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**MAJOR ISSUES IN TRANSPORT, TOURISM AND INFRASTRUCTURE
DEVELOPMENT: ENHANCING THE ROLE OF TOURISM IN
SOCIAL AND ECONOMIC DEVELOPMENT AND
MAJOR INITIATIVES OF ESCAP**

(Item 4 (c) of the provisional agenda)

Note by the secretariat

SUMMARY

Tourism is making a significant contribution to the socio-economic development of countries in the Asian and Pacific region through its potential to earn foreign exchange and create job opportunities.

The overall aim of the secretariat's work on tourism is to help Governments to maximize socio-economic benefits from tourism development while minimizing any possible social, environmental or other adverse impacts. Major initiatives of the secretariat include the launching of the Plan of Action for Sustainable Tourism Development in the Asian and Pacific Region, following its adoption by the Commission at its fifty-fifth session in 1999. Another important initiative is the establishment of the Network of Asia-Pacific Education and Training Institutes in Tourism. Currently, 179 education and training institutes and national tourism organizations in 41 countries and areas are participating in the Network's activities.

The present document highlights major initiatives of the secretariat related to the Plan of Action and the Network. It outlines the secretariat's recent initiatives related to poverty alleviation through tourism development. It also describes the plans for an intergovernmental meeting on sustainable tourism development in the Asian and Pacific region to be held in Indonesia in November 2005.

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Introduction

1. Over the past few decades, the tourism industry has experienced phenomenal growth. International tourism arrivals in 2002 exceeded 700 million, generating US\$ 474.2 billion in worldwide receipts. It is estimated by the World Travel and Tourism Council that the tourism industry contributed to around 10 per cent of global GDP and the employment of 215 million people.

2. During the period 1990-2002, Asia and the Pacific outperformed the rest of the world in tourism growth, with arrivals increasing by 7.1 per cent annually (compared with 3.7 per cent for the world), raising the global share from 12.7 per cent in 1990 to 18.7 per cent in 2002. Over the same period, tourism revenue in the region more than doubled, from US\$ 40.8 billion in 1990 to US\$ 94.7 billion in 2002. Travel and tourism in the region have created 115 million jobs and made a significant contribution to GDP (North-East Asia, 9 per cent of GDP; South-East Asia, 7.56 per cent; South Asia, 4.87 per cent; and Oceania, 13.55 per cent).

International tourist arrivals, 1990-2002

	International tourist arrivals (millions)					Percentage share 2002
	1990	1995	2000	2001	2002	
World	455.9	550.4	687.3	684.1	702.6	100
Africa	15.0	20.0	27.4	28.3	29.1	4.1
Americas	93.0	108.8	128.0	120.2	114.9	16.3
Asia and the Pacific	57.7	85.6	115.3	121.1	131.3	18.7
Europe	280.6	322.3	392.7	390.8	399.8	56.9
Middle East	9.7	13.6	24.0	23.6	27.6	3.9

Source: World Tourism Organization.

I. PLAN OF ACTION FOR SUSTAINABLE TOURISM DEVELOPMENT IN THE ASIAN AND PACIFIC REGION

A. Implementation of the Plan of Action

3. The Plan of Action for Sustainable Tourism Development in the Asian and Pacific Region (1999-2005) was launched by the secretariat, following its adoption by the Commission at its fifty-fifth session in 1999. The Plan provides a framework for strengthening national capabilities and encouraging regional cooperation, sets general requirements for sustainable tourism development and proposes actions at the national and regional levels. The six theme areas of the Plan are (a) human resources development in the tourism sector, (b) the economic impact of tourism, (c) environmental management of tourism, (d) infrastructure development and investment for the tourism sector, (e) facilitation of travel and (f) regional and subregional cooperation in tourism development.

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4. Countries in the region have been making significant progress as evidenced by reports on the implementation of the Plan of Action from 18 countries and areas submitted to the Committee on Transport, Communications, Tourism and Infrastructure Development at its fourth session, held in November 2002. Reporting countries and areas stated that they have adopted the concept of sustainable tourism development and have encouraged concerned stakeholders to participate actively in that process. In this context, mention was made of initiatives taken in relation to the development of tourism master plans, as well as strategies and programmes on environmental management of tourism. Implementation of programmes in the area of human resources development for tourism was also cited frequently. Several countries reported that they were developing programmes aimed at preserving and developing cultural heritage for tourism purposes. Also, during subsequent ESCAP seminars and meetings held during 2003-2004, participating countries reported government initiatives to strengthen their tourism industries within the framework of the Plan of Action.

