

**UNITED NATIONS ECONOMIC AND SOCIAL COMMISSION FOR ASIA AND
THE PACIFIC (ESCAP)**

ASIAN DEVELOPMENT BANK (ADB)

AGENCY FOR COORDINATING MEKONG TOURISM ACTIVITIES (AMTA)

**16th Meeting of the Working Group on the Greater Mekong
Subregion Tourism Sector**

25 - 27 March 2005

Siem Reap, Cambodia

REPORT

ORGANIZATION

1. The 16th Meeting of the Working Group on the Greater Mekong Subregion (GMS) Tourism Sector was held in Siem Reap, Cambodia from 25 to 27 March, 2005. The objectives of the Meeting were to facilitate the implementation of priority tourism programmes and to discuss areas of specific cooperation for promoting tourism in the Greater Mekong Subregion. The Meeting was organised 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, Cambodia.

ATTENDANCE

2. Representatives from national tourism organisations (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), SNV and AMTA participated in the Meeting. Representatives of various other public and private sector organizations involved in tourism also attended the Meeting as observers. The list of participants is attached as Annex 1.

OPENING SESSION

3. H.E. Dr. Thong Khon, Secretary of State, Ministry of Tourism of Cambodia, welcomed delegates to the 16th Meeting of the Tourism Working Group (TWG). He stated that the 16th TWG meeting will be addressing a number of significant issues including tourism strategic development planning, tourism marketing and promotion, human resources development, cultural and natural heritage management conservation. He also stated that in addition to expanding the volume of tourism, it was important to stress the need to raise the yield from tourism expenditure through increase length of stay and reducing economic leakages; and to ensure a more equitable distribution of tourism benefits amongst the GMS countries. The 2006-2010 GMS tourism strategy addresses the key issue of how to achieve a more equitable distribution of tourist arrivals to the less-developed countries and within the countries in the GMS. He noted that the strategy belongs to all the GMS countries and urged the members to express their constructive notions and harder

work to envisage a common precise productive methodology, constructive strategic planning and action plan for the GMS countries in the tourism sector for goodwill of intraregional cooperation.

4. In his statement, Mr. Ryuiji Yamakawa, Chief, Tourism Unit, Transport Policy and Tourism Section, ESCAP pointed out that the conditions for jointly promoting tourism in the Greater Mekong Subregion still remained robust, and that the strong commitment already shown by the members of the Working Group will contribute greatly to the sustainable development of tourism throughout the subregion. Mr. Yamakawa summarised the achievements of the Tourism Working Group over the past decade emphasising that over this time, tourism volumes had grown from 9.6 million to over 17 million in 2004. However, although much had been achieved, there were still formidable challenges ahead including: (1) making it easier to obtain and simplify visa issuance and cross border formalities; (2) through more effective private and public sector partnering, improving the quality of tourism products, destinations and services to enhance the competitiveness of the subregion; (3) developing the required human resources in the various segments of the industry in order to ensure high service standards; (4) further strengthening air links between the major destinations of the subregion and improving the road network and cross border formalities; (5) ensuring that tourism growth is environmentally sustainable and effectively integrated into tourism planning; and (6) taking more concrete measures to ensure that the benefits of tourism are spread as widely as possible throughout society and to make tourism a more effective tool for poverty alleviation.

5. Mr. Alfredo Perdiguero, Project Economist, Social Sectors Division, Mekong Department, ADB, also welcomed participants. He noted that the TWG has been working together for more than 10 years and there have been a number of accomplishments with the assistance of the development partners, namely UNESCAP, PATA, WTO, and UNESCO. With the help of TAT which has supported AMTA and with contributions from each country, the GMS countries should be proud of their accomplishments. He stated that the GMS countries have common problems and challenges which have to be addressed. Thus, in 2004, the TWG requested the ADB to provide technical assistance (TA) for the preparation of a GMS Tourism Sector Strategy. Asia Pacific Projects, Inc. led by Ludwig Rieder was the consulting firm that helped draw up the strategy and after 12 national workshops and two subregional workshops, a draft strategy is in place. It was a very difficult task to produce this strategy which is now ready for discussion at this meeting. In the past it was difficult to get consensus because of the low level of representation in the TWG but a high level of representation is here today. Therefore some important decisions

could be made at this meeting. The strategy could be approved today and presented to the Prime Ministers and Leaders at the Summit Meeting in Kunming in July. Also, the decisions about the institutional mechanism by which this strategy can be carried out as well as the financial contributions could be made today. He encouraged delegates to give the proposals a chance today. If the development partners see that the TWG is committed, they will put in money for the projects. He stated that the GMS Family has been expanded. On December 19, 2004 in Vientiane, the Ministers accepted the Province of Guanxi, China as the newest member of the GMS. Therefore, Guanxi is to be added in the strategy and the consultants will have to do some more work to be able to incorporate Guanxi into the strategy.

