

# Eleventh Meeting of the Working Group on Tourism

## Organization

The Eleventh Meeting of the Working Group (the Meeting) on the Greater Mekong Subregion (GMS) Tourism Sector was held in Phnom Penh, Kingdom of Cambodia from 6 to 8 April 2000. The objectives of the Meeting were to facilitate the implementation of priority tourism projects and to discuss areas of specific cooperation for promoting tourism in the GMS. The Meeting was organized by the United Nations Economic and Social Commission for Asia and the Pacific (ESCAP), the Asian Development Bank (ADB), and the Agency for Coordinating Mekong Tourism Activities (AMTA) in collaboration with the Ministry of Tourism of the Royal Government of Cambodia and with financial assistance from the Government of Japan.

## Attendance

Representatives from national tourism organizations (NTOs) of Cambodia, People's Republic of China (PRC), Lao PDR, Myanmar, Thailand, and Viet Nam as well as representatives of ESCAP, ADB, the Pacific Asia Travel Association (PATA), and AMTA participated in the Meeting. Representatives of various public and private sector organizations involved in tourism also attended the Meeting as observers.

## Opening Session

H.E. Mr. Nuth Nin Doeurn, Secretary of State, Ministry of Tourism, Royal Government of Cambodia, welcomed the participants of the Meeting and thanked ESCAP, ADB, and AMTA for their support in organizing the Meeting. He encouraged the Meeting to plan a strategy to promote the GMS as a single destination, to develop and implement programs in training resource managers in conservation and preservation of the natural environment and tourist destinations. He noted the significant progress made by the Kingdom of Cambodia in terms of economic growth and stability, and in undertaking market-oriented policy reforms. He outlined tourism policies that must be adopted by the Kingdom of Cambodia as follows: (i) upgrading of airports in Phnom Penh and Siem Reap should be completed; (ii) cross-border movement of people should be facilitated; (iii) international and national roads and roads that provide access to major resorts should be rehabilitated; and (iv) water routes along the Mekong River should be developed. He concluded with the expectation that the results of the Meeting would contribute to uncovering the tourism jewels of the new century.

Mr. M. Rahmatullah, Director, Transport, Communications, Tourism, and Infrastructure Development Division (TCTIDD), ESCAP, noted the social, cultural, and tourist importance of Phnom Penh, its unique location in the context of the Mekong River, and the friendly and sincere hospitality extended to the participants by the Cambodian Ministry of Tourism. He stressed the significance of the Meeting in terms of setting the future direction of the substantive work that is planned to be undertaken by the Working Group. The strong commitment by the Working Group members is manifested in the achievements made in implementing the eight subregional tourism programs. He enjoined the Meeting to consider the proposals and recommendations made as regards the following: (i) establishment of the Marketing Task Force and the important role of AMTA in the joint promotion and marketing of the GMS; (ii) new directions in regional marketing, including the need for a professional marketing agency; (iii) linking regional tourism events to the Mekong Tourism Forum; and (iv) other new directions of the Working Group, including frequency of meetings, composition of delegations, and responsibility for planning the meetings. He underscored

the diverse cultural heritage, abundant natural resources, and unspoiled environment that make the GMS a unique tourist destination and define it as an attractive tourism asset. The Working Group could enhance the value of this asset through joint efforts and with effective and creative marketing. The working Group is also responsible to preserve the environment and the way of life along the Mekong River in order that tourism develops in ways that are sustainable. He concluded on a personal note. The Meeting is significant to Mr. Rahmatullah because this will be his last prior to his retirement from ESCAP. He expressed his satisfaction for having been given the privilege to contribute to the establishment of the Working Group and to observe the significant work it has carried out in promoting regional cooperation in tourism in the GMS.