B. Action taken by ESCAP

5. Capacity-building for achieving sustainable tourism development has been the focus of the secretariat's work on tourism. A series of regional, subregional and national seminars and meetings have been organized within the framework of the Plan of Action. They principally aimed at assisting countries in achieving sustainable growth in tourism by strengthening policy development capabilities and enhancing regional cooperation. Since the launching of the Plan of Action in 1999, 20 regional seminars and training programmes have been organized by ESCAP and hosted by 12 countries on issues related to human resources development, poverty alleviation and tourism, ecotourism, community tourism initiatives, tourism and air transport, cruise tourism, public-private partnerships, tourism investment, tourism statistics, Buddhist tourism circuits and crisis management. These programmes were designed to provide opportunities to share experience and good practices. In addition, the secretariat delivered 15 national-level seminars in Cambodia, China, Indonesia, the Lao People's Democratic Republic, Mongolia, Myanmar, Kyrgyzstan, the Republic of Korea, Thailand and Viet Nam. These seminars focused on enhancing national capabilities to formulate appropriate tourism development policies.

6. At the request of the respective Governments, advisory services were provided on the following subjects: exclusive tourist zone development (Bangladesh), national park management and ecotourism development (Pakistan), strengthening local participation in tourism development (Philippines) and promoting women's active involvement in tourism (Philippines). Thirteen publications were produced on the subjects of ecotourism, integrated planning for sustainable tourism development, human resource requirements of the tourism sector, tourism development along the Asian Highway, facilitation of travel, managing sustainable tourism development, poverty alleviation through tourism, promotion of Buddhist tourism circuits, barrier-free tourism and implementation of

the Plan of Action. In addition, the secretariat implemented activities to support the Working Group on the Greater Mekong Subregion Tourism Sector.

II. PROMOTION OF COOPERATION IN HUMAN RESOURCES DEVELOPMENT IN THE TOURISM SECTOR THROUGH THE NETWORK OF ASIA-PACIFIC EDUCATION AND TRAINING INSTITUTES IN TOURISM

7. The Network of Asia-Pacific Education and Training Institutes in Tourism (APETIT) was established by ESCAP in 1997. The overall objective of the Network is to promote cooperation among tourism education, training and research institutes, national tourism organizations and tourism trade organizations in human resources development in the tourism sector. Its activities are organized under the following seven groups: (a) Information Management and Communication; (b) Production of the APETIT Newsletter; (c) Student and Faculty/Staff Exchange and Development; (d) Education and Training Development; (e) Research and Development; (f) Sharing of Expertise; and (g) Membership Benefits. Information on the respective focal points and accomplishments of APETIT is given in annex I.

8. APETIT provides opportunities for cost-efficient cooperation with relatively minor budgetary implications for ESCAP. Under the APETIT framework, seminars, workshops, training programmes and advisory services can be organized with experts from APETIT member institutes acting as resource persons. Members' efforts and commitment to cooperation have made APETIT a strong regional cooperative network that has now grown to 179 members in 41 countries and areas.

9. One of the main challenges now facing the Network is how to make regional cooperation more relevant and beneficial to all members. In particular, there is a need to find ways to create conditions for reciprocity where all participants contribute to, as well as receive benefits from, exchanges through APETIT and thereby strengthen and deepen the impact of the Network's activities. Overcoming these challenges, possibly by encouraging increased private sector participation and possible sponsorship, would enable APETIT to realize greater opportunities from a growing membership. In this connection, the Network has initiated a series of actions with a view to further facilitating networking activities. The functions of focal points were realigned in a more focused way and a new focal point responsible for enhancing membership benefits was created. A directory of student and staff exchanges was completed. The directory provides profiles of 22 institutes in 13 countries which have agreed to enter into student and faculty exchange schemes within the APETIT framework. In addition, work is in progress on a directory of APETIT expertise that will provide profiles of experts who are available to render advisory services or act as resource persons in seminars and training programmes. The APETIT web site is currently being redesigned and is expected to be operational shortly.

III. POVERTY ALLEVIATION THROUGH TOURISM DEVELOPMENT

10. Globalization, which is accelerated by less costly, more frequent and faster transport, improved access to information technologies and freer movement of capital, goods and people, will continue to create enormous opportunities for the expansion of tourism. Consequently, tourism is expected to make an increasingly important contribution to socio-economic development in the region. However, in order to realize its full potential, there is a need to further strengthen the capacity of Governments to formulate and implement appropriate policies to ensure that the benefits from tourism are more widely shared, adverse impacts, especially on the fragile natural environment, are minimized and necessary support is provided to foster sound development of the industry.

