

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;¹ 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 2013.²

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, small and medium-sized enterprise development, and policy dialogue aimed at reducing nonphysical barriers to travel is consistent with GMS TSS priorities and the GMS Strategic Framework 2012–2022.³

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. German development cooperation through Deutsche Gesellschaft für Internationale Zusammenarbeit, the International Trade Center, Japan International Cooperation Agency, the Government of New Zealand, SNV Netherlands Development Organization, Swisscontact, and the World Wildlife Fund work with public agencies to improve tourism management and help private entities develop and market tourism services. Consultation with these development partners during project preparation indicates that assistance to strengthen tourism-related human resource development will continue in the Lao PDR and Viet Nam during project implementation. Agence Française de Développement is preparing a project to help 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 assistance, including the development of multicountry tour products, promulgation of regional standards, and joint marketing. TWG is led by senior officials from each GMS national tourism organization and is co-chaired by ADB. In 2006 GMS members established the Bangkok-based Mekong Tourism Coordinating Office (MTCO) to act as the TWG Secretariat. Since 2006, TWG—together with other development partners, the private sector, and civil society—has been meeting twice per year to coordinate TSS implementation and identify policy priorities for discussion at annual meetings of the GMS tourism ministers and the triennial GMS Summit.⁴ In 2013, ADB approved technical assistance to

¹ ADB. 2005. *Greater Mekong Subregion Tourism Sector Strategy, 2005–2015*. Manila.

² ADB. 2012. *Myanmar Tourism Master Plan*. Manila.

³ ADB. 2011. *Greater Mekong Subregion Economic Cooperation Program Strategic Framework, 2012–2022*. Manila.

⁴ The TWG has met 33 times since 1992. Hosting of semiannual TWG meetings rotates among GMS members.

help MTCO prepare a business-oriented operations plan, strengthen regional tourism knowledge management, and update TWG's Explore Mekong subregional tourism marketing strategy.⁵

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 and exchange of lessons, and create opportunities to strengthen partnerships among key GMS tourism stakeholders. Development coordination will be enhanced by publishing the proceedings of TWG meetings on MTCO's freely accessible website,⁶ and through networking activities organized by 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 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 nonphysical barriers to travel, expand urban environmental services, and develop pro-poor tourism. It will also benefit from past ADB support for the GMS Phnom Penh Plan for Development Management, which has trained more than 120 GMS officials to implement regional tourism projects. This parallel focus on improving infrastructure, capacity building, and regional cooperation contributes to making ADB's GMS tourism sector assistance program successful.⁷ Lessons identified from the experience of ADB and other development partners have been considered and fully incorporated into the project design.⁸

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.⁹ 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.¹⁰

Major Development Partners and Projects

Development Partner	Project Name	Duration	Amount (\$ million)
Industry and Trade (trade, services, tourism)			
Swisscontact	Champassak Tourism Business Promotion Project (Lao PDR)	2013–2016	2.20
ADB	Strengthening the Mekong Tourism Coordinating Office TA	2013–2015	0.25
ADB	Myanmar Tourism Master Plan TA	2012–2013	0.25
ADB	Improving Market Access for the Poor in Central Cambodia (JFPR)	2011–2014	1.90
EU	Environmentally and Socially Responsible Tourism Capacity Development Programme	2011–2015	14.70
SECO	Enhancing Sustainable Tourism, Cleaner Production, and Export Capacity in	2011–2015	4.00

⁵ ADB. 2013. *Strengthening the Mekong Tourism Coordinating Office*. Manila.

⁶ Mekong Tourism.org. www.mekongtourism.org

⁷ ADB. 2011. *Completion Report: Greater Mekong Subregion Mekong Tourism Development Project in Cambodia, Lao People's Democratic Republic, and Viet Nam*. Manila.

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

⁹ ADB. 2008. *Strategy 2020: The Long-Term Strategic Framework of the Asian Development Bank, 2008–2020*. Manila.

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

	the Lao PDR		
JICA	Laos Pilot Program for Narrowing the Development Gap toward ASEAN Integration	2010–2014	...
ADB	GMS Sustainable Tourism Development Project	2008–2014	20.00
Lux-Dev	Strengthening Human Resources in the Tourism and Hospitality Industry (Lao PDR)	2009–2015	4.30
KfW, GIZ	Nature Conservation and Sustainable Management of Natural Resources in the Phong Nha Ke Bang National Park Region	2010–2015	12.00
JICA	Facilitation of Tourism on the East–West Corridor (Lao PDR)	2006–2011	1.10
WWF	Xe Pian Ecotourism Project (Lao PDR)	2006–2009	0.40
ADB	GMS Tourism Sector Strategy TA	2005	0.80
EU	Human Resources Development in Tourism (Viet Nam)	2004–2010	15.80
ADB	GMS Mekong Tourism Development Project	2003–2010	36.10
ADB	GMS Phnom Penh Plan for Development Management TA	2002–2015	10.30
NZAID	Nam Ha Ecotourism Project (Lao PDR)	1999–2006	0.90
Lux-Dev	Hospitality and Tourism Development Project (Viet Nam)	1996–2006	9.00
Transport and ICT			
ADB	2nd Northern GMS Transport Network Improvement Project	2011–2016	84.70
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	1,096.00
ADB	GMS Kunming–Haiphong Transport Corridor Yen Vien–Lao Cai Railway Upgrading	2007–2012	103.80
ADB	Northern GMS Transport Network Improvement Project	2007–2014	99.70
ADB	GMS Southern Coastal Corridor Project	2007–2012	227.40
ADB	Implementation of the GMS Cross-Border Transport Agreement TA	2006–2011	1.70
ADB	GMS East–West Transport Corridor Project	2000–2007	57.00
ADB	GMS Phnom Penh to Ho Chi Minh City Highway	1998–2006	140.00
Municipal Infrastructure and Services			
ADB	Pakse Urban Environmental Improvement Project (Lao PDR)	2012–2018	24.30
ADB	GMS East–West Economic Corridor Towns Improvement (Lao PDR)	2012–2018	41.10
ADB	GMS Corridor Towns Development Project (Viet Nam)	2012–2018	128.90
JICA	Vientiane Urban Development Master Plan Study (Lao PDR)	2010–2011	...
JICA	Da Nang City Master Plan Development Study (Viet Nam)	2008–2010	...
ADB	Central Region Small and Medium Towns Development Project (Viet Nam)	2006–2011	55.20
ADB	Provincial Towns Improvement Project (Cambodia)	2004–2007	20.00
ADB	Provincial Towns Improvement Project (Supplementary) (Cambodia)	2004–2007	6.30
JICA	Integrated Master Plan for Sustainable Development of Siem Reap–Angkor Town (Cambodia)	2004–2006	...
JICA	Flood Protection and Drainage Improvement in Phnom Penh Municipality (Cambodia)	2004	...
ADB	Small Towns Development Project (Lao PDR)	2003–2009	16.00

... = 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 PDR = 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.