Ms. Emma Yang, Financial Analyst, ADB, thanked the Royal Government of Cambodia for hosting the Meeting, acknowledged the increasingly strong coordinating role of AMTA, and thanked ESCAP for its continuing support for the Working Group Meetings. She noted that the tourism sector's achievements under the GMS Program rank well in comparison with the other sectors. Substantial achievements have been made in areas such as: joint tourism marketing and promotions, capacity building and skills development, and joint planning for the development of Mekong River tourism infrastructure. She expressed ADB's support to the general direction of some of the reforms suggested in the report on strengthening ownership by the GMS countries that was presented at the Tenth Meeting of the Working Group. The common desire to establish the Mekong Region as a tourism destination is a fundamental reason for cooperation in tourism and because of this, AMTA could become more strongly oriented to joint destination marketing. ADB also recommends more involvement by senior personnel from NTOs in Working Group meetings, and closer linkage between the Working Group's activities and the Mekong Tourism Forum. She expressed ADB's wish that the GMS countries should take on more ownership of the process of GMS cooperation in tourism, consistent with one of the fundamental guiding principles underlying the whole GMS Program. She noted ADB's request for AMTA to retain a focus on supporting subregional development projects in tourism and to coordinate the identification of needs and priorities on a subregional basis. Ms. Yang concluded by stating that ADB will continue to play a coordinating role under the GMS Program, led by the requests of the six countries.

Mr. Paisan Wangsai, Director, AMTA, expressed AMTA's appreciation to ESCAP, ADB and PATA for their efforts in supporting the Working Group's ongoing subregional tourism activities. With almost one decade of cooperation, the GMS is now being seen as a world class tourist destination, attracting nearly 12.5 million visitors per year. There is need, however, to strengthen the Working Group's cooperative efforts, and to preserve, promote, and enrich the cultural heritage of the GMS. He enjoined the Meeting to support the following two significant projects: (i) Mekong/Lancang River Tourism Infrastructure Development Project; and (ii) the Preinvestment Study for the East-West Economic Corridor. He reported that AMTA has been working hard to playing its role as coordinator and facilitator of GMS tourism activities. He concluded by encouraging the Working Group to continue working for the good of the entire Subregion.

## **Election of Officers and Adoption of the Agenda**

The Meeting elected H.E. Prince Sisowath Chivannariddh, Under Secretary of State, Ministry of Tourism, Royal Government of Cambodia, as Chairman of the Meeting, and Mr. Santichai Euachongprasit, Deputy Governor for Planning and Development, Tourism Authority of Thailand (TAT), and U Naing Bwa, Deputy Director General, Directorate of Hotels and Tourism, Ministry of Hotels and Tourism, Myanmar, as Vice Chairmen.

## **Program 1: Destination Marketing**

The representative of AMTA reported on the following ongoing tourism marketing initiatives being undertaken by AMTA for the Working Group since the last Meeting: (i) participation as a GMS booth at the ASEAN Tourism Forum (ATF 2000) held in Bangkok, Thailand on 20-26 January 2000 where GMS NTOs were provided, without charge, exhibition stands at the trade shows and given appointment sessions with tourism "buyers" and members of international media; (ii) preparation for participation at the PATA Travel Mart to be held in Singapore in April 2000; and (iii) production of the AMTA Newsletter three times per year.

The representative of PATA reaffirmed PATA's commitment to continue its facilitating role in identifying marketing opportunities for the GMS countries. The Meeting noted the following marketing activities for the GMS that PATA has undertaken/is undertaking: (i) offered one free booth to AMTA on behalf of the GMS countries and a Mekong area at the upcoming PATA Travel Mart in Singapore; (ii) a major feature on the Mekong tourism in PATA's new "Compass" Magazine; (iii) organized a marketing workshop, as requested during previous Working Group meetings, in Phnom Penh on 5 April 2000 and attended by 30 participants; and (iv) will organize destination seminars in Japan in late 2000.

The representative of TAT reported that TAT sponsored in the amount of about Baht 2 million the production of a "coffee table" book on GMS tourism entitled, "The Magic of the Mekong". Copies of the book will be distributed to bookstores all over the world, and 600 copies will be provided to all GMS NTOs and other interested agencies. He made the following recommendations: (i) the Working Group could use the common "New Year" (Songkhran) as a promotional campaign tour beginning, possibly, in 2001; and (ii) the Working Group should continue coordinating with the ASEAN Tourism Forum for the latter to provide free booths during Forums. The Meeting agreed to support the recommendations of TAT.

