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CHALLENGES AND OPPORTUNITIES OF TOURISM DEVELOPMENT IN MYANMAR AMONG CLMV COUNTRIES (CAMBODIA, LAO PDR, MYANMAR, VIETNAM)

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This is to certify that this thesis entitled **"Challenges and Opportunities of Tourism Development in Myanmar among CLMV countries"** submitted as a partial fulfilment towards the requirements for the degree of Master of Development Studies, has been accepted by the Board of Examiners.

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ABSTRACT

Being recognized the noticeable change of Globalization, Tourism Development is the fruitful result of business movement from globalization rapidly. Within ASEAN, Cambodia, Lao PDR, Myanmar and Vietnam (CLMV) countries have the most potential in tourism development. This thesis identify CLMV countries tourism development and examine the challenges and opportunities of current Myanmar tourism sector. The study found out that after escaping from decades of conflict, CLMV focused on tourism in national socioeconomic development plans and moved forward the regional economic integrations. In Myanmar, enriching natural and cultural assets, broaden of Inbound Tourism Markets and noticeable changes in visa policy are opportunities of current tourism sector but there are 3 major challenges which are poor infrastructures and maintenances, unskilled labors in employments and unprogressive policy and regulation within country. The thesis suggested that challenges will be partially overcome by welcoming SME business and more investment in infrastructures, providing TVET vocational schools around the country and investing and uplifting ICT development within the region.

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ABBREVIATIONS

ASEAN	:	Association of South East Asia Nations
APTA	:	Asia-Pacific Trade Agreement
CLMV	:	Cambodia, Lao PDR, Myanmar, Vietnam
C.S.O	:	Civil Society Offices
CPV	:	Communist Party of Vietnam
CPP	:	The Cambodia People's Party
GDP	:	Gross Domestic Product
GMS	:	Grate Mekong Sub region
ICT	:	Information and Communication Technology
Lao PDR	:	Lao People's Democratic Republic
LPRP	:	The Lao People's Revolutionary Party
MTF	:	Myanmar Tourism Federation
MOHT	:	Ministry of Hotels and Tourism
NLD	:	National League for Democracy
PRC	:	People's Republic of China
SMEs	:	Small – Medium Enterprises
TVET	:	Technical and Vocational Education and Training
TH	:	Thailand
UNEP	:	United Nations Environment Program
UNESCO	:	United Nations Educational, Scientific and Cultural Organization
UNWTO	:	United Nations World Tourism Organization
WTO	:	World Trade Organization
WTTC	:	World Travel and Tourism Council

CHAPTER I
INTRODUCTION

1.1 Rationale of the Study

The world is globalized. Globalization means the integration of national economies into expanding international markets (Investinganswers, 2019). It made happened the expanding of global market economy, larger scale of trading among countries and regional development. Tourism is essential in Global nowadays. Tourism development increases the direct and indirect revenue for country, openness of economies and financial flow for the Nations. Moreover, the creating more job opportunities for local citizens and promoting local culture and heritage are included in the result of tourism development.

In 2016, Travel & Tourism generated US$7.6 trillion (10.2% of global GDP) in total and 292 million jobs, equivalent to 1 in 10 jobs in the global economy. The sector accounted for 6.6% of total global exports and almost 30% of total global service exports. It has been expected the tourism sector to support over 380 million jobs by 2027 (WTTC, 2018). The objective of United Nation World Tourism Organization is to maximize the contribution of tourism to socio-economic development, while minimizing its possible negative impacts. By maximizing tourism's development potential, it needs transformative agenda and take concrete actions moving forward to ensure tourism is key in the implementation of the 17 universal Sustainable Development Goals (UNWTO, 2015).

After Europe, Asia and the Pacific is the 2nd most visited region in the world and has been the fastest growth in recent years. In 2016, the region increased a remarkable 9% in international arrivals, the highest across world regions, to get 308 million international tourists. In terms of growth, Asia outperformed between 2005 and 2016, with arrivals increasing in average 7% annually. Within Asia Pacific region, the 10 Southeast Asian countries that become Association of South East Asian Nations (ASEAN) which is the world’s fastest-growing tourist destinations. ASEAN earn 108 million international visitors in 2015. ASEAN are expected to continue in International visitor arrivals increasing by 5.1% annually and reach 187 million in 2030 (UNWTO, 2017 Edition).

