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**MAJOR ISSUES IN TOURISM DEVELOPMENT IN THE ASIAN AND PACIFIC
REGION: ENHANCING THE ROLE OF TOURISM IN SOCIO-ECONOMIC
DEVELOPMENT AND POVERTY REDUCTION**

(Item 5 (a) of the provisional agenda)

Note by the secretariat

SUMMARY

The words “tourism activities” bring to mind the picture of people enjoying leisure pursuits and recreation and spending income on travel and other experiences associated with it. On the other hand, poverty reminds us of the misery of people suffering from limited socio-economic means. How can there possibly be any relationship between tourism and poverty?

The present document examines the potential that clearly exists for tourism to contribute to poverty reduction. In particular, it identifies the opportunities for mutual benefit for both tourism development and poverty reduction, with examples of pro-poor tourism initiatives implemented in selected countries of the region. The document identifies challenges to the effective use of tourism as a tool for poverty reduction as well as some of the negative impacts inherent in pro-poor tourism initiatives. It also discusses some essential elements that can make tourism-related initiatives for poverty reduction more workable.

The document concludes with a set of recommendations for tourism interventions to play an effective role in poverty reduction, which could form part of the second phase of the Plan of Action for Sustainable Tourism Development in the Asian and Pacific Region (2006-2012).

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Introduction

1. Tourism is one of the largest and fastest-growing industries in the world and has an impact far beyond its economic and business aspect. Recent estimates by the World Travel and Tourism Council indicate that the tourism industry contributes around 10 per cent of global gross domestic product and provides employment for some 215 million people worldwide. The World Tourism Organization reported that over 760 million people travelled as international tourists in 2004 and that the Asian and Pacific region recorded 152.9 million arrivals, about 20 per cent of the world total. Barring the escalation of recent disasters and crises, there is little doubt that tourism is on its way to becoming the largest industry in the world and is an increasingly important catalyst for globalization in terms of intensified economic, social and cultural relations across borders.

2. One fact of life, however, is that tourism tends to take place only in those parts of a country that are attractive and relatively easily accessible to travellers. As a result, cities, cultural sites and beaches are the most visited tourism sites, while rural or peripheral areas of countries may miss out on the benefits that tourism can generate. However, these rural or peripheral areas possess abundant tourism potential, both natural and cultural, which can be developed provided that appropriate strategies and policies are devised. These developments would also benefit the poor segments of the population residing in those areas.

I. CAUSES AND MANIFESTATIONS OF POVERTY

3. If tourism is to become a more effective tool for poverty reduction, it is necessary to understand the root causes of poverty and determine appropriate points of intervention in the vicious circle of poverty. As identified by the World Bank in its *World Development Report 2000/2001*,¹ the primary causes of poverty can be summarized as follows: (a) lack of income and assets to attain basic necessities, food, shelter, clothing and acceptable levels of health and education; (b) a sense of being powerless and marginalized from various institutions, including discriminatory social conditions and lack of civility and predictability in interactions with public officials; and (c) vulnerability to various risks of health, natural or man-made hazards and inability to recover speedily from such shocks economically, socially, physically and emotionally.

4. There are also more global causes of poverty. These encompass such issues as national and regional economic growth, inequality of income distribution and instability in governance.

5. To bring about a change in the conditions of poverty, it is essential to address it at the local, national and global levels. At the local level, poverty manifests itself in the form of poor health, limited access to medical facilities, illiteracy, irregular income, informal employment, lack of freedom to choose a desired quality of life, lack of land tenure for housing and lack of basic infrastructure. At the national level, this can be reflected in socio-economic indicators that capture the extent to which

¹ New York, Oxford University Press, 2001.

the benefits of growth and development are shared equitably among various segments of the population.

6. Taking into account the root causes of poverty, in order to reduce it, there is need to focus on increasing incomes and accumulating the basic assets of the poor; increasing the ability of the poor to articulate their needs and to have them broadly recognized and acted upon; and increasing the resilience of the poor to economic, man-made and natural shocks.

7. Tourism can act as an entry point in the poverty reduction process by breaking into the vicious circle of poverty at strategic stages. However, special care needs to be taken to ensure that tourism does not increase the vulnerability of the poor to external shocks.

8. Consequently, the challenge for tourism to serve as a tool for poverty reduction is how and where the tourism industry can provide the poor with better opportunities, empowerment and security.