11. Given the broad income and employment figures as well as the impacts outlined in the introduction to this document, tourism has considerable potential to contribute to poverty reduction in the region. However, in most countries, tourism initiatives are still only at the pilot stage and the measurement of their impact on the poor is inconsistent. It is also well recognized that there can be leakage of foreign exchange earnings from the tourism sector and that the distribution of the benefits of tourism varies with the market segment in which a country is focusing. Consequently, two of the challenges in the sector are to design or shape tourism interventions that maximize net foreign exchange gains and more effectively capture the industries' potential to improve the living standards of the poor.

12. In accordance with an instruction by the Commission at its fifty-ninth session, the secretariat is making special efforts to enhance the contribution of tourism to poverty alleviation. A Seminar on Poverty Alleviation through Sustainable Tourism Development was held in Kathmandu in 2003 as a follow-up to a Workshop on Urban Tourism and Poverty Reduction held in Colombo in 2002. The meetings provided opportunities to share experience and good practices related to poverty alleviation through tourism. A publication entitled *Poverty Alleviation through Sustainable Tourism Development* was issued in 2003. The publication provides government officials and other stakeholders with guiding principles and techniques to enhance the contribution of tourism to poverty alleviation.

13. Against this background, the ESCAP Subcommittee on Poverty Reduction Practices, at its first session, held in 2004, considered the issue of poverty alleviation through tourism development. The Subcommittee noted that tourism could be on the frontline of the struggle to reduce poverty and stimulate economic and social development in local communities. It also remarked that effective strategies and policies to spread the benefits of tourism to poor communities still needed to be fully implemented.

14. The Subcommittee strongly supported the secretariat's work on tourism and urged the secretariat to further strengthen its activities in the following areas: (a) capacity-building in poverty reduction through tourism; (b) promoting the sharing of experience and good practices in poverty
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reduction through tourism; (c) conducting policy-oriented research on tourism and poverty reduction; (d) promoting the long-term sustainability of tourism with due attention to ecotourism, agro-tourism and community-based tourism; and (e) promoting regional cooperation in human resources development in tourism through APETIT.

15. With the increased interest in tourism as a tool for poverty alleviation, there is clearly a need to better understand the impact of various initiatives on the poor and shape future interventions more effectively. In this connection, an Expert Group Meeting on Measuring and Assessing the Impact of Tourism Initiatives on Poverty Alleviation will be held in Bangkok in 2004. The Meeting will bring together a group of experienced practitioners working in tourism and poverty to consider methodologies to measure and assess the impact of tourism initiatives on poverty alleviation.

16. Recognizing the considerable potential of tourism to alleviate poverty, a number of countries in the region have initiated tourism projects with a focus on poverty alleviation. One recent example is India's endogenous tourism project. The Government of India provides up to 5 million rupees (approximately US\$ 108,700) annually for specified hardware project activities in rural locations. In addition, UNDP has committed US\$ 2.5 million to provide first-time software support to these hardware project activities. The project aims to promote local culture- and craft-based ecotourism for sustainable livelihoods and integrated rural development during the tenth five-year plan. The primary target beneficiaries are the rural poor. The project will support rural tourism initiatives and pay special attention to certain income-generating opportunities for women, unemployed youth and disadvantaged groups. The project demonstrates the commitment of the Government of India to promoting the sharing of wealth and benefits with the wider community.

IV. INTERGOVERNMENTAL MEETING ON SUSTAINABLE TOURISM DEVELOPMENT IN THE ASIAN AND PACIFIC REGION

17. In accordance with a decision by the Commission at its sixtieth session, held in Shanghai, China, in 2004, an intergovernmental meeting on sustainable tourism development in the Asian and Pacific region is to be hosted by the Government of Indonesia for three days in November 2005.

18. The meeting will review accomplishments under the Plan of Action for Sustainable Tourism Development in the Asian and Pacific Region (1999-2005) and examine emerging issues related to tourism development. Members' guidance will be sought concerning the launching of a second phase of the Plan (2006-2012). A suggested provisional agenda is given in annex II.

19. For this meeting, the secretariat will prepare a report on the accomplishments under the Plan of Action based on inputs from member countries and areas as well as international organizations involved in tourism. Also, a draft Plan of Action for Sustainable Tourism Development in the Asian and Pacific Region (2006-2012) could be submitted to the meeting for consideration. The agenda will

provide an opportunity to consider major issues related to sustainable tourism development as highlighted below.

