

# MYANMAR

## Tourism Master Plan 2013 - 2020



MINISTRY OF HOTELS AND TOURISM  
THE REPUBLIC OF THE UNION OF MYANMAR

His Excellency U Htay Aung, Union Minister, Ministry of Hotels and Tourism, led the development of the Myanmar Tourism Master Plan. Significant inputs were provided by officials of the Ministry of Hotels and Tourism, members of the Myanmar Tourism Federation, civil society organizations and Myanmar's development partners, particularly the Government of Norway and the Asian Development Bank.

A team from the College of Innovation, Thammasat University, Thailand, assisted in drafting the document, with Dr. Paul Rogers as team leader and specialist contributions by Daw Kyi Kyi Aye, Nicole Haeusler, Professor Dr. Walter Jamieson, John Koldowski, and Pawinee Sunalai. Steven Schipani was the Asian Development Bank staff responsible for administering technical assistance to support development of the Master Plan (TA 8136-MYA). Base maps were provided courtesy of the United Nations Development Programme's Myanmar Information Management Unit. Nway Aung, Khaing Oo Swe, and Karen Williams edited the document. Ponsak Chaisri prepared the layout. Photos were provided by the Ministry of Hotels and Tourism.

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**Ministry of Hotels and Tourism**

Building No. 33

Nay Pyi Taw

The Republic of the Union of Myanmar

Tel + 95 67 406454, 406450, 406130

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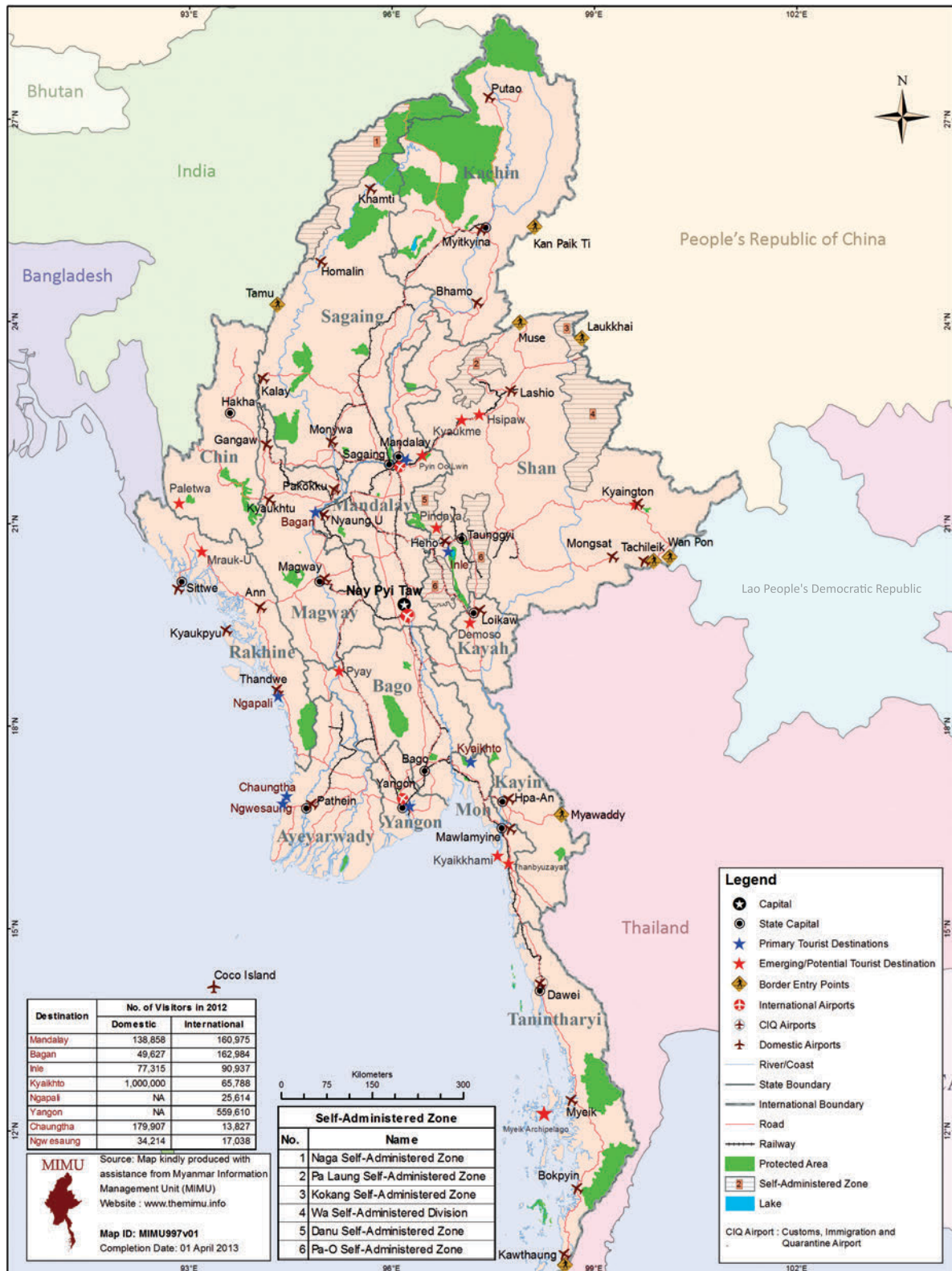
The Republic of the Union of Myanmar

Myanmar Tourism Master Plan  
2013 - 2020

Ministry of Hotels and Tourism



# Map of the Republic of the Union of Myanmar





# Foreword

Myanmar, strategically located in Southeast Asia, is currently experiencing rapid growth in international tourist arrivals and tourism receipts. It has become an emerging tourist destination for international travelers keen to experience Myanmar's abundant wealth of cultural and natural heritage, genuine hospitality, and spiritual values.

As a result of the remarkable reforms and diligent endeavors of the new Government, Myanmar has gained a new momentum of success and has significantly strengthened friendly relations with the international community. Recognizing these efforts and success, development partners and donor agencies have expanded their cooperation programs in support of these important steps toward Myanmar becoming a modern and developed democratic nation.

Taking this opportunity, the Ministry of Hotels and Tourism of the Republic of the Union of Myanmar has placed considerable emphasis on developing and managing tourism in sustainable and responsible ways in line with the Government's reform strategies and economic liberalization.

To ensure the tourism sector is managed responsibly, for the benefit of the nation and its people, the Ministry of Hotels and Tourism has closely collaborated with internal stakeholders, the Government of Norway, and the Asian Development Bank to develop the Myanmar Tourism Master Plan. The goal of this Master Plan is to maximize tourism's contribution to national employment and income generation while ensuring that the social and economic benefits of tourism are distributed equitably.

In this sense, this Master Plan will be used as a roadmap to shape the future of tourism in Myanmar. It defines a clear vision, guiding principles, and strategic programs in the form of a long-term implementation framework (2013–2020) which is well-suited to the needs of the industry.

I believe all industry stakeholders will agree that this Tourism Master Plan foresees the magnitude of challenges ahead and identifies areas where still greater effort is needed to build the tourism sector in a sustainable and responsible manner.

In this regard, strong coordination and effort are required from government, the private sector, civil society, and community and development partners to jointly steer the successful implementation and monitoring of the Master Plan. I would, therefore, like to urge all our colleagues to join hands in implementing this Master Plan to systematically and resourcefully accelerate industry growth.

This Master Plan is a living document to be reviewed and updated when deemed necessary. It marks an important milestone for the systematic development of Myanmar's tourism sector. For this reason, I greatly appreciate the kind assistance extended by the Government of Norway and the Asian Development Bank to this project, and my sincere thanks also to Dr. Paul Rogers and the project team. I would also like to express my sincere thanks to all of the people who have, in various ways and means, contributed to the successful formulation of this Tourism Master Plan.



U Htay Aung  
Union Minister for Hotels and Tourism  
The Government of the Republic of the Union of Myanmar



# Contents

|  |    |
|--|----|
| Foreword   |    |
| Executive Summary                                    | i  |
| Introduction   | 1  |
| Part I. Strategic Issues                             | 3  |
| Country Context                                      | 5  |
| Regional Tourism Setting                             | 6  |
| Sector Footprint and Profile                         | 8  |
| Geographic Spread and Destination Profile            | 11 |
| Institutional Environment                            | 12 |
| Policy and Regulatory Environment                    | 16 |
| Transportation Infrastructure                        | 18 |
| Superstructure and Services                          | 20 |
| Finance and Investment                               | 22 |
| Human Resources                                      | 22 |
| Growth Scenarios                                     | 24 |
| Strengths, Opportunities, Constraints, and Risks     | 25 |
| Part II. The Way Forward                             | 27 |
| Vision Statement                                     | 29 |
| Guiding Principles                                   | 29 |
| Strategic Programs                                   | 31 |
| Part III. Implementation and Monitoring              | 43 |
| Implementation                                       | 45 |
| Monitoring   | 48 |
| Financing the Master Plan                            | 48 |
| Appendices   |    |
| 1. Long Term Implementation Framework (2013–2020)    | 49 |
| 2. Short Term Action Plan and Milestones (2013–2015) | 65 |
| 3. Strategic Projects for Implementation (2013–2020) | 71 |
| Glossary   | 77 |
| Abbreviations  | 79 |





# Executive Summary

As a result of sweeping political and economic reforms, the Republic of the Union of Myanmar is enjoying unprecedented tourism growth. Between 2011 and 2012, visitor arrivals increased by 29.7% and, for the first time in its history, Myanmar received over 1 million international visitors. Other key drivers of growth include the rapid expansion of scheduled inbound flights, eased tourist visa-on-arrival privileges at gateway airports, improving business and investment conditions, and the growing demand for international travel among regional and long-haul markets. Although Myanmar possesses diverse and extensive cultural, natural, and historic assets, it has only begun to develop its enormous tourism potential.

Due to the income- and employment-generating opportunities it creates, tourism is a global industry with special economic significance to developing countries. Consequently, the Government of Myanmar (GOM) has prioritized tourism development in its Framework for Economic and Social Reforms. To help ensure that tourism growth delivers broad and equitable social, economic, and environmental benefits, GOM adopted the Myanmar Responsible Tourism Policy in 2012. The policy is also endorsed by the Myanmar Tourism Federation (MTF), and is highly acclaimed by both civil society and development partners. The vision for tourism in Myanmar, as set out in the Responsible Tourism Policy is

*“We intend to use tourism to make Myanmar a better place to live in—to provide more employment and greater business opportunities for all our people, to contribute to the conservation of our natural and cultural heritage and to share with us our rich cultural diversity. We warmly welcome those who appreciate and enjoy our heritage, our way of life, and who travel with respect.”*

In this context, the Ministry of Hotels and Tourism (MOHT)—the agency mandated by GOM to oversee the systematic development of tourism—prepared the Myanmar Tourism Master Plan (the Master Plan). The Master Plan adopts this vision for tourism in Myanmar and the nine aims of the Myanmar Responsible Tourism Policy as its guiding principles. It sets out strategic programs, priority projects, and activities in a long-term implementation framework covering 2013–2020 and a short-term action plan for 2013–2015.

The goal of the Master Plan is to maximize tourism’s contribution to national employment and income generation, and ensure that the social and economic benefits of tourism are equitably distributed. Key objectives for each strategic program are listed below.

## **Strategic Program 1: Strengthen the Institutional Environment**

- establish a Tourism Executive Coordination Board (TECB) to oversee tourism development and coordinate plans and programs of the Government and private sector;
- develop a planning framework to support the TECB such as the creation of state and regional tourism committees and local destination management organizations;
- strengthen data systems and metrics to measure industry performance, particularly regarding information on income and employment to assess the economic impact of tourism and help guide policy making;
- develop systems and procedures to promote visitor safety and consumer protection; and
- strengthen the legal and regulatory environment for tourism to encourage inclusive and responsible investment in hotels and other tourism-related enterprises.

#### **Strategic Program 2: Build Human Resource Capacity and Promote Service Quality**

- design and deliver a comprehensive human resource development and capacity building strategy;
- create conditions, programs, and actions to expedite the implementation of the human resource development strategy; and
- develop multi-stakeholder partnerships and policies to improve tourism products and service quality.

#### **Strategic Program 3: Strengthen Safeguards and Procedures for Destination Planning and Management**

- design and implement innovative, integrated, and participatory approaches to destination planning;
- strengthen tourism-related social and environmental safeguards;
- improve zoning practices and controls in tourism destinations;
- develop tourism and climate change adaptation strategies;
- promote innovative and green technologies; and
- strengthen community involvement in tourism.

#### **Strategic Program 4: Develop Quality Products and Services**

- design and implement tourism product development strategies that meet market expectations and which are suited to the local context;
- develop an ecotourism management strategy for protected areas; and
- strengthen tourism-related supply chain linkages.

#### **Strategic Program 5: Improve Connectivity and Tourism-related Infrastructure**

- promote complementary expansion of the aviation and tourism sectors;
- ensure the integration of tourism considerations into national and local transportation planning;
- invest in tourism-related infrastructure and environmental services to promote balanced and inclusive growth; and
- progressively ease barriers to visitor entry and movement around the country.

#### **Strategic Program 6: Build the Image, Position, and Brand of Tourism Myanmar**

- determine the supply, demand, and gap characteristics of the tourism system;
- create a strategic marketing map that includes a range of niche market actions;
- raise national awareness about the nature and significance of the tourism industry, responsible tourism, and the characteristics of quality service; and
- effectively position and brand Myanmar in the international marketplace.

This report organizes these strategic programs and key objectives to produce a coordinated response to future challenges and emphasizes their interrelationships and equal importance. Similarly, implementation of the Master Plan will emphasize seven cross-cutting themes, including

**Gender equity.** All tourism policies and development planning will include gender analysis. Men and women will have equal access to economic opportunities, skills training, employment, resources, and decision-making.

**Environmental sustainability.** All tourism-related policies and plans will embrace safeguards and procedures to facilitate sound environmental practices.



**Partnerships.** Partnerships between the public and private sectors, development partners, and civil society will be encouraged to address development issues, facilitate investment, and build synergies at all levels.

**Innovative financing.** Mechanisms such as public–private partnerships, micro-contributions, and appropriate taxes and user fees will be promoted to secure the widest possible funding base to support the implementation of the Master Plan.

**Regional cooperation.** Enhanced regional cooperation in tourism and related sectors will be pursued to exchange knowledge and lessons on good practice, ensure consistency in tourism standards and visa policies, harmonize the collection and reporting of tourism statistics, jointly promote Myanmar with other destinations of the Association of Southeast Asian Nations (ASEAN) and the Greater Mekong Subregion (GMS), and raise the efficiency of tourism-related infrastructure investments.

**Ensure access for disabled people.** Ensure that people with disabilities are equally able to participate in vocational and professional opportunities in tourism as well as in the recreational opportunities that tourism provides.

**Consultation and participation.** Steps will be taken to ensure that prior and informed consultations are made with relevant stakeholders, as well as the provision of timely and accurate disclosure of information, to promote gender and ethnic inclusiveness, and enable the incorporation of stakeholder views into decision-making processes.

Myanmar welcomes tourists from around the world and will continue to facilitate smooth and efficient access to the country. Together with MTF, MOHT will work to develop Myanmar as a year-round destination with a geographically spread product base. Importantly, the value and yield of tourism will take precedence over simply increasing the volume of international visitors. GOM will closely monitor the expansion of the sector and encourage forms of quality tourism that are consistent with national, state, and regional development objectives. Furthermore, Myanmar will balance the need to ensure the well-being of host communities and the protection of its natural and cultural heritage with the need to boost tourism's contribution to foreign exchange earnings and gross domestic product (GDP) growth.

The Master Plan has set a high target of 3.01 million international visitors in 2015 and 7.48 million in 2020. Based on this high growth scenario, tourism receipts are projected to increase from a baseline of \$534 million in 2012 to \$10.18 billion in 2020, with the corresponding number of tourism-related jobs rising from 293,700 to 1.49 million.

To ensure that this growth is managed responsibly, for the benefit of all of Myanmar's People, the Master Plan includes thirty-eight projects with an indicative cost of \$486.8 million. Twenty-three of these projects, with an indicative cost of \$215.6 million, are critical to the successful implementation of this Master Plan.





# Introduction

The Government of the Republic of the Union of Myanmar (GOM) is transforming its political and economic system to enhance inclusive economic growth, accelerate poverty reduction, and increase the living standards of Myanmar's multiethnic population. Owing to its ability to rapidly create jobs and stimulate the expansion of many economic sectors, responsible tourism development is a national priority.

Together with Myanmar's abundance of outstanding cultural and natural tourism assets, ongoing reforms have fueled a surge in international visitors. Other key drivers of growth include: (i) rapidly expanding scheduled inbound flights; (ii) progressive easing of tourist visa-on-arrival privileges at gateway airports; (iii) improving conditions for business and investment; and (iv) strong demand for international travel among regional and long-haul markets. While the increase in international visitors is a positive result of the Government's reform process, rapid tourism growth is presenting the country with many social and environmental challenges. In this context, the Ministry of Hotels and Tourism (MOHT) formulated the Myanmar Tourism Master Plan 2013–2020 (the Master Plan).

The Master Plan sets out a vision for sustainable tourism development and includes strategic programs, priority projects, and activities in a long-term (2013–2020) implementation framework and a short-term (2013–2015) action plan. The Master Plan seeks to maximize the contribution of tourism to national employment and income generation and ensure equitable distribution of its social and economic benefits. GOM aims to balance its objectives for economic growth with the well-being of host communities and minimize negative impacts on the country's social, cultural, and environmental fabric.

Preparation of the Master Plan was undertaken between October 2012 and May 2013, with technical assistance from the Asian Development Bank (ADB) financed by a grant from the Government of Norway.

Development of the Master Plan involved situational analysis, extensive stakeholder consultations, and a review of internationally accepted good practice for responsible tourism planning and development. Fieldwork included two national and three subnational workshops, complemented by nine subsector focus group meetings. Consultations with more than 700 representatives of government agencies, industry associations, individual enterprises, civil society, and community leaders shaped the Master Plan and enabled broad national ownership of this document. Similarly, the Master Plan incorporates the views of 1,085 international visitors, gathered from a visitor survey administered to departing passengers, mostly from Yangon International Airport. Myanmar's development partners also provided significant inputs during individual consultations and at the first Myanmar Development Cooperation Forum (19–20 January 2013).

The Master Plan begins with an overview of Myanmar's tourism system including an analysis of regional trends, tourism activity and assets, institutional and regulatory issues, investment environment, infrastructure, and human resources. Based on the situational analysis, intermediate and long-term forecasts are given for international visitor arrivals, length of stay, tourism receipts, and employment. Myanmar's Tourism Vision, as set out in the Government's Responsible Tourism Policy, follows with a set of guiding principles for tourism in Myanmar. Related programs and actions needed to achieve the vision and objectives of the Master Plan are presented in Section II. Section III describes implementation and monitoring arrangements, including the roles and responsibilities of various public and private stakeholders. The long-term implementation framework and short-term action plan with milestones and activities are in Appendices 1 and 2. Priority projects for implementation, many of which were directly proposed by members of the Myanmar Tourism Federation (MTF), Union, state and regional agencies, nongovernment organizations (NGOs), and development partners are in Appendix 3.





# Strategic Issues









# I. Strategic Issues

## Country Context

Covering an area of 676,577 km<sup>2</sup>, Myanmar is the second largest country in the Association of Southeast Asian Nations (ASEAN). Separated by 2,100 km, its northern and southern borders extend from the snow-capped Greater Himalaya to the Indian Ocean. Myanmar has an abundance of natural and cultural tourism assets, including 2,832 km of coastline, the pristine Myeik archipelago, 36 protected areas covering 5.6% of the country, outstanding examples of religious and vernacular architecture, and a youthful population of about 60 million that includes over 100 distinct ethnic groups. The historic legacy of former kingdoms, the colonial period, and World War II complement these assets, providing a unique setting for the development of a responsible tourism industry.

Despite Myanmar's strategic location between South and Southeast Asia, an abundance of natural resources, and a sizeable labor force, the current Human Development Index of the United Nations Development Programme (UNDP) ranks Myanmar 149 out of 187 countries. In 2012, per capita gross domestic product (GDP) was about \$900, the lowest in ASEAN. Although the economy is currently expanding at about 6% annually, more than 29% of the rural population and 16% of urban residents live in poverty.<sup>1</sup> There are also large disparities across states and regions. Performance toward achievement of the Millennium Development Goals generally lags behind other ASEAN countries, particularly for health-related indicators. The main causes of poverty include inadequate income, insufficient assets, and exclusion from economic decision-making. Although this situation is improving in step with the Government's reform process, the current shortage of jobs drives many of Myanmar's citizens to migrate across borders each year, where employment opportunities are often limited to low-paying, difficult, and dangerous work. In regard to tourism development, decades of past isolation have caused Myanmar to fall behind its neighbors in the Greater Mekong Subregion (GMS),<sup>2</sup> where the industry is a major employer and engine of economic growth.

To address these challenges, GOM's Framework for Economic and Social Reforms (FESR) outlines the policy priorities that will allow Myanmar to become a modern, developed, and democratic nation. These include: (i) fiscal and tax reforms; (ii) liberalization of trade and investment; (iii) monetary and financial sector reforms; (iv) private sector development; (v) health and education reforms; (vi) food security and agricultural growth; (vii) governance and transparency; (viii) expanded access to mobile phones and the Internet; (ix) infrastructure improvement; and (x) effective and efficient government. While tourism is identified as a key economic activity under private sector development, expansion of Myanmar's tourism industry will contribute to—and benefit from—reforms in all priority areas. Due to its ability to accelerate inclusive economic growth and enhance poverty reduction efforts, tourism development also features prominently in Myanmar's forthcoming National Comprehensive Development Plan.

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<sup>1</sup> Integrated Household Living Conditions Assessment (IHLCA) 2009/10; International Monetary Fund (2013). IMF Country Report No. 13/13.

<sup>2</sup> The Greater Mekong Subregion comprises the Kingdom of Cambodia, Guangxi Zhuang Autonomous Region and Yunnan Province of the People's Republic of China, the Lao People's Democratic Republic, the Republic of the Union of Myanmar, the Kingdom of Thailand, and the Socialist Republic of Viet Nam.

While there are clear associations between tourism and poverty reduction (directly through employment and income generation, and indirectly through its contribution to improved health, education, and transportation services), economic linkages are neither automatic nor straightforward.<sup>3</sup> GOM also recognizes that tourism is a competitive and fragmented industry associated with a variety of negative impacts. Consequently, the Master Plan emphasizes purposeful development of quality tourism through strategic and responsible actions to deliver equitable economic benefits, social well-being, and environmental sustainability.

## Regional Tourism Setting

Travel and tourism are among the most dynamic and resilient economic activities in Southeast Asia. Over the last two decades, international arrivals to ASEAN countries increased an average 7.3% per year, rising from 21.8 million in 1992 to 89.5 million in 2012, a historic high.<sup>4</sup> According to the World Travel and Tourism Council (WTTC), the travel and tourism industry currently contributes 11.1% to regional GDP (\$255.1 billion) and sustains a total of 25.4 million jobs (8.8% of total employment) across a wide range of economic sectors. Taking into account its direct, indirect, and induced impacts, travel and tourism contributed \$47.7 billion to investment in Southeast Asia and \$95.5 billion to exports in 2012, representing 7.3% of total investment and 6.2% of all exports.<sup>5</sup> For the wider Asia and the Pacific Region, the United Nations World Tourism Organization (UNWTO) forecasts 540 million international arrivals and 30% of global market share by 2030.<sup>6</sup>

Although Myanmar received the second lowest share of arrivals in ASEAN during 2012 (1.2%), annual growth was the highest in the region at 29.7% (Table 1). In comparison, Thailand and Malaysia together accounted for about 54% of total arrivals in 2012.

**Table 1: ASEAN International Visitor Arrivals 2009–2012**

| Country                              | 2009              | 2010              | 2011              | 2012              | Share (%) | Change (%)<br>2011–2012 |
|--------------------------------------|-------------------|-------------------|-------------------|-------------------|-----------|-------------------------|
| <b>Brunei Darussalam<sup>a</sup></b> | 157,474           | 214,290           | 242,061           | 300,139           | 0.3       | 24.0                    |
| <b>Cambodia</b>                      | 2,161,577         | 2,508,289         | 2,881,862         | 3,560,000         | 4.0       | 23.5                    |
| <b>Indonesia</b>                     | 6,323,730         | 7,002,944         | 7,649,731         | 8,147,000         | 9.1       | 6.5                     |
| <b>Lao PDR</b>                       | 2,008,363         | 2,513,028         | 2,723,564         | 3,050,400         | 3.4       | 12.0                    |
| <b>Malaysia</b>                      | 23,646,191        | 24,577,196        | 24,714,324        | 25,950,000        | 29.0      | 5.0                     |
| <b>Myanmar</b>                       | 762,547           | 791,505           | 816,369           | 1,058,995         | 1.2       | 29.7                    |
| <b>Philippines</b>                   | 3,017,099         | 3,508,818         | 3,917,454         | 4,259,600         | 4.8       | 8.7                     |
| <b>Singapore</b>                     | 9,681,259         | 11,638,663        | 13,171,303        | 14,356,500        | 16.0      | 9.0                     |
| <b>Thailand</b>                      | 14,149,841        | 15,936,400        | 19,230,470        | 22,303,065        | 24.9      | 16.0                    |
| <b>Viet Nam</b>                      | 3,772,559         | 5,049,855         | 5,988,425         | 6,585,853         | 7.4       | 10.0                    |
| <b>Total</b>                         | <b>65,680,630</b> | <b>73,740,988</b> | <b>81,335,563</b> | <b>89,571,552</b> | <b>--</b> | <b>10.1</b>             |

ASEAN = Association of Southeast Asian Nations, Lao PDR = Lao People's Democratic Republic.

<sup>a</sup> International arrivals by air only.

Source: ASEAN Secretariat.

<sup>3</sup> United Nations Development Programme. 2011. Tourism and Poverty Reduction Strategies in the Integrated Framework for Least Developed Countries.

<sup>4</sup> ASEAN Secretariat.

<sup>5</sup> World Tourism and Travel Council. 2013. Travel & Tourism Economic Impact Report: Southeast Asia. London.

<sup>6</sup> United Nations World Tourism Organization. 2013. UNWTO World Tourism Barometer. United Nations: Madrid.

As it works to promote economic growth and integration with other Asian economies, Myanmar strongly supports regional cooperation in tourism and participates in tourism-related initiatives of ASEAN, the GMS Economic Cooperation Program, the Ayeyawady-Chao Phaya-Mekong Economic Cooperation Strategy (ACMECS), and the Bay of Bengal Initiative for Multi-Sectoral Technical and Economic Cooperation (BIMSTEC). Myanmar rejoined the UNWTO on 1 June 2012 and is also a member of the Pacific Asia Travel Association (PATA). Establishment of a national PATA chapter in 2011 reflects GOM's intention to support the expansion of international networking and policy dialogue with industry associations.

As a signatory to the ASEAN Tourism Agreement, Myanmar participates in special working groups on ASEAN tourism integration and cruising. Representatives of MOHT and other agencies attend semi-annual working group meetings on tourism product development, tourism marketing and communication, quality tourism, meetings of the tourism professionals monitoring committee, and the tourism integration and budget committee. Myanmar endorsed the ASEAN Tourism Strategic Plan 2011–2015, the ASEAN Tourism Marketing Strategy 2012–2015, and the GMS Tourism Sector Strategy 2005–2015. These regional strategies aim mainly to develop quality tourism products and services, strengthen human resources, and promote regional cooperation and integration by reducing physical and nonphysical barriers to travel (Table 2). In 2009, GOM endorsed the ASEAN Mutual Recognition Arrangement on Tourism Professionals (MRA), further emphasizing its intent to pursue opportunities for cooperation and capacity building with ASEAN member states.

**Table 2: Regional Priorities in the Tourism Sector**

| ASEAN Tourism Strategic Plan   | GMS Tourism Sector Strategy   |
|--|---|
| <ul style="list-style-type: none"> <li>• Develop and implement a tourism marketing strategy for the ASEAN region.</li> <li>• Develop experiential and creative regional/sub regional circuits and packages together with investment strategies.</li> <li>• Enhance the external relation policies and procedures of ASEAN tourism.</li> <li>• Develop a set of ASEAN Tourism Standards with a certification process.</li> <li>• Implement the Mutual Recognition Arrangement on ASEAN Tourism Professionals.</li> <li>• Provide opportunities for increased knowledge and skills development.</li> <li>• Advocate for a single visa for ASEAN.</li> <li>• Expand connectivity through air, water, rail and ground transportation.</li> </ul> | <ul style="list-style-type: none"> <li>• Foster development of multicountry tourism by stimulating demand from appropriate high-yielding markets.</li> <li>• Promote pro-poor tourism to help reduce poverty and increase rural incomes.</li> <li>• Encourage private sector participation and partnerships in planning, investment and marketing.</li> <li>• Upgrade the skills of tourism leaders and tourism trainers.</li> <li>• Promote higher standards of natural and cultural heritage management for conservation and tourism purposes.</li> <li>• Enhance measures to manage the negative social impacts of tourism.</li> <li>• Identify and address impediments to travel to and within the GMS.</li> <li>• Jointly plan and develop tourism infrastructure with a view to ensure a wider distribution of tourism benefits.</li> </ul> |

ASEAN = Association of Southeast Asian Nations, GMS = Greater Mekong Subregion

Sources: ASEAN Tourism Strategic Plan 2011–2015; GMS Tourism Sector Strategy 2005–2015.