II. RELATIONSHIP BETWEEN TOURISM AND POVERTY REDUCTION

9. Until recently, those engaged in promoting tourism development have not sought to demonstrate the impacts of tourism on poverty reduction. The focus has been on the macroeconomic impact and its potential to bring economic benefits to poor and marginalized individuals and communities rather than on measuring and demonstrating specific impacts on poverty.

10. The focus of most interventions has now shifted from identifying ways in which economic growth in developing countries can contribute to overall development to greater concern about the distribution of the benefits and costs of growth as well as a much greater and specific focus on the reduction of poverty. In many quarters, there is growing recognition that economic growth alone may not necessarily reduce poverty. Policy commitments to reduce poverty can only be successful if specific and concerted efforts are made to raise the well-being of the poor in developing countries. Within tourism planning and development circles, there seems to be a growing realization that tourism development as it is currently promoted may not be reducing poverty per se and that pro-poor tourism policies and practices thus need to be further refined.

III. PRO-POOR TOURISM

11. Development economists and policymakers use the language “pro-poor” to differentiate between economic development in general and the form of economic development which has a positive impact on the lives of poor people and enables them to rise out of poverty. Moreover, there is wide debate regarding what types of growth constitute “pro-poor growth”. The proposed definitions range between those which suggest that growth must benefit the poor disproportionately in order to be considered “pro-poor growth” to a less stringent definition which suggests that growth that accrues net benefits to the poor is pro-poor, regardless of the impact of that growth on the non-poor. In this context, the phrase “pro-poor tourism” refers to interventions within the tourism sector that focus on addressing poverty to generate net benefits for the poor.

12. “Pro-poor tourism” is not a specific tourism product or subsector: it is an overall approach designed to unlock opportunities for the poor. There are a number of key elements which can make tourism an effective tool for poverty reduction. For example, tourism is consumed at the point of production when tourists make direct purchases from the poor. This local spending provides additional revenues to local communities and enhances local economies. Many poorer areas have a comparative advantage over more developed areas in terms of tourism resources, such as culture, art, music, landscape, wildlife and climate. This may provide these regions with an opportunity for high-quality tourism development.

13. Tourism can contribute to a geographical spread of employment, especially to rural and remote areas located far from the main centres of economic activity where there may be limited alternatives for economic development. Tourism is a more diverse and versatile industry that can support a range of income-earning opportunities, providing both flexible or part-time jobs and full-time employment. Being a labour-intensive industry, tourism offers a wide range of different employment opportunities easily accessible by the poor as well as opportunities for vocational skills training that can prepare them for other forms of employment. Compared with other industries, tourism employs more women and young people.

14. Tourism can create opportunities for many small entrepreneurs, as it is a sector in which start-up costs and barriers to entry are generally low or can be easily accessible to the poor. In addition, tourism can provide many non-material benefits for the poor, such as enhancing cultural pride, and giving them greater awareness of the natural environment and its economic value and a sense of reduced vulnerability through the diversification of income sources.

15. The development of tourism infrastructure can also benefit the livelihood of the poor through improved transport and communications, water supply and sanitation, energy, public security and health services that benefit both tourism and community development.

IV. TOURISM AND POVERTY REDUCTION: OPPORTUNITIES FOR MUTUAL BENEFIT

16. A number of key mechanisms can be utilized in order to enhance access by the poor to the benefits of tourism development. Within these strategies, clear opportunities arise for the tourism industry to benefit from the inclusion and engagement of the poor.

A. Employment of the poor

17. The tourism industry provides the poor and weaker segment of the society, such as unskilled youth, women and disabled people, with a range of employment opportunities, within various tourism businesses such as hotels, resorts, attractions and tour services. This approach requires tourism businesses to engage in proactive hiring and training which may in turn secure enthusiastic and dedicated local staff and help to reduce staff turnover rates.

B. Supply of goods and services

18. Tourism businesses that purchase goods and services directly from the local poor or enterprises employing the poor will maximize local economic benefits. At the same time, tourism businesses involved in buying local supplies can reduce their operating costs, add a local flavour to their customers' experience and build a positive relationship with local communities.