(a) Enhancing tourism's role in socio-economic development and poverty alleviation

20. Tourism is making a significant contribution to socio-economic development through its potential to earn foreign exchange and create job opportunities. Tourism can help to diversify a country's economic base, as well as spread development to regions that may not have benefited from other types of economic development. When tourism is developed in parts of a country outside the main commercial centres, particularly rural areas, it can promote economic development and contribute to poverty alleviation directly through job creation.

21. While tourism can be a catalyst for socio-economic development and poverty alleviation, it is essential that Governments pursue sustainable development of tourism in a comprehensive and planned manner.

(b) Facilitation of travel and development of transport and other tourism-related infrastructure

22. Various factors can facilitate or impede the growth of international tourism. The most common set of impediments constraining tourism arrivals relates to the processing of visas, border formalities and customs regulations. Facilitating travel by reducing impediments and making border formalities easier and more efficient is the sole responsibility of Governments. Governments may need to consider how to adjust such controls and requirements in such a way that tourism development is facilitated while important national interests are protected.

23. Accessibility is a key requirement for the success of tourism. Meeting this requirement calls for convenient and economical transport both to and within a destination. Key modes of transport requiring special planning and attention include air, land and water transport. The emergence of a considerable number of low-cost airlines will also provide a massive opportunity for the expansion of tourism but may require Governments to review their aviation policies to embrace the changing environment. In addition, some types of transport offer attractive tourism experiences in their own right, for example, by rail on India's Palace on Wheels and the Eastern and Oriental Express serving Singapore, Malaysia and Thailand and by water transport for cruising.

24. During the sixtieth session of the Commission, an Intergovernmental Agreement on the Asian Highway Network was signed by 26 member States. This marks a new era in the transcontinental road network and will open up enormous opportunities for overland travel.

(c) Sociocultural and environmental management of tourism

25. An important factor in ensuring sound growth of tourism is the integration of environmental considerations into sustainable tourism planning. More than any other type of development, tourism

requires an unspoilt environment in which to operate. The problems of adverse impacts can be tackled through effective planning and coordination of action, enforcement of legislation and governance. Tourism development can also contribute to social and cultural changes which may have either a positive or a negative impact on the life of the people in the host countries. The adverse effects of tourism development can be minimized and traditional values promoted if tourism is properly planned and controlled. It is therefore of the utmost importance that Governments plan and develop tourism carefully so that the benefits can be optimized without creating social and environmental problems.

(d) Human resources development in the tourism sector

26. The need to develop the required human resources in various segments of the tourism industry has become more urgent as a consequence of the rapid growth in tourism, rapidly changing technology and a more demanding, competitive tourism market. Issues related to human resources development in the tourism sector involve the quality of human resources, their conditions of work, training and educational opportunities, the role of the private sector and the role of Governments in giving attention to and finding solutions to problems and constraints. By the very nature of tourism as a service industry, its efficient administration and successful operation depend largely on the quality of manpower.

V. ISSUES FOR CONSIDERATION BY THE SUBCOMMITTEE

27. Delegations are invited to inform the Subcommittee of their major initiatives related to the Plan of Action for Sustainable Tourism Development in the Asian and Pacific Region (1999-2005) and provide guidance on further strengthening APETIT.

28. The Subcommittee may wish to affirm the importance and relevance of the issues proposed for inclusion in the provisional agenda of the intergovernmental meeting on sustainable tourism development in the Asian and Pacific region to be held in 2005, including (a) enhancing tourism's role in socio-economic development and poverty alleviation, (b) facilitation of travel and development of transport and other tourism-related infrastructure, (c) sociocultural and environmental management of tourism and (d) human resources development in the tourism sector, which may form the basis for the second phase of the Plan of Action. Delegations may also wish to offer suggestions concerning the organization of the meeting and any side events/exhibition.

Annex I

**NETWORK OF ASIA-PACIFIC EDUCATION AND TRAINING INSTITUTES
IN TOURISM AND MAJOR ACCOMPLISHMENTS**

A. Organization of APETIT

The Network is administered by a General Council comprising all APETIT members, which meets every two years. An Executive Committee of 12 member institutes is appointed by the General Council. The ESCAP secretariat serves as the coordinating agency for APETIT. Activities of APETIT are being organized by the seven groups shown in the box. Focal points for the respective groups were appointed by the General Council at its third meeting, held in Colombo in 2003.