# Sector Footprint and Profile

## Tourism Receipts

Myanmar's international tourism receipts grew from \$165 million in 2008 to an estimated \$534 million in 2012. GOM's data collection methods to calculate tourism earnings do however need to be reviewed as earnings are likely to be significantly higher. For example, WTTC estimates that travel and tourism contributed \$771 million to GDP in 2012.<sup>7</sup> Similarly, while Myanmar currently has no up-to-date systems to measure how much tourism revenue "leaks" out of the country to purchase tourism-related goods and services, the GMS Tourism Sector Strategy estimates that leakage could be up to 40%.<sup>8</sup>

Given that Myanmar has not yet adopted standard practices to quantify the economic impact of tourism, there is a need to introduce Tourism Satellite Accounting or other appropriate methodologies, to measure the component parts of the tourism economy and help define the linkages among them. This information is critical to support policy making that aims to reduce economic leakage by promoting targeted development of national industries.

## Employment

International tourism is a labor-intensive industry, with jobs concentrated in accommodation, food and beverage, retail, transportation, and recreational services. Tourism is one of the most labor-intensive industries in the non-agricultural sectors, offering unskilled and semi-skilled workers access to well-paid lifelong employment in the service economy. Tourism also creates significant employment in the informal sector. Although GOM does not currently generate industry-wide employment data, WTTC estimates that travel and tourism directly supported 293,700 jobs (1.1% of total employment) in 2012. According to WTTC, inclusive of direct, indirect, and induced employment, Myanmar's travel and tourism industry sustained 735,000 jobs (2.8% of total employment) in 2012. Based on employment profiles in neighboring GMS countries and discussions with industry associations, women likely represent at least half of all tourism workers in Myanmar.<sup>9</sup>

## Arrivals and Major Source Markets

Figure 1 shows growth in international visitor arrivals to Myanmar between 2003 and 2012. The average annual increase for this period was 6.6%, with Myanmar surpassing the historic milestone of one million annual visitors in 2012. During the same year, arrivals by air through the Yangon, Mandalay, and Nay Pyi Taw gateways increased 66%, from 391,176 to 593,381. This surge in arrivals is mainly attributed to GOM's sweeping political and economic reforms, improved connectivity, and rising demand from all major source markets to visit Myanmar.

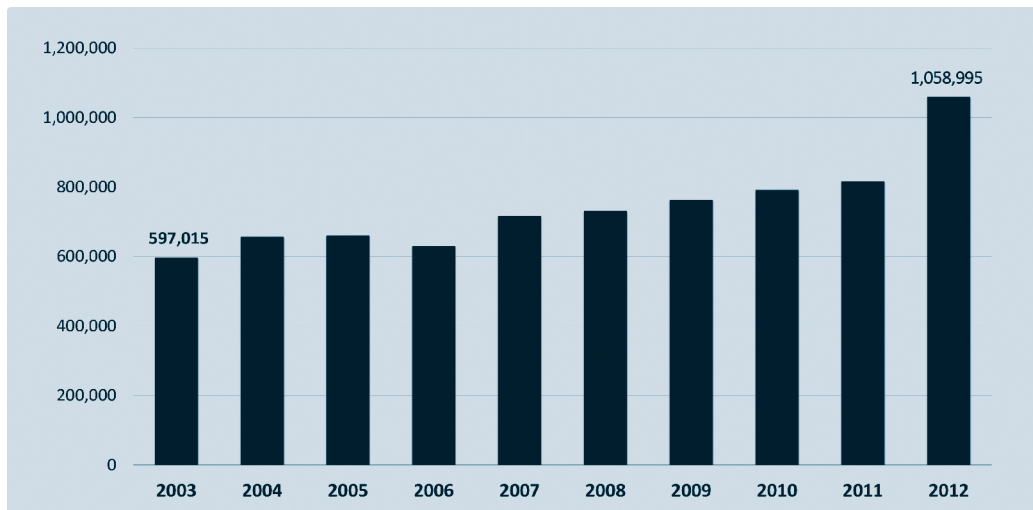
<sup>7</sup> WTTC. 2013. Travel and Tourism Economic Impact 2013. Myanmar. London.

<sup>8</sup> ADB. 2005. GMS Tourism Sector Strategy Final Report (TA 6179-REG). Annex 3 Technical Notes and Tables. Manila.

<sup>9</sup> ADB. 2009. Gender-Related Impacts of the Global Economic Slowdown in the Greater Mekong Subregion: Emerging Trends and Issues. Manila.



**Figure 1: International Visitor Arrivals to Myanmar, 2003–2012**



Source: Ministry of Hotels and Tourism, 2012.

Key source markets include Thailand and the People's Republic of China, accounting for 16% and 12%, respectively, of the 593,381 arrivals by air in 2012. Japan (8%), the United States (6.3%), and the Republic of Korea (6%) round out the top five generating markets arriving by air, and France, Malaysia, Singapore, the United Kingdom, and Germany each account for about 4%–5%. Overall, visitors from Asia comprise 64.1% of all arrivals by air, followed by Western Europe (21.9%), North America (7.4%), and Oceania (3.4%). Of the 465,614 visitors entering Myanmar on a border pass through land gateways in 2012, most were citizens of Thailand who stayed less than one day. MOHT estimates that the overall average length of stay in 2012 was 7 days.

Table 3 illustrates the number and share of arrivals by entry point. Since 2008, the ratio of visitors entering Myanmar on a border pass has steadily decreased, likely due to more stringent entry requirements at the Muse and Tachileik border gates and the recent expansion of scheduled international air services into Yangon and other airports. Projections suggest that the share of international arrivals by air will accelerate until GOM eases restrictions that currently only allow pre-authorized individuals and tour groups to enter through the land borders. Yangon International Airport currently handles about 94% of all international flights and is expected to remain the country's primary visitor gateway for the foreseeable future.

**Table 3: International Arrivals into Myanmar by Entry Point, 2008–2012**

| Gateway      | 2008           | 2009           | 2010           | 2011           | 2012             | CAGR (%)   | Share 2012 (%) |
|--------------|----------------|----------------|----------------|----------------|------------------|------------|----------------|
| Yangon       | 187,766        | 234,417        | 297,246        | 364,743        | 559,610          | 24.4       | 52.8           |
| Mandalay     | 5,553          | 8,861          | 13,442         | 20,912         | 32,521           | 42.2       | 3.1            |
| Nay Pyi Taw  | 0              | 0              | 0              | 5,521          | 1,250            | --         | 0.1            |
| Land Borders | 537,911        | 519,269        | 475,877        | 425,193        | 465,614          | (2.8)      | 44.0           |
| <b>Total</b> | <b>731,230</b> | <b>762,547</b> | <b>786,565</b> | <b>816,369</b> | <b>1,058,995</b> | <b>9.7</b> | <b>100.0</b>   |

CAGR = compound annual growth rate.

Source: Ministry of Hotels and Tourism 2012.

## Tourist Visa Formalities

Entry requirements for tourists are being progressively streamlined. Visas can be issued within a single day at Myanmar Embassies and Consular General Offices abroad. Visa on arrival is also now available on prior arrangement with MOHT (mainly for cruise liners, charter flights, and package tours) or licensed travel agencies registered in Myanmar. Visitors arriving by air, traveling independently or in a group, are required to possess a passport valid for at least six months from the date of arrival and are granted a stay of 28 days. Further streamlining of visa formalities is a priority of the Framework for Economic and Social Reforms (FESR), with steps being taken to introduce an e-visa system in 2013 and fully implement the ASEAN Framework Agreement on Visa Exemption.<sup>10</sup>

## Seasonality

There is a distinct difference in visitor volumes during the low season (April–September) and the high season (October–March). Closely tracking trends in other GMS countries, peak months are in the cooler and drier period (November–January). Figure 2 compares arrivals by month at Yangon International Airport for 2011 and 2012, illustrating both the dramatic rise in visitors and the increasingly pronounced difference between visitor volumes during the high and low seasons. Seasonality is a growing concern and marketing interventions are needed to achieve a more balanced spread of arrivals throughout the year.

**Figure 2: Visitor Arrivals by Month at Yangon International Airport, 2011–2012**



Source: Ministry of Hotels and Tourism, 2012.

## Visitor Profiles

In November–December 2012, a survey of 1,085 departing visitors (mostly at Yangon International Airport) determined that the primary purpose of travel to Myanmar was for a holiday (77%). The typical respondent was older than 35 years of age (70%) and university-educated (78%). Most were traveling independently (67%), either alone or in small groups, and average length of stay for this cohort was 13.8 nights. This is likely due to the survey's bias towards European visitors, who formed 58% of the sample size and stayed an average of 15.1 nights. In comparison, Asian visitors accounted for 19% of the sample and stayed an average of 6.3 nights.

<sup>10</sup> The ASEAN Framework Agreement on Visa Exemption exempts citizens of ASEAN member states holding valid national passports from a tourist visa requirement (to visit other ASEAN member states party to the agreement) for up to 14 days.

Across the total sample, average daily expenditure was around \$100 (excluding accommodation). Activities and tours accounted for the most spending (43%), followed by shopping (23%) and meals (7%). The average tourist spent \$129 per night for accommodation; 25% of respondents spent between \$200 and \$299 per night for a hotel in Yangon. Seventy-seven percent were on their first trip to Myanmar, 9.3% were on their second visit, and 3.3% had visited more than 10 times. About 98% wanted to learn more about Myanmar's culture and history, 90% sought to sample Myanmar's cuisine, and 83% expressed interest in visiting a protected area. Prior to visiting, the main source of information about Myanmar was the Internet (27%); 20% of visitors used guidebooks and 13% relied on word of mouth.

Table 4 summarizes aspects of the visitor experience that provided the highest and lowest levels of satisfaction. Percentages represent the proportion of respondents who offered positive feedback for each category. Visitors are most satisfied with the choice of available activities and the performance of tour guides, and least satisfied with value for money for accommodations. Other areas needing attention include cleanliness and availability of transport services, availability of tourism information, and service quality in hotels.

**Table 4: Key Issues – Satisfaction with the Visitor Experience (%)**

| Most Satisfied  | Least Satisfied                                   |
|---|---|
| Choice of different activities/things to do (76%)     | Value for money (accommodations) (34%)            |
| Overall service (tour guides) (76%)                   | Cleanliness of transport options (25%)            |
| Availability of local/traditional cuisine (75%)       | Availability of information on destinations (22%) |
| Value for money (local food and beverage) (75%)       | Choice of transport options to destinations (21%) |
| Ease of access to cultural/historic attractions (74%) | Value for money (tours/travel) (18%)              |
| Overall service (tour operators) (72%)                | Overall service (hotels) (15%)                    |

Source: Myanmar Tourism Master Plan Report (TA-8136).

## Geographic Spread and Destination Profile

Currently, international tourism is largely confined to a central band of Myanmar, with minimal visitation to the far north and south. Six flagship destinations (i.e., Yangon and Shwedagon Pagoda, Bagan, Inle Lake, Kyaikhto, Mandalay, and Ngapali Beach) receive the bulk of international arrivals (Table 5). In addition, Chaungtha and Ngwesaung are two popular beach destinations for expatriate and domestic markets. The high number of tourists who visit Chaungtha and Ngwesaung is noteworthy because the arduous (270 km) overland journey from Yangon takes around 6–7 hours. Upgrading the Chaungtha-Yangon road to an all-weather dual carriageway would reduce driving time to around 3 hours and catalyze considerable additional tourism growth and investment. For destinations shown in Table 3, the number of domestic tourists is likely to be significantly higher.<sup>11</sup>

Some of the challenges arising from this highly concentrated pattern of arrivals include demand for hotels outstripping supply during the high season, which has led to significant price increases and visitor dissatisfaction with value for money. Surging arrivals also overwhelm public services such as the collection and treatment of solid waste and wastewater. Negative environmental impacts are exacerbated by insufficient measures to protect and interpret heritage assets and the lack of coordinated stakeholder engagement in tourism planning. In this context, the development of integrated destination management plans for all flagship destinations is a priority.

<sup>11</sup> Official visitor numbers were obtained from hotel and guesthouse registration; however many domestic tourists stay with family and friends when travelling. Data for Yangon assume all arrivals at Yangon International Airport. Estimates for Kyaikhto were based on entry tickets/visitor registration at the site.

**Table 5: Domestic and International Visitors at Selected Destinations, 2012**

| Destination | Domestic  | International | Total     | Share of international arrivals (%) <sup>a</sup> |
|-------------|-----------|---------------|-----------|--|
| Bagan       | 49,627    | 162,984       | 212,611   | 27.5   |
| Chaungtha   | 114,432   | 12,956        | 127,388   | 2.2  |
| Inle        | 77,315    | 90,937        | 168,252   | 15.3   |
| Kyaikhto    | 1,000,000 | 65,788        | 1,065,788 | 11.1   |
| Mandalay    | 138,858   | 160,975       | 299,833   | 27.1   |
| Ngapali     | ...       | 25,614        | 25,614    | 4.3  |
| Ngwesaung   | 19,298    | 25,746        | 45,044    | 4.3  |
| Yangon      | ...       | 559,610       | 559,610   | 94.3   |

... = data not available.

<sup>a</sup> International arrivals by air only.

Sources: Kyaikhto Board of Trustees; Myanmar Tourism Federation.

Myanmar also has a wealth of emerging tourism sites and destinations, including Putao, the Myeik Archipelago, Nagaland, Hakha, Nat Ma Taung, and Loikaw. GOM encourages development of these destinations to help spread the benefits of tourism and relieve pressure on established sites, but host communities first need substantial planning assistance and capacity building. This also applies to the development of niche products such as ecotourism, heritage and festival tourism, cruising, ballooning, volunteer tourism, and meditation tours. Market demand for specialized products suggests good potential; 14,653 visitors took a river cruise and more than 8,000 purchased balloon tours in 2012.

## Institutional Environment

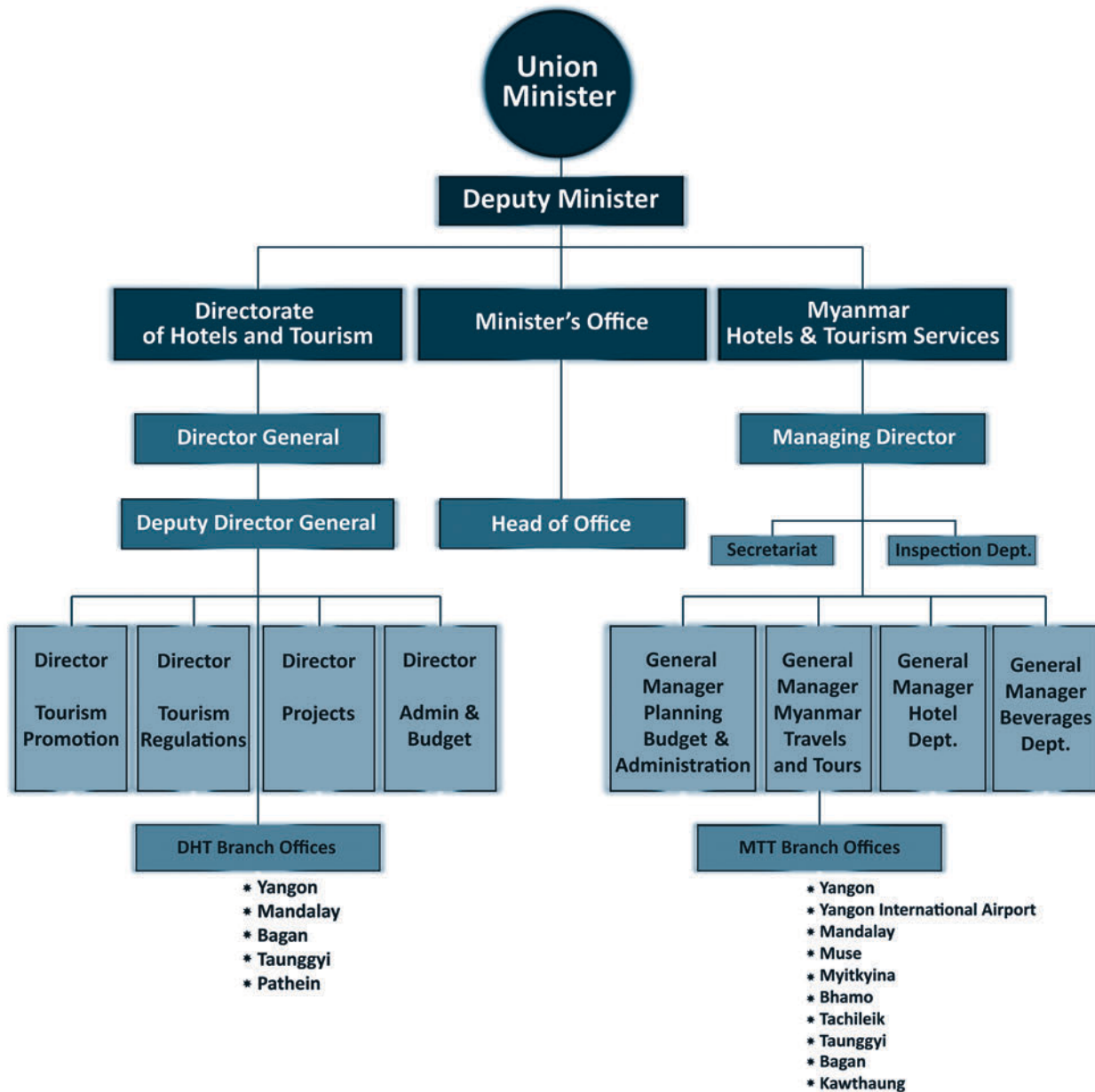
The Ministry of Hotels and Tourism is GOM's designated agency with a mandate to guide the development of tourism in Myanmar. Key objectives and functions are to: (i) implement systematic development of Myanmar's tourism industry; (ii) encourage national and international investment in the tourism industry; (iii) develop opportunities for wide participation of private entrepreneurs in tourism; (iv) promote Myanmar as a world-renowned tourist destination; (v) determine hotel and tourism zones; (vi) coordinate with relevant government departments and organizations to form and define the functions of tourism and hotel supervisory bodies in states, regions, districts, and towns; (vii) upgrade quality, standards and technical skills of the tourism industry; (viii) create jobs and raise standards of living through tourism development; and, (ix) cooperate with ASEAN and other countries in tourism.

MOHT is the lead Ministry in charge of vetting investment in the accommodation and tour services subsectors, and sets out requirements for tourism enterprise registration and classification. MOHT also coordinates with relevant government departments and organizations to set licensing fees, duties, and taxes related to the hotel and tourism industry. Foreign investments must first be cleared by the Myanmar Investment Commission before the investor/promoter can sign a contract with respective government departments, government organizations, or a person/organization to establish the business.

As depicted in Figure 3, MOHT is led by a Union Minister and comprised of the Directorate of Hotels and Tourism (DHT) and Myanmar Hotels and Tourism Services (MHTS). DHT mainly handles policy making, planning, project management, and tourism regulation. MHTS undertakes business-related activities such as travel and tour operations, accommodation services (state-owned, joint ventures, and lease agreements), and the production and distribution of beverages.



**Figure 3: Organizational Framework of the Ministry of Hotels and Tourism, Myanmar**



DHT = Directorate of Hotels and Tourism; MHTS = Myanmar Hotels and Tourism Services.

Source: Ministry of Hotels and Tourism, 2012.

MOHT trains and certifies about 150 tour guides per year at its Yangon training facility and conducts skills assessment through its regional offices. Consistent with FESR, MOHT is transforming itself into an agency concerned solely with planning and regulatory functions. MOHT currently employs 208 management officers and 1,135 administrative staff, including personnel in 14 regional and state offices.

GOM recognizes that a single ministry cannot manage all aspects of the tourism industry. In 2011, it formed the Committee on Smooth Entrance of Foreign Visitors to Myanmar to coordinate and deliver conditions conducive to tourism growth.<sup>12</sup> Moreover, at least 25 Union Ministries have some sort of tourism-related role or responsibility, the extent of which varies considerably. Some agencies take a lead role in regulating and monitoring particular aspects of the tourism system; others perform advisory functions.

Table 6 identifies the various government agencies and their role in implementing the priority actions of the Myanmar Responsible Tourism Policy. This table illustrates the need for strong multisector coordination to ensure that tourism development in Myanmar proceeds in a systematic, orderly, and responsible manner. To allow the various agencies to effectively fulfill these roles, capacity building is required at many levels, particularly for government officials and private associations that will lead the implementation of the Master Plan.

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<sup>12</sup> The Committee has 29 members from 13 Ministries and representation from 6 states/regions.

**Table 6: Roles of Government Agencies and the Myanmar Tourism Federation in Select Priority Actions of the Myanmar Responsible Tourism Policy**

| Lead Role ●   | Advisory Role ◆ | Liaison Role ★ | Priority Actions |   |   |   |   |   |   |   |   |   |   |   |   |   |   |   |   |   |   |   |   |   |   |   |   |   |   |   |   |
|---|-----------------|----------------|------------------|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| Ensure integrated tourism planning.<br><br>Promote tourism investment processes that embrace responsible tourism development guidelines.<br><br>Establish more tourism and hospitality training facilities and programs with standardized courses.<br><br>Establish tourist information centers and promote visitor safety.<br><br>Integrate domestic tourism as an important component of the tourism economy.<br><br>Collect and monitor consistent and robust tourism data and statistics.<br><br>Train local guides in responsible tourism and natural and cultural heritage interpretation.<br><br>Ensure contract compliance and fair pricing for tourism services.<br><br>Establish a comprehensive national accommodation rating system consistent with ASEAN standards.<br><br>Enable and support community based tourism activities that benefit local communities.<br><br>Provide tourism awareness training to local communities and increase local participation in tourism supply chains.<br><br>Develop a code of conduct & do's and don'ts guidelines for international visitors.<br><br>Raise awareness and prevent all forms of abuse and exploitation of children, women and men.<br><br>Ensure the tourism sector manages the use of energy and water more efficiently. | ●               | ◆              | ●                | ● | ● | ★ | ★ | ★ | ★ | ★ | ★ | ★ | ★ | ★ | ★ | ★ | ★ | ★ | ★ | ◆ | ◆ | ★ | ★ | ★ | ★ | ★ | ★ | ★ |   |   |   |
|   | ◆               | ●              | ★                | ★ | ★ | ★ | ★ | ★ | ★ | ★ | ★ | ★ | ★ | ★ | ★ | ★ | ★ | ★ | ★ | ★ | ★ | ★ | ★ | ★ | ★ | ★ | ★ | ★ | ★ |   |   |
|   | ●               | ◆              | ★                | ★ | ★ | ★ | ★ | ★ | ★ | ★ | ◆ | ● | ★ | ★ | ★ | ★ | ★ | ★ | ★ | ★ | ★ | ★ | ★ | ★ | ★ | ★ | ★ | ★ | ★ |   |   |
|   | ●               | ★              | ★                | ★ | ★ | ★ | ★ | ★ | ★ | ★ | ★ | ★ | ★ | ★ | ★ | ★ | ★ | ★ | ★ | ★ | ★ | ★ | ★ | ★ | ★ | ★ | ★ | ★ | ★ |   |   |
|   | ●               | ★              | ★                | ★ | ★ | ★ | ★ | ★ | ★ | ★ | ★ | ★ | ★ | ★ | ★ | ★ | ★ | ★ | ★ | ★ | ★ | ★ | ★ | ★ | ★ | ★ | ★ | ★ | ★ |   |   |
|   | ●               | ★              | ★                | ★ | ★ | ★ | ★ | ★ | ★ | ★ | ★ | ★ | ★ | ★ | ★ | ★ | ★ | ★ | ★ | ★ | ★ | ★ | ★ | ★ | ★ | ★ | ★ | ★ | ★ |   |   |
|   | ●               | ★              | ★                | ★ | ★ | ★ | ★ | ★ | ★ | ★ | ★ | ★ | ★ | ★ | ★ | ★ | ★ | ★ | ★ | ★ | ★ | ★ | ★ | ★ | ★ | ★ | ★ | ★ | ★ |   |   |
|   | ●               | ★              | ★                | ★ | ★ | ★ | ★ | ★ | ★ | ★ | ★ | ★ | ★ | ★ | ★ | ★ | ★ | ★ | ★ | ★ | ★ | ★ | ★ | ★ | ★ | ★ | ★ | ★ | ★ | ★ |   |
|   | ●               | ★              | ★                | ★ | ★ | ★ | ★ | ★ | ★ | ★ | ★ | ★ | ★ | ★ | ★ | ★ | ★ | ★ | ★ | ★ | ★ | ★ | ★ | ★ | ★ | ★ | ★ | ★ | ★ | ★ |   |
|   | ●               | ★              | ★                | ★ | ★ | ★ | ★ | ★ | ★ | ★ | ★ | ★ | ★ | ★ | ★ | ★ | ★ | ★ | ★ | ★ | ★ | ★ | ★ | ★ | ★ | ★ | ★ | ★ | ★ | ★ |   |
|   | ●               | ★              | ★                | ★ | ★ | ★ | ★ | ★ | ★ | ★ | ★ | ★ | ★ | ★ | ★ | ★ | ★ | ★ | ★ | ★ | ★ | ★ | ★ | ★ | ★ | ★ | ★ | ★ | ★ | ★ |   |
|   | ●               | ★              | ★                | ★ | ★ | ★ | ★ | ★ | ★ | ★ | ★ | ★ | ★ | ★ | ★ | ★ | ★ | ★ | ★ | ★ | ★ | ★ | ★ | ★ | ★ | ★ | ★ | ★ | ★ | ★ |   |
|   | ●               | ★              | ★                | ★ | ★ | ★ | ★ | ★ | ★ | ★ | ★ | ★ | ★ | ★ | ★ | ★ | ★ | ★ | ★ | ★ | ★ | ★ | ★ | ★ | ★ | ★ | ★ | ★ | ★ | ★ | ★ |
|   | ●               | ★              | ★                | ★ | ★ | ★ | ★ | ★ | ★ | ★ | ★ | ★ | ★ | ★ | ★ | ★ | ★ | ★ | ★ | ★ | ★ | ★ | ★ | ★ | ★ | ★ | ★ | ★ | ★ | ★ | ★ |

MOAI = Ministry of Agriculture & Irrigation; MOBA = Ministry of Border Affairs; MOC = Ministry of Commerce; MOCIT = Ministry of Communications and Information Technology; MOCON = Ministry of Construction; MOCOP = Ministry of Cooperatives; MOCUL = Ministry of Culture; MOE = Ministry of Education; MOEP = Ministry of Electric Power; MOECF = Ministry of Environmental Conservation and Forestry; MOFR = Ministry of Finance and Revenue; MOHA = Ministry of Home Affairs; MOHT = Ministry of Hotels and Tourism; MOI = Ministry of Industry; MOIP = Ministry of Immigration and Population; MOLESS = Ministry of Labor, Employment and Social Security; MONPED = Ministry of National Planning and Economic Development; MORA = Ministry of Religious Affairs; MORT = Ministry of Rail Transport; MOST = Ministry of Science and Technology; MOSWR = Ministry of Social Welfare, Relief and Resettlement; MOT = Ministry of Transport; MTF = Myanmar Tourism Federation; UAGO = Union Attorney General's Office.

Source: Adapted from the Myanmar Responsible Tourism Policy.

In 2012, Myanmar's tourism businesses and associations formed the Myanmar Tourism Federation (MTF) (Table 7). An amalgamation of 10 associations and 1 committee, the stated mission of the MTF is to (i) promote Myanmar as a tourism destination; (ii) help in the process of sustainable tourism development; (iii) welcome and assist investors; and (iv) develop human resources for tourism-related industries. All except the Myanmar Hoteliers Association, Union of Myanmar Travel Association, and Myanmar Marketing Committee were newly formed in 2012 at the time MTF was established.

MTF is a welcome addition to Myanmar's growing network of civil society organizations and is encouraged to voice private sector concerns. It requires assistance to provide industry knowledge and tools to promote responsible tourism, as well as strengthen its ability to manage and represent its full membership base. Although MTF plays a vital role in tourism marketing, its efforts are constrained by a lack of human and financial resources. Similarly, a shortage of resources has restrained MTF's aspirations to improve its members' environmental practices and develop tourism-related human resources.

**Table 7: Members of the Myanmar Tourism Federation**

| Name  | Description   |
|---|---|
| Myanmar Hoteliers Association                               | 600 members; 11 chapters formed according to zone.  |
| Union of Myanmar Travel Association                         | 400 members mostly in Yangon.   |
| Myanmar Hospitality Professionals Association               | 4 chapters have been formed.  |
| Myanmar Restaurants Association                             | 11 chapters formed according to zone.   |
| Myanmar Tourism Transport Association                       | 2 chapters formed in Yangon and Bagan; 9 other chapters to be formed according to zone.                           |
| Myanmar Souvenir Shops Association                          | --  |
| Myanmar Domestic Tour Operators Association                 | 40 members mostly based in Yangon.  |
| Myanmar Tourist Healthcare and General Services Association | 5 members active in 4 zones.  |
| Myanmar Tourist Guide Association                           | 3,353 members; 4 chapters formed, 7 others to be formed according to zone.  |
| Myanmar Tourism Human Resources Development Association     | Members mostly based in Yangon; chapters formed in Yangon and Mandalay.   |
| Myanmar Marketing Committee                                 | Yangon-based. Members mainly comprised of management of large hotels and the Union of Myanmar Travel Association. |

Note: MTF organizes its membership base into 11 zones, which do not necessarily conform to state or regional boundaries.  
Source: Myanmar Tourism Federation.