C. Direct sale and provision of services through the informal sector

19. Along with tourism development, poor people can earn additional income through the sale of local produce and services directly to visitors. This may include, for instance, the setting-up of food stalls, the sale of fruits and the handicrafts and the provision of guiding services and transport. This informal economy is largely unregulated and could be coordinated and supported appropriately by local authorities to ensure that the products and services offered are provided in an organized manner and at prices that are fair to both suppliers and visitors. Such an approach could include providing the poor with training programmes on quality improvement of products and marketing techniques to enable them to capture the increasingly sophisticated demand for high-quality products using local traditional materials from both international and domestic tourists and other consumers.

D. Establishment of tourism enterprises by the poor

20. The support of tourism enterprises established and managed by the poor not only allows new income opportunities to individuals or associations of poor people but also an opportunity to promote tourism development that features local identity and culture. Examples of successful tourism enterprises run by the poor include the provision of accommodation, catering, transport, retail outlets, guiding services, especially the interpretation of the cultural or natural heritage, entertainment and other services. However, support in terms of small loans and business development training is particularly needed. In the area of guiding services support and training from fine arts colleges and universities in the interpretation of the cultural and national heritage, as well as in basic language and skills, are also required.

E. Integration of mainstream tourism with pro-poor initiatives

21. While newly emerging niche markets such as ecotourism, cultural tourism and adventure tourism, including home-stay experiences, are naturally suited to pro-poor tourism interventions, mainstream tourism can play a more significant role in poverty reduction initiatives. As indicated earlier, mainstream tourism is already a major employer including parts of poor communities. While it provides a number of manual jobs as gardeners, maids, handymen and janitors, which are easily accessible by the poor, there is still potential for expanding job opportunities. The use of locally produced furnishings, among other things, can also generate jobs.

22. By paying closer attention to pro-poor, socially responsible practices in all areas of its operations, mainstream tourism can contribute to reducing the incidence of poverty and increasing its market share. The integration of pro-poor initiatives with mainstream tourism provides an additional marketing tool to the hospitality sector as it becomes recognized as a socially responsible industry and is thus rewarded with more patronage by tourists. The interaction between the mainstream tourism industry and poverty reduction projects helps tourism businesses to adopt sound pro-poor decisions and options while fostering more sustainable local community development.

23. While opportunities for mutual benefits between mainstream tourism and poverty reduction clearly exist, there is a need to examine the costs and benefits in more depth as well as to assess the impacts of mainstream tourism development on poverty reduction in order to improve the efficiency of transmission mechanisms to the poor and the formulation and development of sound and responsible policies and interventions.

24. In acting as an entry point in the poverty reduction process, interventions of the type outlined above can increase the capacity of the poor to adopt more broadly based poverty reduction strategies, thereby increasing their resilience to external shocks.

V. BENEFITS FOR ALL TOURISM STAKEHOLDERS

25. It is now recognized that there is a mutually advantageous relationship between poverty reduction and the development of quality tourism, in which all major tourism stakeholders, Governments, the poor, businesses and tourists, benefit. Linking tourism development to poverty reduction should therefore become an important priority for all tourism stakeholders.

26. For the Government, the tourism sector has become a significant source of investment and tax earnings. It also acts as an effective and often efficient tool for economic and social development, especially in rural and remote areas, by providing a wide range of monetary and non-monetary benefits.

27. With respect to the poor, tourism can bring additional income-earning possibilities and provide the opportunity to actively contribute and participate in its activities, through the establishment of small-scale enterprises that cater for tourists and supply products to hotels and restaurants or employment in hotels, restaurants or travel companies. While the income generated from these informal activities may be small, it still represents a critical buffer against poverty. Tourism development can also bring non-economic benefits as well as preserve and promote the cultural traditions of local communities and restore community pride.

28. In implementing poverty reduction strategies and policies, businesses can derive a number of direct and indirect benefits, such as diversifying and improving products and meeting emerging consumer demands. Tourism operators who accept to work more closely with the local poor can

assist the small-scale tourism industry in creating products and providing services that respond better to visitors' expectations.

29. In line with new trends in international travel, market segmentation in the form of ecotourism, cultural tourism and adventure tourism is becoming more evident and successful. Tourists are now showing more interest in authentic, interpersonal experiences with local people. Involving local communities in tourism development facilitates authentic tourism experiences and fosters a positive atmosphere and attitude to tourism and host-guest experiences.

