

## DEVELOPMENT COORDINATION

### A. Major Development Partners: Strategic Foci and Key Activities

1. Subregional tourism cooperation has been a strategic thrust of the Greater Mekong Subregion (GMS) Economic Cooperation Program since its inception in 1992. As the GMS program's lead development partner, the Asian Development Bank (ADB) has provided about \$60 million in loan and grant assistance to support tourism projects in Cambodia, the Lao People's Democratic Republic (Lao PDR), and Viet Nam; \$0.8 million to prepare the GMS Tourism Sector Strategy (TSS) 2005–2015;<sup>1</sup> and \$0.25 million to strengthen the capacity of the Mekong Tourism Coordinating Office. ADB, with cofinancing from Norway, assisted Myanmar to prepare its first tourism master plan in 2013.<sup>2</sup>

2. The focus of ADB assistance is closely aligned with GMS TSS priorities to upgrade transport infrastructure and urban environmental services in secondary tourist destinations to facilitate the movement of tourists, catalyze private investment, mitigate the negative environmental impacts of tourism, and ensure wider distribution of tourism benefits. ADB's cross-cutting support for tourism-related human resource development (HRD), small and medium-sized enterprise development, and policy dialogue aimed at reducing non-physical barriers to travel is consistent with GMS TSS priorities and the recently endorsed GMS Strategic Framework 2012–2022.<sup>3</sup>

3. The proposed project complements ADB and other development partner assistance in the tourism, urban, and transport sectors. Lux-Development and the European Union are supporting tourism vocational training based on regional standards set by the Association of Southeast Asian Nations (ASEAN). German development cooperation through Deutsche Gesellschaft für Internationale Zusammenarbeit, the International Trade Center, Japan International Cooperation Agency, the New Zealand Aid Programme, SNV Netherlands Development Organization, Swisscontact, and the World Wildlife Fund work with public agencies to improve tourism management and assist private entities develop and market tourism services. Consultation with these development partners during project preparation indicates that assistance to strengthen tourism-related HRD will continue in the Lao PDR and Viet Nam during the project implementation period. Agence Française de Développement is preparing a project to assist Cambodia establish a national tourism and hospitality training institute.

### B. Institutional Arrangements and Processes for Development Coordination

4. The GMS Tourism Working Group (TWG), established in 1992 with the assistance of ADB and United Nations Economic and Social Commission for Asia and the Pacific, is the primary mechanism for coordinating subregional tourism sector assistance, including the development of multicountry tour products, promulgation of regional standards, and joint marketing. The TWG is led by senior officials from each GMS national tourism organization (NTO) and is co-chaired by ADB. In 2006 GMS members established the Bangkok-based Mekong Tourism Coordinating Office (MTCO) to act as TWG Secretariat. Since 2006 the TWG— together with other development partners, the private sector, and civil society—has been meeting twice per year to coordinate implementation of the TSS and identify policy priorities for elevation to annual meetings of the GMS tourism ministers and the triennial GMS Summit.<sup>4</sup> In

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<sup>1</sup> ADB. 2005. *Greater Mekong Subregion Tourism Sector Strategy, 2005–2015*. Manila.

<sup>2</sup> ADB. 2012. *Myanmar Tourism Master Plan*. Manila.

<sup>3</sup> ADB. 2011. *Greater Mekong Subregion Economic Cooperation Program Strategic Framework 2012–2022*. Manila.

<sup>4</sup> The TWG has met 32 times since 1992. Hosting of semiannual TWG meetings rotates among GMS members.

2013, ADB approved technical assistance to help the MTCO prepare a business-oriented operations plan, strengthen regional tourism knowledge management, and update the TWG's "Explore Mekong" subregional tourism marketing strategy.<sup>5</sup>

5. Consistent with past practice, TWG members from all GMS countries and development partners will join the project's subregional steering committee meetings, to be held in conjunction with semi-annual TWG meetings. This will enable effective information sharing on project progress, exchange of lessons, and create opportunities to strengthen partnerships among key GMS tourism stakeholders. Development coordination will be further enhanced by publishing the proceedings of TWG meetings on the MTCO's freely accessible website,<sup>6</sup> and through networking activities organized by the TWG at the annual Mekong Tourism Forum. The overlapping commitment of senior TWG officials and development partners to join the project's subregional steering committee meetings, other GMS working group meetings (e.g. environment, human resource development and transportation) and national tourism working groups will ensure tourism sector assistance is well coordinated and considered by decision makers.

### C. Achievements and Issues

6. The project builds on ADB's previous investments to improve transport infrastructure and reduce non-physical barriers to travel, expand urban environmental services, and develop pro-poor tourism. It will also benefit from ADB's past support for the GMS Phnom Penh Plan for Development Management, which has trained over 120 GMS officials to implement regional tourism projects. This parallel focus on improving infrastructure, capacity building, and regional cooperation contribute to making ADB's GMS tourism sector assistance program successful.<sup>7</sup> Lessons identified from the experience of ADB and other development partners have been considered and fully incorporated into the project design.<sup>8</sup>

### D. Summary and Recommendations

7. ADB support to the GMS tourism industry overlaps with *Strategy 2020* core areas of infrastructure, environment, and regional cooperation and integration.<sup>9</sup> It complements other development partner assistance and is consistent with the GMS TSS, GMS Strategic Framework 2012–2022, and the tourism development plans and policies of all GMS countries. The rationale for government investment in public tourism-related infrastructure is justified as it will catalyze additional private investment and produce spillover benefits in a range of industries.<sup>10</sup>

#### Major Development Partners and Projects

Development Partner	Project Name	Duration	Amount (\$ million)
<b>Industry and Trade (trade, services, tourism)</b>			
Swisscontact	(LAO) Champasak Tourism Business Promotion Project	2013–2016	2.2
ADB	TA 8516 Strengthening the Mekong Tourism Coordinating Office.	2013–2015	0.25
ADB	TA 8136 Myanmar Tourism Master Plan	2012–2013	0.25
ADB	JFPR 9156 Improving Market Access for the Poor in Central Cambodia	2011–2014	1.9
EU	Environmentally and Socially Responsible Tourism Capacity Development Programme	2011–2015	14.7
SECO	Enhancing Sustainable Tourism, Cleaner Production and Export	2011–2015	4.0

<sup>5</sup> ADB. 2013. *Strengthening the Mekong Tourism Coordinating Office*. Manila.