## Policy and Regulatory Environment

The overarching legal directives for tourism in Myanmar are enshrined in the 1993 Myanmar Hotel and Tourism Law.<sup>13</sup> The objectives of the Law are: (i) systematic development of the hotel and tourism industry; (ii) enable tourists to observe Myanmar cultural heritage and natural scenic beauty; (iii) prevent destruction and damage of cultural heritage and natural scenic beauty due to the hotel and tourism industry; (iv) contribute to international friendship and understanding through the hotel and tourism industry; (v) develop technical knowledge relating to the hotel and tourism industry and to

<sup>13</sup> The State Law and Order Restoration Council Law No.14/93.



open up more employment opportunities; and, (vi) provide security and satisfaction for tourists. The Law defines the functions and duties of MOHT, provides guidance on procedures for tourism investment and licensing, and sets out prohibitions, penalties, and grievance redress procedures. Orders for the licensing of hotels and lodging houses, tour operations, tour guides, and tourist transport businesses were reviewed in 2011. Articles on the establishment of outbound tourism services for Myanmar citizens and guidelines on social and environmental safeguards have yet to be developed.

The recently approved Labor Organization Law<sup>14</sup> and Settlement of Labor Dispute Law,<sup>15</sup> as well as the draft Minimum Wage Law, safeguard the rights of tourism workers to organize and seek fair wages and safe working conditions. Other recently updated laws and policies highly relevant to tourism include the 2012 Foreign Investment Law<sup>16</sup> and the 2012 Myanmar Responsible Tourism Policy.<sup>17</sup>

The 2012 Foreign Investment Law and its associated Notifications<sup>18</sup> broadly promote foreign investment to provide financial and technical resources needed to fulfill national development objectives. Priority sectors include transportation, energy, finance, education, manufacturing, and service industries (e.g., tourism) that maximize job creation for Myanmar's citizens. Foreign investment must be scrutinized by the Myanmar Investment Commission to ascertain compliance with the Law and verify financial credibility, economic justification of the enterprise, appropriateness of technology, and environmental safeguards. The Law and Notifications clarify permitted activities for foreign investors in the tourism sector, which activities require a joint venture, and provide details on regulations and procedures on applying for an investment license. Clarification on land use, transfer of shares, tax incentives, remittance of foreign exchange, and taking of security on land and buildings is also in the Notifications.

Myanmar's Responsible Tourism Policy presents the national vision for tourism, nine aims and 58 action points that will guide implementation of the policy. The vision and aims are the foundations of the Master Plan and are elaborated in Section II of this document. A follow-up process is underway to develop and implement policy guidelines for engaging local communities in tourism, including minimum standards for community involvement.

Following the adoption of the above Laws and the Responsible Tourism Policy, there is a need to review the 1993 Myanmar Hotel and Tourism Law to determine where appropriate amendments are needed. Priority issues include a review and recommendations on how integrated resorts with gaming and casinos could better align with the vision and aims of the Responsible Tourism Policy and defining procedures to establish businesses that manage outbound tourism for Myanmar citizens wishing to travel abroad.

As a signatory to several international conventions and agreements,<sup>19</sup> GOM is committed to enacting necessary legislation and regulatory measures to ensure that tourism-related projects conform to international standards and incorporate sound environmental and social safeguards.

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<sup>14</sup> Pyidaungsu Hluttaw Law No. 7/2011.

<sup>15</sup> Pyidaungsu Hluttaw Law No. 5/2012.

<sup>16</sup> Pyithu Hluttaw Law No. 21/2012.

<sup>17</sup> GOM. 2012. Ministry of Hotels and Tourism. Myanmar Responsible Tourism Policy and 2013 addendum Policy on Community Involvement in Tourism.

<sup>18</sup> Ministry of National Planning and Economic Development Notification No. 11/2013. Myanmar Investment Commission Notification 1/2013.

<sup>19</sup> ASEAN Agreement on the Conservation of Nature and Natural Resources (1985); Vienna Convention for the Protection of the Ozone Layer (1993); Convention on Biological Diversity (1994); United Nations Framework Convention on Climate Change (1994) and its Kyoto Protocol; Convention on International Trade in Endangered Species of Wild Fauna and Flora (1997).

# Transportation Infrastructure

GOM recognizes that its transportation infrastructure critically influences tourism development potential. Compared with other ASEAN countries, Myanmar's transport sector is under-developed for a country of its size, population, and potential. Therefore, the Ministry of Transport (MOT) intends to prepare a transport master plan to: (i) harmonize future transport planning with the new State Constitution; (ii) integrate plans of different transport subsectors; (iii) pursue new opportunities to connect with other countries; (iv) promote domestic connectivity and multimodal transport networks; (v) promote greater private sector participation; and (vi) identify technical, financial, and human resources to implement the plan. At the same time, efforts are needed to ensure that tourism considerations are incorporated into comparative cost–benefit analyses when determining which transport projects should be given priority.<sup>20</sup>

## Roads

Myanmar currently has about 130,000 km of roads of all types (about 2 km of road per 1,000 people), of which less than 20% are paved to all-weather standards. In comparison, road density ASEAN-wide is more than five times higher. This shortfall has two consequences for tourism activity. First, road travel between destinations is time-consuming and some areas are essentially cut off from tourism due to inaccessibility. Second, road quality in and around destinations is inadequate, restricting visitor movement and activity.

## Civil Aviation

Myanmar has a network of 41 airports, including three international airports that are capable of handling 747-class aircraft.<sup>21</sup> In mid-2013 there are seven national airlines (i.e. Air Bagan, Air KBZ, Air Mandalay, Asian Wings, Golden Myanmar, Myanma Airways, and Yangon Airways) with 32,106 scheduled domestic departures. Air KBZ handles the largest number of scheduled domestic flights (31%), followed by Air Bagan (24%), Yangon Airways (23%), and Air Mandalay (21%). Collectively, Yangon, Mandalay, Heho, Bagan, and Thandwe airports handle 85% of all internal flights; however they are frequently overcrowded and require upgrading.

Myanmar is also served by 23 foreign carriers, accounting for about 80% of total capacity to and from the country. The main tourist gateway, Yangon International Airport, handles 94% of international air traffic. Table 8 shows the remarkable growth in scheduled international flights and inbound air-seat capacity. Eight new international carriers launched flights to Myanmar between 2012 and 2013, including three with direct flights to Mandalay. The majority of additional flights are into Yangon, with Southeast and Northeast Asia delivering 64.6% and 31% of the additional capacity, respectively. Average seat occupancy in 2012 was 73.1%, compared to 62.7% in 2011. To relieve congestion in Yangon, MTF recently began promoting tours that enter/exit the country via Nay Pyi Taw and Mandalay.

Consistent with GOM policy to liberalize air services and implement the ASEAN Open Sky Policy (Roadmap for Integration of the Air Travel Sector), the Department of Civil Aviation (DCA) is working to sign new carrier agreements. In anticipation of continued growth, DCA is also evaluating proposals to expand the operating capacity of Yangon International Airport, from about 3 million to 5.4 million passengers per year. At Nay Pyi Taw International Airport, annual operational capacity is 3.5 million passengers, but it currently receives only domestic flights and international charter services. Mandalay International Airport has an operating capacity of 3 million passengers; a private partner is being sought to manage the airport through a public–private partnership agreement. A fourth international airport is scheduled to open in 2016 at Hanthawaddy, 80 km from Yangon, with an operating capacity of at least

<sup>20</sup> ADB. 2012. Myanmar: Transport Sector Initial Assessment. Manila.

<sup>21</sup> Myanmar has 41 airfields with ICAO/IATA codes. About 30 regularly receive commercial flights.

10 million passengers per year. Thus, by 2017, Myanmar's international airports are expected to have a total operating capacity of at least 20 million passengers per year, which will be sufficient to meet expected demand.

**Table 8: Scheduled International Inbound flights into Myanmar, 2009–2013**

| Origin                | 2009         |                | 2010         |                | 2011         |                  | 2012         |                  | 2013          |                  |
|-----------------------|--------------|----------------|--------------|----------------|--------------|------------------|--------------|------------------|---------------|------------------|
|                       | SF           | SASC           | SF           | SASC           | SF           | SASC             | SF           | SASC             | SF            | SASC             |
| Europe                | 0            | 0              | 0            | 0              | 0            | 0                | 8            | 2,152            | 15            | 4,035            |
| <b>Southeast Asia</b> | 3,256        | 555,958        | 4,745        | 792,482        | 5,990        | 1,013,971        | 6,816        | 1,159,527        | 8,997         | 1,591,815        |
| <b>Northeast Asia</b> | 832          | 78,652         | 1,448        | 125,473        | 1,393        | 135,462          | 1,733        | 206,804          | 2,763         | 424,671          |
| South Asia            | 82           | 11,248         | 94           | 11,700         | 162          | 22,313           | 239          | 33,422           | 210           | 28,928           |
| West Asia             | 0            | 0              | 0            | 0              | 0            | 0                | 76           | 8,360            | 263           | 28,930           |
| Americas              | 54           | 2,592          | 0            | 0              | 0            | 0                | 0            | 0                | 0             | 0                |
| <b>Total</b>          | <b>4,224</b> | <b>648,450</b> | <b>6,287</b> | <b>929,655</b> | <b>7,545</b> | <b>1,171,746</b> | <b>8,872</b> | <b>1,410,265</b> | <b>12,248</b> | <b>2,078,379</b> |
| y/y (%)               |              |                | 48.8         | 43.4           | 20.0         | 26.0             | 17.6         | 20.4             | 38.1          | 47.4             |

SASC = scheduled air-seat capacity; SF = scheduled flights; y/y = year-on-year growth.

Sources: MOHT; PATA; SRS Analyzer.

## Railways

Myanmar's rail network covers about 3,500 km with routes connecting primary, secondary, and emerging tourist destinations. Although more expensive than travel by public bus, trains are affordable, but not commonly used by tourists because of frequent delays and long travel times. Railway modernization will help support a lower-carbon tourism economy and increase competitiveness by reducing freight costs.

## Cruising

In 2012, Yangon received nine cruise liners carrying almost 3,000 passengers. The extent to which Myanmar can grow this market is currently limited by expensive port charges, laws that restrict vessel size, and lack of a deep water seaport that can receive the large ships that dominate the international cruise industry. Insufficient infrastructure, facilities, and service capacity also restrict the number of international yachts that visit Myanmar. A strategy for developing cruise tourism and yachting in Myanmar's inland and coastal waterways is needed to assess the potential of these markets, guide infrastructure investment, and set out a program to build management capabilities.

# Superstructure and Services

## Accommodations

Myanmar currently has 787 hotels, motels, and guesthouses with 28,291 rooms, spread across 48 locations. Eighteen have a four-star rating and five are rated five-star. The majority of accommodation stock is in Yangon, Nay Pyi Taw, and Mandalay (Table 9). Fifty-six new hotels are due to open in 2013, mostly in Nay Pyi Taw, to accommodate the 2013 Southeast Asian Games and Myanmar's Chairmanship of ASEAN in 2014. The occupancy rate for larger four- and five-star hotels was around 80% in 2012, with smaller, lower standard establishments reporting lower rates. Although some five-star properties offer facilities and services comparable with the best hotels in the region, more needs to be done to improve standards at the middle and lower ends of the market. The Myanmar Hoteliers Association has requested a review of the current star-rating system, which was introduced in 2011, and its members have increased efforts to operate according to the ASEAN tourism standards.

Some hoteliers have responded to the high demand for accommodations with significant and frequently unannounced price increases, causing considerable frustration for tour operators and generating media reports of opportunism and poor value for money. To address the problem of supply, MOHT and MTF are jointly promoting the conversion of existing structures to hotels including restoration and adaptive use of Yangon's exceptional heritage buildings and development of hotel investment zones. MTF established the Myanmar Tourism Development Company to accelerate development of designated zones in Yangon, Mandalay, and Bagan. Other bodies have been formed to coordinate development in Taunggyi, Chaungtha, Inle Lake, Rakhine, Mawlamyine, Bago, Ngwe Saung, and Nay Pyi Taw.

**Table 9: Accommodation Establishments by Location**

| Location          | 2012       |               | 2013 <sup>a</sup> |              | Share (%) <sup>b</sup> |
|-------------------|------------|---------------|-------------------|--------------|------------------------|
|                   | Number     | Rooms         | Number            | Rooms        |                        |
| Bagan             | 75         | 2,196         | -                 | -            | 6.7                    |
| Chaungtha         | 18         | 642           | -                 | -            | 2.0                    |
| Kalaw             | 24         | 475           | -                 | -            | 1.4                    |
| Kyaington         | 13         | 418           | 1                 | 53           | 1.4                    |
| Kyaikhto          | 11         | 390           | -                 | -            | 1.2                    |
| Mandalay          | 79         | 3,374         | 1                 | -            | 10.3                   |
| Ngapali           | 17         | 619           | 1                 | 22           | 2.0                    |
| Nay Pyi Taw       | 33         | 2,111         | 31                | 2,830        | 15.1                   |
| Ngwesaung         | 21         | 1,026         | 1                 | 24           | 3.2                    |
| Nyaun Shwe (Inle) | 42         | 1,134         | 13                | 705          | 5.6                    |
| Pyin Oo Lwin      | 35         | 706           | -                 | -            | 2.2                    |
| Yangon            | 204        | 8,915         | 5                 | 628          | 29.1                   |
| Others            | 215        | 6,285         | 3                 | 113          | 19.5                   |
| <b>Total</b>      | <b>787</b> | <b>28,291</b> | <b>56</b>         | <b>4,473</b> | <b>100.0</b>           |

<sup>a</sup> In development. <sup>b</sup> Including development pipeline.

Source: MOHT, 2012.



## Restaurants and Retail

Myanmar's flagship destinations offer a range of restaurant services to suit different tastes and budgets. In addition, retail outlets are common in all primary destinations and languages such as Chinese, English, and Thai are widely spoken by merchants. To meet the demands of cosmopolitan visitors, Myanmar needs interventions to improve quality and choice as well as health and hygiene standards. Another challenge is to increase the number of service providers that accept credit card payments and expand access to automated teller machines. As the volume of domestic and overland travel increases, Myanmar must also develop rest areas and tourist service centers along the major highways.

## Health and Hygiene

The quality and availability of international-standard health services in Myanmar is limited. While access to clean water and sanitation is improving, there is still significant unmet demand, particularly in secondary towns and rural areas. Most tourist destinations lack sufficient infrastructure and services to collect and treat solid waste and wastewater, inhibiting investment in many tourism-related sectors. Although most hotels have septic tanks, environmental monitoring is inadequate and many hotels make their own arrangements to dispose of sludge and solid waste.

## Access to Electricity

Despite its abundant energy resources, Myanmar has the lowest per capita electricity consumption in ASEAN. This is due to the low degree of electrification and lack of industrial development. The percentage of households with access to the electricity grid is currently about 26%; the highest electrification ratios are in Yangon (67%), Nay Pyi Taw (54%), Kayar (37%), and Mandalay (37%). In January 2012, electricity tariffs for domestic consumption (>30kW supplied at 33kV) was 75 kyat/kWh for domestic users and \$0.12/kWh for foreigners.<sup>22</sup> Frequent power outages require restaurants and accommodation establishments to operate their own generators. Extra costs are passed on to clients and contribute to making Myanmar less-price competitive than its neighbors.

## Mobile Services and Information Technology

Mobile services, smart phone applications, and Internet technology influence the nature and pace of tourism development. Travelers use these technologies to access information about tourist destinations and instantly communicate their impressions on the quality of the visitor experience. With a mobile penetration rate of less than 10% and a very low number of people connected to broadband Internet (0.03%), Myanmar is one of the world's least connected nations. Although telecom and Internet facilities are available for tourists in most urban areas and major towns, service standards are frequently low. The award of two 15-year telecommunications licenses to international companies in June 2013 is expected to increase the affordability and reliability of mobile and Internet services for both residents and visitors.

## Tour Services

Myanmar has 1,026 licensed tour companies, including 17 joint ventures that have the capacity to arrange classic tours. However, most firms are unable to organize customized programs. Among 3,353 licensed tour guides, 2,058 speak English and several hundred speak Japanese, Thai, Chinese, French, and/or German. The peak season typically experiences a shortage of trained guides, especially those who speak English, Japanese, and the European languages. The availability of tourist vehicles is also limited during the peak season.

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<sup>22</sup> ADB. 2012. Energy Sector Initial Assessment. Manila.

## Finance and Investment

Public and private investment in infrastructure and services is critically needed to support the expansion of Myanmar's tourism industry. While GOM is increasing budget allocations to develop economic infrastructure (e.g., roads, power generation and distribution, telecommunications, sanitation, and water supply) in tourist destinations, Myanmar also needs significant levels of private finance. GOM is preparing a financial sector master plan to facilitate greater private access to loans, credit, and financial services, intended to help national investors overcome challenges to obtaining affordable finance for tourism and other projects. In the interim, GOM has liberalized the bank deposit and lending rates within a fixed corridor, lifted additional capital requirements for branch expansion, raised allowable loan ceilings, expanded eligible collateral, and eliminated the deposit-to-capital ratio requirement. Moreover, the Pyidaungsu Hluttaw passed a new microfinance law in 2011,<sup>23</sup> and four new commercial banks were licensed in 2012.

Myanmar has a total of 36 foreign investments in hotels and commercial complexes valued at \$1.41 billion. Thirty projects have been completed and six are in the development stage, including a 414-room, \$300 million build-operate-transfer (BOT) project that was approved in December 2012. Once completed, these projects will add 1,559 rooms to Myanmar's accommodation stock.

Since passage of the new Foreign Investment Law and its associated Notifications, several international hospitality chains have applied for an investment permit and more are welcome. Myanmar currently allows 100% foreign ownership of hotels rated at three or more stars. MOHT promotes hotel construction on government land through BOT arrangements, setting annual lease fees according to the size of the property or a percentage of revenue. For ecotourism and other specialized tourism activities, a special permit may be required.

Financial and technical support to help Myanmar meet the many challenges ahead is also sought from Myanmar's development partners. The Nay Pyi Taw Accord for Effective Development Cooperation (January 2013) provides guidelines for development partner assistance to the tourism industry and other sectors.

## Human Resources

The diversity of tourism activities is indicative of the range of knowledge, skills, and attributes needed by tourism workers and employees of tourism-related industries, professions, and government agencies. Given the low volume of tourists during the past three decades and past underinvestment in the education sector, Myanmar's tourism workforce is now under significant strain to provide services that meet international expectations. Two key issues are (i) the extent to which the existing workforce can cope with the expansion of the tourism industry and (ii) the rate at which new entrants can be trained and advance to positions that demand more refined skill sets. Quality assurance, accreditation systems, and qualifications of academic staff also need to be improved.

GOM's Thirty-Year Long-Term Education Development Plan (2001–2030) and the associated 5-year plans set out broad directions for improving access to and quality of post-primary education to meet the needs of society and the economy. In school-year 2011/12 about 96,000 students were enrolled in 42 post-secondary technical and vocational education and training (TVET) institutions under the Department of Technical and Vocational Education, Ministry of Science and Technology, the lead agency

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<sup>23</sup> Pyidaungsu Hluttaw Law No. 13. 2011.

for TVET.<sup>24</sup> While data on the number of students enrolled in tourism-related training is unavailable, the high labor intensity of the tourism industry suggests that significant additional capacity is required. Conservative forecasts suggest that direct employment in the tourism industry will increase to 424,450 in 2015 and 536,056 in 2020; in a high growth scenario, direct tourism employment could reach as high as 1.49 million in 2020 (Table 10). Thus, there is a pressing need to develop and implement a comprehensive national plan for tourism human resource development.

**Table 10: Estimated Direct Tourism Employment in Myanmar, 2012–2020**

| Subsector                    | Conservative   |                |                | High           |                  |
|------------------------------|----------------|----------------|----------------|----------------|------------------|
|                              | 2012           | 2015           | 2020           | 2015           | 2020             |
| Accommodation                | 44,055         | 63,668         | 84,458         | 125,403        | 224,670          |
| Food and beverage            | 146,850        | 212,225        | 281,528        | 418,009        | 748,901          |
| Recreation and entertainment | 29,370         | 42,445         | 56,306         | 83,602         | 149,780          |
| Transportation services      | 58,740         | 84,890         | 112,611        | 167,204        | 299,560          |
| Travel services              | 14,685         | 21,223         | 28,153         | 41,801         | 74,890           |
| <b>Total</b>                 | <b>293,700</b> | <b>424,450</b> | <b>563,056</b> | <b>836,018</b> | <b>1,497,801</b> |

Sources: World Travel and Tourism Council; Myanmar Tourism Master Plan Report (TA-8136).

Key barriers that prevent access to tourism TVET include high direct and indirect costs, lack of facilities, and inadequate academic preparedness that begins in primary school. Language, cultural factors, and disabilities further inhibit access, especially for the poor. The Ministry of Education (MOE) is currently conducting a comprehensive education sector review to set priorities, targets, and sequenced action plans for priority sectors. Meanwhile, Myanmar's tourism industry stakeholders have identified the following key issues: (i) ensuring that industry training matches the needs of the market place; (ii) increased understanding of what constitutes quality visitor experiences; (iii) imparting strategic, integrated, and critical thinking; (iv) instilling entrepreneurial skills, especially for operators/employees of micro-, small-, and medium-sized enterprises; (v) increasing the understanding of return on investment; (vi) enacting training and education standards with third-party certification; (vii) providing tools and capacity building skills to boost partnerships; (viii) mobilizing private resources; and, (ix) enhancing regional cooperation and preparedness for Myanmar's integration with the ASEAN Economic Community.

MOHT and MOE jointly introduced Myanmar's first 4-year bachelor degree program in tourism in December 2012. There is also a post-graduate Diploma in Tourism Studies Management (initiated in 2006) offered in Yangon and Mandalay. Additionally, a handful of private schools teach elements of the tourism system through short courses (e.g., ticketing, hospitality, sales, and industry background), and the Myanmar Hospitality Professionals Association has begun to offer its own courses, an important step that requires additional support. MOHT operates a training center that offers courses in (i) guide training (three months); (ii) tourism management, which provides basic industry knowledge (two months); and, (iii) ad-hoc short courses for tourism language training. Currently, primary or secondary schools do not conduct tourism-related subjects.

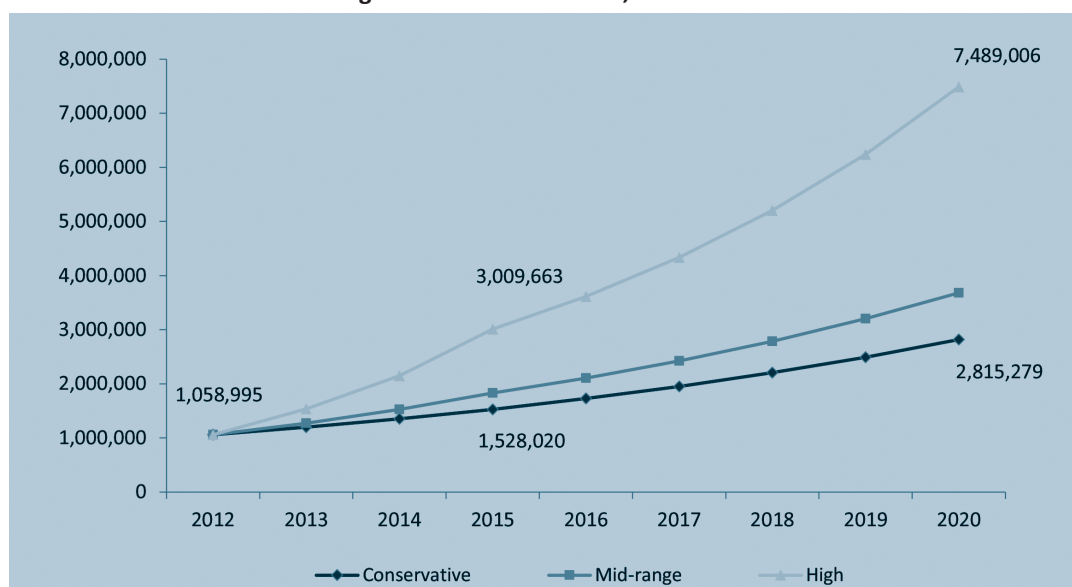
As recognized by the Myanmar Responsible Tourism Policy, it is important to empower and engage host communities in tourism skills training, planning, and management. In addition to formal education and training, NGOs can play an important role in facilitating the transfer of grassroots knowledge. Therefore, it is important that those involved in tourism acquire an understanding of the tourism system and the mechanisms for delivering programs that support sound planning and development processes.

<sup>24</sup> ADB. 2011. Summary Sector Assessment. Post Primary Education, Myanmar. Manila.

## Growth Scenarios

Strong demand to visit Myanmar and current trends suggest that visitor arrivals will continue to rise sharply. Figure 4 presents visitor forecasts for conservative, mid-range, and high growth scenarios, drawing on regional experience in the GMS. These data include all land and air arrivals and assume steady 13% year-on-year growth for the conservative scenario; 20% annual growth from 2013–2015, moderating to 15% from 2016 onward for the mid-range scenario; and 40%–45% annual growth from 2013–2015, moderating to 20% from 2016 to 2020, for the high-growth scenario.

**Figure 4: Visitor Forecasts, 2013–2020**



Sources: Asian Development Bank estimates; Ministry of Hotels and Tourism.

As shown in Table 11, growth in visitor spending is forecast to rise from an average of \$135 per day in 2012 to \$150 in 2015 and \$170 by 2020. It is assumed that average length of stay (all markets) will increase from the current seven days to eight days as more facilities and services are developed. Based on these assumptions, under a conservative growth scenario tourism receipts are forecast to increase to \$1.83 billion in 2015 and \$3.82 billion in 2020. Under the high growth scenario, annual tourism receipts in 2020 would exceed \$10.0 billion.

**Table 11: Projected Arrivals and Spending, 2015–2020**

| Growth Scenario                  | Conservative |           | Mid-range |           | High      |           |
|----------------------------------|--------------|-----------|-----------|-----------|-----------|-----------|
|                                  | 2015         | 2020      | 2015      | 2020      | 2015      | 2020      |
| International arrivals           | 1,528,020    | 2,815,279 | 1,829,943 | 3,680,669 | 3,009,663 | 7,489,006 |
| Average daily spend (\$)         | 150.00       | 170.00    | 150.00    | 170.00    | 150.00    | 170.00    |
| Average length of stay (days)    | 8.00         | 8.00      | 8.00      | 8.00      | 8.00      | 8.00      |
| Total visitor spend (\$ billion) | 1.83         | 3.82      | 2.19      | 5.00      | 3.61      | 10.18     |

Note: Baseline average daily spend is \$135 per day in 2012.

Sources: Ministry of Hotels and Tourism; Asian Development Bank estimates.



# Strengths, Opportunities, Constraints, and Risks

Before presenting the vision, principles, and strategic programs that will guide responsible tourism development in Myanmar, this section summarizes the strengths and opportunities for Myanmar's tourism industry to build on, constraints to overcome, and risks to manage (Table 12).

**Table 12: Strengths, Constraints, Opportunities, and Risks**

|   |   |
|---|---|
| <p><b>Strengths</b></p> <ul style="list-style-type: none"> <li>• Tourism is a national priority.</li> <li>• Rapidly increasing visitor arrivals.</li> <li>• Outstanding historic, natural, and cultural heritage.</li> <li>• Renowned friendliness of Myanmar's people.</li> <li>• New destination with extensive international media exposure.</li> <li>• Commitment to effective and efficient Government.</li> </ul> | <p><b>Constraints</b></p> <ul style="list-style-type: none"> <li>• Lack of trained human resources.</li> <li>• Insufficient public services, infrastructure, and financial systems.</li> <li>• Weak regulatory environment.</li> <li>• Insufficient coordination among and between the public and private sectors.</li> <li>• Lack of accurate tourism information.</li> </ul>                                |
| <p><b>Opportunities</b></p> <ul style="list-style-type: none"> <li>• Strategic location between the People's Republic of China and India.</li> <li>• Robust market demand.</li> <li>• Increase foreign direct investment and public revenue.</li> <li>• Deepen regional cooperation.</li> <li>• Job creation.</li> <li>• Technology transfer.</li> <li>• Intercultural exchange with international visitors.</li> </ul> | <p><b>Risks</b></p> <ul style="list-style-type: none"> <li>• Visitor's perception of poor value for money.</li> <li>• Negative economic, social, and environmental impacts.</li> <li>• Speed of economic reform and liberalization.</li> <li>• Inappropriate metrics used to measure tourism performance.</li> <li>• Global economic instability and climate change.</li> <li>• Natural disasters.</li> </ul> |

Source: Myanmar Tourism Master Plan Report (TA-8136).