30. With careful planning, positive partnerships between the private and public sectors, concern for the social, economic and environmental impact and a clear view of responsible tourism, countries can use tourism strategies as an important development tool for poverty reduction.

VI. SELECTED PRO-POOR INITIATIVES

31. Given the advantages and opportunities for linking poverty reduction and tourism development, a number of initiatives have been implemented in the Asian and Pacific region.

32. The secretariat's initiatives in this regard have included the organization of the Regional Workshop on Urban Tourism and Poverty Alleviation, held in Colombo in November 2002, and the Seminar on Poverty Alleviation through Sustainable Tourism Development, held in Kathmandu in August 2003. These two regional meetings contributed to strengthening the capability of government tourism agencies to formulate appropriate strategies for reducing poverty through tourism by recommending a series of measures and actions to be taken in such areas as overall policy initiatives, product development and promotion, cross-sectoral partnerships, training, research and study, awareness and financial and technical assistance. Further, the publication, *Poverty Alleviation through Sustainable Tourism Development*,² was issued in August 2003. Emerging from these activities, there was general agreement on the urgent need to identify how to measure the impact of various public, private and non-governmental initiatives on poverty reduction. More recently, the Expert Group Meeting on Measuring and Assessing the Impact of Tourism Initiatives on Poverty Alleviation was held in Bangkok in October 2004. The Meeting discussed the various approaches and frameworks available for measuring the impact of tourism initiatives on poverty reduction. It also laid the basis for the development of indicators that could be used across the region in helping to compare the success and failure of various initiatives and providing stakeholders with commonly understood benchmarks.

33. The following selected examples of country initiatives provide suggestions and highlight lessons as to how tourism training institutions and programmes can meet the challenges, and capitalize on the opportunities, in addressing poverty reduction.

² United Nations publication, Sales No. E.03.II.F.46.

A. Development of the historical site of Khajuraho (India)

34. Khajuraho is a small remote village in the provincial State of Madhya Pradesh in Central India and the home of several temples built between 950 and 1050 AD under the rule of the Chandela kings. Today, the site constitutes one of the world's great artistic wonders. In view of the potential of the temples for both domestic and foreign tourism, efforts were made to bring the site on to the tourist map. A total package was therefore required to bring the place within the reach of tourists. A few moderate hotels were built there and by the early 1960s foreign and domestic tourists had started to visit Khajuraho. As connectivity by surface routes was extremely difficult, an airport was built and proved to be a turning point in the development of Khajuraho as a tourist destination. Since then, other basic tourism infrastructure and amenities have been developed.

35. As a result, Khajuraho is now equipped with road access, electricity, a water supply system, a hospital, two schools and a number of large and small hotels. Over 3,000 persons are employed in the tourism industry. The level of education, health care and income has gone up. Khajuraho now draws people from other nearby villages to support the growing tourism industry. A major impact of the tourism development has been the resurgence of the local handicraft industry. The growth of tourism has also created large-scale indirect employment in other sectors of the local economy, such as small farms producing fruit and vegetables. The development of Khajuraho has thus paved the way for employment generation and poverty alleviation in the entire region.

B. Natural resource management for local community empowerment (Indonesia)

36. This project is a joint venture between the local government and the Patra Pala Foundation, supported by the Japan International Cooperation Agency. The objectives are (a) to provide an alternative income for villagers surrounding the Borobodur World Heritage Site by developing environmentally friendly agro-forestry activities, (b) to develop community-based ecotourism, (c) to build capacity in the communities by providing a training centre in the village, (d) to improve awareness of the importance of resource management among the community, and (e) to establish a community forum as a means of communication for networking and monitoring. While the essence of the project is to improve the awareness of the communities of the importance of protecting their own environment and to develop related ecotourism activities, one additional component of the project is finding out what impact these activities have on community welfare. Since the communities are directly involved in the management of the financial assistance, they discuss and decide on the programme activities, such as eco-guide training and handicraft production, which in turn provide them with additional income.