FOCAL POINTS OF THE NETWORK

Information Management and Communication

Primary focal point: Institut Teknologi Tun Abdul Razak, Malaysia

Production of the APETIT Newsletter

Primary focal point: Indian Institute of Tourism and Travel Management, India

Student and Faculty/Staff Exchange and Development

Primary focal point: Hong Kong Polytechnic University, Hong Kong, China

Secondary focal point: Hanoi Tourism College, Viet Nam

Education and Training Development

Primary focal point: Institute For Tourism Studies, Macao, China

Secondary focal point: Singapore Hotel and Tourism Education Centre, Singapore

Sri Lanka Institute of Tourism and Hotel Management, Sri Lanka

Research and Development

Primary focal point: University of Queensland, Australia

Secondary focal point: Victoria University, Australia

Sharing of Expertise

Primary focal point: Tourism Services Training Center, Islamic Republic of Iran

Membership Benefits

Primary focal point:	Tourism Authority of Thailand, Thailand
Secondary focal point:	Shanghai Institute of Tourism, China
	University of the South Pacific, Fiji

B. Major accomplishments

The Internet is an important tool for efficient and effective networking in all areas of activity. Accordingly, the APETIT web site on the Internet is maintained by the international focal point in Malaysia. Currently, this focal point is in the process of reconstructing the web site to make it more user-friendly. The APETIT newsletter is issued by the international focal point in India.

Member institutes have made a number of formal arrangements for bilateral cooperation. Currently, there exist memorandums of understanding involving institutes in Australia; China; Hong Kong, China; the Islamic Republic of Iran; Macao, China; Mongolia; New Zealand; Thailand; and Viet Nam.

The Network has facilitated the implementation of specific operational activities, such as the provision of advisory services on human resources development to Mongolia by Thailand. In Viet Nam, Thailand provided a training programme in the areas of restaurant operations and front office operations. Thailand hosted 65 tourism management students from Australia and accepted 2 students from Viet Nam to participate in a programme on cultural heritage as a tourism product. The Islamic Republic of Iran hosted 6 students from Macao, China. In return, Macao, China, received 3 Iranian students, who participated in a two-month internship programme. Indonesia, Malaysia and Singapore hosted students from Australia. There were a number of faculty/trainer exchange programmes involving Australia, China, Malaysia, Thailand and Viet Nam. Thailand conducted a training course on “restaurants and bars”, “kitchen operation” and “housekeeping” in Mongolia and sent a Thai cuisine instructor to Bangladesh, Maldives and Bhutan to conduct training programmes. Two instructors from Macao, China, conducted a teach-the-teacher workshop for tourism and hospitality instructors in Tehran. With the cooperation of APETIT member institutes and organizations in Hong Kong, China; India; Japan; Macao, China; the Philippines; and Thailand, several capacity-building seminars related to various aspects of sustainable tourism development were held, including national seminars for the Lao People’s Democratic Republic (March and August 2002), Myanmar (June 2002), Viet Nam (September 2002), Cambodia (June 2003), Mongolia (September 2003) and Kyrgyzstan (November 2003). The first and second ESCAP/APETIT Conferences on Tourism Education and Training in the Asia-Pacific Region were held at Khajuraho, India, in 2001 and Colombo in 2003. These two Conferences provided APETIT members with opportunities to hold informal consultations

from which several cooperation initiatives emerged. The third Conference will be held at Hanoi in 2005 and will comprise the fourth meeting of the General Council, the twelfth meeting of the Executive Committee and a technical seminar.

A directory of student and staff exchanges was completed by the focal point in Hong Kong, China. Work is in progress on the preparation of a directory of APETIT expertise by the focal point in the Islamic Republic of Iran. Preparatory work is under way by the focal point in Hong Kong, China, to send an expert to Bhutan to provide advisory services on tourism education and training. A member institute in Fiji plans to send an expert to Kiribati to undertake a training programme on front office and restaurant operations in December 2004.

Annex II

**SUGGESTED PROVISIONAL AGENDA FOR THE INTERGOVERNMENTAL
MEETING ON SUSTAINABLE TOURISM DEVELOPMENT
IN THE ASIAN AND PACIFIC REGION**

1. Opening of the Meeting.
2. Election of officers.
3. Adoption of the agenda.
4. Review of accomplishments under the Plan of Action for Sustainable Tourism Development in the Asian and Pacific Region (1999-2005).
5. Major issues in tourism development in the Asian and Pacific region:
 - (a) Enhancing tourism's role in socio-economic development and poverty alleviation;
 - (b) Facilitation of travel and development of transport and other tourism-related infrastructure;
 - (c) Sociocultural and environmental management of tourism;
 - (d) Human resources development in the tourism sector.
6. Launching of a second phase of the Plan of Action for Sustainable Tourism Development in the Asian and Pacific Region (2006-2012).
7. Other matters.
8. Adoption of the report.