GOM confirms that tourism development is a national priority, and is contributing to economic growth and poverty reduction, accelerating national reconciliation and the democratization process, and other priorities outlined in the FESR. Tourism provides markets for locally produced agricultural products, contributes to rural development, and can help spread social and economic benefits to all regions and states. Together with rising foreign and domestic investment, increased levels of visitor arrivals and spending are creating jobs for men and women that are consistent with their needs and capabilities, promoting technology transfer, and fostering friendship and intercultural understanding between Myanmar and the world. Moreover, investment and enterprise creation is generating significant public revenue from taxes and fees, which can be used to conserve and protect the country's precious heritage, support environmental conservation, and provide resources for public spending directed at poverty reduction. Formation of the Myanmar Tourism Federation and the interest of civil society in improving tourism planning and management are welcome and consistent with GOM's emphasis on people-centered development. As an international industry that requires close cooperation with neighboring countries to reach its full potential, tourism is a key driver of economic integration in ASEAN. The Master Plan reflects GOM's commitments to ASEAN and other regional cooperation programs.

At the same time, there are constraints and risks that require focused attention to ensure that tourism is developed responsibly, helps to catalyze broad-based economic development and creates spillover benefits in other economic sectors. To overcome and effectively manage these constraints and risks, GOM will continue to support investment in people and infrastructure to allow the country to maximize its benefits from tourism and minimize negative impacts. GOM will strengthen measures to prevent, respond to, and recover from natural disasters, for the benefit of all of Myanmar's people, and to build confidence among visitors and investors. In its efforts to promote a lower-carbon tourism economy, GOM will work to mitigate the effects of climate change and use tourism as a tool to enhance the management of protected areas. To support effective policy making for tourism and related sectors, GOM will continuously improve its tourism information system, including the timely and accurate collection, analysis, and dissemination of statistics and economic analysis. Although the speed and depth of economic and political reform may carry risks, GOM will work to address these risks by constantly improving good governance through transparency, open access to information, public participation and consultation, controlling corruption and upholding the rule of law.

# The Way Forward









## II. The Way Forward

This section of the Master Plan describes Myanmar’s vision for tourism, guiding principles, and strategic programs that will guide responsible development of the industry. These programs align with the 2012–2015 policy priorities of the Framework for Economic and Social Reforms and the parameters of the National Comprehensive Development Plan. The goal of the Master Plan is to maximize tourism’s contribution to national employment and income generation, and ensure that the social and economic benefits of tourism are equitably distributed. Here, the actions needed to achieve “quick wins” are described together with key objectives for strengthening the institutional environment, developing human resources, strengthening tourism destination management, enhancing linkages between tourism and other sectors of the economy, improving connectivity and tourism-related infrastructure, and building the brand of Tourism Myanmar.

### Vision Statement

The Master Plan adopts the vision set out in Myanmar’s Responsible Tourism Policy. Developed through an extensive consultative process and with broad support from national stakeholders, the Government of Myanmar (GOM) approved this vision in June 2012. It conveys the long-term goal for the tourism industry and underscores GOM’s commitment to develop a responsible tourism industry. The Myanmar Tourism Vision states that

*“We intend to use tourism to make Myanmar a better place to live in – to provide more employment and greater business opportunities for all our people, to contribute to the conservation of our natural and cultural heritage and to share with us our rich cultural diversity. We warmly welcome those who appreciate and enjoy our heritage, our way of life, and who travel with respect.”*

### Guiding Principles

To carry this vision forward, the Master Plan has adopted the nine aims of the Responsible Tourism Policy as guiding principles. These principles seek to

- develop tourism as a national priority sector;
- promote broad-based local social and economic development;
- maintain cultural diversity and authenticity;
- conserve and enhance Myanmar’s protected areas and natural environment;
- compete on product richness, diversity, and quality;
- ensure the health, safety, and security of visitors;
- strengthen institutional capacity to manage tourism;
- develop a well-trained and rewarded workforce; and,
- minimize unethical practices.



To develop Myanmar as a year-round destination with a geographically spread product base, GOM will focus on promoting industry practices that align with the Responsible Tourism Policy and expand the availability of quality tourism products and services. Table 13 provides an overview of products and destinations prioritized for immediate development, to be expanded based on market research and the readiness of additional destinations. The extent to which specialist or niche market products (e.g., adventure tourism; community-based tourism; volunteer tourism; cruise tourism; meditation; and meeting, incentive, conference, and exhibition [MICE] tourism) are developed will depend on (i) market interest, (ii) the articulation of coherent strategies for these niche markets, and (iii) linkages and partnerships between outbound and inbound tour operators and other enterprises in the tourism system. In particular, GOM will promote partnerships between international tourism enterprises with a proven track record of supporting responsible tourism and locally established inbound tour operators, accommodation providers, and other tourism-related services.

**Table 13: Tourism Products and Destinations for Development**

| Products                           | Types  | Destinations  |
|------------------------------------|--|---|
| Cultural and creative tourism      | Sightseeing, cultural tours, festivals, heritage tours, pilgrimages, culinary tours, handicrafts, and meditation courses   | Kyaington, Pyin Oo Lwin, Hsipaw, Mrauk U, Hpa-an, Hakha, Nat Ma Taung, and Loikaw   |
| Nature-based activities            | Visits to protected areas, sites of natural beauty, and beach tourism  | Inle, Bagan, Ngapali, and emerging destinations (Ngwesaung, Chaungtha, Kyaington, Kawthaung, and Myeik Archipelago)         |
| Adventure and experiential tourism | Ballooning, cycling, motorbike tours, kayaking and rafting, caravans, walking and trekking, volunteer tourism, community-based tourism, and professional development initiatives | Inle, Bagan, and emerging destinations (Kyaington, Pyin Oo Lwin, Hakha, Nat Ma Taung, Putao, Loikaw, and Myeik Archipelago) |
| Cruise tourism and yachting        | River and ocean cruises  | Yangon, Bagan-Mandalay, Ayeyawady, and emerging destinations (Kawthaung)  |
| MICE tourism                       | Meetings, incentive, conferences, and exhibitions  | Nay Pyi Taw, Yangon, Mandalay, and Ngapali  |

Sources: Ministry of Hotels and Tourism; Myanmar Tourism Federation.

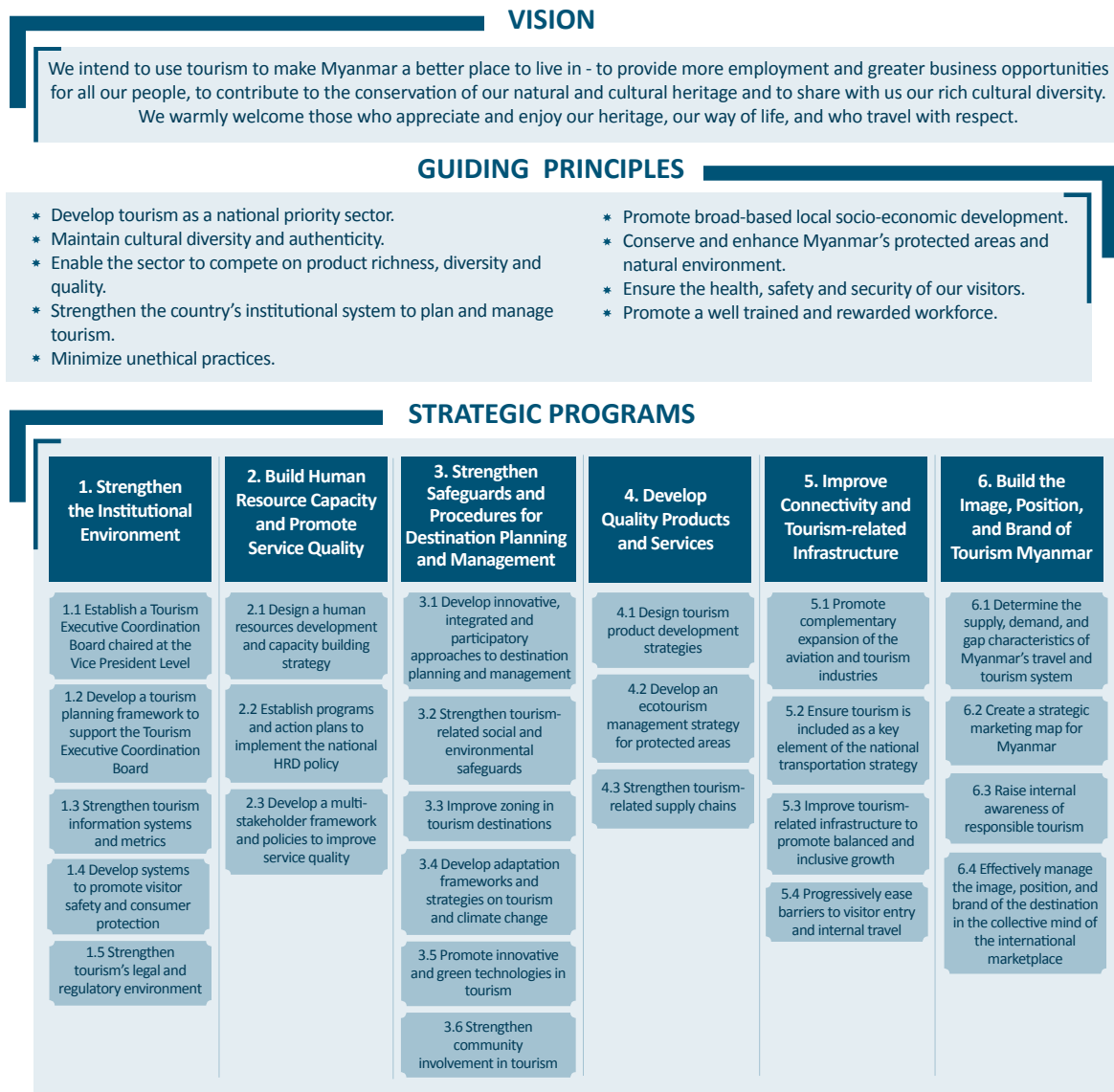
In terms of growing the visitor market, Myanmar welcomes tourists from around the world and will continue to review its visa policy to facilitate smooth and efficient access to the country. In the interest of responsible and sustainable tourism, Myanmar will closely monitor expansion of the sector and encourage forms of quality tourism that are consistent with national, state, and regional development objectives. Value and yield will take precedence over simply increasing the volume of annual visitors. Hence, GOM will emphasize achieving a balance between the need to ensure the well-being of host communities and protection of Myanmar's natural and cultural heritage, and the need to boost the contribution of tourism to foreign exchange earnings and GDP growth.

To help ensure that increasing tourism's value and yield takes precedent over only increasing the volume of annual visitors, national and destination specific indicators will be progressively developed to guide tourism-related policies and management practices. Mechanisms to effectively manage public revenue from visitor fees and other charges at the destination and site levels will be introduced to support implementation of the Master Plan, help finance the protection of Myanmar's tourism resources, and where necessary, moderate visitor growth in sites experiencing excessive development pressures. Based on experience gained during implementation of the Master Plan and in consultation with civil society and other public and private stakeholders, the Ministry of Hotels and Tourism (MOHT), the Myanmar Tourism Federation (MTF), and state and regional governments will further define the nature and extent of tourism activity that best suits the needs of the country.

# Strategic Programs

Figure 5 summarizes the strategic programs and key objectives of the Master Plan. While each program and set of objectives is presented as a separate pillar, they are interconnected and must be viewed as an integrated set of actions that require strong coordination in their timing and implementation. Combined with support from private operators, civil society, and development partners, robust and sustained political commitment at all levels of government will provide a foundation for the successful implementation of the plan.

**Figure 5: Myanmar Tourism Master Plan: Strategic Programs and Key Objectives**



Sources: Myanmar Tourism Master Plan Report (TA-8136); Myanmar Responsible Tourism Policy.

Key objectives positioned under each strategic program represent the “best fit” for institutional arrangements and are organized to produce a coordinated response to the many challenges ahead. It is emphasized that no one strategic program is more important than another: they are interrelated and have equal importance. Similarly, implementation of the Master Plan will mainstream seven cross-cutting themes:

**Gender equity.** All tourism policies and development planning will include gender analysis. Men and women will have equal access to economic opportunities, skills training, employment, resources, and decision-making.

**Environmental sustainability.** All tourism-related policies and plans will embrace safeguards and procedures to facilitate sound environmental practices.

**Partnerships.** Partnerships between the public and private sectors, development partners, and civil society will be encouraged to address development issues, facilitate investment, and build synergies at all levels.

**Innovative financing.** Mechanisms such as public–private partnerships, micro-contributions, and appropriate taxes and user fees will be promoted to secure the widest possible funding base to support the implementation of the Master Plan.

**Regional cooperation.** Enhanced regional cooperation in tourism and related sectors will be pursued to exchange knowledge and lessons on good practice, ensure consistency in tourism standards and visa policies, harmonize the collection and reporting of tourism statistics, jointly promote Myanmar with other destinations of the Association of Southeast Asian Nations (ASEAN) and the Greater Mekong Subregion (GMS), and raise the efficiency of tourism-related infrastructure investments.

**Ensure access for disabled people.** Ensure that people with disabilities are equally able to participate in vocational and professional opportunities in tourism as well as in the recreational opportunities that tourism provides.

**Consultation and participation.** Steps will be taken to ensure prior and informed consultations are made with relevant stakeholders, as well as the provision of timely and accurate disclosure of information, to promote gender and ethnic inclusiveness, and enable the incorporation of stakeholder views into decision-making processes.

The following sections describe the priority issues addressed by each strategic program, and Appendix 1 provides further details on the implementation of each key objective. The framework also suggests indicative time frames for implementation, stakeholders to be engaged (with the lead agency highlighted in bold) and a set of performance indicators. Activities for immediate implementation are set out in the short-term action plan covering 2013–2015 (Appendix 2).

It is recognized that Myanmar’s development partners can play important supportive roles in the successful implementation of the Master Plan. Activities in Appendix 1 with the symbol (\$) appearing in the column that identifies lead stakeholders distinguish activities that are prioritized for technical assistance and other forms of development partner support.

### **Strategic Program 1: Strengthen the Institutional Environment**

International tourism is a dynamic and complex industry, due in part to the diverse activities of niche markets, rapid introduction of new technologies, and the wide range of stakeholders engaged in its policy and institutional environment. Together with ongoing structural changes to political and economic systems and the progressive opening of Myanmar to foreign investment, these issues present numerous challenges for effective coordination.

These challenges are made more complex by the surging number of visitors, introduction of online visa systems, promulgation of the new Foreign Investment Law, and the need to effectively implement Myanmar’s Responsible Tourism Policy. In this context, Myanmar needs a wide range of measures to strengthen its institutional environment, ensure effective coordination of tourism planning and development, and achieve wider development goals. Five key objectives aim to strengthen tourism planning and management practices.

### **Key Objective 1.1: Establish a Tourism Executive Coordination Board Chaired at the Vice President Level**

A Tourism Executive Coordination Board will be formed and chaired at the vice-president level to provide policy guidance, enhance the enabling environment for tourism, and ensure effective development partner coordination in the tourism sector. The Board will be comprised of ministers/vice ministers representing Hotels and Tourism, Finance and Revenue, Planning and Economic Development, Foreign Affairs, Home Affairs, Environmental Conservation and Forestry, Transport, Construction, Health, Education, Culture, Telecommunications, Information, and others deemed appropriate. Other Board members will include high-level representatives from each state and region as well as MTF executives. The Board will recommend and oversee the formation and work of a series of committees and agencies that assume responsibility for specific agendas such as improving tourism information systems, marketing and promotion, visa policy, human resource development, infrastructure, and ecotourism. To advise the Board in its strategic decision-making an advisory panel with representation of international organizations with expertise in tourism (e.g., the United Nations World Tourism Organization [UNWTO], the World Travel and Tourism Council [WTTC], the Global Sustainable Tourism Council [GSTC], the Pacific Asia Travel Association [PATA], and the Asian Development Bank [ADB]) will be established. This action will also enhance coordination with and among development partners.

### **Key Objective 1.2: Develop a Tourism Planning Framework to Support the Tourism Executive Coordination Board**

GOM recognizes that tourism planning occurs at various geographic levels, from overall national policy planning to regional and local planning, and planning for individual tourist attractions. As each level of tourism planning deals with different levels of complexity, information, type of analysis, and stakeholder involvement, planning models appropriate for these various levels will be adopted.

The initial focus will (i) establish tourism focal points or offices in tourism-related ministries and departments; (ii) establish and strengthen tourism planning committees and destination management organizations (DMOs) in states and regions; and (iii) implement programs to strengthen the capacity of MTF's regional chapters. Recognizing the need to develop the skills and capabilities of public and private stakeholders nationally and in the states and regions, initial efforts will emphasize capacity building, including skills and knowledge audits and tailor-made interventions to support state, regional, and destination tourism committees and regional chapters of MTF associations. For private operators, capacity building will focus on building inclusive business associations, improving understanding of responsible tourism practices, and developing business-to-business linkages with outbound clients and operators from key source markets.

### **Key Objective 1.3: Strengthen Tourism Information Systems and Metrics**

Tourism information systems and metrics will be strengthened to address the need to generate timely and accurate market intelligence and produce regular reports on tourism performance to inform policy making. It is recommended that a Tourism Technical Authority (TTA) take the lead in identifying metrics and processes for performance monitoring at the national, state, and regional levels. The TTA will also track indicators (e.g., international and domestic visitor spending, the contribution of tourism to GDP, and tourism investment and employment) and information on associated impacts. Strengthening the analytic capacity for tourism value chain analysis will support programs that enhance linkages between tourism and other areas of the economy. Market intelligence will be disseminated for use by all stakeholders, especially the private sector. Information and reports generated through activities of the TTA will be used to monitor implementation of the Master Plan.

### **Key Objective 1.4: Develop Systems to Promote Visitor Safety and Consumer Protection**

GOM and private agencies will develop systems and protocols to effectively manage and recover from emergency situations (e.g., earthquakes, typhoons, communicable disease outbreaks, or life threatening

injuries). MOHT will lead participatory processes to develop a national policy on codes of conduct to promote visitor safety and consumer satisfaction, with a view to progressively integrate tourism services into national laws on consumer protection. To enhance visitor safety, GOM will establish tourist police departments in each of the main tourist destinations. Collectively, these processes are part a wider effort to strengthen the “customer care” side of the tourism regulatory environment.

#### **Key Objective 1.5: Strengthen Tourism’s Legal and Regulatory Environment**

Measures to strengthen the legal and regulatory environment for tourism will emphasize creation of an environment that enables growth and investment in responsible tourism. To generate funds for responsible tourism management at the destination level, GOM will strengthen systems to collect and manage tourist user fees and taxes. To accelerate the expansion of local employment, GOM will streamline licensing procedures for tour guides, accommodations, restaurants, and other tourism-related enterprises, thus promoting greater entrepreneurial activity. GOM will also initiate a review of the Tourism Law to address legal and regulatory concerns (e.g., tourism-related investment projects, domestic tourism, outbound travel for citizens of Myanmar, gaming, and labor). Finally, GOM will develop safeguards that are consistent with international labor standards and demonstrate sensitivity to the needs of women and people with disabilities.

#### **Strategic Program 2: Build Human Resource Capacity and Promote Service Quality**

Over the last decade, Myanmar has established a relatively small international tourism industry that has been successfully managed by a public and private workforce with capable skill sets. The industry is now experiencing substantial growth. Conditions suggest that this trend will continue, underscoring the need to build the capacity of the tourism workforce and sustainably manage growth in ways that are consistent with Myanmar’s Responsible Tourism Policy. Moreover, the strategic programs of the Master Plan can be carried forward only to the extent that the tourism workforce has the human resource capacity to implement the prescribed activities.

In this context, GOM will ensure that the country has the necessary capacities to deliver quality visitor experiences and, at the same time, protect and enhance important natural, social, economic, and cultural resources. Short-term programs will be put into place to fill immediate gaps and long-term programs developed in line with industry needs. In accordance with this process, activities to build capacity are aligned around three key objectives:

#### **Key Objective 2.1: Design a Human Resources Development and Capacity Building Strategy**

Development of the strategy will begin with an overall skills audit and comprehensive needs assessment at multiple industry levels. Results of the skills audit and needs assessment will help identify priority areas for intervention; define key target groups, including the poor and disadvantaged; and the means for effectively delivering needed knowledge, skills, and competencies. The nature of the training needs assessment is crucial and will include (i) an overall assessment of the training and educational landscape, specifically within tourism, including both hardware and software; (ii) an understanding of the position of the many and varied stakeholder groups, both present and future, based on growth projections (i.e., required skill sets, number of positions, location within the country, etc.), which shall take the form of a gap analysis; (iii) identification of areas of greatest need to meet urgent Government and industry objectives; (iv) a method for targeting the most needy groups; (v) the means to best deliver innovative and creative learning; and, (vi) monitoring indicators and related metrics to ensure effectiveness and relevance.

Simultaneously with the needs assessment, MOHT will establish an Education and Training Department (ETD). Working closely with the Ministry of Education (MOE), the ETD will (i) oversee the design and delivery of the human resource development (HRD) strategy for the tourism industry; and (ii) undertake research to determine how scarce financial resources can best be deployed using models that allow



for education and training to be delivered in the short-, medium- and long-term. The tourism HRD strategy will recognize that all stakeholders, including public officials, private operators, NGOs, social enterprises, and, most importantly, local communities and the poor, need access to knowledge, education, training, and capacity building. Consistent with the Master Plan's cross-cutting theme of equal access for disabled people, the strategy will also identify skills empowerment opportunities for disadvantaged segments of the population.

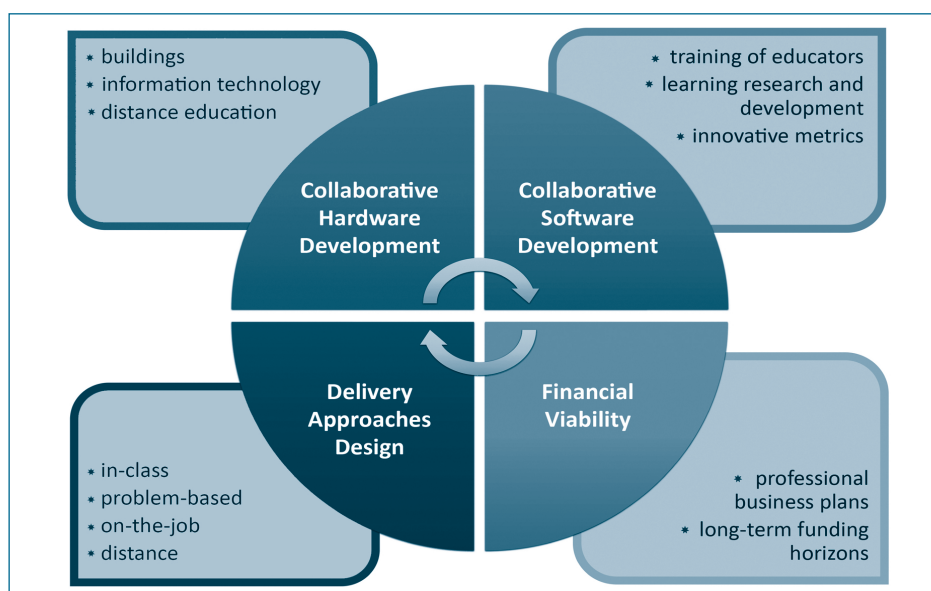
The tourism HRD strategy will determine the location of training institutes and programs, the content of education and training programs, the types of new degrees and programs, and the development of certification, oversight, and quality control mechanisms. Innovative and creative learning approaches will be mainstreamed into strategic programs and priority areas for action.

Improved standards for all levels of education and training will underpin the delivery of quality services. As new programs are developed and existing programs revamped, all related tasks will be carried out within a national accreditation and standards process that is aligned with international standards, and overseen by a National Tourism Professionals Board and Tourism Professionals Certification Board. Implementation of ASEAN initiatives (e.g., the Mutual Recognition Arrangement [ASEAN-MRA] and partnerships with agencies from the wider international arena, including universities specializing in tourism HRD) will be leveraged to carry the accreditation and certification agenda forward.

#### **Key Objective 2.2: Establish Programs and Action Plans to Implement the National HRD Strategy**

Figure 6 illustrates the key elements of the tourism HRD strategy, which emphasizes the need for complementary investments in “hardware” and “software,” collaboration between the public and private sector, and sharing of resources. Due to the lack of local opportunities, unaffordability, and inability to spend extended time away from family and work, many people are presently unable to access tourism education and training. Consequently, the tourism HRD strategy will promote distance learning and online education,<sup>25</sup> supported by Government efforts to rapidly expand access to electricity and the Internet. GOM will also review and promote open online courses to keep pace with the shifting evolution of higher education.

**Figure 6: Key Elements of the Tourism Human Resource Development Strategy**



Source: Myanmar Tourism Master Plan Report (TA-8136).

<sup>25</sup> Course Management Systems, Learning Management Systems, Virtual Learning Environment, Videos, CD-ROMs/DVDs, computer videoconferencing, web-based education, Internet chat, email, podcasting, streaming video and audio.

Additional actions to expand access to quality tourism education and training, particularly for low-income groups, women, youth, and ethnic groups, include the creation of (i) mobile training units and traveling teams of expert trainers to help address the acute shortage of trained tourism and hospitality workers; (ii) the introduction of tourism courses in secondary school; and (iii) partnerships with international universities and other institutions.

### **Key Objective 2.3: Develop a Multi-Stakeholder Framework and Policies to Improve Service Quality**

As competition within the global tourism industry increases, the defining factor influencing buying decisions is often based on the quality of service that is promised and delivered. Although service quality is often seen as a human interaction between employee and guest, it is more a product of significant back-of-house activities and wider processes that embrace motivation, human resource development and management, training levels, the nature of supervision, information technology, design, and innovative processes. All of these elements underpin the visitor experiences. The advent of social media adds new significance to the need for quality service because visitors can now share both good and negative experiences quickly and on a global scale.

The Master Plan emphasizes the need to improve service standards through design and planning processes that embrace talent management, finance, information technology, supply chain management, quality control, customer relations management, and operations. Given the need to improve service levels, initiatives embraced in this key objective include setting service standards that are harmonized with international/regional standards and linking with ASEAN partners to develop training programs, refine standards, and produce materials to support implementation.

### **Strategic Program 3: Strengthen Safeguards and Procedures for Destination Planning and Management**

Many of Myanmar's heritage destinations face challenges in terms of managing the negative impacts of rapid tourism growth due to the lack of human and financial resources needed to apply appropriate social and environmental safeguards. At the same time, many interesting sites with good tourism potential cannot attract a sufficient number of visitors, due to inaccessibility, low market awareness, insufficient investment, and a lack of tourism planning expertise. To attract more tourists, increase the value of Myanmar's tourism industry, and avoid potentially negative impacts, the Master Plan promotes first-rate destination planning. For heritage destinations, the goal of such planning is to promote conservation through development and ensure that regulations and management systems keep pace with changing site conditions. Similarly, to remain competitive in the global marketplace, the Master Plan adopts the World Economic Forum's recommendations to advocate destination planning that embraces climate change issues and places a strong focus on green jobs and green growth to reduce carbon emissions.<sup>26</sup>

A good example of Myanmar's nascent efforts to promote integrated destination planning and management can be found at Inle Lake. Here, the MOECF and its development partners have prepared the *Inlay Lake Conservation Project: A Plan for the Future*. The plan proposes tourism as a vehicle to (i) increase local income and employment, (ii) alleviate environmental pressures from unsustainable forms of commercial agriculture, and (iii) use tourism as an effective tool for conserving this unique but threatened cultural landscape.<sup>27</sup>

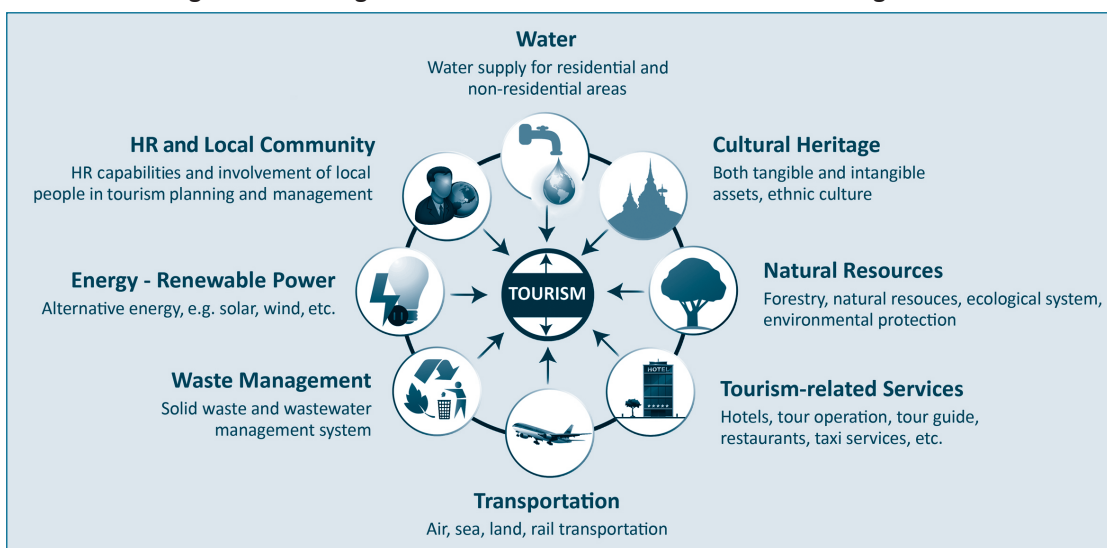
<sup>26</sup> G. Lipman, T. De Lacey, and P. Whitelaw. 2013. Competitiveness, Jobs and Green Growth: A Local Model. In *The Travel and Tourism Competitive Report 2013: Reducing Barriers to Economic Growth and Job Creation*. Geneva.