6. Mrs. Saichalee Varnapruk, Officer-in-Charge of AMTA, thanked all the supporting agencies and in particular, ESCAP and ADB. She noted the importance of having more participants from the private sector. Currently, GMS is becoming a well-known destination, as a result of the authenticity and uniqueness of its cultural and natural heritage, excellent tourism services, and effective tourism cooperation. An example of the GMS reputation is demonstrated in tourist arrivals. According to the statistics, tourist arrivals to Cambodia increased at a remarkable rate of 50% in 2004. Nevertheless, we are faced with many crisis and challenges such as rising crude oil prices, epidemics, and natural disasters and terrorism. It is essential that more professionalism and stronger cooperation efforts among the GMS countries is enabled. The proficiency of AMTA with maximum contribution from members, will be key success factors for the sustainable promotion of the region.

ELECTION OF OFFICERS AND ADOPTION OF THE AGENDA

7. The Meeting elected H.E. Dr. Thong Khon, Secretary of State, Ministry of Tourism of Cambodia, as Chairperson of the Meeting, and Mr. Vang Rattanavong, Vice Chairman, National Tourism Administration of Lao PDR as Vice Chairperson.

8. The Meeting adopted the Agenda, which is attached as Annex 2.

9. The Team Leader, GMS Tourism Strategy Project explained the overview of the draft strategy as follows:

- Has as its overall goal, contributing to the Millennium Development Goals of reducing the number of persons in poverty by 50% and creating a more sustainable pattern of development by 2015.
- To achieve this goal, the objective for the tourism sector at the GMS level is to influence the key factors¹ that shape the pattern of tourism development in the subregion such that it will be more equitable, pro-poor, sustainable, competitive and economically viable in effect – the overall objective.
- The overall strategy to achieve the objective of developing a more equitable, pro-poor, sustainable, competitive and economically viable subregional tourism sector has been built around:
 - (i) giving priority to tourism-related infrastructure development in eleven (11) priority zones and circuits with the Mekong as the core (As discussed in 4(b) of the Agenda);
 - (ii) implementing six GMS-wide generic programs in the area of marketing, human resource development, cultural and natural tourism resource conservation management as well as social impact management, pro-poor tourism development, private sector participation, and facilitating the movement of tourists; and strengthening the existing institutional framework for implementation of strategic programs at the subregional and national level.

**PROGRAMME 1: PROGRAMME TO PROMOTE THE GMS AS
A SINGLE TOURIST DESTINATION**

10. The Team Leader, GMS Tourism Strategy Project further explained the Programs and Projects

¹ Connectivity-accessibility including cross border arrangements, promotion, quality standards, human and institutional capacities, stakeholder participation (private sector and local communities), sustainable management of tourism resources, and management of adverse social impacts.

- (a) Program to promote the GMS as a single destination
- (i) Promoting the development of high-yield subregional culture-nature-adventure products.
 - (ii) Developing and implementing a larger and more sustained promotion program under the brand image of "The Mekong".
 - (iii) Strengthening and sustaining the marketing capacity of AMTA as the "Mekong Tourism Office."

11. The representative of AMTA gave a summary of AMTA's GMS marketing activities for 2004. She reported that a GMS booth was displayed at the PATA Travel Mart in Bangkok, Thailand in September 2004. The GMS booth was also put up at the China International Travel Mart 2004 in Shanghai, China on 25-28 November 2004. The China National Tourism Administration provided a space for the GMS information booth.

12. The representative of AMTA also reported that 3,000 copies of the new GMS brochure entitled "GMS for Special Interests" were produced for distribution along with the reprinted 2,000 copies of the AMTA information brochure at the PATA Travel Mart 2004 in Thailand.