The representative of AMTA reported that the NTOs of Cambodia, Lao PDR, Myanmar, Thailand, and Viet Nam have met to discuss cooperation in "the Great Wonders of Suwannaphumi Project ". The next meeting to be held in Siem Reap will discuss a Buddhist circuit itinerary to be developed by the group. He supported the recommendation made by TAT to use the traditional New Year greeting card to promote tourism, particularly for Cambodia, Lao PDR, Thailand, and Yunnan Province of the PRC.

The representative of ESCAP reported on the successful holding of the "Seminar on Tourism Promotion in Lao PDR" held in Vientiane on 27-28 July 1999, and the "National Seminar on Sustainable Tourism Development in Cambodia" held in Phnom Penh on 8-9 December 1999. A "National Seminar on Sustainable Tourism Development in Myanmar" will be organized by ESCAP together with the World Tourism Organization (WTO) in Yangon in 2000. A "Seminar on Policy Development in the Cruise Shipping Industry" will be held in Bangkok in November 2000 to be participated in by representatives of 18 countries that include the GMS countries. Likewise, a "Seminar on Promotion of Buddhist Tourism Circuits" will be held in Kisarazu, Japan in March 2001, in which representatives of GMS countries will be invited.

## **Program 2: Subregional Events**

The representative of PATA announced that the Fifth Mekong Tourism Forum will be held at the Hotel Le Royale, Phnom Penh, Kingdom of Cambodia from 7 to 8 April 2000. About 200

participants are expected to attend the Forum. The theme of the Forum is "Uncovering the Tourism Jewels of the New Century" reflecting its marketing focus. He reported that PATA organized a meeting of Mekong airlines at the Hotel Le Royale on 6 April 2000. Attended by about 20 representatives from eight airlines, the First Meeting of Mekong Airlines discussed ways to help develop tourism opportunities in the GMS. He expressed PATA's appreciation to the Ministry of Tourism of the Royal Government of Cambodia for hosting the Forum, and ADB and ESCAP for their support.

The representative of PATA reported that the 2001 PATA Travel Mart will be held in Singapore from 3 to 6 April 2001. In this regard, he proposed that the Sixth Mekong Tourism Forum be held from 31 March to 2 April 2001. He confirmed that Yunnan Province of the PRC has expressed interest in hosting the Sixth Mekong Tourism Forum.

The representative of the PRC confirmed PRC's intention to host the Sixth Mekong Tourism Forum in Yunnan Province in 2001. This is consistent with the PRC Government's strategy to boost the socioeconomic development of the western part of the country. The Meeting agreed to hold the Sixth Mekong Tourism Forum in Yunnan Province of the PRC from 31 March to 2 April 2001. The Meeting expressed appreciation to the PRC delegation.

The Meeting recognized PATA's important role in organizing the Mekong Tourism Forums, and commended PATA for the good turnout of the Fifth Mekong Tourism Forum. The Meeting expressed its appreciation and gratitude to outgoing PATA Director for Southeast Asia, Ms. Andrea Yeo, for her contribution to the activities of the Working Group.

The Meeting agreed that efforts should be made to ensure that more "buyers" would attend future Mekong Tourism Forums, and that the six NTOs should support activities in this regard, such as enabling familiarization trips for tourism "buyers". This can be done by persuading airlines, hotels, and tour operators to serve as sponsors for familiarization trips.

### **Program 3: Training**

The representative of ESCAP informed the Meeting of activities of the Network of Asia-Pacific Education and Training Institutes in Tourism (APETIT). A total of 58 education/training institutes and NTOs from 27 countries, which include five GMS countries, have actively participated in APETIT's activities. The representative of Cambodia expressed the intention of the Ministry of Tourism of the Royal Government of Cambodia to join APETIT, and requested ESCAP to provide information on this.

The representative of ESCAP announced that funding is expected from the Government of Japan for a tourism management training program for the GMS countries. The scope and implementation arrangements for the program will be discussed with TAT. Three participants from each of the GMS countries will be invited to attend the planned five-day training program. The representative of TAT recommended that the nominees from the six countries be those who are familiar with previous tourism training the trainers programs.

The Meeting expressed gratitude to ADB, ESCAP, and PATA for the assistance that they have extended in implementing the activities under the Training Program of the Working Group.