C. Development of the historical city of Bhaktapur (Nepal)

37. Bhaktapur is a town of historical significance and the home of medieval art and architecture. The city attracts a large number of tourists. Bhaktapur also serves as an intermediate stop between

Nagarkot, Changu Narayan and Dhulikhel, which are also tourism destinations. The presence of a traditional handicraft industry and local festivals support the growing tourism industry of Bhaktapur to a significant extent, which in turn contributes to the expansion of the service industry. With the objective of improving its potential for tourism, the Bhaktapur Tourism Development Committee was established in 1997. Its main function is to identify measures that contribute to the conservation and development of historical and cultural sites as well as traditional skills and technologies. The Committee is also involved in developing training programmes and disseminating information. One of the key challenges for the concerned authorities in Bhaktapur is to create a business environment conducive to stimulating the involvement of the private sector and local communities in the tourism industry. Currently, the Bhaktapur municipality is launching overall programmes to encourage tourism through active and transparent community participation.

D. Development of Ban Prasat archeological site (Thailand)

38. Ban Prasat, a medium-sized village surrounded by paddy fields, vegetable plots and palm plantations, is located in Nakhon Ratchasima Province, in the north-eastern part of Thailand. Discoveries from the archeological excavations at Ban Prasat suggest that there was an ancient settlement in this area about 3,000 years ago and it has now become an archeological attraction with high potential. The Tourism Authority of Thailand has decided to promote this village as a major stop on the tourism circuit in the north-east. The village development project was thus launched focusing on handicraft promotion in a bid to produce local souvenirs to meet visitors' demands. In addition, in 1997 a "home-stay" programme was organized in the village to accommodate Thai and foreign visitors alike. The activities included in this programme range from observing the way of life and studying the archeological site to visiting village activities (local handicrafts, weaving, cooking). As a result, the people of Ban Prasat have gained more jobs and earned extra income from the sale of handmade products.

E. Development of the mountainous site of Sapa (Viet Nam)

39. Sapa is a mountainous area of Lao Cai Province in the most northern part of Viet Nam. Located at an altitude of 1,500-1,600 metres, Sapa has a natural landscape and climate that has always been very attractive to tourists. Its diversity of ethnic cultures was also considered an additional advantage for tourism development. Consequently, Lao Cai Province issued a resolution directing that tourism should be developed as the spearhead economic sector for the province and related investment is promoted both in the province and in Sapa. The local authorities took appropriate steps to develop town planning, promote investment in basic technical infrastructure, and develop roads, transport systems and main tourist routes. With assistance from the Netherlands-based international development organization (SNV) and the World Conservation Union, a pilot community-based project is being implemented in Sapa with the objective of developing tourism in a sustainable manner, involving the participation of local ethnic people in tourism activities as much as possible.

40. Thanks to these efforts, the face of the town has changed dramatically. The provision of electricity and communication and postal services has improved remarkably; water supply and garbage collection have also improved. In addition, scenic gardens, ecotourism complexes and parks have been developed. Local ethnic minority communities have started to gain financial benefits from tourism through the sale of local ethnic products and jewellery as souvenirs. Initiatives such as the embroidered handicraft project with the assistance of Oxfam Quebec and “Craft link”, as part of the Vietnam-Sweden Mountain Rural Development Programme, also help to preserve the traditional crafts of ethnic minority communities and improve the quality of the products, while helping local people to earn additional income at the same time.

F. Community-based tourism development in Thua Thien Hue (Viet Nam)

41. In July 2003, SNV and the Tourism Department of Thua Thien Hue entered into a partnership to support the community-based development in Thua Thien Hue, focusing particularly on poverty reduction and rural development. The Doi village community was chosen as the target group for this initiative. Doi village, Thuong Lo commune, is located in Nam Dong District of Thua Thien Hue Province, approximately 60 kilometres from Hue city. The village is nestled in a scenic mountain valley and is adjacent to Bach Ma National Park. Its residents are of the Katu ethnic minority group and were originally the masters of the upper source of the Huong River. Today, most of the Katu are still economically poor subsistence farmers.

42. The key objective of this project is to use community-based cultural tourism development to increase local income-earning opportunities, support cultural revitalization, increase awareness of the sustainability issues related to tourism development and enhance local governance.

43. At the beginning of the project, tourism was a very new concept to the people of Doi village, and an unknown activity. It became immediately clear that in order to maximize local participation and the benefits from tourism some specific training would be required. It was thus considered pragmatic that training should focus on vocational skills training that would enable local participants to learn the specific skills needed for participation in tourism activities. The training covered all these issues as well as how to maximize the local traditional knowledge and skills and the resources already available in the community. The project entrusted the Hue Tourism College with the task of devising unique and specialized training programmes for the village participants. Current training curriculums were adapted to focus on the primary skills and concepts needed and more formal classroom educating techniques were replaced with opportunities for discussion and group learning activities.