13. The representative of AMTA further reported that GMS official website 'visit-mekong.com' has been regularly updated and was improved to be used for e-commerce in order to attract more people to the region.

14. The representative of AMTA proposed the marketing activities for April 2005-March 2006 are PATA Travel Mart, September 2005 in Malaysia, CITM, 2005 in China and TTM+, June 2005 in Bangkok and ATF 2006 in Yangon, Myanmar. AMTA proposed that at each trade show, GMS countries should organise "GMS Presentation" to introduce new GMS products to buyers. TAT will also organise a country presentation during the TTM+. Coinciding with the TTM+, a FAM Trip will be organised to cater around 40 buyers from potential markets worldwide and 20 media.

15. The representative of AMTA further proposed that the Mekong Road Show would be organised for the selected markets. She suggested Japan would be the ideal. The

roadshow format covers product briefing (Power point & DVD Presentation), Table Top Session (Pre-appointment), and Heavy Cocktail Reception+Cultural Performances.

16. The representative of PATA responded to AMTA's report and suggested that according to PATA Research, there are four emerging markets – China, Russia, Middle East, and India. These markets should be considered in AMTA's deliberations.

17. The representative of AMTA responded that with the current limited funding, AMTA could only focus on the potential market.

18. The representative of TAT supported the proposal of AMTA to promote to the Trade and further stressed that Road Show is effective in the Japanese market. However, the participation in the proposed trade fairs actually cover the emerging markets quoted by PATA.

19. The representative of Lao PDR also supported the proposal of AMTA and mentioned that PATA's proposal could be later considered.

20. The representative of Vietnam as well supported the proposal of AMTA and further suggested that the Road Show should start first in Japan.

21. The representative of Myanmar agreed with the representative from Vietnam and added that Myanmar supported the outcome in principle.

22. The representative of Yunnan recommended that the brochures produced by AMTA should feature ethnic minorities in Lijiang, Dali, and Xishuangbanna because they are part of the tourist attractions. The Tenchong-Myitkyina area should be added in future brochures.

23. The Tourism Sector Specialist, Ministry of Tourism, Cambodia mentioned that the cost of marketing to China will be very effective if the GMS countries have been given Approved Destination Status (ADS) and work with the travel agents who have been given approval by the Chinese government to send tourists to the GMS destinations.

24. The representative of ESCAP expressed appreciation to AMTA and TAT, for the work they have done for GMS tourism.

25. The representative of AMTA further stated that a Japanese Road Show will be organised in conjunction with the ASEAN-Japan event, a trade and consumer event held in Nagoya. This needs the strong cooperation of the private sector from each GMS country.

26. The Marketing Consultant, Mr. Renton de Alwis, then made a presentation on the marketing strategy.

PROGRAMME 2: PROGRAMME TO DEVELOP TOURISM-RELATED INFRASTRUCTURE

27. The representative of ADB stated that the ADB had appropriated \$US28 million for infrastructure in the Mekong Tourism Development Project, Part A: Tourism-related Infrastructure Improvements. It comprises 11 subprojects in Cambodia, Lao PDR, and Vietnam, including upgrading of airports, feeder roads to tourist destinations, construction of river piers, and development of waste water and solid waste management systems.

28. The Team Leader, GMS Tourism Strategy Project explained the infrastructure program in the Strategy includes developing priority tourism zones and circuits, linking tourism zones to the GMS transportation network, developing secondary and feeder access to attractions in the priority zones, developing small-scale support infrastructure in key towns and villages. The 11 zone projects focus on the tourism related infrastructure program components covering institutional capacity development, marketing and product development support, human resource development support, and conservation of cultural and natural tourism resources.

PROGRAMME 3: PROGRAMME TO IMPROVE HUMAN RESOURCES IN THE TOURISM SECTOR

29. The representative of ESCAP informed the meeting that a Seminar on Tourism and transport Linkages between Thailand and Neighbouring Countries was organised by joint efforts of ESCAP and The Office of Tourism Development, Ministry of Tourism and Sports, Thailand. As a follow up, "Asian Tourism Aviation Route Map", "Asian Tourism Sea Transport Route Map" were produced by The Office of Tourism Development. The

meeting noted that there will be an ESCAP-APETIT Conference on Tourism Education and Training in the Asia-Pacific Region in Hanoi on 18-21 October, 2005 where 184 APETIT members, including 54 tourism training institutions and NTOs from the GMS, will be invited to participate.