### **Program 4: Management of Natural and Cultural Resources**

The representative of AMTA reported on the proposed one-week course on Training Resource Managers in Conservation and Tourism sponsored by the Canadian Universities Consortium (CUC) and AMTA. The training course will be held at the Asian Institute of Technology in Thailand in July 2000. Its objectives are for the course participants to: (i) gain an understanding of the field of managing heritage resources, (ii) understand the role of heritage and cultural tourism in economic and community development and resource protection and enhancement, and (iii) gain an understanding and appreciation of the techniques that are available to ensure that tourism planning and management approaches serve tourism, community objectives, and heritage preservation and enhancement. The primary target participants are representatives of GMS NTOs, national park officers, and tourism trainers. Special attention will be given to the "Jewels of the Mekong". Core subjects include heritage management, ecotourism, visitor management, and group discussion issues on carrying capacity, heritage interpretation, product/market matching, and implementation. Three participants from each GMS country will be invited to attend. The representative of AMTA proposed that for each country, one participant each would come from the NTO, national parks or forestry department, and tourism training institute. The Meeting agreed to this proposal of AMTA.

The representative of TAT suggested that a one-day training program be designed for training of tourism trainers similar to one ecotourism training project. At the request of the Meeting, the representative of AMTA agreed to explore this idea with CUC.

## **Program 5: Mekong/Lancang River Tourism Development**

The representative of ADB reported on the status of the ADB regional technical assistance (RETA) for feasibility studies of Mekong/Lancang River Tourism Infrastructure Development. The ADB approved the RETA in December 1999, and is in the process of selecting the consulting team for the project. A letter of agreement was sent to each of the six NTOs that indicates, among other things, the responsibilities of the NTOs in the implementation of the project. These include the organization of five one-day workshops, nomination of a Project Manager, and the appointment of one full-time counterpart staff to assist in the implementation of the project. The deadline for the signing of the Letter of Agreement and transmittal to ADB was on 1 April 2000. To date, the ADB has received the signed Letter of Agreement from the Thai and Lao NTOs. The NTO of Cambodia signed the Letter of Agreement on 7 April 2000. The representative of ADB requested AMTA to follow up with the other NTOs on the Letters of Agreement.

The representative of AMTA clarified that the Myanmar NTO has also submitted the signed Letter of Agreement, in addition to the Thai and Lao NTOs. The NTO of Viet Nam are still securing the approval of concerned agencies, and are expected to forward to ADB the signed Letters of Agreement soon. The representative of PRC will confer the matter to the concerned authorities.

The following concerns were raised by the Meeting: (i) concerned Ministries must be consulted in the selection of consultants; (ii) duration of project implementation of six months seems to be short based on previous experience in implementing similar projects; and (iii) there is need to carefully organize the project at the onset since the projects to be assessed involve more than one country. The ADB representative responded, respectively, to the above concerns as follows: (i) the consultants to be selected are expected to work closely with the concerned ministries and agencies, the national workshops to be organized and assignment of full-time counterpart staff would strengthen the coordination; (ii) components of the project will be implemented simultaneously which should not lead to a

long project duration; and (iii) AMTA is expected to play a major role in coordinating the activities under the project.

Recognizing the importance of infrastructure development in tourism, the representative of ESCAP informed the Meeting that ESCAP will organize a "Seminar on Expanding the Economic Benefits of Tourism through Promotion of Investment in Tourism Infrastructure" to be held in Seoul, Republic of Korea from 16 to 18 May 2000. A total of 18 countries will participate, some of which are GMS countries.

## **Program 6: Facilitation of Travel**

The representative of AMTA reminded the Meeting of the trial overland routes proposed at the Ninth Meeting, and noted that Route 9 (East-West Corridor) has been proposed as a model for developing an itinerary for an overland route.

The Meeting noted the following developments related to travel facilitation as presented by the GMS delegations since the Tenth Meeting: (i) opening of new air route connecting Ho Chi Minh City and Siem Reap; (ii) organization of Third Thailand-Lao PDR-Yunnan Province Friendship Caravan on 6-16 April 2000 in connection with the Yunnan Tourism Festival; (iii) planning for opening of new international border checkpoint between Champassak in Lao PDR and Siem Reap in Cambodia; (iv) improvements in subregional road infrastructure in Cambodia; (v) expediting of processing of entry at the borders in Cambodia through cooperation of other ministries and agencies; and (vi) the soon-to-be signed quadripartite agreement on commercial navigation along Mekong/Lancang River among PRC, Lao PDR, Myanmar, and Thailand.