<sup>6</sup> [www.mekongtourism.org](http://www.mekongtourism.org)

<sup>7</sup> ADB. 2011. *Completion Report. Kingdom of Cambodia, Lao PDR, Socialist Republic of Viet Nam: Greater Mekong Subregion Mekong Tourism Development Project*. Manila.

<sup>8</sup> ADB. 2009. *Sector Assistance Program Evaluation. Tourism Sector in the Greater Mekong Subregion*. Manila

<sup>9</sup> ADB. 2008. *Strategy 2020: The Long-term Strategic Framework of the Asian Development Bank, 2008–2020*.

<sup>10</sup> ADB. 2011. *Greater Mekong Subregion Tourism Sector Assessment, Strategy, and Roadmap*. Manila.

	Capacity in Lao PDR		
JICA	Laos Pilot Program for Narrowing the Development Gap toward ASEAN Integration	2010–2014	...
ADB	GMS Sustainable Tourism Development Project	2008–2014	20.0
Lux-Dev	(LAO) Strengthening Human Resources in the Tourism and Hospitality Industry	2009–2015	4.3
KfW, GIZ	Nature Conservation and Sustainable Management of Natural Resources in the Phong Nha Ke Bang National Park Region	2010–2015	12.0
JICA	(LAO) Facilitation of Tourism on the East–West Corridor	2006–2011	1.1
WWF	(LAO) Xe Pian Ecotourism Project	2006–2009	0.4
ADB	TA 6179 GMS Tourism Sector Strategy	2005	0.8
EU	(VIE) Human Resources Development in Tourism	2004–2010	15.8
ADB	GMS Mekong Tourism Development Project	2003–2010	36.1
ADB	TA 8225 GMS Phnom Penh Plan for Development Management	2002–2015	10.3
NZAID	(LAO) Nam Ha Ecotourism Project	1999–2006	0.9
Lux-Dev	(VIE) Hospitality and Tourism Development Project	1996–2006	9.0
<b>Transport and ICT</b>			
ADB	2nd Northern GMS Transport Network Improvement Project	2011–2016	84.7
JICA	Improvement of Road Management Capability Project	2011	...
JICA	Expansion of Vientiane International Airport	2011–2012	...
ADB	GMS Kunming–Haiphong Transport Corridor Noi Bai–Lao Cai Highway	2007–2010	1,096.0
ADB	GMS Kunming–Haiphong Transport Corridor Yen Vien–Lao Cai Railway Upgrading	2007–2012	103.8
ADB	Northern GMS Transport Network Improvement Project	2007–2014	99.7
ADB	GMS Southern Coastal Corridor Project	2007–2012	227.4
ADB	TA 6307 Implementation of the GMS Cross-Border Transport Agreement	2006–2011	1.7
ADB	GMS East–West Transport Corridor Project	2000–2007	57.0
ADB	GMS Phnom Penh to Ho Chi Minh City Highway	1998–2006	140.0
<b>Municipal Infrastructure and Services</b>			
ADB	(LAO) Pakse Urban Environmental Improvement Project	2012–2018	24.3
ADB	(LAO) GMS East-West Economic Corridor Towns Improvement	2012–2018	41.1
ADB	(VIE) GMS Corridor Towns Development Project	2012–2018	128.9
JICA	(LAO) Vientiane Urban Development Master Plan Study	2010–2011	...
JICA	(VIE) Da Nang City Master Plan Development Study	2008–2010	...
ADB	(VIE) Central Region Small and Medium Towns Development Project	2006–2011	55.2
ADB	(CAM) Provincial Towns Improvement Project	2004–2007	20.0
ADB	(CAM) Provincial Towns Improvement Project (Supplementary)	2004–2007	6.3
JICA	(CAM) Integrated Master Plan for Sustainable Development of Siem Reap/Angkor Town	2004–2006	...
JICA	(CAM) Flood Protection and Drainage Improvement in Phnom Penh Municipality	2004	...
ADB	(LAO) Small Towns Development Project	2003–2009	16.0

... = data not available, ADB = Asian Development Bank, ASEAN = Association of Southeast Asian Nations, CAM = Cambodia, EU = European Union, GIZ = German development cooperation through Deutsche Gesellschaft für Internationale Zusammenarbeit, GMS = Greater Mekong Subregion, ICT = information and communication technology, JFPR = Japan Fund for Poverty Reduction, JICA = Japan International Cooperation Agency, KfW = Kreditanstalt für Wiederaufbau, LAO = Lao People's Democratic Republic, Lux-Dev = Luxembourg Development, NZAID = New Zealand Aid Programme, SECO = Swiss State Secretariat for Economic Affairs, TA = technical assistance, VIE = Viet Nam, WWF = World Wildlife Fund

Source: Asian Development Bank.