<sup>27</sup> Inlay Lake Conservation Project a Plan for the Future prioritizes the development of a tourism management plan. See Institute of International Development (2012). *Inlay Lake: a Plan for the Future*. Inlay Lake Conservation Project. August 2012. Yangon.

### Key Objective 3.1: Develop Innovative and Integrated Approaches to Destination Planning and Management

Activities under this objective will draw on international good practice<sup>28</sup> to strengthen the capacity of national, state, and regional tourism planners to prepare integrated destination management plans that are appropriate for the local context and which embrace the issues shown in Figure 7. While plans will eventually be prepared for all of the main and secondary destinations, Bagan, Inle, Kyaikhto, and the main domestic beach destinations have been prioritized for immediate action because they face the greatest challenges from rapid tourism growth. Thematic interpretation plans will be developed alongside destination management plans to enhance the visitor experience and promote the involvement of local people in heritage protection.

**Figure 7: Planning Considerations for Tourism Destination Management**



HR = human resources.

Source: The College of Innovation, Thammasat University.

### Key Objective 3.2: Strengthen Tourism-related Social and Environmental Safeguards

To ensure that tourism planning is consistent with the aims and objectives of Myanmar's Responsible Tourism Policy, the Master Plan includes several activities to strengthen tourism-related social and environmental safeguards, including a review of social (involuntary resettlement and indigenous peoples) and environmental safeguard policies and capacity building to support effective implementation, monitoring, and enforcement. The Master Plan supports corporate social responsibility and partnerships between government, civil society, the private sector, and local communities to promote the protection of natural and cultural assets. In accordance with national prevention policies, GOM will promote collaboration between MOHT and other internal and external agencies to combat all forms of sex tourism and human trafficking and also support training on prevention and detection methods for the newly established tourist police force.

The safeguards review will help improve national requirements for environmental impact assessment (EIA) and social impact assessment (SIA) of tourism-related projects. Specifically, MOHT will work with other government ministries to develop processes and guidelines that clarify SIA and EIA requirements

<sup>28</sup> UNWTO. 2007. A Practical Guide to Tourism Destination Management. Madrid.

UNESCO World Heritage Center. 2007. Managing Tourism at World Heritage Sites. A Practical Guide for World Heritage Site Managers. Paris.

for tourism infrastructure projects and establish minimum social and environmental standards for tourism enterprises. Safeguards for indigenous people will follow international good practice to (i) ensure that the planning and implementation of tourism projects promote full respect for ethnic identity, dignity, human rights, livelihood systems, and cultural uniqueness; (ii) ensure that ethnic groups receive culturally appropriate social and economic benefits; (iii) ensure that such groups do not suffer from adverse impacts; and (iv) enable local people's active participation in projects which affect them. When physical displacement associated with tourism-related projects cannot be avoided, displaced persons will receive full legal assurance that their livelihoods will be improved or at least restored to pre-project levels.

### **Key Objective 3.3: Improve Zoning In Tourism Destinations**

All tourism infrastructure projects will seek to avoid or at least minimize negative impacts on the physical environment and respect the cultural landscape. The planning process will include mapping and zoning of sites and destinations to ensure that the protection of key habitats and natural and cultural assets remain a priority. Zoning regulations will allocate land for infrastructure and commercial activities, including hotel construction. Participatory processes will underpin this approach and ensure developments are aligned with the Responsible Tourism Policy and comply with EIA and SIA standards and safeguards. Activities include a status review of hotel zones. Capacity building programs for destination managers are central to the success of zoning and to enhance stakeholder understanding of planning concepts and processes.

### **Key Objective 3.4: Develop Adaptation Frameworks and Strategies on Tourism and Climate Change**

Adaptation frameworks and strategies for tourism and climate change will reduce the carbon footprint of tourist destinations and the threat of climate change to tourism resources (i.e., coastal areas, monuments, national parks, and agriculture). All destination development plans, including zone developments, will consider options for minimizing negative impacts through adaptation and mitigation policies, tools, and mechanisms such as carbon management. As part of a wider national strategy to limit the effects of climate change, destination development plans will (i) consider the vulnerability of tourism to the physical and economic impacts of climate change; (ii) increase the resilience and adaptive capacity of the industry to provide increased certainty for future investment; (iii) focus upon green growth and prepare for a lower-carbon tourism industry; (iv) inform actors in the tourism industry about climate-related issues, using consistent and effective industry outreach and communications; and, (v) promote climate friendly technologies and architecture through financial and other incentives. A key tourism-related component of a national climate change strategy will be the articulation of an ecotourism management strategy to develop forms of low-carbon tourism that support biodiversity conservation in and around Myanmar's network of protected areas.

### **Key Objective 3.5: Promote Innovative and Green Technologies in Tourism**

To reduce energy use, increase the supply of renewable energy, and better manage water and waste, GOM will promote innovative green technologies in all tourism services and infrastructure. GOM will also develop a mix of financial and other incentives to encourage green technologies and local architectural design standards that meet the needs of people with disabilities.

### **Key Objective 3.6: Strengthen Community Involvement in Tourism**

All destination planning will include local people in the planning and management of tourism, as recommended in the national policy on community involvement in tourism. Demonstration projects in select locations will serve as good practice models for promoting the participation of women, ethnic groups, and the poor. These efforts will build on the knowledge and skills of resident communities, government agencies, and the private operators.

#### **Strategic Program 4: Develop Quality Products and Services**

Tourism products are a combination of those goods and services that form the visitor experience, including the quality and standard of facilities, content of tour packages, and the level of service provided. Worldwide growth in international tourism is leading to greater diversity and sophistication in products and packages tailored to the needs of high- and low-spending travelers from domestic, short-, medium- and long-haul markets. Product diversity allows tourists to combine culture, adventure, and relaxation with varying levels of comfort and spending in a single visit. Growing demand for product diversity correlates with visitor interest in other cultures, including greater immersion and interaction with local communities.

Myanmar has been promoted mainly as a cultural tourism destination; additional products focus on nature and beach tourism. In particular, pilgrimage to revered pagodas and monasteries attract growing numbers of domestic and international visitors. While sightseeing and cultural tourism will continue to be staple products, interventions are needed to diversify the product base and offer a wider range of options and activities.

In response to these trends, GOM will promote the development of experiential tours, adventure tourism, and volunteer and educational vacations that match the demands of different market segments, together with high-end luxury tour products and services that are consistent with the Responsible Tourism Policy, the ASEAN Tourism Marketing Strategy, and the recently released ASEAN Short Term Marketing Strategy for Experiential and Creative markets.<sup>29</sup> Increasing the supply of locally sourced culinary products, arts and crafts, and other types of goods and services is also a priority.

##### **Key Objective 4.1: Design Tourism Product Development Strategies**

To diversify the product base and create additional value through specialized products targeted toward higher-yielding market segments, MOHT and MTF will prepare and implement product development strategies that embrace established and new destinations. Areas such as the ethnically diverse Chin State, the pristine Myeik archipelago, and the cities of Putao and Loikaw will progressively open for tourism in accordance to market demand and readiness of the sites. Nay Pyi Taw will be promoted for business meetings, conferences, and exhibitions. A product diversification strategy will embrace the development of domestic tourism and packages that target foreign nationals living in Myanmar.

To facilitate the above, product research will be undertaken with a focus on market-led responsible development, overseen by a public-private taskforce comprising MOHT and MTF representatives. Research will prioritize potential products, based on consumer motivation, interest of tour operators and other tourism service providers, condition of tourism assets, access and infrastructure issues, institutional readiness of public and private actors, and the social and investment capital of local communities. This research will serve as the basis for a suite of product development strategies and provide a better understanding of the resources needed for successful product diversification.

##### **Key Objective 4.2: Develop an Ecotourism Management Strategy for Protected Areas**

Despite current access constraints and relatively low numbers of visitors, Myanmar has considerable potential to develop ecotourism in and around its protected area network. Building on the efforts of MOECF's Ecotourism Management Committee, MOECF, MOHT, and other key stakeholders will prepare an ecotourism management strategy to ensure that tourism supports biodiversity conservation, community-based income generation, and strengthens the management of protected areas. The strategy will provide direction for (i) prioritizing destinations for ecotourism activity; (ii) profiling the status and condition of natural assets, including core zones and protected species; (iii) capacity building needs; (iv) strengthening regulatory frameworks for tourism in protected areas; (v) access and

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<sup>29</sup> For example, boutique hotels, spas, resorts, ecolodges, camping, climbing, cycling, fishing, hiking, and bird-watching.



infrastructure needs; (vi) investment requirements; and, (vii) employment- and income-generating opportunities for local residents. The regulatory environment will introduce a system to collect and manage tourism user fees, taxes, and other revenue and direct it toward protected area management and conservation efforts. New guidelines on the development of ecolodges in protected areas will complement the national ecotourism strategy.

#### **Key Objective 4.3: Strengthen Tourism-Related Supply Chains**

Similar to destination planning interventions (Strategic Program 3), recommendations to integrate product development with local economies will be integral components of the product development strategies. Assessments of existing and potential linkages will identify short- and medium-term opportunities to expand and deepen local supply chains that benefit producers of arts and crafts, farmers, transport providers, and other tourism-related micro-, small-, and medium-sized enterprises.

#### **Strategic Program 5: Improve Connectivity and Tourism-related Infrastructure**

Recognizing that travel and tourism depends on quality public infrastructure to facilitate the movement of people and catalyze private investment in tourism superstructure, GOM will incorporate tourism considerations into national infrastructure planning. Improvements to road, rail, air, and water transport infrastructure in key tourism destinations will benefit both the tourism industry and local residents. Efforts will also focus on expanding access to electricity and improving the coverage and affordability of environmental services. Immigration services will undergo continual streamlining by updating communications and information technology systems in sync with physical improvements to the land, air, and water border gates.

Key considerations in infrastructure planning in tourist areas include (i) an initial focus on improving infrastructure that helps expand the coverage of environmental services, water supply, and electricity; (ii) improving feeder roads that link rural tourist attractions with urban destinations, facilitating visitation to these areas and rural producers' participation in the tourism economy; and (iii) ensuring that infrastructure does not detract from the heritage values of the site.

#### **Key Objective 5.1: Promote Complementary Expansion of the Aviation and Tourism Industries**

While maintaining its commitment to open skies agreements and the expansion of the aviation industry, GOM will also initiate a review of accommodation stock and tourism management capacity in key gateway destinations that have recently experienced a sharp increase in inbound air-seat capacity. Based on this review, GOM will consider appropriate measures to harmonize inbound air-seat capacity and accommodation stock. GOM will continue to promote direct international flights into Nay Pyi Taw and Mandalay and encourage tour operators to develop itineraries originating or ending in these destinations. Additionally, GOM will review its current policy on air services for Bagan and Heho and explore the benefits and challenges of permitting direct international flights to these destinations. Infrastructure, ground services, and domestic routing will be continuously updated to accommodate ongoing expansion of the aviation industry, including introduction of measures to allow the origination of daily domestic flights at locations other than Yangon. GOM will also promote public-private partnerships to accelerate improvement of airfields, terminals, and ground services.

#### **Key Objective 5.2: Ensure Tourism is Included as a Key Element of the National Transportation Strategy**

GOM will integrate tourism-related concerns into the national transportation strategy, with a view to improve the availability and quality of transport options into the country and prioritize upgrades to transportation infrastructure that links Myanmar's main tourist destinations. The strategy will prioritize needed improvements to air, ground (i.e., road and rail), and water transportation services between and within primary, secondary, and emerging destinations. Preparation and updates will include recommendations to streamline licensing of metered taxi services and provide other forms of local

tourism transport. Improving feeder roads from the main highways to tourist attractions will support the development of new and thematic overland touring routes, helping to increase length of stay and boost tourist spending. All tourist destinations will promote expanded access to locally operated and environmentally friendly transport services.

**Key Objective 5.3: Improve Tourism-Related Infrastructure to Promote Balanced and Inclusive Growth**

GOM will initiate feasibility studies for infrastructure that improves conditions for tourism investment and supports broad participation of local people in the tourism economy, first in the main tourist destinations, and then in others. These studies will link with destination management plans and help prioritize investments in urban and rural feeder roads, water and sanitation, and electricity supply. Financing for these projects will be sought from the public and private sectors and also from Myanmar's development partners. Due to the high potential for domestic and international tourism in Patheingyi, Chaungtha, and Ngwesaung, improvements to the roads that link these destinations with Yangon is a priority.

**Key Objective 5.4: Progressively Ease Barriers to Visitor Entry and Internal Travel**

Building on the efforts of the Committee on Smooth Entrance of Foreign Visitors to Myanmar, GOM will progressively ease barriers to visitor entry by (i) expanding the availability of tourist visa-on-arrival services, (ii) introducing e-visas for tourists, and (iii) providing visa extension services for tourists already in the country. GOM will improve technology and strengthen the human resources needed to increase the efficiency of visa processing. Additionally, GOM will continue to promote safe conditions for travel and progressively introduce tourism in states and regions where restrictions currently apply.

**Strategic Program 6: Build the Image, Position, and Brand of Tourism Myanmar**

The Master Plan recognizes that marketing involves much more than advertising, promotion, and selling. Rather, it is a strategic activity that embraces market research, product development, market development, competitor analysis, pricing strategies, public relations, customer service, promotions, brand development, and effective management of Myanmar's identity in the global market place. The growth of responsible tourism in Myanmar depends upon a series of marketing dimensions that relate, for example, to the country's institutional environment, where both internal and external marketing are highly significant. Although marketing is commonly used to promote interest in a product or service, it can also be used to decelerate interest through demarketing. This process may benefit destinations within Myanmar if they prove unable to cope with very high rates of visitor growth.

Noting the critical importance of marketing to the future of Myanmar's tourism industry, marketing is viewed as a tightly integrated process concerned with discovering, creating, arousing, and satisfying customer needs. To embed this approach, the Master Plan will broadly and specifically consider three marketing elements: image, position, and brand.

**Key Objective 6.1: Determine the Supply, Demand, and Gap Characteristics of Myanmar's Travel and Tourism System**

The TTA will work closely with MOHT and the Myanmar Marketing Committee (MMC) to improve market intelligence systems and provide timely and accurate market intelligence to the Tourism Executive Coordination Board and other industry stakeholders. This activity will focus on strengthening national capacity to (i) collect quantitative and qualitative data to measure and profile visitor arrivals and track their movements around the country, (ii) identify gaps in market intelligence and recommend how they can be closed, and (iii) monitor tourist and consumer sentiment about Myanmar.

### **Key Objective 6.2: Create a Strategic Marketing Map for Myanmar**

To compare and align the marketing map with stakeholder needs and aspirations, TTA and MMC will develop expertise in strategic and tactical marketing processes. They will also develop a strategic marketing map that focuses on technology-led strategies and interventions that address issues of segmentation, seasonality, geographical spread, length of stay, and visitor yield. Ongoing monitoring of supply, demand, and gap characteristics will inform stakeholders of the effectiveness of marketing approaches and also allow the adjustment and refinement of tactical interventions.

### **Key Objective 6.3: Raise Internal Awareness of Responsible Tourism**

While one of the distinguishing characteristics of Myanmar is its warm and friendly people, after many years of relative isolation the population has limited knowledge of the international tourism industry. To raise national awareness on tourism issues (e.g., social and economic opportunities, linkages between tourism and heritage protection, the potential negative impacts of tourism), GOM will implement information and education campaigns that use different mediums to provide specific information to target audiences. Additionally, GOM will introduce a highly visible national awards program to recognize excellence and best practice in service quality and responsible tourism.

### **Key Objective 6.4: Effectively Manage the Image, Position, and Brand of the Destination in the Collective Mind of the International Marketplace**

Promises to potential consumers are at the forefront of marketing and developing a long-term and positive brand identity and image. The dream scenario of a trip to Myanmar can easily be shattered if promises fall short of actual delivery. Therefore, not only must tangible and intangible products astound and amaze, but delivery of those products must also occur with the care and attention that is the hallmark of Myanmar hospitality. Based upon research and consultation, GOM will create and position a brand image and identity for Myanmar (and sub-brands for regions and destinations) in key segments of the global market. Complemented by technology-driven initiatives, traditional marketing mechanisms (e.g., trade shows, press releases, and travel writers) will be used to launch the brand and each sub-brand. Following deployment of the brand and sub-brands, information technology systems will track consumer acceptance of each brand and its delivery. Ongoing assessment of their strengths and weaknesses will allow necessary tactical interventions to address issues and challenges as they arise.

# Implementation and Monitoring









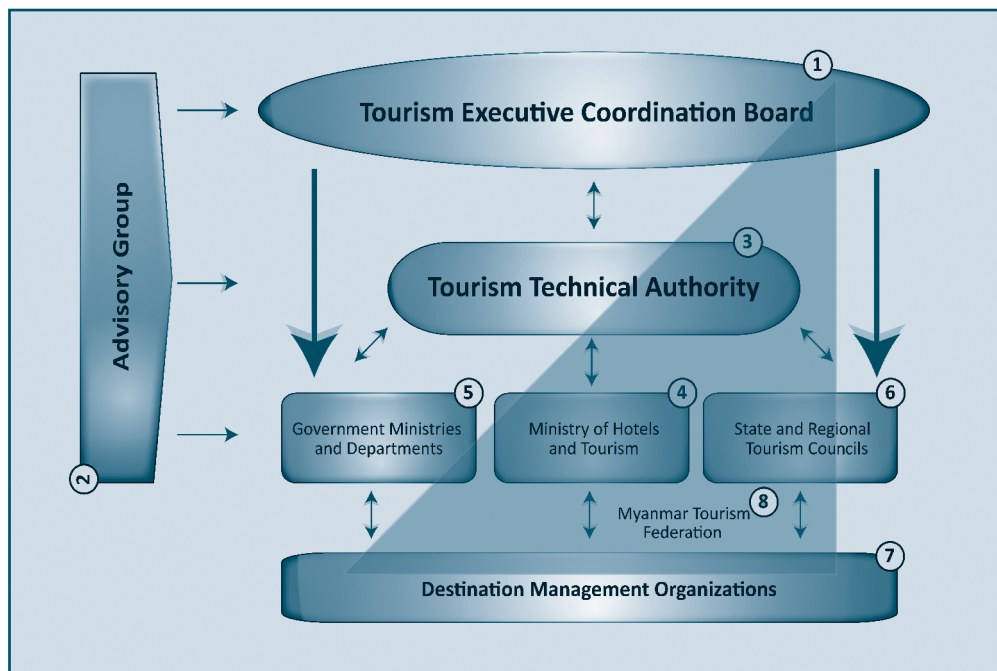
# III. Implementation and Monitoring

## Implementation

The organizational framework for implementing the Master Plan involves the creation of new agencies and the realignment of existing departments and focal points. As a first step to strengthen the institutional arrangements needed to effectively implement the Master Plan, GOM will establish the critically important Tourism Executive Coordination Board (TECB), the Tourism Technical Authority (TTA), and the Education and Training Department within the Ministry of Hotels and Tourism (MOHT).

Figure 8 provides an overview of the complex institutional and implementation environment. Arrows indicate the multidirectional flow of information that will support participatory decision-making. While members of the advisory group may engage MOHT and other agencies directly to provide policy advice and project assistance, TECB will take the lead on maintaining relations with development partners. The MTF's overlapping presence on the Tourism Executive Coordination Board, state and regional tourism councils, and destination management organizations is represented by the transparent triangle. Numbers in the figure refer to the following numbered text paragraphs that explain the roles of key actors involved in implementation of the Master Plan.

**Figure 8: Implementation Arrangements: Myanmar Tourism Master Plan**



Source: Myanmar Tourism Master Plan Report (TA-8136).

1. **The Tourism Executive Coordination Board** will provide leadership and policy guidance to steer the implementation of the Master Plan. The Board will:
  - meet at least twice per year to review progress in implementing the Master Plan and provide guidance on necessary adjustments to related Ministries and the operations of state and regional tourism councils and other actors;
  - seek support from development partners for priority projects and activities specified in the Master Plan; and
  - convene ad-hoc meetings to formulate responses to unforeseen events (e.g., emergency situations) that require high-level decision-making.
2. **An advisory group** will impart strategic intelligence and share knowledge on good practice to support strategic decision-making by TECB. GOM will invite international agencies with expertise in tourism (e.g., the Asian Development Bank [ADB], the United Nations World Tourism Organization [UNWTO], the World Travel and Tourism Council [WTTC], the Pacific Asia Travel Association [PATA], the Global Sustainable Tourism Council [GSTC], other development partners, and prominent individuals to become members of the advisory group. The advisory group will:
  - provide advice and strategic intelligence to TECB, TTA, and MOHT on global tourism issues, matters related to priority projects and activities, and issues related to the social and environmental impacts of tourism;
  - provide policy advice, technical assistance, and financial support to facilitate implementation of the Master Plan;
  - liaise with international agencies to catalyze additional support to implement the Master Plan and enhance knowledge sharing; and,
  - collectively meet with TECB at least once annually.
3. **The Tourism Technical Authority** will provide TECB, MOHT, the Myanmar Tourism Federation (MTF), and other agencies with market intelligence, performance data, and information on the social, environmental, and economic impacts on tourism to enable effective decision-making and necessary policy reforms. TTA will:
  - measure the flows and impacts of tourism activity;
  - be staffed mainly by economists, statisticians, information technology specialists, and marketing specialists;
  - work closely with public and private sector agencies as well as global and regional tourism agencies (e.g., the Association of Southeast Asian Nations [ASEAN] Secretariat, the Mekong Tourism Coordinating Office, PATA, UNWTO, and WTTC); and
  - provide quarterly status reports to TECB, MOHT, MTF, and other appropriate agencies and partners regarding Myanmar's tourism system.
4. **The Ministry of Hotels and Tourism** is the primary government agency responsible for the systematic development of Myanmar's hotel and tourism industry. GOM will ensure that MOHT is suitably empowered with the human and financial resources needed to execute the priority projects and activities it will lead. MOHT will:
  - implement the policies, projects, and programs endorsed by TECB;
  - lead implementation of the majority of priority projects included in the Master Plan and coordinate and liaise on others;
  - promote national and international investment in the tourism sector;
  - develop opportunities for wider participation of private entrepreneurs in the tourism industry;
  - develop programs to establish Myanmar as a world-renowned destination and ensure sustained international visitor interest in Myanmar;
  - organize workshops, seminars, exhibitions, and training to upgrade the quality and technical skills of the tourism industry;

- create awareness of good practices for using tourism to create job opportunities and raise living standards; and
  - cooperate with ASEAN member countries to enhance regional tourism cooperation.
5. **Government ministries and departments.** Working under the guidance of TECB, key ministries and departments will appoint focal points to assume responsibility for the tourism-related programs and activities for which they are responsible, and also strengthen coordination across sectors. Government ministries and departments will:
- engage with MOHT and TTA to implement tourism-related policies, projects, and programs;
  - advise TECB on key tourism-related issues that require attention at the national, state, or regional level; and
  - provide appropriate guidance and support to state and regional tourism councils and DMOs.
6. **State and regional tourism councils** will engage tourism planning and management at the subnational level. The councils will also facilitate the implementation of destination-level projects and activities. Given the current lack of public and private tourism experience within the states and regions, the councils will seek support from development partners to strengthen their ability to mainstream tourism planning into local governance structures. State and regional tourism councils will:
- engage with MOHT, TTA, MTF, and other actors to implement tourism-related policies, projects, and activities, as agreed with TECB;
  - report key tourism-related issues arising in states, regions, and destinations to TECB; and
  - provide appropriate guidance and support to DMOs.
7. **Destination Management Organizations** will strengthen tourism planning and management at destinations and sites, operating under the guidance of state and regional governments and MOHT. DMOs will include representation from public, private, and civil society organizations and promote grassroots participation in tourism planning and decision-making. GOM will actively support the engagement of NGOs and development partners to strengthen the capacity of DMOs. DMOs will:
- engage with MOHT, TTA, MTF, and other actors to implement tourism-related policies, projects, and activities, as agreed with MOHT and state and regional tourism councils; and
  - report tourism-related issues occurring in destinations that require the attention of the TECB, state and regional tourism councils, and MOHT.
8. **The Myanmar Tourism Federation** will mobilize private investment to accelerate development of responsible tourism and related sectors through its membership base and operations of its ten associations. The Myanmar Marketing Committee and the Union of Myanmar Travel Association will support national and destination marketing and product development as well as include tourism investment promotion as part of their internal and external marketing activities. Among other activities, the MTF will:
- promote private investment in tourism and related sectors that is consistent with the Myanmar Responsible Tourism Policy;
  - foster business linkages between national and international tourism-related enterprises;
  - advise MOHT, state and regional tourism councils, and DMOs on the development and implementation of marketing campaigns;
  - participate in the implementation of national and subnational marketing campaigns;
  - assist in mobilizing financial and technical resources needed to effectively implement marketing activities; and
  - closely coordinate with TTA and MOHT.

## Monitoring

MOHT will take the lead in monitoring the implementation of the Master Plan. Further, MOHT will produce an annual report describing progress made against milestones and performance indicators for each activity listed in the short-term action plans for each strategic program and the long-term implementation framework. Where feasible, MOHT will collect monitoring data at the beginning and completion of each activity, disaggregated by gender and ethnicity. After the first year of implementation, MOHT will review and modify performance indicators and other aspects of the short-term action plans and long-term implementation framework, as appropriate. In 2015, MOHT will initiate an in-depth review of the Master Plan to ensure the continuing relevance of the implementation framework and priority projects, and their alignment with the 2015–2020 National Comprehensive Development Plan. This review process is important because the actual timeline for many activities will inevitably differ from the projections, underscoring the need for flexible timelines and milestones. GOM will facilitate technical assistance to support the review process and ensure wide distribution of all findings.

## Financing the Master Plan

The Master Plan includes 38 projects, many of which were directly proposed by members of the Myanmar Tourism Federation, Union, state and regional agencies, nongovernment organizations and development partners (Appendix 3). Cost estimates for all projects total \$486.8 million (Table 14). Twenty-three projects, with cost estimates totaling \$215.6 million, have been identified as fundamental priorities. Importantly, large additional investments planned by GOM for transport and other infrastructure will provide further significant benefits to the tourism industry and boost visitor access. Projects identified in the Master Plan aim to ensure responsible management of tourism growth and wide distribution of benefits.

**Table 14: Indicative Cost Estimates of the Myanmar Tourism Master Plan**

| Strategic Program  | Cost Estimates<br>All Projects<br>(\$ millions) | Cost Estimates<br>Priority Projects<br>(\$ millions) |
|--|---|--|
| Strengthen the Institutional Environment                                     | 2.65  | 2.65   |
| Build Human Resource Capacity and Promote Service Quality                    | 59.50   | 26.00  |
| Strengthen Safeguards and Procedures for Destination Planning and Management | 164.70  | 12.00  |
| Develop Quality Products and Services  | 6.45  | 4.45   |
| Improve Connectivity and Tourism-related Infrastructure                      | 251.00  | 168.00   |
| Build the Image, Position and Brand of Tourism Myanmar                       | 2.50  | 2.50   |
| <b>Total</b>   | <b>486.80</b>                                   | <b>215.60</b>  |

Source: Myanmar Tourism Master Plan Report (TA-8136).

