developed.

#### • **Gender Strategy**

Project's gender team produced a gender analysis of the Lao Tourism Sector and National Gender and Tourism Strategy and Action Plan. Each PIU has drafted individual, provincial Gender Participation Strategies in the Tourism Sector. Provinces participated in a "lessons learned" workshop on gender mainstreaming in the tourism sector and other project-supported workshops, seminars and trainings.

➤ **Challenges/Lessons Learned**

Project covers many provinces and sites – usually in remote areas. Implementation of a number of project activities requires the execution of many small, individual contracts. Some PIUs lack experience and provincial tourism office staff seconded to PIUs have other duties that require much of their time. Attention to detail takes a lot of time and follow-up. Scale of project complicates implementation, impacting on effectiveness of interventions.

➤ **Proposals/Requests:**

2 joint manuals are proposed to be produced to be coordinated between Lao PDR and Viet Nam: one joint manual to guide preparation and implementation of pro-poor tourism initiatives in the GMS to be coordinated between Lao PDR and Viet Nam, and another joint manual on procedures and practices to develop GMS tourism corridors.

13. A copy of the presentation is in Appendix 4.

**Discussion:**

14. Mr. Schipani thanked Mr. Sounh for the comprehensive report and noted that most of the infrastructure components have been completed. Mr. Schipani emphasized the need to prepare operations and maintenance plans at each project site in order to sustain operations. In response to his query about preparations being done to sustain operations. Mr. Sounh replied that consultants are now working on such operations and management plans due for submission soon.

15. Mr. Schipani noted that the project would probably finish months before the target completion date, and inquired about plans to set aside some support for the next Mekong Tourism Forum (MTF). Mr. Sounh confirmed that there would be some extra funds and they would put up plans for the next MTF. Mr. Schipani said that ADB is scheduled to do a mid-term review next year and requested Lao PDR to ensure that consultants are able to provide information about the progress and impact in the target areas. Mr. Sounh replied that they have trained several project staff members that are able to help in the information collection process and also in training activities.

16. In response to Mr. Florence's query about plans to connect the Tea Trail with Yunnan, Mr. Sounh confirmed that they are planning some familiarization trips and will include MTF activities along NSEC.

17. Mr. Steffensen thanked both Viet Nam and Lao PDR for their presentations. With TRM now overseeing the STDP, he expressed interest to know about other pressing project issues besides payment concerns that ADB should be aware of and where there might be room for improvement.

18. Dr. Ngoi expressed his thanks to ADB for its support and recalled that STDP initially encountered many difficulties but that Mr. Schipani's assistance and guidance have been very helpful. He looked forward to ADB's continued help and support. He also expressed amazement at the speed by which Lao PDR has moved project implementation, and concern as to how he could catch up.

19. Mr. Sounh remarked that STDP approval by both governments happened simultaneously but perhaps Viet Nam's internal procedures have caused project delays. He shared that the Lao government authorized the project director to sign contracts and that not all paperwork needed to be submitted to the minister. Only big payments needed higher authorities' approval. PCU and PIU provincial staff, although relatively few, were able to organize training for organizations that implement some project activities, and project ownership is emphasized at all levels. Every 6 months, a meeting is convened to review project implementation. With 9 provinces covered, project activities involve people who have experience and possess the required skills and this ensures that all provinces complete their work at the same time.

20. Mr. Schipani noted that another factor which enabled Lao PDR to have a head start were the early preparatory activities including having the TOR of consultants ready and thus they were able to immediately mobilize consultants upon project effectivity.

21. Cambodia recalled that they had initially planned to participate in the project, and proposed for Lao PDR and Viet Nam to share what they had done in the spirit of cooperation so that the other countries could learn. He recalled Cambodia's participation in the earlier ADB-funded Mekong Tourism Development Project and noted that ADB respects country regulations even as the project is guided by the project implementation manual. Stock knowledge is also critical to implementation. Cambodia also thanked ADB for the ongoing JPFPR-funded project.

22. Myanmar congratulated Lao PDR and Viet Nam and thanked them for sharing their experiences in implementing the project from which Myanmar could learn.

23. Thailand also expressed their congratulations and noted that Lao PDR would invite trainers from Thailand on CBT.

24. Viet Nam congratulated Lao PDR for their progress in implementing the project and thanked ADB for its continued support to the subregion. Viet Nam also emphasized a more active role for MTCO in coordinating these activities.

#### **Agenda Item 4: Interventions by Development Partners**

25. Mr. Schipani commented that MTCO is the secretariat of the project. He noted that GMS countries participated in the tourism management training program conducted in Guilin under the Phnom Penh Plan for Development Management, and suggested for Dr. Ngoi to coordinate with the Guilin Institute of Tourism for training-related activities.

#### **Agenda Item 5: Date and venue of the next STDP Meeting**

26. It was agreed that the next STDP Steering Committee Meeting would be held back-to-back with the 29<sup>th</sup> TWG meeting (TWG-29) to be hosted by Thailand in Chiang Rai in June 2012.

#### **Agenda Item 5: Conclusion and Closing Remarks**

27. The Chairman expressed his thanks to ADB for its keen interest in developing tourism in the GMS and to all the delegates for their active participation in the meeting. As development partner support is very crucial to the development of the subregion, he expressed his hope that the ADB would continue to provide technical and financial assistance to GMS tourism projects. He urged the GMS countries to work closely in implementing the 3 consolidated strategic programs under the new refocused Tourism Sector Strategy. He thanked the Co-Chair and other delegates for their active participation.

## **List of Appendices**

Appendix 1\_Lis of Participants

Appendix 2\_Meeting Agenda

Appendix 3\_Vietnam Progress Report by Dr. Tran Van Ngoi

Appendix 4\_Lao PDR Progress Report by Mr. Sounh Manivong