44. As a result of this strategic training outreach support programme developed by Hue Tourism College, and after several practice sessions, the community of Doi village was able to host its first group of tourists within six months of the start of the project. This has resulted in a much quicker return of benefits to the project participants than would otherwise have occurred. Overall, this initiative has been successful in creating new jobs and income-earning opportunities for some of the

poorest people in the district, and at the same time has provided opportunities to practise once again the cultural traditions of song, dance and handicrafts that were being eroded as a result of the pressures of poverty. The early successes of the Doi village community tourism initiative can also be attributed to several effective and strategic partnerships. SNV and the Hue Department of Tourism have worked closely with the local community and other local partner organizations, such as the local Youth Union, the Nam Dong District People's Committee, the Dong Kinh Tourism Company and Hue Tourism College.

G. Lessons learned

45. As evidenced by the selected initiatives outlined above, there are clear linkages between poverty reduction, management of the environment and cultural heritage, and tourism development. Tourism activities provide a market that becomes more and more diversified and sophisticated and with which the poor can be associated and from which they can benefit. At the same time, most of the tourism initiatives have focused on promoting pro-poor sustainable economic growth, access to assets, management of natural resources and the environment and the development of human resources. This is also in line with the Johannesburg Plan of Implementation adopted by the World Summit on Sustainable Development held in 2002, which included action to develop programmes, including education and training programmes, that encourage people to participate in ecotourism, enable indigenous and local communities to develop and benefit from ecotourism, and enhance stakeholder cooperation in tourism development and heritage preservation, in order to improve the protection of the environment, natural resources and the cultural heritage.

VII. CHALLENGES TO TOURISM-RELATED POVERTY REDUCTION

46. As demonstrated by the above initiatives, tourism development has had a positive impact on the livelihoods and welfare of poor people. However, pro-poor initiatives may place substantial pressure on communities if they are not well managed. With the sudden surge of tourism activities and exposure to a more sophisticated lifestyle, the cost of living of local people tends to increase. Similarly, in terms of non-economic impacts, tourism projects aimed at promoting natural and cultural resources may turn local traditions and ways of life into commodities, as well as lead to deterioration of the environment and displacement of the traditional residents.

47. Within Asia, Governments have only recently targeted the informal tourism sector by providing tourism services and tapping its significant potential of helping to reduce poverty. Similarly, there is very little recognition by aid agencies of the potential of tourism development. One of the challenges is to work with those agencies to demonstrate the essential role that tourism can play in helping to address key development issues such as poverty, gender, infrastructure and the provision of health services. In many instances, the poor lack the ready access to credit that is essential to help them to participate in the tourism economy. Governments, and in particular, regions and

communities, lack the essential market knowledge to enable them to develop pro-poor tourism strategies and products based on sound market information.

48. The ESCAP publication, *Poverty Alleviation through Sustainable Tourism Development*, mentioned earlier, provides guidance on addressing these issues. While the manual provides practical processes and techniques for achieving pro-poor tourism, it describes how tourism can reduce poverty and give public officials the tools to develop policies locally. It provides all stakeholders with realistic information on tourism development: how to gather and analyse information, make decisions, develop products, implement a marketing strategy and monitor the development process.

VIII. ESSENTIAL ELEMENTS FOR MAKING TOURISM-RELATED INITIATIVES FOR POVERTY REDUCTION MORE WORKABLE

49. While it is clear that tourism can become an effective tool for helping to address poverty, there needs to be a paradigm shift in the way that tourism development issues are addressed and the nature of the policies, plans and practices that are used in order to ensure that the poor benefit from the tourism development process. In this context, some of the essential elements could include the following.

50. National and local government authorities, as well as international organizations and academic institutions, could lend their support to pro-poor initiatives.

51. Particular attention should be paid to the development of implementing mechanisms to ensure public and private partnership cooperation. In this connection, Governments may identify specific zones or areas within the country in which tourism-related public-private investment, with a focus on poverty reduction, can be encouraged.