# Appendix 1

## Myanmar Tourism Master Plan :

### Long Term Implementation Framework (2013–2020)

#### Strategic Program 1: Strengthen the Institutional Environment

| Key Objectives and Activities  | Lead Agencies                              | Time frame | Performance Indicators  |
|--|--|------------|---|
| <b>Key Objective 1.1: Establish a Tourism Executive Coordination Board Chaired at the Vice President Level</b>   |  |            |   |
| 1.1.1 <b>Prepare Tourism Executive Coordination Board mandate and operational processes:</b> review mandate and working practices of similar boards in other countries; identify key government ministries, states, regions, and private sector representatives to be appointed to the TECB; prepare and approve operational processes and decree to establish the Board; conduct a skills and knowledge audit of TECB members; identify knowledge gaps and training needs; establish a learning program to impart industry knowledge to TECB members. | MOHT, MONPED, MTF, President's Office (\$) | 2013–2014  | TECB decree approved by cabinet; agencies/members appointed; learning program established.  |
| 1.1.2 <b>Establish tourism advisory body to support the Tourism Executive Coordination Board:</b> invite international tourism agencies (e.g., UNWTO, WTTC, GSTC, and PATA) and key development partners to join annual TECB meetings to facilitate transfer of strategic industry knowledge and advisory support.   | MOHT, MONPED (\$)                          | 2013–2014  | TECB advisory support program established.  |
| <b>Key Objective 1.2: Develop a Tourism Planning Framework to Support the Tourism Executive Coordination Board</b>   |  |            |   |
| 1.2.1 <b>Establish tourism focal points/offices in key ministries:</b> identify departments to provide policy, program, and technical support; conduct skills and knowledge audit; identify knowledge gaps and training needs; deliver advisory and mentoring programs to impart industry knowledge and technical skills.  | MOHT, MONPED (\$)                          | 2013–2015  | Tourism focal points established; advisory and mentoring programs delivered.  |
| 1.2.2 <b>Establish tourism planning committees in states/regions with high tourism potential:</b> prepare mandate, procedures, and working practices of the committees; appoint key government offices and representatives of MTF's regional chapters to the committees; conduct a skills and knowledge audit of committee members; identify knowledge gaps and training needs; deliver advisory and mentoring programs to impart industry knowledge and technical skills.   | MOHT, MONPED, MTF (\$)                     | 2013–2015  | At least five state/regional tourism committees established; advisory and mentoring programs delivered.                                   |
| 1.2.3 <b>Strengthen the organizational and professional capacity of MTF's 10 associations:</b> conduct a skills and knowledge audit of the associations and their regional chapters; deliver a business advisory support program to strengthen the management of associations with a focus on corporate social responsibility.   | MTF (\$)                                   | 2013–2014  | MTF chapters established in all states and regions; 50% of members trained in association management and corporate social responsibility. |



| Key Objectives and Activities  | Lead Agencies   | Time frame | Performance Indicators   |
|--|---|------------|--|
| 1.2.4 <b>Establish DMOs for primary and secondary destinations:</b> prepare the mandate, procedures and working practices for DMOs; conduct a skills and knowledge audit of DMO members; identify knowledge gaps and training needs; deliver an advisory support program to impart industry knowledge and assist DMOs to improve tourism planning.   | <b>MOHT, state/ regional governments (\$)</b>             | 2013–2015  | At least 10 DMOs established.  |
| 1.2.5 <b>Strengthen the institutional capacity of MOHT:</b> review management structure, including job profiles, responsibilities, decision-making procedures, and the skills and capabilities of managerial and administrative staff; map results against what is needed to successfully implement the Master Plan; deliver capacity building programs and appoint qualified staff to fill gaps.                                | <b>MOHT, MONPED, (\$)</b>                                 | 2013–2014  | MOHT capacity to implement the Master Plan; 5 new state/ regional departments of hotels and tourism established. |
| <b>Objective 1.3: Strengthen Tourism Information Systems and Metrics</b>   |   |            |  |
| 1.3.1 <b>Create and empower a multisector TTA:</b> appoint and train staff in methods and procedures to measure tourism-related income and employment generation.  | <b>MOHT, MONPED, MTF, CSO (\$)</b>                        | 2013–2014  | TTA established.   |
| 1.3.2 <b>Define tourism key performance indicators and targets for use at national and state/regional levels:</b> review, approve and communicate key performance indicators (KPIs) to domestic stakeholders and international partners.   | <b>MOHT, MONPED, MTF, CSO (\$)</b>                        | 2014       | Tourism KPIs identified and communicated.  |
| 1.3.3 <b>Refine procedures for calculating tourism receipts and contribution to GDP:</b> review current procedures, assess alternative options, and refine methods to more accurately calculate annual tourism receipts; implement appropriate systems and procedures to measure tourism's direct, indirect, induced, and total contribution to GDP.   | <b>MOHT, MONPED, MTF, CSO, national universities (\$)</b> | 2014–2020  | Annual report on tourism's contribution to GDP published.  |
| 1.3.4 <b>Strengthen tourism value chain analysis:</b> adopt a standard methodology and provide training needed to undertake tourism value chain analysis; map tourism spending in states/regions, particularly for agricultural produce, labor, local transport, accommodation, and handicrafts; identify areas where spending can be increased and economic leakage reduced.  | <b>MOHT, MONPED, MTF, CSO, national universities (\$)</b> | 2014–2015  | Methodology established and six reports on tourism value chain analysis published.                               |
| 1.3.5 <b>Measure and track tourism-related employment:</b> define the characteristics of tourism-related jobs; adopt a standard methodology to track the number and percentage of full- and part-time workers employed in tourism and related industries, including youth, women, older workers, and ethnic groups; assess levels of pay and benefits; calculate levels of public expenditure on tourism-related labor policies. | <b>MOHT, MONPED, MTF, CSO, national universities (\$)</b> | 2014–2020  | Methodology established and annual reports on levels on tourism-related employment published.                    |

| Key Objectives and Activities   | Lead Agencies   | Time frame | Performance Indicators   |
|---|---|------------|--|
| Key Objective 1.4: Develop Systems to Promote Visitor Safety and Consumer Protection  |   |            |  |
| 1.4.1 <b>Develop evacuation guidelines for tourists requiring emergency medical assistance:</b> involve local stakeholders in the preparation of guidelines and procedures for emergency evacuations; disseminate procedures to government agencies and MTF associations at all levels; conduct ad-hoc training simulations in primary and secondary tourist destinations.  | MOH, MOHT, MOHA                                       | 2014       | Evacuation procedures prepared and disseminated.   |
| 1.4.2 <b>Develop procedures to manage and recover from natural disasters and emergency situations (e.g., earthquakes, typhoons, and communicable disease outbreaks):</b> involve local stakeholders and the media in the preparation of disaster preparedness and response measures; disseminate such measures to Government agencies and all MTF members.  | MOHA, MOHT, DCA, MOT, MTF, state/regional governments | 2014–2020  | Disaster preparedness and response measures published and being implemented.                             |
| 1.4.3 <b>Develop a national policy and codes of conduct to promote visitor safety:</b> consult with stakeholders to review visitor safety and security issues, especially regarding transport; review visitor responses to surveys; draft and approve policy, guidelines and codes of conduct.  | MTF, MOHT, MOT  | 2014       | Codes of conduct approved and widely distributed.  |
| 1.4.4 <b>Establish tourist police units in all tourist areas:</b> approve establishment of tourist police units and offices in key tourist areas; train trainers of tourist police; provide training and equipment for the newly formed tourist police force.   | MOHA, MOHT  | 2013–2015  | 20 tourist police offices established and 100 officers trained.  |
| 1.4.5 <b>Include tourism services in consumer protection laws, rules and regulations:</b> conduct a review of good practice tourism-related consumer protection laws in other countries; consult stakeholders to review issues and prioritize needs for tourism-related consumer protection in Myanmar; draft and approve tourism-related articles of Consumer Protection Law; promote public awareness of the Law.   | MOC, UAGO, MOHT, MTF (\$) MTF                         | 2014–2015  | Tourism-related articles incorporated into Consumer Protection Law.                                      |
| Key Objective 1.5: Strengthen Tourism's Legal and Regulatory Environment  |   |            |  |
| 1.5.1 <b>Develop a system to collect and manage tourist user fees and taxes:</b> review international good practice for collection and management of tourist user fees and taxes; assess advantages, disadvantages, and transaction costs and determine appropriate systems for Myanmar; strengthen the legal framework and develop guidelines to consistently impose national tourist user fees and taxes; implement mechanisms to allocate public revenue for tourism management, protected area management and promotion of responsible tourism. | MOFR, MOHT, UAGO, MONPED, MOECF, MOCUL, MORA, MTF     | 2013–2020  | System to collect and manage national tourist user fees and taxes effectively applied.                   |
| 1.5.2 <b>Streamline the approval process for obtaining hotel licenses:</b> identify impediments in consultation with industry stakeholders; review international good practice for effective licensing systems; prepare and approve streamlined licensing procedures with appropriate incentives; train government staff to effectively implement the new procedures.   | MOHT, MOI, MOC, MTF                                   | 2013–2014  | Licensed hotels and guesthouses increase by an average of 20% above baseline rate annually through 2020. |

| Key Objectives and Activities  | Lead Agencies  | Time frame | Performance Indicators   |
|--|--|------------|--|
| <p>1.5.3 <b>Streamline approval processes for other types of tourism-related enterprises (e.g., restaurants, tour operators and tour guides):</b> identify impediments in consultation with industry stakeholders; review international good practice for effective licensing systems for tourism-related enterprises and professions; prepare and approve appropriate licensing procedures in consultation with industry stakeholders; provide training for government staff to implement the new procedures.</p>   | MOHT, MOC, MTF   | 2013–2015  | Licensed restaurants, tour operators, and tour guides increase by an average of 20% above baseline rate annually through 2020. |
| <p>1.5.4 <b>Review the Law on Tourism and tourism-related legislation and make appropriate amendments to better align with the needs of the tourism industry:</b> consult with key stakeholders, including Government agencies, private operators, and civil society to identify gaps in the current Tourism Law and tourism-related legislation; prepare and approve amendments to the Tourism Law and tourism-related legislation addressing issues such as investment, gaming, labor, and establishment of outbound tour operations for Myanmar citizens; widely disseminate the content of the amended Law using seminars and the media.</p> | MOHT, MONPED, MOLES, MOSWRR MTF, UAGO, state/regional governments (\$) | 2013–2015  | Amended Tourism Law approved and disseminated widely in each state/region.   |

## Strategic Program 2: Build Human Resource Capacity and Promote Service Quality

| Key Objectives and Activities  | Lead Agencies   | Time frame | Performance Indicators   |
|--|---|------------|--|
| <b>Key Objective 2.1: Design a Human Resources Development and Capacity Building Strategy</b>  |   |            |  |
| 2.1.1 <b>Prepare an industry-wide skills audit, comprehensive tourism education and training needs assessment, and National Tourism HRD Strategy:</b> establish a multisector working group to oversee the assessment and strategic planning process; prepare joint terms of reference for the assessment and subsequent preparation of the National Tourism HRD Strategy; undertake the assessment and based on results prepare and approve the National Tourism HRD Strategy.  | MOHT MONPED, MOECF, MOE, MTF, MOC, MOHA, MORA, MOCUL, MOI, MOIN (S)       | 2013–2014  | Comprehensive assessment completed and National Tourism HRD Strategy approved.               |
| 2.1.2 <b>Establish an Education and Training Department within MOHT:</b> prepare the roles and responsibilities of the ETD; appoint director, staff, and advisory group made up of national and international experts; prepare ETD annual budget and work plan; develop innovative research and learning programs to support quality service delivery; identify a set of internationally accepted metrics to assess the effectiveness of various initiatives.  | MOHT, MOE and MTF with partnering education and training institutions (S) | 2013–2020  | ETD established and operating.   |
| 2.1.3 <b>Establish a National Tourism Professionals Board (NTPB) and Tourism Professional Certification Board (TPCB):</b> develop standards and certification criteria aligned with the ASEAN Mutual Recognition Arrangement on Tourism Professionals; work with the ASEAN Tourism Professional Monitoring Committee to prepare and implement human resource development programs under the ASEAN MRA on Tourism Professionals; set up systems and mechanisms to implement competency standards; strengthen tourism education and training providers for ASEAN tourism competency standards to ensure quality of instruction, learning approaches, curriculum materials and credibility of competency standards. | MOHT with ASEAN ATPMC   | 2013–2015  | NTPB and TPCB established. HRD programs aligned with ASEAN competency standards designed.    |
| <b>Key Objective 2.2: Establish Programs and Action Plans to Implement the National HRD Strategy</b>   |   |            |  |
| 2.2.1 <b>Deliver short-term priority training in the main tourism and hospitality professions:</b> prioritize areas for immediate training assistance such as food production, food and beverage service, front office, housekeeping, basic skills in operating travel agencies, tour guide training and tour operations; utilize resources and facilities to implement training when available; prepare additional learning materials where needed; establish a mobile training unit drawing on expertise in the MOHT and MTF.  | MOHT's ETD, MTF (S)   | 2013–2015  | Six main destinations conduct five introductory or intermediate courses for 23,000 learners. |
| 2.2.2 <b>Establish procedures and criteria for approving private sector training courses:</b> coordinate with ministries of education from ASEAN countries to review regional good practice and procedures and criteria; based on regional good practice prepare and approve procedures for Myanmar.   | MOHT's ETD, MOE, MTF  | 2015       | National procedures and criteria for tourism training standards established.                 |

| Key Objectives and Activities   | Lead Agencies                    | Time frame | Performance Indicators  |
|---|----------------------------------|------------|---|
| 2.2.3 <b>Ensure learning effectiveness:</b> based on applied research prepare case studies on four of the most highly attended training subjects to test prototype methodologies and approaches to ensure learning effectiveness.   | MOHT, MTF, national universities | 2014–2016  | Four case studies assessing learning effectiveness methodologies produced.  |
| 2.2.4 <b>Implement train the trainer learning programs for the public and private sectors:</b> identify priority training areas in need of qualified trainers; train trainers in cooperation with training institutes and universities from selected countries; design national learning materials based on international good practice; implement cascade training of trainers in four key tourist destinations. | MOHT, MTF, MOE (\$)              | 2013–2015  | Core team of 40 public and private trainers trained. Cascade training provided for 4,000 service providers.               |
| 2.2.5 <b>Promote international standards:</b> design and implement a learning program with international travel for staff of public and private agencies to increase experience with high quality international educational practices.  | MOHT, MTF (\$)                   | 2013–2020  | At least 50 people participate in annual international learning programs.   |
| 2.2.6 <b>Introduce tourism as a subject in all secondary schools:</b> based on international good practice consult with key internal and external stakeholders to develop and deliver introductory courses on tourism in secondary schools.   | MOE (\$)                         | 2015–2020  | Courses offered in at least 50% of secondary schools in key tourist destinations.   |
| 2.2.7 <b>Establish partnerships with international universities and institutions:</b> based on recommendations from the HRD strategy; promote partnerships with select universities to support joint curriculum development together with faculty and student exchanges and scholarships.   | MOE, MOHT (\$)                   | 2014–2020  | Partnerships established with at least three international institutions and exchange programs in place.                   |
| <b>Key Objective 2.3: Develop a Multi-Stakeholder Framework and Policies to Improve Service Quality</b>   |                                  |            |   |
| 2.3.1 <b>Define service standards:</b> organize ASEAN working group and stakeholder meetings to establish a foundation for a set of national service standards; define and approve appropriate standards (including front- and back-of-house elements); prepare and widely disseminate a brochure on the approved standards.  | MOHT, MTF                        | 2014–2015  | Service quality standards established; 10,000 brochures distributed to private and public tourism stakeholders.           |
| 2.3.2 <b>Develop service-related training programs:</b> design curricula and training materials to improve service standards; implement a train the trainers program; deliver cascade training to improve service quality in primary and secondary destinations.  | MOHT, MOE (\$)                   | 2015–2020  | At least 2,000 learners participate in 40 trainings held in key destinations.   |
| 2.3.3 <b>Establish quality standards for staff management and recognition:</b> develop and adopt international standards for staff management and recognition; develop training materials and curricula; implement a train the trainers program; deliver training programs in primary and secondary destinations.   | MOHT, MTF (\$)                   | 2013–2014  | Quality standards established for staff management and 500 learners participate in 20 trainings held in key destinations. |



### Strategic Program 3: Strengthen Safeguards and Procedures for Destination Planning and Management

| Key Objectives and Activities  |   | Lead Agencies   | Time frame | Performance Indicators   |
|--|---|---|------------|--|
| <b>Key Objective 3.1: Develop Innovative, Integrated and Participatory Approaches to Destination Planning and Management</b> |   |   |            |  |
| 3.1.1  | <b>Establish a core planning team and framework to develop destination management plans;</b> prepare terms of reference and appoint staff from relevant ministries and state/regional agencies to the planning team; conduct a review of national and international good practice for participatory and integrated destination management planning; undertake participatory research in key destinations to determine which methods, tools and approaches are best suited to specific locations.  | MOHT, MONPED, MOECF, MOC, MORA, state/regional governments (\$) | 2013–2014  | Core planning team established and planning approach for different destinations agreed.                                  |
| 3.1.2  | <b>Design and implement destination management plans for key destinations;</b> identify infrastructure, visitor service needs, institutional arrangements and human resources, product mix and marketing needed to improve destination management; prepare and approve the destination management plans; facilitate implementation of the plans by local government, DMOs, private and civil society stakeholders; implement monitoring program to evaluate the positive and negative social and economic impacts of tourism, especially on local communities.  | MOHT, MONPED, MOECF, MOC, MORA, state/regional governments (\$) | 2013–2020  | Destination management plans approved and being implemented in four main and four secondary tourist destinations.        |
| 3.1.3  | <b>Design and implement capacity building programs to support destination management:</b> identify knowledge and skill needs of local stakeholders at the destination and site levels; deliver regular and sequential training on responsible tourism management at the destination and site levels for key stakeholders.   | State/regional governments, MOHT, MONPED, MOECF, MOC, MORA (\$) | 2014–2017  | At least 800 people participate in the responsible tourism capacity building program.                                    |
| 3.1.4  | <b>Pilot the use of limits of acceptable change processes for social and environmental impact monitoring:</b> undertake research to define the limits of acceptable change for select social and environmental indicators; pilot monitoring systems in four key tourist destinations.   | State/regional governments, MOHT, MOCUL, MTF (\$)               | 2014       | Limits of acceptable change established and monitored in four key destinations.  |
| 3.1.5  | <b>Develop interpretation plans for the main and secondary destinations:</b> compile site and destination resource inventories (e.g., tangible and intangible heritage and events); identify the types, characteristics, and behavior of visitors; identify interpretive themes and key messages; create appropriate interpretive programs and services for different types of visitors; determine innovative interpretive techniques and media that are compatible with budgetary and human resources; design and deploy a monitoring program to evaluate the effectiveness of interpretation program; refine interpretation plans as appropriate. | MOHT, MOCUL, MORA, MOECF, state/regional governments (\$)       | 2014–2016  | Visitor satisfaction and length of stay increases at four destinations where interpretation plans are being implemented. |

| Key Objectives and Activities   | Lead Agencies   | Time frame | Performance Indicators  |
|---|---|------------|---|
| <b>Key Objective 3.2: Strengthen Tourism-Related Social and Environmental Safeguards</b>  |   |            |   |
| <p><b>3.2.1 Implement actions to prevent sex-tourism and human trafficking:</b> prepare a status report and recommendations on the prevention of sex tourism, trafficking and tourism's negative impacts on child welfare; review international good practice for combating sexual exploitation of children and human trafficking; expand cooperation with international organizations supporting prevention programs; implement actions to combat sexual exploitation of children and all forms of sex tourism and human trafficking that build on the 2006-2015 National Plan of Action on the Protection of Children and the Anti Trafficking in Persons Law; train police officers in prevention and early detection methods.</p> | <b>MOSWRR, MOHT, state/ regional governments</b>                  | 2013–2020  | Status report and recommendations published. National prevention program expanded and at least 100 police officers trained. |
| <p><b>3.2.2 Strengthen social and environmental safeguard policies and impact assessment requirements for tourism investment projects:</b> review safeguard policies and laws on environmental and social impact assessment requirements including safeguards for the environment, involuntary resettlement and indigenous peoples; identify issues and gaps; prepare recommendations to strengthen safeguard policies and assessment and review requirements based on international good practice; review and approve revised safeguard policies including EIA and SIA requirements for tourism investment projects; train officials and EIA and SIA practitioners on the implementation of the new requirements.</p>                | <b>MOECF, MOSWRR, MOHT, NGOs, state/regional governments (\$)</b> | 2013–2020  | Updated social and environmental safeguard policies and EIA and SIA requirements approved and being implemented.            |
| <p><b>3.2.3 Ensure that tourism development promotes full respect for the dignity, human rights, livelihood systems and cultural uniqueness of ethnic peoples:</b> develop a policy and guidelines to promote equitable participation of ethnic groups in tourism; review current laws, legislation and industry practices; identify issues and gaps; draft policy and codes of conduct in consultation with community leaders and civil society; approve and implement policy; distribute information and education materials on the policy to ethnic groups and private operators.</p>  | <b>MOHA, MOHT, MOC, MOBA, MORA; MOSWRR,</b>                       | 2013–2020  | Policy on ethnic participation in the tourism industry approved and disseminated.   |
| <p><b>3.2.4 Establish minimum social and environmental standards for tourism enterprises:</b> prepare a set of minimum social and environmental standards based on the Global Sustainable Tourism Criteria; review and agree on the standards in consultation with industry stakeholders; publish and distribute information and education materials to raise awareness of the standards.</p>   | <b>MOHT, MOC, MOE, MOECF, MOSWRR, MTF, NGOs (\$)</b>              | 2014–2015  | Minimum social and environmental standards approved and implemented by 30% of tourism enterprises.                          |
| <p><b>3.2.5 Promote corporate social responsibility and inclusive business practices in the tourism industry:</b> review, develop and implement appropriate guidelines for corporate social responsibility through participatory processes; develop training manuals and information and education materials for use and dissemination by private associations and enterprises.</p>   | <b>MTF, MOHT, MOC, MOECF, MOLESS, MOSWRR, NGOs (\$)</b>           | 2014–2015  | 80% of MTF members implementing corporate social responsibility programs.   |

| Key Objectives and Activities  | Lead Agencies   | Time frame | Performance Indicators   |
|--|---|------------|--|
| <b>Key Objective 3.3: Improve Zoning in Tourism Destinations</b>   |   |            |  |
| 3.3.1 <b>Review the status of hotel zone development</b> (e.g., Mandalay, Bagan, and Inle): review progress and issues with hotel zone development within the context of Myanmar's responsible tourism policy; develop a planning framework that harmonizes hotel zone planning with national objectives to protect natural and cultural heritage and promote the well-being of local residents.   | <b>MOHT, MTF, MONPED, MOECF, MOC, MORA, MOHA,</b> state/regional governments (\$)         | 2014–2015  | Zonal planning approach developed and applied at all destinations experiencing high visitor growth.        |
| 3.3.2 <b>Prepare zoning plans for key tourist destinations:</b> using participatory processes prepare base maps for the destinations and determine areas with important cultural and natural attributes in need of special protected status; determine suitable land for development of infrastructure and commercial activities; prepare rules and regulations for each zone; review and approve the zoning plans; develop and disseminate information and educational materials about the zones. | <b>MOHT, MOC, MOECF, MOHA, MONPED, MORA, MOSWRR, MTF,</b> state/regional governments (\$) | 2014–2017  | Zoning plans approved for six key tourist destinations.  |
| <b>Key Objective 3.4: Develop Adaptation Frameworks and Strategies on Tourism and Climate Change</b>   |   |            |  |
| 3.4.1 <b>Establish a tourism and climate change management framework:</b> conduct destination adaptation research to assess the likely impacts of climate change on tourism destinations; prepare adaptation, mitigation and green growth strategies to be implemented in these destinations.  | <b>MOHT, MOECAF, MOIN, national universities, MTF (\$)</b>                                | 2013–2014  | Green growth strategies being implemented in at least three destinations.                                  |
| 3.4.2 <b>Integrate climate change knowledge into destination plans:</b> incorporate findings of national and regional vulnerability and adaptation studies into tourism planning and decision-making tools and plans at the state/regional, destination, site and enterprise levels.   | <b>MOHT, MOEP, MOECF, MOIN, universities (\$)</b>   | 2015–2020  | Site, destination and regional tourism plans incorporate recommendations of regional vulnerability studies |
| 3.4.3 <b>Raise industry awareness on emission management:</b> develop good practice guidelines on emission management suitable for the national context; prepare and disseminate information and education materials such as fact sheets on emission management tools and resources, including advice on voluntary carbon offsets, targeting destination managers, event organizers and tourism enterprises.   | <b>MOHT, MOEP, MOIN, MOECAF, MTF</b>  | 2015–2012  | National guidelines on emission management developed and widely disseminated.                              |

| Key Objectives and Activities  |  | Lead Agencies                                      | Time frame | Performance Indicators  |
|--|--|--|------------|---|
| <b>Key Objective 3.5: Promote Innovative and Green Technologies in Tourism</b> |  |  |            |   |
| 3.5.1  | <b>Promote green technologies in accommodation and MICE subsectors:</b> review international standards and good practice for promoting innovative green technologies to reduce the use of energy and water and improve management of solid waste; analyze and recommend suitable technologies for use in Myanmar; promote suitable green technology at all tourism and hospitality meetings and conventions; convene an annual conference on innovative green technologies; provide incentives such as tax reductions and affordable financing for investors interested in adopting green technologies; conduct an information and awareness campaign on the advantages of green technologies targeting tourism enterprises; expand implementation of the ASEAN Green Hotel Standard.  | MOHT, MOEP, MOCON, MTF                             | 2014–2020  | 50% of hotels adopt some form of green technology and 25% achieve ASEAN Green Hotel Standard. |
| 3.5.2  | <b>Promote architecture and facilities design that meets the needs of people with disabilities:</b> prepare national guidelines to support expansion of barrier-free tourism; provide incentives such as tax reductions and affordable finance to support an increase in the availability of tourist facilities that are accessible to people with disabilities; implement an information and education campaign on barrier-free tourism targeting architects, accommodation providers, and tour operators.  | MOHT, MOFR, MOSWRR, MTF                            | 2014–2020  | At least 40% of tourist facilities are accessible to people with disabilities.                |
| <b>Key Objective 3.6: Strengthen Community Involvement in Tourism</b>          |  |  |            |   |
| 3.6.1  | <b>Strengthen national policies to empower and involve local communities and ethnic groups in tourism planning and management:</b> prepare a national policy on community involvement in tourism to complement the Myanmar Responsible Tourism Policy; design and implement demonstration projects that promote participation of women, ethnic groups and the poor in the tourism industry; ensure women, ethnic groups and the poor have equal opportunities to participate in and benefit from the tourism industry.   | MOHT, MOC, MOLESS, state/regional governments (\$) | 2013–2020  | National policy approved and being implemented in all tourist destinations.                   |
| 3.6.2  | <b>Design and implement community-based tourism pilot projects:</b> identify potential target areas and communities; verify product demand with tour companies and tourists; consult with communities and private operators on their needs for CBT development; design CBT pilot programs with an emphasis on local participation and ownership; carry out training needs assessment; provide capacity building programs; facilitate networks between local communities and other stakeholders including local government, academic institutions, tourism businesses and NGOs to support project implementation; design and conduct monitoring systems to evaluate economic, social and environmental impacts; share results with stakeholders and modify the CBT approaches; promote knowledge sharing between communities and among Myanmar and neighboring countries; promote development of multi-country CBT itineraries. | MHT, MTF, state/regional governments (\$)          | 2014–2020  | At least 10 pilot CBT programs designed and implemented.                                      |

## Strategic Program 4: Develop Quality Products and Services

| Key Objectives and Activities  | Lead Agencies                         | Time frame | Performance Indicators  |
|--|---------------------------------------|------------|---|
| <b>Key Objective 4.1: Design Tourism Product Development Strategies</b>  |                                       |            |   |
| 4.1.1 <b>Assess product potential:</b> conduct product development research; prepare SWOT analysis to identify and prioritize potential products; discuss and verify results with inbound and outbound tour operators and using social media.  | MOHT, MTF, national universities (\$) | 2013–2014  | Report on results of product development research published.  |
| 4.1.2 <b>Research tourist motivations and behaviors:</b> conduct research on domestic and international market segments; evaluate potential interest in new products and services; discuss and verify results with inbound and outbound tour operators and using social media.   | MOHT, MTF, national universities (\$) | 2014–2020  | Annual report on tourist motivations and behaviors published.   |
| 4.1.3 <b>Prepare product development strategies:</b> based on results of activities 4.1.1 and 4.1.2 prepare strategies for developing various tour products and services such as adventure tourism, volunteer tourism, pilgrimage and meditation tourism, cruise tourism, culinary tourism, MICE tourism and educational tourism.  | MOHT, MTF (\$)                        | 2014–2016  | Development strategies prepared for eight product types.  |
| 4.1.4 <b>Implement strategies to diversify the product base and improve quality:</b> prepare terms of reference and establish multisector public–private product development taskforces; appoint Chairperson and MOHT “Product Development Coordinators” for each taskforce; deliver seminars and training programs to build capacity for product development, itinerary building, marketing and developing business-to-business linkages between inbound tour operators and generating markets.                 | MTF, MOHT (\$)                        | 2015–2020  | Product taskforces formed and 20 seminars held with 800 participants.   |
| <b>Key Objective 4.2: Develop an Ecotourism Management Strategy for Protected Areas</b>  |                                       |            |   |
| 4.2.1 <b>Prepare an Ecotourism Strategy for Protected Areas:</b> review current status of nature-based tourism and tourism activity in and around protected areas; assess options and opportunities to expand ecotourism development in and around protected areas; verify opportunities with private operators; prepare, approve and disseminate content of the strategy.   | MOECF, MOHT, MTF (\$)                 | 2014       | Approved National Ecotourism Strategy published.  |
| 4.2.2 <b>Prepare guidelines for ecolodges in protected areas:</b> review international good practice and prepare national guidelines for ecolodge development in protected areas; identify opportunities to establish value-chain linkages with surrounding communities; survey and select sites for development; prepare lease agreements and incentives to attract private investors; facilitate partnership agreements between ecolodge operators and local communities to support biodiversity conservation. | MOECF, MOHT, MTF (\$)                 | 2014–2015  | Approved guidelines published and 10 sites identified for investment.   |
| <b>Key Objective 4.3: Strengthen Tourism-Related Supply Chains</b>   |                                       |            |   |
| 4.3.1 <b>Improve linkages between local producers and the tourism industry:</b> research linkages between the tourism industry and local communities as suppliers of goods and services such as farm products, handicrafts, food and beverages, cultural performances, and transportation services; based on the analysis design and implement pilot projects to demonstrate how to expand access to tourism supply chains for local producers and service providers.  | MOC, MOCOP, MOAI, MOHT (\$)           | 2014–2018  | Six pilot projects implemented with 5,000 local entrepreneurs benefiting from improved access to tourist supply chains. |