30. The representative of Cambodia thanked ESCAP for its support for HRD and recommended the following activities:

- a.) Study Trips to gain wider perspective
- b.) Training of Trainors and Exchange of Professors and Students
- c.) Training of other stakeholders such as customs, immigration and security personnel to facilitate travel around the GMS

31. The representative of Thailand, Ministry of Tourism and Sports suggested that Thailand also has the training institutes such as Mekong Institute and the Asian Institute of Technology, Bangkok that provide training courses in hospitality and tourism.

32. The representative of ADB explained that the Phnom Penh Plan could collaborate in the future with the Mekong Institute to prepare a two-week training course to develop training courses to government officials from the NTOs. Lao PDR, Cambodia, and Vietnam may also wish to commission the MI to develop customized training programs through the MTDP. For Cultural Heritage Management training, the government of France is a possible development partner as its representative, Mr. Leotard, has expressed interest in it.

33. The representative of Thailand, Ministry of Tourism and Sports noted that HRD is highly important and it should be taken very seriously. Thailand organised a training program last year and only one representative came from the GMS countries, which was very disappointing.

34. The Team Leader, GMS Tourism Strategy Project then explained the HRD Strategy featuring preparing and implementing an HRD plan for NTOs, capacity building of middle level officials in NTOs and other government agencies that impact on tourism, training trainers in hospitality skills in vocational institutions, and upgrading the capacity of Deans, Professors and Lecturers in academic institutions.

35. The representative of SNV Lao asked if Thailand could be the lead country in Strategic Project No. 9, Heritage Site Managers Capacity Building. He stressed that Heritage Sites include natural sites, not just cultural sites.

36. The representative of Thailand, Ministry of Tourism and Sports advised that Thailand is ready to lead Project No. 9 with NZAid, SNV, WTO, and PATA as development partners. There should be a Risk and Crisis Management component added to all the training programs.

**PROGRAMME 4: PROGRAMME TO IMPROVE STANDARDS OF MANAGEMENT
OF NATURAL AND CULTURAL RESOURCES
FOR CONSERVATION AND TOURISM**

37. The Team Leader, Tourism Strategy Project explained the strategy to improve standards of management of natural and cultural resources for conservation and tourism. It covers enhancing coordination between cultural and natural heritage agencies and NTOs, capacity building of cultural and natural site managers in tourism management, protecting the heritage of cultural ethnic minorities, and management and mitigation of negative social impacts.

38. The representative of Thailand, Ministry of Tourism and Sports reported that it held a seminar on ACMECS Cultural Heritage Tourism: "Managing Historic Resources within a Tourism Context" in August 2004, organised by the Office of Tourism Development with the support of the School of Travel Industry Management, University of Hawaii, held in Bangkok.

**PROGRAMME 5: PROGRAMME TO PROMOTE PRO-POOR
COMMUNITY-BASED SUSTAINABLE TOURISM**

39. The representative of ADB stated that in the MTDP Part B, ADB had appropriated the following sums for Pro-Poor Tourism: \$US1.6 for Lao PDR; \$US600,000 for Cambodia; and \$US800,000 for Vietnam.

40. The Adviser, Mekong Tourism Development Project Part B, National Tourism Administration of Lao PDR presented their accomplishments in Luang Namtha, Luang

Prabang, Champasak, and Khoumuane. The Project has trained provincial and village guides; private sector small business development and management; tourism and conservation awareness workshops, and village and town-based hospitality training. The Project also produced publications such as Dos and Dents in Lao PDR; Ecotourism English; etc. Small scale infrastructure such as tourist information centers and village ecolodges are being constructed in the afore mentioned provinces. He as well mentioned that the regulatory framework in Lao PDR is being strengthened to enable community-based tourism projects to be implemented more easily.

41. The representative of ESCAP reported on the outcome of the Expert Group Meeting on Measuring and Assessing the Impact of Tourism Initiatives on Poverty Alleviation organised by UNESCAP in October 4-5, 2004 in Bangkok. It was revealed that more than 300 jobs were created in Nam Ha, Lao PDR by a community based tourism project. In addition, several good practices in pro-poor tourism were presented at that meeting.