52. Public participation in the tourism planning and management process is essential for successful pro-poor tourism initiatives. It is important to secure the commitment of quality community leadership and to make the community aware of the positive as well as negative impacts of tourism.

53. Access to tourism training opportunities for the poor should be improved. Vocational skills training should be based on both the current abilities of training participants and the jobs in which they will be likely to engage. Activities such as tourist guiding, especially dealing with the local traditions and culture of ethnic minority groups, should be enhanced through tourism training. Small-scale businesses and entrepreneurial skills training will also provide poor people with a wider range of opportunities to engage and expand their tourism business activities and enhance their abilities to manage their earning efficiently.

54. While tourism can be developed as an entry point in the poverty reduction process, recent disasters and crises have demonstrated that there are significant risks in relying upon tourism as the sole means of reducing poverty. Consequently, there is a need for agencies and ministries outside the

tourism sector to assist in more broadly based poverty reduction programmes while linking with the tourism sector. This broad approach will minimize some of the employment and income generation risks inherent in the tourism sector.

55. There are many institutions, organizations and programmes seeking to provide economic and livelihood enhancement opportunities for the poor that can be achieved through enhanced links to the tourism industry. Partnering and networking with other supporting institutions, organizations and programmes could be instrumental in achieving pro-poor tourism objectives.

IX. CONCLUSIONS AND RECOMMENDATIONS

56. In the final analysis, it is evident that not only is tourism particularly well suited to poverty reduction but, equally important, high-quality and sustainable tourism development is strongly dependent on poverty reduction. Indeed, tourism development should seek to optimize the opportunities to engage the poor as partners in tourism development and see them as assets to be developed.

57. A number of knowledge management and development measures therefore need to be explored in order to ensure better understanding of pro-poor tourism and how to measure its impacts.

58. As an initial step, it would be essential to develop a definition of the poor that can be affected positively by tourism development. It is recognized that it will be very difficult to reach the poorest of the poor using many of the tourism interventions that have been implemented so far. This issue must be further explored in order to be able to determine conclusively the role of tourism in reducing poverty among the poorest people in any society.

59. Governments need to develop tourism policies and practices that ensure the equitable distribution of tourism benefits to the poor. The establishment of a network of advocates on pro-poor tourism to exchange information and knowledge might help in this respect. Action should also be taken to increase awareness leading to advocacy and actions on gender-related issues in tourism development and poverty reduction.

60. It is important to draw on the expertise of poverty specialists who are concentrating on how Governments, non-governmental organizations and aid agencies can use tourism as an important tool in helping to improve the living conditions of the poor. This is especially important given the growth patterns in many Asian countries.

61. Identifying or enhancing capacity-building in the planning and implementation of pro-poor tourism initiatives, including the provision of training, requires urgent attention.

62. The use of local resources and services in tourism-related operations should be encouraged. The promotion of local arts and crafts, as well as local entertainment, should be intensified in order to increase income levels and ensure the preservation of local culture.

63. Efforts should be made to better foster and support the development and operations of pro-poor micro, small and medium-sized tourism enterprises. In addition, measures need to be taken to develop and implement tax incentives to support pro-poor tourism interventions in general and those pro-poor tourism enterprises in particular.

64. Collaboration should be promoted among Governments, the private sector and other stakeholders involved in tourism activities so as to develop entrepreneurial and employment opportunities for the poor.

65. There is a clear need to integrate mainstream tourism with pro-poor tourism initiatives more closely. An example of such integration can be realized through the design of a concept whereby a rating can be given to hotels that adopt pro-poor tourism interventions, using criteria such as the share of employed unskilled local poor, the extent of local supply purchases and the promotion of local products and handicrafts in their operations or boutiques.

66. ESCAP should pursue its activities related to the linkage of sustainable tourism development and poverty reduction, particularly the measurement and assessment of the impact of tourism initiatives on poverty reduction and the exchange of best practices. At the same time, efforts should be made to build and strengthen the evaluation skills of tourism projects, including impact assessment techniques.

X. ISSUES FOR CONSIDERATION BY THE MEETING

67. In order for tourism interventions to play an effective role in poverty reduction, the Meeting may wish to consider the measures and recommendations outlined in this document and provide guidance on how they could be included in the second phase of the Plan of Action for Sustainable Tourism Development in the Asian and Pacific Region (2006-2012).

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