## Strategic Program 5: Improve Connectivity and Tourism-Related Infrastructure

| Key Objectives and Activities   | Lead Agencies                         | Time frame | Performance Indicators  |
|---|---------------------------------------|------------|---|
| <b>Key Objective 5.1: Promote Complementary Expansion of the Aviation and Tourism Industries</b>  |                                       |            |   |
| 5.1.1 <b>Assess the capability of Yangon's accommodation subsector to handle expanding aviation capacity:</b> determine accommodation stock in Yangon; prepare forecasts of the accommodation subsector's expansion to 2020; based on the analysis develop measures to harmonize future growth in air-seat capacity with the availability of accommodation stock.   | MOHT, MOT                             | 2013–2014  | Measures to harmonize expansion of air-seat capacity and accommodation stock in Yangon implemented. |
| 5.1.2 <b>Promote direct international flights into Mandalay and Nay Pyi Taw:</b> provide incentives for international airlines and charter aircraft to operate direct flights to Mandalay and Nay Pyi Taw.  | MOT                                   | 2013–2020  | Increased international air seat-capacity to Mandalay and Nay Pyi Taw.                              |
| 5.1.3 <b>Review policy on international flights into Bagan and Inle Lake (Heho):</b> prepare a review of current policy on international flights into the two airports; assess the capacity of tourism-related management systems and the accommodation subsector to cope with direct flights from international generating markets.  | MOT, MOHT, state/regional governments | 2013–2014  | Policy review published.  |
| 5.1.4 <b>Conduct a review of the international domestic aviation industry:</b> review and recommend improvements to current routing, infrastructure and ground services with a view to improving safety, security and service; recommend measures needed to allow daily flights to originate at locations other than Yangon.  | MOT                                   | 2014–2015  | Review published. At least one daily flight originating in the main tourist destinations.           |
| 5.1.5 <b>Upgrade domestic airport terminals and services:</b> based on the recommendations of the aviation industry review upgrade infrastructure and services at domestic air terminals; promote public-private partnerships for the management and upgrading of terminals or development of new facilities.   | MOT                                   | 2014–2020  | At least three domestic terminals upgraded or newly developed by 2017.                              |
| <b>Key Objective 5.2: Ensure Tourism is Included as a Key Element of the National Transportation Strategy</b>   |                                       |            |   |
| 5.2.1 <b>Integrate tourism into national road improvement planning:</b> consult with tour operators to prioritize for improvement national roads linking areas of high touristic value; identify where access roads and amenities are needed to facilitate development of tourist attractions situated along the main and secondary transport arteries; identify roadways with high scenic value and put measures in place to conserve their touristic value. | MOT, MOCON, MOHT, MTF (\$)            | 2014–2020  | Tourism is mainstreamed into national road improvement programs.                                    |

| Key Objectives and Activities   | Lead Agencies  | Time frame | Performance Indicators   |
|---|--|------------|--|
| 5.2.2 <b>Integrate tourism into national railway improvement planning:</b> consult with tour operators to prioritize for improvement rail routes between locations of high touristic value; ensure tourism-related issues are adequately reflected in rail transport studies, including the value of railways in supporting a lower-carbon tourism economy; promote investment in railways and rolling stock with sleeping facilities and compartments; seek private investment in niche luxury market rail services between key destinations.  | <b>MORT, MOHT, MTF (\$)</b>                                    | 2014–2020  | Tourism is mainstreamed in national railway improvement programs.  |
| 5.2.3 <b>Ensure adequate local tourism transportation services are available:</b> prepare a study on the availability, cost and quality of local tourism transportation services at key destinations; integrate recommendations into national and destination level transportation planning; streamline processes for issuing and approving metered taxi licenses at all levels; promote the expansion of widely accessible and environmentally friendly locally operated transportation services at the destination level.   | <b>MOT, MTF</b>  | 2014–2020  | Availability, quality and competitiveness of tourism transportation services increase in all key tourist destinations. |
| <b>Key Objective 5.3: Improve Tourism-Related Infrastructure to Promote Balanced and Inclusive Growth</b>   |  |            |  |
| 5.3.1 <b>Promote investment in feeder roads to tourist attractions:</b> prepare feasibility studies for road improvement projects that are linked to destination management plans in key locations (e.g. Bagan, Inle, Kyaington, and Ngapali); source public financing for priority projects; develop sustainable finance mechanisms for operations and maintenance.  | <b>State/regional governments, MOT, MOCON, MOBA, MOHT (\$)</b> | 2014–2020  | At least 10 investment projects to improve feeder roads to tourist attractions approved.                               |
| 5.3.2 <b>Develop river piers and seaports with passenger facilities at key locations:</b> (e.g., Bagan, Inle Lake, Kawthang, and Mandalay) prepare feasibility studies for development of river piers and seaports that are linked to destination management plans; promote public and private investment to develop and operate the facilities and related services; develop sustainable finance mechanisms for operations and maintenance.  | <b>State/regional governments, MOT, MOCON, MOHT (\$)</b>       | 2014–2020  | Four river pier/seaport investments projects approved.   |
| 5.3.3 <b>Improve the coverage and reliability of Internet services in tourist destinations:</b> promote public and private investment to expand broadband and mobile Internet services in all tourist destinations; provide technical support and incentives to increase the number of tourism-related enterprises using the Internet for business services, marketing, and knowledge sharing; implement information and education campaigns on good practice guidelines for Internet use by tourism-related enterprises; promote development of local website design and maintenance industries. | <b>MOCIT, MOHT, MTF</b>  | 2013–2020  | Local businesses and tourists have access to efficient and reliable Internet services in all tourist destinations.     |

| Key Objectives and Activities   | Lead Agencies   | Time frame | Performance Indicators  |
|---|---|------------|---|
| 5.3.4 <b>Develop/improve facilities for storage and treatment of solid waste and wastewater:</b> prepare feasibility studies on the improvement/development of facilities needed to store and treat solid waste and wastewater at key tourist destinations; design and implement strategies to reduce waste and expand the coverage of environmental services; promote public and private investment with appropriate incentives to expand the coverage, reliability and affordability of environmental services.   | State/regional governments, and DMOs (\$)                 | 2014–2020  | At least 10 investment projects to improve environmental services in six key tourist destinations approved. |
| 5.3.5 <b>Improve the coverage and reliability of electricity supply at key destinations:</b> prepare feasibility studies for improved generation, transmission and distribution of electricity in key tourist destinations; promote public and private investment in power generation, transmission and distribution, including independent power producers and off-grid technologies.  | MOEP, DMOs, state/regional governments                    | 2014–2017  | Reliable electricity supply in all main tourist destinations.   |
| <b>Key Objective 5.4: Progressively Ease Barriers to Visitor Entry and Internal Travel</b>  |   |            |   |
| 5.4.1 <b>Expand the availability of tourist visa on arrival services:</b> assess the capacity of the tourism industry to effectively manage the expected incremental increases in visitor arrivals from expanding the availability of tourist visa on arrival at international airports, land borders and sea ports; based on the assessment establish an appropriate time frame to expand tourist visa on arrival services for: (i) additional source markets entering at international airports, (ii) priority source markets entering at land borders; (iii) priority source markets entering at seaports; improve the infrastructure and information technology needed to efficiently process tourist visas at all places of entry; train immigration officers to improve management of the visa on arrival system. | MOIP, MOHA, MOHT (\$)                                     | 2014       | Visa on arrival system expanded and streamlined for priority markets.                                       |
| 5.4.2 <b>Provide visa extension service to visitors already in the country:</b> establish an appropriate time frame to introduce tourist visa extension services for visitors already in the country; train immigration officers to implement in-country systems to extend tourist visas.   | MOIP, MOHA, MOHT  | 2014–2015  | In-country visa extension services available.   |
| 5.4.3 <b>Introduce/expand the e-visa system for tourists:</b> establish an appropriate time frame to expand the availability of tourist e-visas; train immigration officers and service providers to implement and monitor the e-visa system.   | MOIP, MOHA, MOHT  | 2014       | E-visa services available for tourists.   |
| 5.4.4 <b>Promote tourism in all states and regions:</b> review travel restrictions on visitor movements and requirements for special permission to visit restricted areas; raise awareness of benefits and constraints of tourism activity among key stakeholders; raise awareness of travel conditions in previously restricted areas among target audiences; promote tourism-related investment in previously restricted areas.   | State/regional governments, MOIP, MOBA, MONPED, MOHT, MTF | 2014–2020  | Travel restrictions in emerging destinations eased.   |

## Strategic Program 6: Building the Image, Position, and Brand of Tourism Myanmar

| Key Objectives and Activities   | Lead Agencies  | Time frame | Performance Indicators  |
|---|--|------------|---|
| <b>Key Objective 6.1: Determine the Supply, Demand, and Gap Characteristics of Myanmar's Travel and Tourism System</b>  |  |            |   |
| 6.1.1 <b>Create and empower a multisector TTA:</b> obtain and become proficient in the use of networked hardware and software for the rapid receipt, analysis and dispersion of market intelligence, including visitor arrivals and movements around the country; provide detailed market intelligence to TECB and other tourism industry stakeholders; develop expertise in market research and measurement techniques, analysis, and dissemination of data and tactical elements of the marketing process; work with public and private stakeholders to determine and address gaps in market intelligence gathering processes; design and implement appropriate mechanisms to administer visitor surveys. | <b>Ministry of President's Office,</b><br>TECB, MOHT, MMC,<br>MOIP, MONPED,<br>MOHA (\$) ) | 2013–2020  | TTA established and providing timely, accurate and relevant market intelligence reports.                    |
| 6.1.2 <b>Improve market intelligence systems:</b> redesign and deploy the international arrival/departure card to capture relevant and timely market intelligence; develop and introduce mechanisms to measure, track, and report on consumer satisfaction with service quality levels; track and measure changes in consumer sentiment about Myanmar.  | <b>TTA, MOIP, MOHT</b><br>MOIN, MMC  | 2014–2020  | Semi-annual market intelligence report incorporating expanded data published.                               |
| <b>Key Objective 6.2: Create a Strategic Marketing Map for Myanmar</b>  |  |            |   |
| 6.2.1 <b>Develop marketing strategies and tactics:</b> train staff in strategic and tactical components of the marketing process; determine and align Myanmar's current marketing map with stakeholder needs; assess preferred position; develop technology-led strategies to address issues of segmentation, seasonality, dispersion, length of stay, and yield.   | <b>TTA, MMC, MOHT</b>  | 2014–2020  | Marketing strategies contribute to a reduction in seasonality and improved geographical spread of visitors. |
| <b>Key Objective 6.3: Raise Internal Awareness of Responsible Tourism</b>   |  |            |   |
| 6.3.1 <b>Raise national awareness of the value of tourism, industry performance, and the importance of service as an essential element of the tourism system:</b> conduct an information and education campaign including workshops, seminars, and use of popular media to disseminate information on the tourism industry and the importance of quality service for tourism; prepare and disseminate monthly press releases on the state of tourism in Myanmar; develop a targeted media campaign to facilitate public and private engagement in tourism.  | <b>TTA, MOHT, MTF,</b><br>MOIN (\$) )  | 2013–2020  | Monthly press releases issued and media campaign deployed.  |
| 6.3.2 <b>Raise national awareness of the linkages between tourism and environmental protection:</b> document how tourism can contribute to environmental protection in the local context; prepare information and education materials on tourism and environmental protection; train trainers to facilitate seminars to raise awareness of linkages; implement seminars in key tourist destinations.  | <b>MOECF MOHT,</b><br>MMC, TTA   | 2013–2020  | 20 trainers trained and 50 seminars conducted with 2,500 participants.                                      |

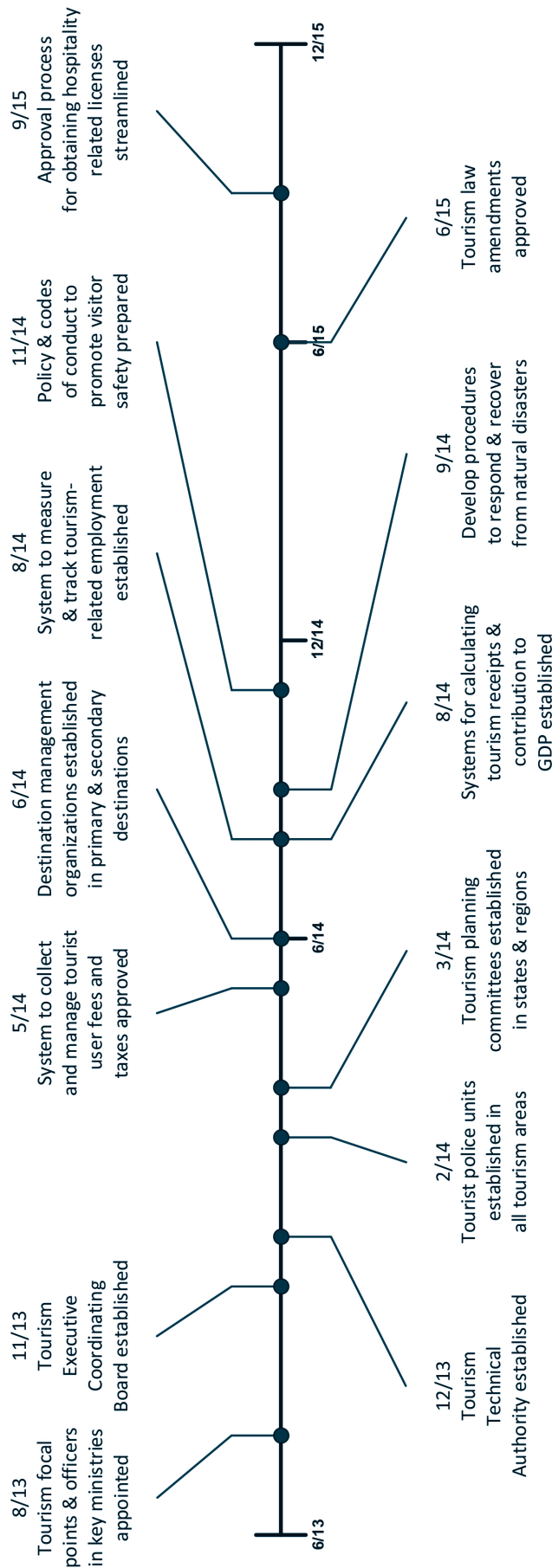
| Key Objectives and Activities  | Lead Agencies                                      | Time frame | Performance Indicators  |
|--|--|------------|---|
| 6.3.3 <b>Raise awareness of the prevention of all forms of sex tourism and human exploitation in the tourism industry:</b> prepare information and education materials on the prevention of all forms of sex tourism and human exploitation; train trainers to facilitate seminars to raise awareness on prevention, detection, and reporting; implement seminars in key tourist destinations. | MOHT, MOE, MOH, MOIN, MOLESS, MOSWRR, MHA, TTA (§) | 2014–2020  | 20 trainers trained and 50 seminars conducted with 2,500 participants.  |
| 6.3.4 <b>Establish an awards program to recognize best practice in service delivery and responsible tourism:</b> design and implement an awards program with various categories, recognizing best practice in delivering quality tourism services and responsible tourism practices.   | MOHT, MTF  | 2014       | Awards program established with at least 12 categories.                 |
| <b>Key Objective 6.4: Effectively Manage the Image, Position and Brand of the Destination in the Collective Mind of the International Marketplace</b>  |  |            |   |
| 6.4.1 <b>Create a positive brand identity:</b> prepare a national brand identity with sub-brands/identities for regional incorporation; design collateral based on the brand identity; devise and initiate tactical plans and actions to effectively position the brand in the segmented global marketplace; monitor and track brand acceptance and delivery.                                  | TTA, MOHT, TECB, MMC                               | 2013–2020  | Brand, sub-brand and internationally recognized identities developed.   |
| 6.4.2 <b>Leverage technology to promote the destination and track consumer acceptance of the brand:</b> utilize return on investment efficiencies to promote the destination through the use of available and appropriate technologies; explore options to employ social tracking algorithms and enhanced reality technologies.  | TTA, MOHT, TECB                                    | 2014–2020  | Online marketing and social tracking technologies being used.           |
| 6.4.3 <b>Deploy traditional marketing mechanisms together with technology-driven initiatives:</b> identify and prioritize traditional marketing activities at relevant and cost-effective international trade shows (e.g., International Tourism Börse, World Travel Mart, and PATA Travel Mart); produce appropriate collateral for distribution at these trade-shows.                        | MMC, MOHT, TECB                                    | 2014–2020  | Marketing mechanisms designed and deployed.                             |
| 6.4.4 <b>Quantify the impact of brand identity:</b> monitor interest, desire, recognition and other indicators needed to determine the strengths and weaknesses of marketing efforts.  | TTA, MOHT  | 2014–2020  | Semi-annual report on consumer acceptance and brand feedback published. |



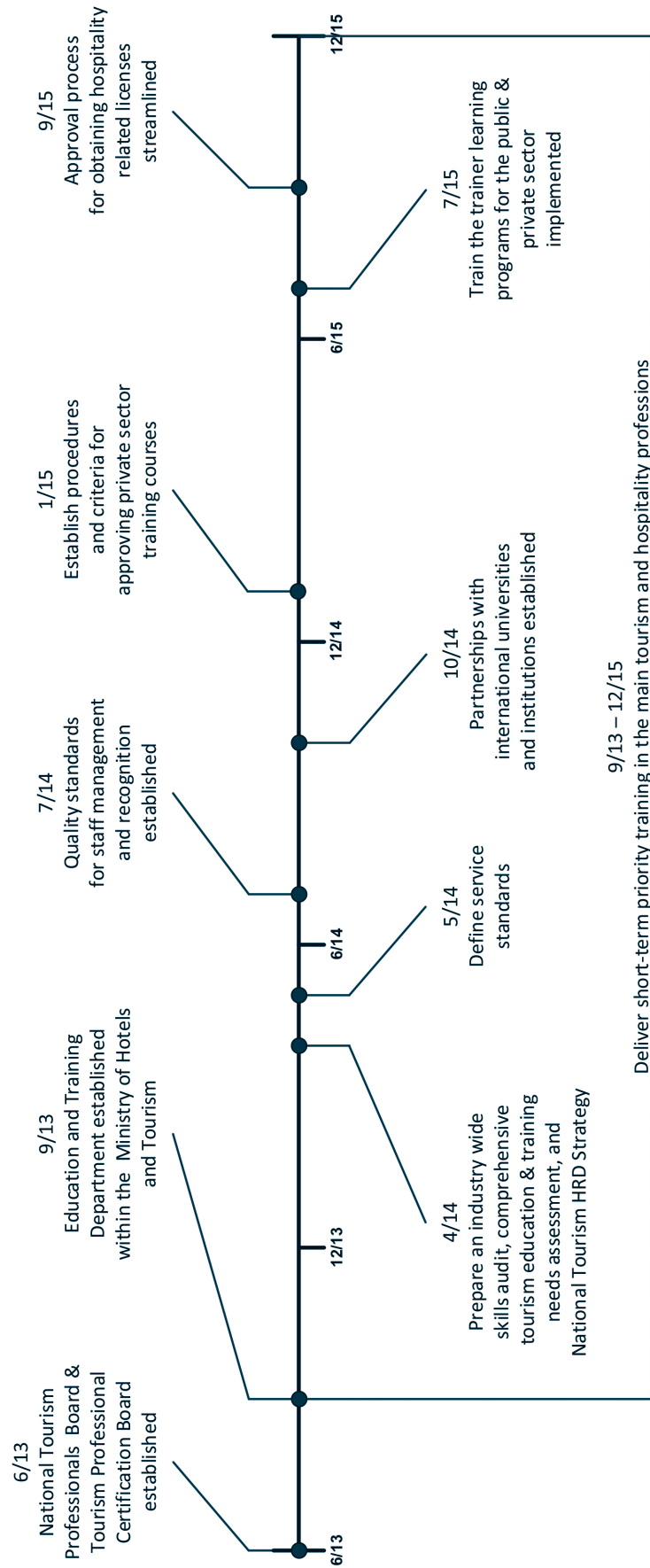
## Appendix 2

# Myanmar Tourism Master Plan: Short Term Action Plan and Milestones (2013–2015)

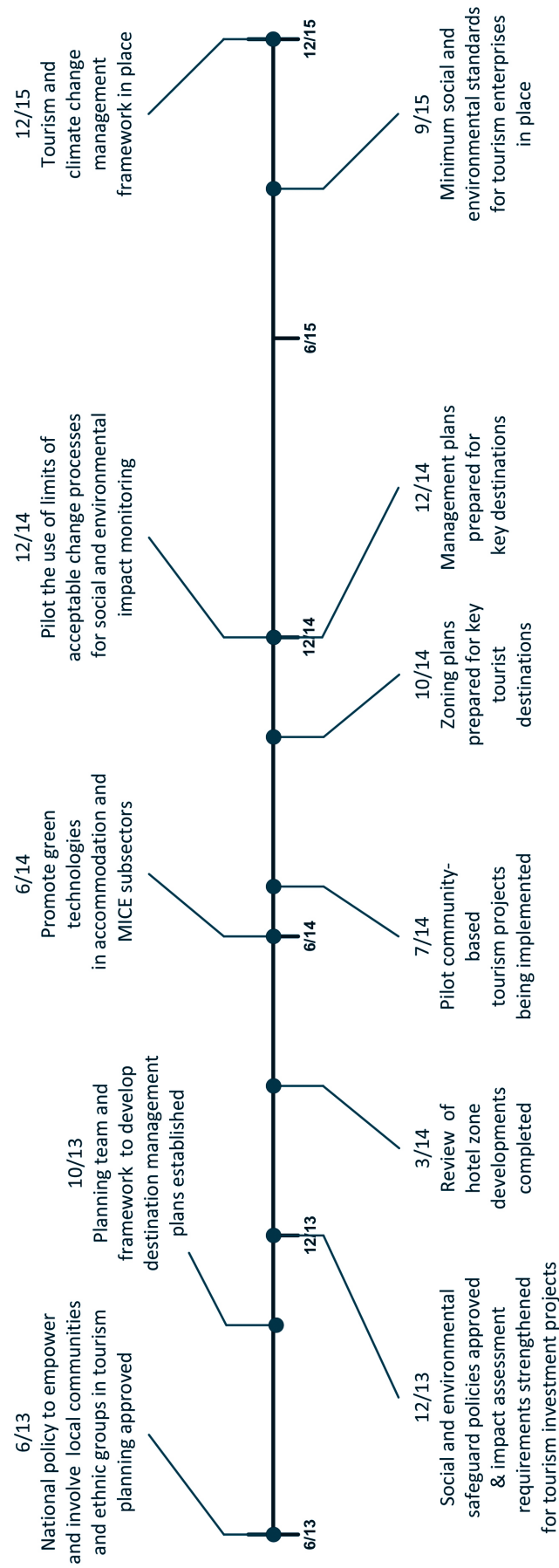
**Strategic Program 1 - Strengthen the Institutional Environment**



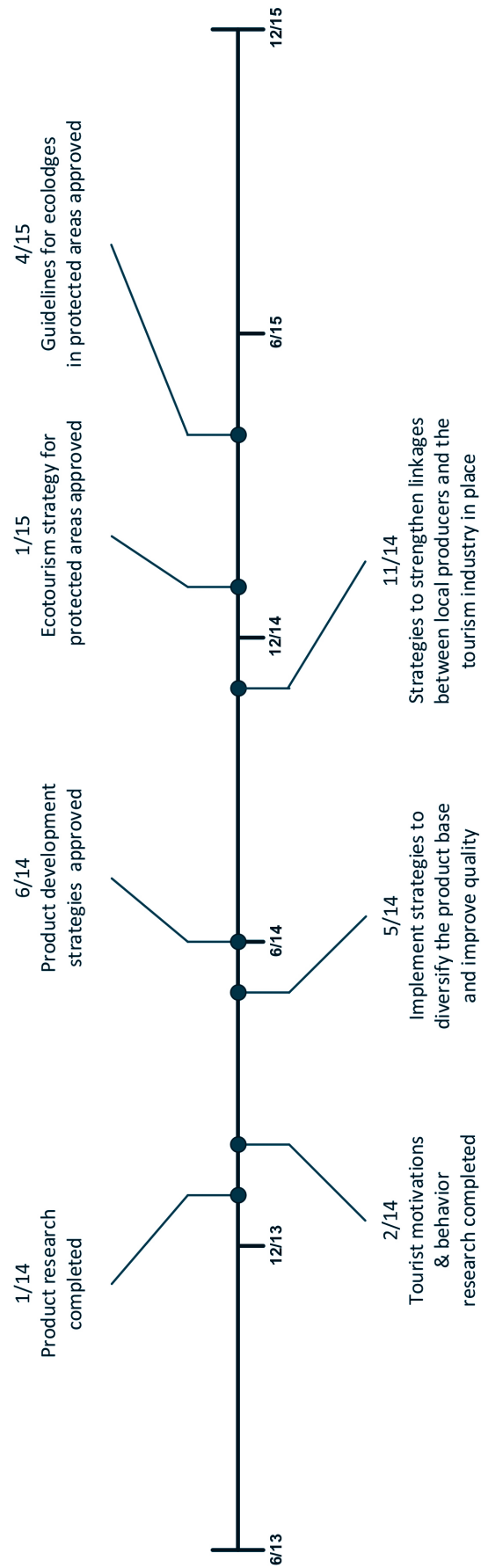
## Strategic Program 2 - Build Human Resource Capacity and Promote Service Quality



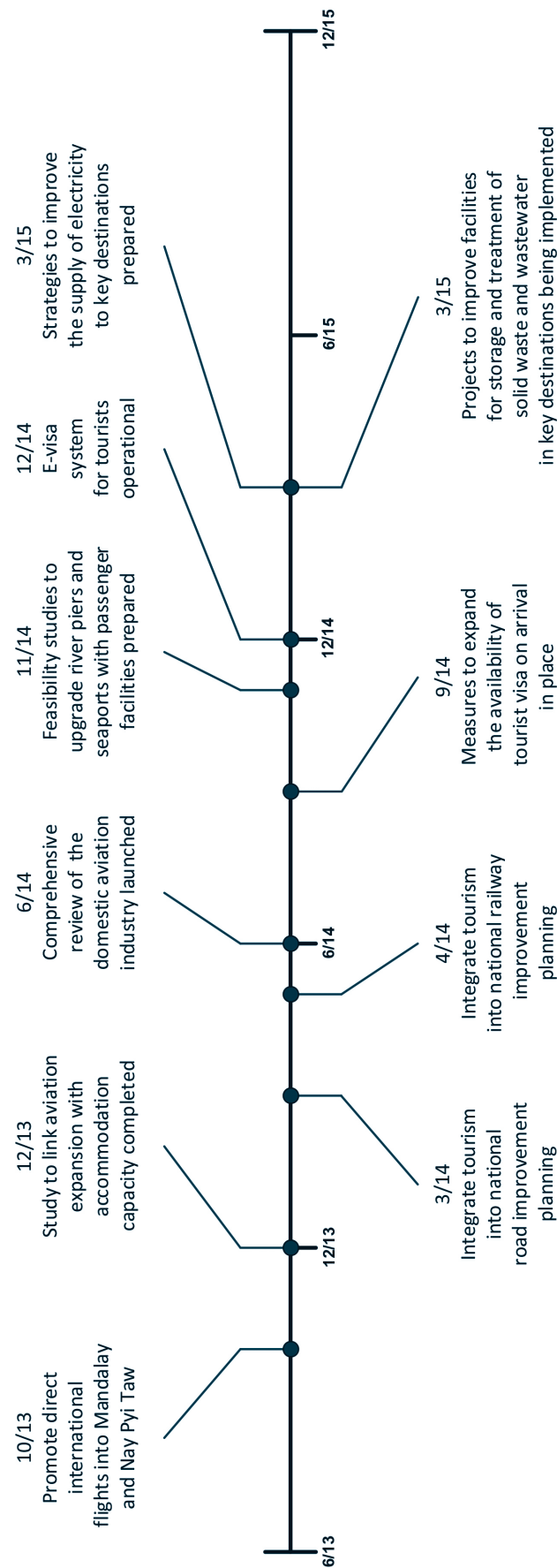
### Strategic Program 3 - Strengthen Safeguards and Procedures for Destination Planning and Management