42. The Team Leader, GMS Tourism Strategy Project reminded the meeting that the Pro-Poor Tourism Strategy does not only deal with rural poverty but with urban poverty as well. To alleviate rural poverty, the six pilot areas are in Stung Treng and Rattanakiri provinces in Cambodia, Phongsaly, Houaphan and Xienghuang in Lao PDR, Mount Popa in Myanmar, Ubon Ratchathani and Sisaket provinces in Thailand, Son La and Dien Bien provinces in Vietnam and Xishuangbanna in Yunnan.

PROGRAMME 6: PROGRAMME TO ENCOURAGE PRIVATE SECTOR PARTICIPATION IN THE GMS TOURISM SECTOR

43. The representative of PATA reported on preparations for the Tenth Mekong Tourism Forum (MTF). The MTF had this year attracted 195 participants, representing 19 countries. To this, 50% are from the public sector; 20% are consultants; 10% are media; and 20% are from the private sector. In recent years, the MTF has not been able to attract the private sector as it used to and it needs to be rethought. It has not achieved the set objectives and needs serious commitment.

44. The representative of PATA further urged the TWG to make a decision on whether to continue the MTF. He also said that the Forum should change its focus and format in order to be more effective in facilitating public and private sector dialogue and cooperation.

45. The representative of Thailand agreed with PATA that there should be a new beginning for the GMS and the MTF. Perhaps it could be held coinciding with a major regional or international event taking place in the sub-region.

46. The representative of First Travel, Cambodia stated that there has been no progress on Mekong Air Pass and GMS Visa, if these two issues are addressed, more private sector people would attend the meeting. The private sector needs somebody from the government to monitor and take care of border facilitation.

47. The representative of Vietnam suggested that the MTF should use the format of the ASEAN Tourism Forum in order to attract the long-haul market.

48. The representative from Myanmar explained that the Union of Travel Association and Hotel Association of Myanmar are very active and work closely with the Ministry of Hotels and Tourism. These two associations will be informed about the MTF.

49. The representative of Cambodia agreed with Vietnam's suggestions. If the MTF's program is designed in a very attractive way, the private sector will participate. They are concerned about the cost of registration fees.

50. The representative of ESCAP reminded the meeting that the MTF was combined with a fam trip for travel agents/media many years ago, which had a tremendous impact. The private sector wants to get business now, whereas topics in the MTF are more on sustainable tourism development in the future.

51. The Marketing Specialist, GMS Tourism Strategy Project observed that the MTF should be taken as a process not just as a one-off event. Several focused events such as a half day meeting between CEOs/ investors and Ministers could be staged.

The TWG agreed that the MTF should continue and that PATA should seek ways to refocus and re-energise the MTF, particularly in relation to its effectiveness in engaging the private sector in GMS tourism promotion, development and dialogue.

52. The representative of ADB noted that the MTDP includes a sub component to support the establishment of Tourism Marketing and Promotion Boards. He asked the

Public-Private Tourism Specialist for the MTDP in Cambodia, to share his views on the matter.

53. The Public-Private Tourism Specialist for the MTDP in Cambodia responded that the Cambodian Prime Minister has formed several working groups on Public-Private Sector participation. A Tourism Marketing and Promotion Board is being formed and a draft sub-decree on the TMPB has been submitted to the government for consideration. The GMS countries are in different stages of economic development so therefore each country has to formulate its own regulatory framework, depending on the stage it is in.

54. The Team Leader, GMS Tourism Strategy Project explained that the strategy addresses strengthening the tourism-related SME sector and its institutions, developing a tradition of partnering with the private sector, and developing a GMS-wide approach to establishing effective mechanisms for private-public sector interface and communications.

PROGRAMME 7: PROGRAMME TO FACILITATE THE MOVEMENT OF TOURISTS TO AND WITHIN THE GMS

55. The representative of TAT reported that the organization sponsored a caravan composed of 120 persons in 2004. 40 Thai investors, representatives from hotels, restaurants, media, joined the caravan to Cambodia. To this, 15 Cambodian investors also joined.