The representative of AMTA proposed that the Working Group use the findings of the recently-completed study commissioned by ASEAN on facilitation of intra-ASEAN travel. Given that simplifying cross-border entry formalities is a good way to promote tourism, for purposes of updating the GMS Tourism Map, the Working Group members were requested to provide updated information on efforts by the countries to simplify entry formalities for eventual dissemination to tourism entities.

## **Program 7: Village-Based Tourism**

The representative of AMTA reported on the status of the CUC-supported village-based tourism projects. The situation reports for Had Bai village in Thailand and Hung Phong village in Viet Nam have been completed. Field trips to Ban Pak Beng in Lao PDR and Koh Dak village in Viet Nam are scheduled for April and May 2000, respectively. Following the field trips, a workshop of Village-Based Tourism will be convened and a Development Manual prepared. The objective of the Workshop is to formulate strategies for developing village-based tourism. Representatives from GMS countries will be invited to participate in the workshop.

The Meeting agreed to consider the recommendations of the situation reports prepared by CUC.

## **Program 8: GMS Tourism Flows**

ADB Advisor to the GMS Program presented the initial findings of the tourism component of an ADB-financed Preinvestment Study for the GMS: East-West Economic Corridor. The

development of economic corridors is a key strategic thrust of the GMS Program. The GMS countries have agreed to transform important transport corridors into economic corridors in order to spur the process of economic growth, poverty reduction, and environmental protection. The first corridor selected by the GMS governments for economic corridor development on a pilot basis in the 1,500 kilometer east-west transport corridor, linking central Viet Nam, central Lao PDR, and northeast Thailand, and extending to Mae Sot, Myawaddy, and the port of Mawlamyine in Myanmar. The objective of the ongoing Preinvestment Study is to establish a framework of cooperation to promote trade, investment, and tourism along the Corridor that is technically, economically, and financially viable. The East-West Corridor is rich in natural, cultural, and historical tourism resources. Infrastructure investments being made along parts of the Corridor as well as efforts to facilitate cross-border travel are expected to increase the flow of tourists, and would encourage the development of cross-border tour packages. The main opportunity seen is to develop tourism products that combine and link more than one Corridor country. Private sector tour operators have expressed optimism about the market potential of cross-border tours along the East-West Corridor. There are, however, both "hardware" and "software" impediments to the development of tourism in the Corridor. There is an urgent need for investments in basic services, while cross-border policies, procedures, and restrictions continue to constrain intraGMS tourism.

A proposed strategy was presented as follows: (i) maximizing the arrival of "quality" tourists from appropriate markets; (ii) expediting planned infrastructure improvements; and (iii) jointly promoting investments in tourism-related services. On the basis of these broad strategies, subregional initiatives under which specific projects, programs, policies, and/or institutions will be selected are as follows: (i) joint promotion/marketing and product development; (ii) facilitation of travel; (iii) development of tourism infrastructure and related facilities; and (iv) capacity building. Projects, programs, and initiatives for economic corridor development should be those that have an element of regional economic cooperation and are environmentally sustainable. The Working Group was requested to share their views of the proposed tourism cooperation and development in the East-West Corridor, and their ideas on possible projects, programs, and other initiatives that could be explored for public or private sector funding.

The Meeting noted that a tripartite technical cooperation among Lao PDR, Thailand, and Viet Nam has been taking place since 1994 to, among other things, develop overland cross-border tours involving the three countries. The group has agreed to place high priority in developing overland tours involving Routes 8 and 9.