### Strategic Program 4 - Develop Quality Products and Services

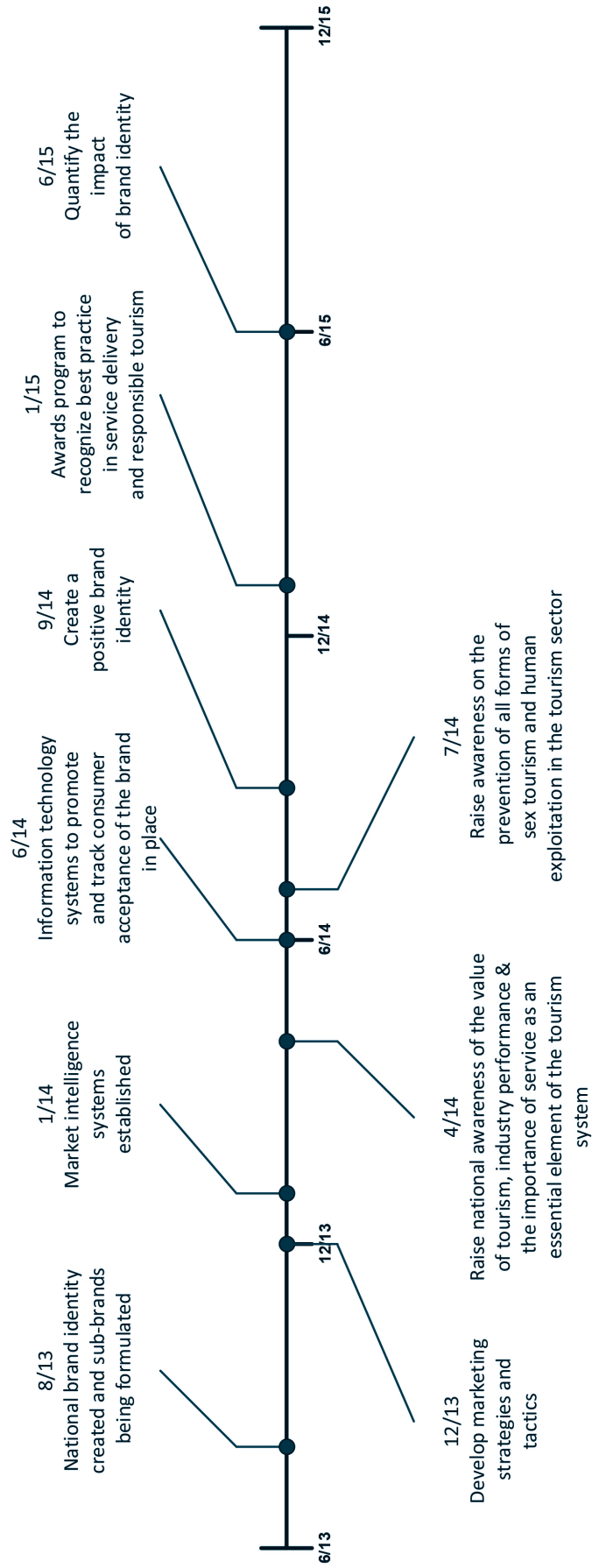


## Strategic Program 5 - Improve Connectivity and Tourism-related Infrastructure





## Strategic Program 6 - Build the Image, Position and Brand of Tourism Myanmar



## Appendix 3

# Strategic Projects for Implementation (2013–2020)

| Project Name   | Description   | Estimated Cost (\$ million) | Lead Agencies            |
|--|---|-----------------------------|--------------------------|
| <b>Strategic Program 1: Strengthen the Institutional Environment</b> |   |                             |                          |
| 1. Tourism Executive Coordination Board Support Program              | The project will strengthen the capacity of the newly formed Tourism Executive Coordination Board to formulate sound tourism policies. It will provide the Board with strategic intelligence, impart industry knowledge, and facilitate partnerships with international organizations to provide neutral advice on implementation of the Master Plan. The program includes support for the establishment of a Board secretariat.  | \$0.25                      | President's Office, MOHT |
| 2. Strengthening Tourism Governance                                  | The project aims to strengthen the capacity of key Government agencies involved in planning and regulating tourism. It will improve coordination between central, state/regional, and district agencies and deliver training compatible with the needs and capabilities of target audiences. It will also include a component to develop a framework for the collection and management of tourist user fees and taxes with guidance from the Tourism Executive Coordination Board.  | \$1.0                       | MONPED, MOHT             |
| 3. Strengthening Myanmar's Tourism Information System                | The project will develop an information management system to monitor tourism performance according to select social, environmental, and economic objectives, including job creation and foreign exchange earnings. It addresses the need to build national capacity to improve the collection and reporting of tourism statistics, undertake value chain assessments, and perform input-output modeling to accurately estimate the contribution of travel and tourism to Myanmar's economy.   | \$1.0                       | MOFR, MONPED, MOHT       |
| 4. Tourism Law   | The project will facilitate appropriate amendments to the 1990 Tourism Law that are consistent with the Government's reform process and recently approved Myanmar Responsible Tourism Policy. It will support public consultations on key articles such as foreign and domestic investment, Myanmar citizens traveling abroad, gaming, business operations and licensing, labor standards, and requirements for social and environmental impact assessment. The project will include assistance for broad dissemination of the amended Tourism Law. | \$0.40                      | MOHT, MOLESS, UAGO       |
| <b>Strategic Program 1: Cost Estimates = \$2.65 million</b>          |   |                             |                          |

| Project Name  | Description  | Estimated Cost (\$ million) | Lead Agencies                |
|---|--|-----------------------------|------------------------------|
| <b>Strategic Program 2: Build Human Resource Capacity and Promote Service Quality</b> |  |                             |                              |
| 5. Industry-led Hotel School, Yangon  | The project, to be supported by Singapore's Hotel and Tourism Education Center, involves the development and management of a hotel school to provide quality pre-employment training and education for local residents. The school will also offer continuous training and development courses for in-service staff of existing and new hotels.  | \$8.0                       | MOHT, MOE                    |
| 6. Strengthening Human Capital in Myanmar's Hospitality and Tourism Industry          | The project will establish the Myanmar National Institute for Tourism and Hospitality to enable increased international competitiveness and wider access to quality tourism education and training. It will support training for faculty, development of appropriate curriculum and teaching materials, construction of a center of excellence and satellite training center, and the introduction of sustainable finance mechanisms such as public-private partnerships.  | \$8.0                       | MOHT, MOE                    |
| 7. Comprehensive National Tourism Education and Training Assessment                   | The assessment and skills audit will form the basis of a national tourism-related human resource development strategy, including how to best deliver innovative and creative learning. It will assess the public and private education and training landscape and provide an understanding of the present situation and future needs based on growth projections. It will confirm where immediate assistance is needed for Government and other industry actors.   | \$2.0                       | MOHT, MOE                    |
| 8. Implementing the National Tourism Human Resource Development Strategy              | The project will support implementation of the national tourism human resource development strategy, including the development of curriculum and teaching materials that are based on ASEAN standards. It will establish certification, oversight and quality control mechanisms and support skills training and education for an initial intake of Government officials and tourism workers in priority destinations.   | \$8.0                       | MOHT, MOE                    |
| 9. National Responsible Tourism Research Center                                       | The project will support the establishment of a national research center to facilitate responsible tourism development. The initial research focus proposes to cover visitor management practices, community participation in the tourism economy, and environmental management at tourist destinations. Research findings will contribute to curriculum development for train-the-trainer modules and appropriately designed short training courses and tertiary degrees.                                       | \$5.0                       | MOHT, MOE, Yangon University |
| 10. Tourism Vocational Education Training School at Inle Lake                         | This project includes development of destination-specific curriculum, teaching materials, and teacher training. It will design and develop a tourism-focused vocational education training school to address issues particular to Inle Lake and the surrounding areas. The project will focus on tourism and hospitality skills training for the main tourism and hospitality occupations that are modeled on good practice in other Southeast Asian tourism centers.  | \$8.0                       | MOHT, MHA, state government  |
| 11. Dusit Hotel School and Hotel, Yangon  | The project includes the construction of a privately operated tourism and hospitality training facility and associated hotel. It will focus on training new entrants to the main tourism and hospitality occupations, upgrading the tourism workforce, and nurturing future managers. The school will provide a holistic program ranging from short-term training/certificate courses to a fully-fledged Bachelor's degree program. A master's of business administration degree program may also be introduced. | \$8.0                       | MOHT, MOE                    |

| Project Name   | Description   | Estimated Cost (\$ million) | Lead Agencies                           |
|--|---|-----------------------------|---|
| 12. Tourism University in Yangon   | The project will strengthen the tourism department at Yangon University to improve national tourism education standards and expand access to quality higher education in tourism, with a long-term view to establish a stand-alone tourism university. It will increase instructor capacity through extensive capacity building and benefit various elements of the tourism system through curriculum development, assessment and examination, research, and outreach activities.     | \$10.0                      | MOHT, MOE                               |
| 13. Ministry of Hotels and Tourism Mobile Training Team  | This project will establish a mobile training team to help address the urgent need for basic tourism training and awareness-raising in all destinations. It will train trainers and conduct short training courses to increase local people's understanding of key social, environmental, and economic issues linked to tourism.  | \$1.5                       | MOHT                                    |
| 14. Support for Small Hospitality and Catering Training Academy  | To help youth become skilled, independent, and successful leaders in the hospitality industry, this project will support construction of a small training facility, teacher training, equipment, and initial operating costs in a small town such as Putao, Kalaw, Kyaing Tong and Loi Kaw.   | \$1.0                       | MOHT, MOE                               |
| <b>Strategic Program 2: Cost Estimates = \$59.5 million</b>  |   |                             |   |
| <b>Strategic Program 3: Strengthen Safeguards and Procedures for Destination Planning and Management</b> |   |                             |   |
| 15. Plotting Green Growth Destination Planning   | The project will support the preparation and launch of Green Growth 2050 Destination Roadmaps for Bagan, Inle Lake, and Kyaikhto. Roadmaps aligned with Global Sustainable Tourism Criteria will guide the transformation of local tourism economies into low carbon, resource-efficient destinations, help reduce negative environmental and social impacts of tourism, and design action plans for integrating tourism more deeply into local economies.                            | \$3.0                       | MOHT, MOECF, state/regional governments |
| 16. Thematic Interpretation Planning Support   | The project will strengthen the capacity of destination managers to develop, implement, and monitor thematic interpretation plans that improve the visitor experience and boost employment and income, generating opportunities for local residents. The project will prepare plans for Bagan, Inle Lake, Kyaikhto, and Ngapali.  | \$2.0                       | MOHT                                    |
| 17. Tourism Management Planning in Emerging Destinations   | This project will build the capacity of destination management organizations by imparting methods, tools, and approaches needed by key stakeholders to design integrated destination management plans in four emerging destinations. It will identify investment needs and opportunities for local community involvement in tourism, and work with private operators to develop tourism activities that protect the social, cultural, and environmental resources of the destination. | \$3.0                       | MOHT, state/regional governments        |
| 18. Tourism Destination Management Planning Support  | This project will strengthen the capacity of Government agencies, private operators, and civil society to conduct participatory planning and prepare tourism destination management plans. Working through DMOs, the project will develop innovative methods and tools suitable for Myanmar and train key stakeholders in their application. Model tourism destination management plans will be prepared for four flagship destinations.  | \$4.0                       | MOHT, state/regional governments        |

| Project Name   | Description   | Estimated Cost (\$ million) | Lead Agencies                     |
|--|---|-----------------------------|-----------------------------------|
| 19. Prevention of all Forms of Sex Tourism and Human Trafficking in the Tourism Industry | The project will strengthen the capacity of tourism stakeholders to prevent all forms of sex tourism and human trafficking. It will support research to determine the extent of sex tourism and human trafficking linked to the tourism industry, facilitate collaboration between agencies responsible for prevention and response, design information and education campaigns, work with law enforcement agencies to establish helplines, using appropriate technology, and train police in the early detection of sexual exploitation. | \$2.0                       | MOLESS, MOHT, MOHA                |
| 20. Delta Community-Based Ecotourism Project   | This project aims to add an ecotourism dimension to the work of Green Waves Social Enterprise in the Ayeyawady Delta Region. It involves support for training, product development, small infrastructure, and business support services. The project will form a community tourism group to ensure community participation and grassroots decision-making.  | \$0.50                      | MOHT, state government            |
| 21. Sustainable Tourism Strategy for the Mon State                                       | This project will help the Mon State prepare a strategy and action plan for sustainable tourism development, including a state marketing strategy. Preparation of the plan will involve capacity building for tourism planning and awareness-raising on sustainable tourism for local stakeholders.   | \$0.2                       | MOHT, state government            |
| 22. Tada Oo Hotel Zone Development, Mandalay   | This project aims to develop infrastructure and services needed to meet the high demand for international standard accommodation, shopping, and residential housing in Mandalay. The project will contribute to local socio-economic development by improving public infrastructure and creating jobs for local residents. Tada Oo Hotel Zone covers 2,218 hectares and is situated on the Ayeyawady River about nine miles north of Mandalay International Airport.  | \$150.0                     | MOHT, MIHA                        |
| <b>Strategic Program 3: Cost Estimates = \$164.7 million</b>                             |   |                             |                                   |
| <b>Strategic Program 4: Develop Quality Products and Services</b>                        |   |                             |                                   |
| 23. Ecotourism Development in Protected Areas  | This project will develop a National Ecotourism Strategy to promote forms of tourism that support biodiversity conservation, local income generation, and protected area management. Standards, regulations, and guidelines for the development and operation of ecolodges in and around protected areas will be prepared as a supplement to the strategy.  | \$0.5                       | MOECF, MOHT                       |
| 24. Support for Handicraft and Organic Food Production                                   | This project will work with producers of handicrafts and local food and beverages to improve skills and processes related to the quality, design, production, packaging, and marketing of their products.   | \$2.0                       | MOCOP                             |
| 25. Community-based Support Tourism Program  | The program will develop practical approaches for community involvement in tourism with special consideration given to the participation of women, ethnic groups, and the poor. Sites proposed for initial support include Kyaington, Loikaw, and Nat Ma Taung.   | \$1.2                       | MOHT, state/ regional governments |
| 26. Tour Product Development Program   | The project will build the skills and capacity of inbound tour operators and MOHT staff to conduct supply and demand research, design appropriate product strategies for priority market segments (e.g., adventure tourism, pilgrimage, meditation, cruise tourism, MICE tourism, educational tourism), and strengthen business-to-business linkages with outbound tour operators in priority generating markets.   | \$0.75                      | MOHT, MTF                         |



| Project Name   | Description  | Estimated Cost (\$ million) | Lead Agencies   |
|--|--|-----------------------------|---|
| 27. Lac Kwin Tourism Project, Pindaya  | This project aims to generate income and employment opportunities for local residents by diversifying Pindaya's tourism offerings and strengthening linkages between tourism and agriculture. Project outputs include tour product development, promoting production of agricultural products in demand by the regional tourism economy, and development of a hotel that duly functions as a vocational training facility.   | \$2.0                       | MOHT  |
| <b>Strategic Program 4: Cost Estimates = \$6.45 million</b>  |  |                             |   |
| <b>Strategic Program 5: Promote Connectivity, Facilitate Visitor Movements, and Invest in Infrastructure</b> |  |                             |   |
| 28. International and Domestic Air Network Study   | This study will review the planned expansion of international airport capacity and design a strategy to achieve the optimal level of regional and long-haul airline operations. Concurrently, it will assess operations of domestic airlines and domestic airports to identify opportunities and constraints and propose solutions to improve domestic air and ground handling services.   | \$0.5                       | MOT   |
| 29. Road and Railways Improvement Feasibility Studies to Link Tourist Destinations                           | The project will prepare detailed feasibility studies for upgrading road and rail networks to reduce the duration and cost of travel between key tourist destinations in central and eastern Myanmar (Kyaington-Taunggyi) and Yangon-Pathein-Chaungtha-Ngapali. The studies will include analysis and recommendations for the development of tourist attractions situated along these transport corridors, strengthening tourism-related value chains and improving local resident access to markets and services.   | \$2.0                       | MOT, MORT<br>MOCON,<br>MOHT, MTF                          |
| 30. Development of Information Centers and Rest Areas  | The project will improve the availability and quality of tourist information and rest areas along the main transport corridors and at border gates, with a view to boosting visitation and spending in Myanmar's less-known tourist attractions. Rest areas will include appropriately designed and affordable facilities to promote local ownership of service enterprises such as restaurants, souvenir shops, and vehicle repair shops.   | \$5.5                       | MOHT, state/<br>regional<br>governments                   |
| 31. MICE Investment Promotion Program  | Private investment is sought to develop MICE facilities in Yangon, Mandalay, Bagan, and Inle Lake, suitable for hosting large national and international functions. The project will increase the competitiveness of Myanmar as a MICE destination and contribute to employment generation and economic development.   | \$160.0                     | MOHT, MTF,<br>state/regional<br>governments               |
| 32. Bagan River Pier Improvements  | This project will improve the safety and appearance of the main boarding point for river cruises in Bagan. It will upgrade approximately two miles of river embankment and associated amenities to improve access for inter-city ships and smaller locally operated cruise boats. It will also provide flood protection for the adjacent heritage zone and local hotels and promote development of locally owned tourism-related enterprises along the improved riverside promenade.   | \$15.0                      | MOT, MOCON  |
| 33. Inle Lake Sanitation and Road Improvement Project  | This project will improve the quality and coverage of environmental services in Nyaungshwe, Inle Lake's main hub, by developing a reticulated wastewater treatment plant and sanitary landfill, and providing capacity building support for operations and maintenance of wastewater and solid waste management facilities. Road improvements between Nyaungshwe and Kanywa and Nampun on the western and eastern shores of the lake will reduce travel time and cost, improve road safety, and expand opportunities for local people to participate in Inle Lake's tourism economy. | \$35.0                      | MOCON, State<br>Government,<br>Nyaungshwe<br>Town Council |

| Project Name   | Description  | Estimated Cost (\$ million) | Lead Agencies                                 |
|--|--|-----------------------------|---|
| 34. Kyaikhto Environmental Improvement Project   | Situated on the East-West Economic Corridor this project will improve environmental conditions at the heavily visited site of Kyaikhto (the Golden Rock Pagoda). The main activities include: expansion of the water supply system, installation of latrines, washrooms, and a small wastewater treatment facility; providing infrastructure and equipment to improve the collection and treatment of solid waste; expanded power supply; and upgrades to footpaths, parking, market facilities, and other tourist amenities.  | \$20.0                      | Kyaikhto Board of Trustees, MOCON, MORA       |
| 35. Ngapali Beach Access Improvements  | This project will reduce travel time and improve road safety by rehabilitating the road connecting Thandwe Airport to Ngapali Village/Beach. It will also develop a new road to Lontha Village following appropriate social and environmental safeguards. Access improvements together with complementary capacity building activities will facilitate the movement of tourists around the destination, expand the supply and quality of tourism products and services, boost visitor spending and ensure adequate mechanisms are in place to finance operations and maintenance of public facilities. | \$13.0                      | MOCON, State Government, Ngapali Town Council |
| <b>Strategic Program 5: Cost Estimates = \$251.0 million</b>                                   |  |                             |   |
| <b>Strategic Program 6: Build the Image, Position, and Brand of Myanmar's Tourism Industry</b> |  |                             |   |
| 36. National and Destination Branding and Marketing Project                                    | The project will build upon a logo and tagline developed for Myanmar tourism and expand them into a coherent branding campaign consisting of a national brand and sub-brands for primary and emerging destinations. The project will articulate strategies and actions that utilize various media to roll out the branding campaign to target markets and audiences.   | \$1.0                       | MOHT, MTF, MMC                                |
| 37. Tourism Technical Authority Market Intelligence Project                                    | This project will provide information technology hardware and software to the newly formed Tourism Technical Authority and train the staff in methods and processes to determine the supply, demand, and gap characteristics of Myanmar's travel and tourism system.   | \$0.5                       | TTA, MOHT                                     |
| 38. Social and Environmental Impact Awareness Campaign   | The project will design and deliver awareness campaigns on the positive and potentially negative social and environmental impacts of tourism, using popular media to enable a wide range of potential entrepreneurs and local actors to responsibly engage in tourism.   | \$1.0                       | MOHT, MOIN, TTA                               |
| <b>Strategic Program 6: Cost Estimates = \$2.50 million</b>                                    |  |                             |   |
| <b>Total Cost Estimates = 486.80 million</b>   |  |                             |   |

# Glossary

Terms in current use within the tourism sector.

- adventure tourism – exploration or travel to remote and exotic areas that generates excitement by allowing participants to step outside of their comfort zone; may include activities such as mountaineering, trekking, bungee jumping, mountain biking, rafting, and rock climbing.
- agritourism – any agriculturally-based operation or activity that brings visitors to a farm or ranch; includes activities such as buying produce directly from a farm stand, navigating a cornfield, picking fruit, feeding animals, or staying at a bed and breakfast on a farm.
- community-based tourism – a form of tourism in which a significant number of local people have substantial control over and involvement in, with a high proportion of benefits remaining within the local economy. Members of the community, even those who are not directly involved, often gain some form of benefit (e.g., through community funds). Community-based tourism can create jobs both directly and indirectly as well as generate additional income for the local population, provide further training opportunities (e.g., language, service, restaurant and hotel business, and guiding) for community members. It strengthens the social and organizational structure within the community and can help strengthen cultural identity and preserve cultural heritage.
- creative tourism – combines the roles of tourists as consumers and producers of creativity; allows involvement and active engagement in local creative life.
- cruise tourism – a long- or short-term holiday on a cruise ship.
- culinary tourism – the pursuit of unique and memorable eating and drinking experiences, often tied to learning the cuisine of a destination; a subset of cultural tourism (cuisine as a manifestation of culture); not limited to gourmet food.
- cultural tourism – focuses on a country or region's culture, specifically the lifestyle of the people in those geographical areas, the history of those peoples, their art, architecture, religion(s), performing arts, visual arts, festivals, heritage sites, fashion, theaters and other elements that helped shape their way of life; includes tourism in urban areas, particularly historic or large cities and their cultural facilities (e.g., museums and theatres; also includes rural areas, showcasing the traditions of indigenous cultural communities (e.g., festivals, rituals) and their values and lifestyle.
- ecotourism – The International Ecotourism Society defines ecotourism as “*Responsible travel to natural areas that conserves the environment and improves the well-being of local people.*” (TIES, 1990). The Society states that ecotourism is about *uniting conservation, communities, and sustainable travel*. This means that those who implement and participate in ecotourism activities should adhere to the following ecotourism principles: (i) minimize impact, (ii) build environmental and cultural awareness and respect, (iii) provide positive experiences for both visitors and hosts, (iv) provide direct financial benefits for conservation, (v) provide financial benefits and empowerment for local people, and (vi) raise sensitivity to the host country's political, environmental, and social climate.

|                      |   |
|----------------------|---|
| educational tourism  | – focuses on learning about a country’s culture (e.g., student exchange programs and study tours; to work and apply classroom skills in a different environment).   |
| heritage tourism     | – a subset of cultural tourism oriented towards understanding and appreciating the heritage of a destination; focuses on visiting historical or industrial sites (e.g., old canals, railways, battlegrounds, etc.); also attributed to dramatized historical events; concerned with a culture’s tangible elements and intangible dimensions.  |
| high-end tourism     | – premium tourism, distinguished by price and highly personalized service.  |
| homestay             | – allows a visitor to live in a personal/family residence (rural or urban); ranges from complete cultural immersion to simply renting a room for the night.   |
| incentive tourism    | – a type of employee reward by a company or institution for a job well done.  |
| mass tourism         | – the act of visiting a destination with large numbers of people at one time; industry practices that cater to larger volumes of visitors.  |
| MICE tourism         | – groups brought together for a particular purpose (e.g., meetings, incentives, conferences, and/ or exhibitions); usually planned well in advance.   |
| nature-based tourism | – leisure travel undertaken largely or solely to enjoy natural attractions and engage in a variety of outdoor activities (e.g., bird-watching, hiking, fishing, and beachcombing); a subset nature-based tourism.   |
| pilgrimage tourism   | – a journey to a shrine or other sacred place undertaken to gain divine aid, as an act of thanksgiving or penance, or to demonstrate devotion.  |
| pro-poor tourism     | – sustainable or responsible tourism or a form of tourism that results in increased net benefits for poor people; enhances linkages between tourism businesses and poor people.   |
| rural tourism        | – recreational experience involving visits to rural settings or environments to participate in or experience activities, events, or attractions not readily available in urbanized areas; not necessarily agricultural in nature.   |
| tourism value chain  | – the chain of activities or production units in different industries that provide goods and services demanded by visitors.   |
| urban tourism        | – traveling or vacationing in inner-city and other urban areas that provide a range of attractions (e.g., tourist-historic urban cores, museums, urban waterfronts, theme parks, and specialized precincts).  |
| visitor              | – A visitor is a traveler taking a trip to a destination outside his/her usual environment, for less than a year, for any main purpose (business, leisure or other personal purpose) other than to be employed by a resident entity in the country or place visited. A visitor (domestic, inbound or outbound) is classified as a tourist (or overnight visitor), if his/her trip includes an overnight stay, or as a same-day visitor otherwise. |
| volunteer tourism    | – enables goodwill/altruistic activities on holiday; might involve aiding or alleviating material poverty, the restoration of certain environments, or research into aspects of a society or environment.   |
| wellness tourism     | – travel to a place to seek enhanced wellness and self-development encompassing various dimensions (e.g., medical/cosmetic, physical, psychological, spiritual, or emotional well-being).   |
| wildlife tourism     | – watching wild animals in their natural habitat; closely aligned to eco-tourism and sustainable tourism.   |

# Abbreviations

|                 |   |  |
|-----------------|---|--|
| ADB             | – | Asian Development Bank   |
| ACMECS          | – | Ayeyawady-Chao Phaya-Mekong Economic Cooperation Strategy                      |
| ASEAN           | – | Association of Southeast Asian Nations   |
| ASEAN-MRA       | – | ASEAN Mutual Recognition Arrangement   |
| BIMSTEC         | – | Bay of Bengal Initiative for Multi-Sectoral Technical and Economic Cooperation |
| BOT             | – | build, operate, transfer   |
| CBT             | – | community-based tourism  |
| CSO             | – | Central Statistical Organization   |
| DCA             | – | Department of Civil Aviation   |
| DHT             | – | Directorate of Hotels and Tourism  |
| DMO             | – | destination management organization  |
| EIA             | – | environmental impact assessment  |
| FESR            | – | Framework for Economic and Social Reforms                                      |
| GOM             | – | Government of Myanmar  |
| GMS             | – | Greater Mekong Subregion   |
| GSTC            | – | Global Sustainable Tourism Council   |
| HRD             | – | human resource development   |
| JICA            | – | Japan International Cooperation Agency   |
| Km              | – | kilometer  |
| km <sup>2</sup> | – | square kilometers  |
| kV              | – | kilovolt   |
| kWh             | – | kilowatt hour  |
| MHA             | – | Myanmar Hoteliers Association  |
| MHPA            | – | Myanmar Hospitality Professionals Association                                  |
| MHTS            | – | Myanmar Hotels and Tourism Services  |
| MMC             | – | Myanmar Marketing Committee  |
| MOAI            | – | Ministry of Agriculture and Irrigation   |
| MOBA            | – | Ministry of Border Affairs   |
| MOC             | – | Ministry of Commerce   |
| MOCIT           | – | Ministry of Communications and Information Technology                          |
| MOCON           | – | Ministry of Construction   |
| MOCOP           | – | Ministry of Cooperatives   |
| MOCUL           | – | Ministry of Culture  |
| MOE             | – | Ministry of Education  |
| MOECF           | – | Ministry of Environmental Conservation and Forestry                            |
| MOFR            | – | Ministry of Finance and Revenue  |



|        |   |  |
|--------|---|--|
| MOEP   | – | Ministry of Electric Power                                       |
| MOFA   | – | Ministry of Foreign Affairs                                      |
| MOH    | – | Ministry of Health   |
| MOHA   | – | Ministry of Home Affairs   |
| MOHT   | – | Ministry of Hotels and Tourism                                   |
| MOI    | – | Ministry of Industry   |
| MOIN   | – | Ministry of Information  |
| MOIP   | – | Ministry of Immigration and Population                           |
| MOLESS | – | Ministry of Labor, Employment and Social Security                |
| MONPED | – | Ministry of National Planning and Economic Development           |
| MORA   | – | Ministry of Religious Affairs                                    |
| MORT   | – | Ministry of Rail Transport                                       |
| MOS    | – | Ministry of Sports   |
| MOSWRR | – | Ministry of Social Welfare, Relief and Resettlement              |
| MOT    | – | Ministry of Transport  |
| MOST   | – | Ministry of Science and Technology                               |
| MTF    | – | Myanmar Tourism Federation                                       |
| MTT    | – | Myanmar Travels and Tours  |
| NGO    | – | nongovernment organization                                       |
| PATA   | – | Pacific Asia Travel Association                                  |
| PPP    | – | public–private partnership                                       |
| SIA    | – | social impact assessment   |
| TECB   | – | Tourism Executive Coordination Board                             |
| TOR    | – | terms of reference   |
| TSA    | – | Tourism Satellite Account  |
| TTA    | – | Tourism Technical Authority                                      |
| UNDP   | – | United Nations Development Programme                             |
| UNESCO | – | United Nations Educational, Scientific and Cultural Organization |
| UNWTO  | – | United Nations World Tourism Organization                        |
| WTTC   | – | World Travel and Tourism Council                                 |



## **Ministry of Hotels and Tourism**

Building No. 33

Nay Pyi Taw

The Republic of the Union of Myanmar

Tel + 95 67 406454, 406450, 406130

Website : [www.myanmar-tourism.org](http://www.myanmar-tourism.org)