56. The representative of ADB stated that on the GMS Visa for 3rd country nationals. ADB sponsored an initiating paper in 2003 and Thailand advised that it wanted to implement it. Thailand organized a Working Group under ACMECS , composed of 5 GMS countries, without China. The various consular departments of the participating countries are now collecting data and discussing issues such as how income is to be divided; which borders would be opened on an experimental basis; how to tackle security issues; etc. Cambodia and Myanmar are very interested but Lao PDR is not quite sure because visa fees are an important source of revenue for the government. The funding is also available in the MTDP for upgrading border checkpoints in Lao PDR, Cambodia, and Vietnam.

57. The Tourism Sector Specialist, Ministry of Tourism, Cambodia mentioned that a Public-Private sector partnership is needed to facilitate tourism flows; Immigration and customs officials and border police and security have to realize that they are part of a

system and that they play a key role in tourism. Tourism Information Centers in the borders should link hotels, travel agencies, tour operators, shopping, and others.

58. The Team Leader, GMS Tourism Strategy Project explained that the Program to facilitate the movement of tourists to and within the GMS covering developing a single GMS-wide visa for non-ASEAN nationals, reducing border checkpoint processing times and costs, and facilitating the operation of international airlines, bus services, cruise vessels, rental car operators and private vehicles to and within the subregion.

59. The representative of SNV, Lao PDR stated that Visa on arrival in Cambodia was given in three minutes. If it is this easy, a GMS Single Visa is not really needed.

60. The representative of ADB further explained that the GMS Single Visa is a powerful marketing tool.

61. The chairman suggested that we should tackle the issue of making visits to GMS countries by GMS nationals visa-free first, before we discuss third country nationals' single visa.

62. The representative of Lao PDR stated on the ASEAN Agreement, only Indonesia has not ratified the Agreement. Otherwise, all ASEAN nationals can enter Lao PDR without a visa effective January 2005.

63. The representative of ESCAP noted that there should be greater efforts in the GMS to provide infrastructure and facilities for persons with physical disabilities so that they can travel more easily. He mentioned that as a follow up of a Seminar on Barrier-free Tourism in the Greater Mekong Subregion held in Hanoi in 2003, a publication "Barrier-free Tourism in The Asia-Pacific Region" was produced by ESCAP.

IMPLEMENTATION OF THE GREATER MEKONG SUBREGION TOURISM SECTOR STRATEGY

STRENGTHENING AMTA'S EFFICIENCY AND OPERATIONS

64. The Team Leader, GMS Tourism Strategy Project presented the institutional arrangements and discussed the proposed organizational chart shown in Annex 4. The TWG meeting was urged to discuss about the basic proposal to implement the strategy including program implementation, except for the marketing program which will take place at the national or provincial level based upon national Project Management Units (PMUs) and Provincial Implementation Units (PIUs). All projects (except in the case of the pro-poor project comprising one pilot project in each country and the marketing project) shall be led by a Lead Country. The name of AMTA would be changed to Mekong Tourism Coordination Office (MTCO) and its primary functions will be to undertake marketing of the subregion as a single destination and coordination and monitoring of the the seven programmes and related projects. A full-time Executive Director would be appointed along with a Program Manager and a Secretary. It is also proposed that the TWG will be strengthened by the creation of national GMS TWG Committees that should include public sector stakeholders in the program areas that are not currently represented on the TWG (natural and cultural heritage agencies, transportation agencies and other national government agencies that impact on the tourism sector). The cost of the MTO over the first two years of operation is estimated at around US\$100,000 for 2006. Additionally the marketing budget requirements for 2006 is set at US\$ 150,000. The proposed cost of operating the MTO (salaries of the staff and administration and overheads) will be financed through a payment of US\$ 15,000 by each country.

65. The representative of Cambodia suggested that the name of the Mekong Tourism Office should be changed to Mekong Tourism Coordinating Office (MTCO). Cambodia agreed that it should be based in Bangkok and suggested that it should be rotated to the other GMS countries once it was fully established, the rotation of the MTCO should be based upon the alphabetical order of the GMS countries. The issue of how long it should stay in each country should be clarified well in advance in order to give the next host country time to prepare. He further noted that Cambodia agreed to the \$US15,000 to start the MTCO and the contribution will be initially for the first year.

66. The representative of Yunnan expressed no objections to the draft Declaration.

67. The representative of Myanmar stated that for funding provision she will need the approval of higher authorities.

68. The representative of Lao PDR mentioned that the rotation of the MTCO every three years will be expensive and bring about certain problems.