The Meeting noted the following comments: (i) corridor development should focus on transport infrastructure, but should take into account tourism needs, such as signs and tourists area; (ii) "software" issues should be addressed to maximize utilization of subregional transportation infrastructure; and (iii) North-South tourism corridor should be developed. ADB Advisor to the GMS Program responded to the above comments as follows: (i) development of transport infrastructure is an integral part of the ongoing Preinvestment Study which is adopting a holistic approach to economic corridor development; (ii) land transport facilitation agreements, including the implementing annexes and protocols, that are expected to be signed by the GMS governments would address "software" issues; and (iii) the East-West Economic Corridor initiative is a pilot project which shall serve as the basis for economic corridor development, including the North-South Corridor.

## **Marketing Task Force**

The representative of AMTA presented three proposed marketing tools for the GMS, namely: (i) a GMS marketing logo; (ii) a GMS website; and (iii) the GMS travel trade manual. The logo for the Working Group had been prepared free of charge. It was circulated to the Working Group members for their reactions. ETC Asia submitted a proposal to the Working Group to develop the GMS Website at no cost to AMTA or the GMS NTOs, but to be financed by sponsorship. The Website will contain basic data, background, and general travel information of all the GMS countries, and will allow links with the individual websites of the six countries. The GMS NTOs and AMTA will provide ETC Asia with updated information for the Website. The GMS Travel Trade Manual is being prepared at no cost to AMTA or the GMS NTOs, and is financed by sponsorship and advertising. It contains generic information on the GMS that is aimed at directing the readers to other relevant sources and the Manual will also be available in other GMS Websites.

The Meeting agreed that NTOs would send their suggestions on the logo to AMTA and that AMTA should explore the possibility of obtaining alternative logo designs. The Meeting endorsed the proposal of ETC Asia to develop the GMS Website, and agreed to promote and market the Website. The Meeting endorsed the GMS Travel Trade Manual concept that will also rely on earnings from advertising and sponsorship, and, thus, will be free of charge to the Working Group. The representative of AMTA emphasized that this could be an illustration of the type of projects that the Marketing Task Force could look into. These activities require coordination efforts rather than direct costs. He proposed that the organization of familiarization trips, and production of publications such as the GMS Tourism Map could be handled through sponsorship. Notwithstanding the approach, TAT would continue providing support to AMTA. With the objective of making AMTA a professional regional marketing organization for the GMS, it was agreed that AMTA would function more effectively if each of the NTOs could consider contributing US\$5,000 per year to support AMTA's operations.

The representative of ATTA reinforced the private sector's enthusiasm for the work that AMTA is doing. He reported that the map is proving very useful. He suggested that industry contributions might also help fund AMTA's operations.

## **STRENGTHENING OWNERSHIP**

As a follow-up to the Tenth Meeting, the Meeting considered the following issues on "Strengthening Ownership": (i) the establishment of a strong professional regional marketing agency in AMTA; (ii) GMS NTOs should eventually share the funding of AMTA's marketing activities; (iii) private sector sponsorship should replace ADB's funding of the Mekong Tourism Forum; (iv) frequency of Working Group meetings should change to once per year; (v) delegations to meetings should include heads of NTOs and officials in marketing and planning; and (vi) financing of participation at Working Group Meetings should eventually be borne by the NTOs although ESCAP should continue this role in the meantime.

AMTA was asked to explore the issue of financing of AMTA's operations and the issue of possible rotation of directorship of AMTA. There was consensus that Working Group Meetings be limited to once per year and that additional meeting would be organized if the need arises. There was also consensus that ADB, PATA, and ESCAP continue their support to the Working Group and Forum. As regards the other issues, the Meeting agreed to consider these further at the next Meetings.

## **Date and Venue of the Next Meeting**

The Meeting agreed that the 12th Meeting of the Working Group on the Greater Mekong Subregion Tourism Sector will be held in Kunming, Yunnan Province of the People's Republic of China from 31 March to 2 April 2001 in conjunction with the Sixth Mekong Tourism Forum.

### **Appreciation**

The Meeting expressed appreciation to the Ministry of Tourism of the Royal Government of Cambodia for the excellent arrangements made for the Meeting and the warm hospitality accorded to the participants. The Meeting also expressed gratitude to the Government of Japan for financing the travel of ESCAP-sponsored participants.

### **Adoption of the Report**

The Report of the Eleventh Meeting of the Working Group on the Greater Mekong Subregion Tourism Sector was adopted on 8 April 2000.