69. The representative of Vietnam advised that as the requested amount of 15,000 \$US had not been included in the 2005 budget, it would need to be included in the 2006 budget and paid in 2006.

70. The representative of Thailand agreed with the change of name from MTO to MTCO and further stated that Ministry of Tourism and Sports is ready to host the office in Bangkok. The contribution, to be paid by September 30 might be considered too early for Thailand's financial year. Therefore, she proposed to change the date to December 31, 2005. After the contribution for 1 year, the performance of this office would be evaluated.

71. The HRD Consultant, GMS Tourism Strategy Project reminded the meeting that during the first subregional workshop in Bangkok, the countries were divided on whether the Executive Director should be a GMS national or not. Three countries explicitly stated that ability and capacity, rather than nationality, should be the basic criterion. The Job and Person Description clearly describes the responsibilities to be carried out by the Executive Director. She also reminded the body about the discussion at the subregional workshop about changing MTO to MTCO. This would weaken the image of that office and will not give the Executive Director much authority if he or she were seen as only coordinating projects.

72. The representative of Thailand agreed with the observation of the HRD Consultant on ability, rather than nationality as the criterion for choosing the GMS Executive Director. She also mentioned that Thailand had no objections to including the term "Coordination" in the MTO as the name of the office.

73. The adviser, Mekong Tourism Development Project, National Tourism Authority of Lao PDR observed that the contribution of US\$ 15,000 amounts to only one penny per tourist arrival to the region, hence it is extremely reasonable as a contribution to the MTO, which can attract private sector funds if it has the right person leading it.

74. The representative of ADB stated that if Myanmar and Vietnam still had to consult higher authorities in their countries, they could sign the Draft, provided that a footnote be added to the Declaration stating that approval from higher authorities still had to be sought

to make the Declaration binding. The representative of Vietnam agreed with ADB's suggestion.

75. The representative of Myanmar advised that Myanmar in principle agreed to the Declaration as drafted, but indicated that this would be subject to approval of the higher authorities of Myanmar. The representative of Myanmar also suggested the use of the phrase to "positively consider" rather than the term "commit" in paragraph four of the Siem Reap Declaration.

The Siem Reap Declaration on Mekong Tourism was then signed, as per the attached Annex 5.

DATE AND VENUE OF THE NEXT MEETING

76. The Meeting agreed that the 17th Meeting of the Working Group on the Greater Mekong Subregional Tourism Sector would be held in Luang Prabang, Lao PDR. The event will be held in early April 2006 and the dates will be confirmed by Lao PDR.

OTHER MATTERS

77. The countries approved in principle the draft GMS Tourism Sector Strategy subject to the confirmation of their higher authorities, the inclusion of Guangxi Autonomous Region and inclusion of their comments. The TWG encouraged the ADB consultant finalize the Strategy and Action Plan and submit a copy to each member of the TWG before 15 June 2005. The representative of ADB informed that a workshop will be organised in June 2005 by the ADB consultant to discuss the revised Strategy including Guangxi Autonomous Region. The ADB representative informed that the conclusions of the 16th TWG will be reported to the next GMS Senior Officials Meeting.

78. The representative of ESCAP informed the Meeting that an inter-agency meeting on tourism and poverty alleviation and an intergovernmental meeting on sustainable tourism development will be held at Bali, Indonesia on 15-18 November, 2005. He hoped all GMS countries will participate.

79. The TWG agreed to hold the 11th MTF in conjunction with the PATA Annual Conference at Pattaya, Thailand in late April 2006.

80. Lao PDR expressed the concern that the wider needs of the GMS might be lost in a large forum like the PATA Annual Conference. The PATA representative explained that the 11th MTF in Pattaya is only a transition event until such time that the MTCO would have been established and could organise the MTF according to the needs of the GMS. In this context, the representative of Lao PDR announced that they planned to organise a tourism investment round table in conjunction with the TWG meeting in Luang Prabang in early April 2006, and requested SNV, ADB, and PATA support for this round table.

81. The governments of France, New Zealand and Singapore expressed their interests in becoming development partners in support of the implementation of the Strategy and participate in future TWG meetings.

APPRECIATION

82. The Meeting expressed appreciation to the Ministry of Tourism, 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

83. The Report of the 16TH Meeting of the Working Group on the Greater Mekong Subregion Tourism Sector was adopted on 27 March 2005.