Cambodia, Lao PDR, Myanmar, and Vietnam joined ASEAN in the 1990s (known as CLMV) are situated between the Southeast Asian, India, and China. Economic, Historical background, Culture and Religion are very similar and common in the CLMV countries with the exception of languages. They are developing members of ASEAN speedy, covering 1.4 million km^2 in total land area of with a combined population of 165 million people approximately. The majority of people stayed in rural areas and worked in agriculture. However, it was migrated increasingly to urban areas by young adults seeking better economic opportunities. The expansion of industry and services, including tourism drive the impressive economic performance, although there is a gap between CLMV and their wealthier neighbors in ASEAN (ADB, 2016).

Tourism is main stream of the service sector among Agriculture, Industry and Service (AIS model) in economy. According to the Myanmar Statistic 2017 ADB report, Agricultural sector is 23.7%, Industrial is 36.2% and Service sector is 40.1% of total GDP share in Myanmar (ADB , 2017). Refer to that statistics; service sector development in Myanmar is growing than two other sectors and it was the largest GDP share percentage since 2011.

According to World Travel & Tourism Council report 2018, Vietnam generated tourism sector income 5.9% share in total country GDP and it is the fastest growing among CLMV countries. Cambodia is 14.1%, the Lao PDR is 4.2% and Myanmar is 2.7% GDP share respectively to total countries GDP in 2017 (WTTC, 2018). Cambodia and the Lao PDR are also accelerated to grow tourism business rapidly by doing the sustainable development plans. By analyzing CLMV countries' tourism development in details, Myanmar will gain lesson learn from neighboring countries and take path into the development of Tourism Industry up to Global Level. Moreover, it can find the positive ways to boost up the tourism sector development in Myanmar.

Thus, this paper focus to identify the overview of CLMV countries tourism developments in order to strengthen Myanmar economy through regional tourism development. Moreover, the thesis examines the challenges and opportunities of current Tourism Development in Myanmar analyzing experience of Tour Companies and selected 5 stars Hotels in Yangon which are the main business sectors in Tourism Industry.

1.2 Objective of the Study

The objectives of this thesis are as follows:

- To identify CLMV countries tourism development in order to accelerate Myanmar tourism sector
- To examine the challenges and opportunities of tourism development in Myanmar.

1.3 Method of Study

The required information for this thesis is formed by collecting from primary data and various secondary sources. For primary data, the structural survey is conducted on responsible persons including tour operators and managers from 33 out of the 50 fully active tour companies in Yangon by linear regression method and key informant interview with Sales Managers of top 5 stars hotels in Yangon. For secondary data are mostly from texts, Country Economic Reviews, Ministry of Hotels & Tourism reports, World Travel & Tourism Council reports, United Nation World Tourism Organization reports, Asian Development Bank Statistic Sheet, ASEAN reports, articles and journals and Statistical Year Books of C.S.O. The internet websites and published reports are main sources of facts, figures and statistics for secondary data too. Descriptive method and quantitative data will be used.

1.4 Scope and Limitation of the Study

This thesis is intended to study the challenges and opportunities of Tourism Development in Myanmar by overviewing the Tourism development of Cambodia, Lao PDR and Vietnam countries. Economic and Social Content, Infrastructures, Labor force participation, Tourist Arrival, State's Policy and Importance of Information and Communication Technology (ICT) in tourism sector are main focus areas for the study. The impact on the socio – economic development will be concluded in analysis of data. Depending upon the available data, this thesis will cover the period during 2008 to 2018.

1.5 Organization of the Study

This thesis consists of five chapters. Chapter 1 is introductory chapter. Chapter 2 is Literature Review expressing History of Tourism, Sustainable Tourism Development, Importance for Socio-Economic Growth and Reviews on Previous Studies. Chapter 3 is overview of CLMV Countries' Economy (Cambodia, Lao PDR, Myanmar and Vietnam) stating by economic and social content of each country. Chapter 4 is analyzing challenges and opportunities of Tourism Development in Myanmar with primary survey data and comparing with Cambodia, Lao PDR and Vietnam countries. Chapter 5 is conclusion with findings and suggestions.

CHAPTER II
LITERATURE REVIEW

2.1 History of Tourism

United Nation World Tourism Organization defines tourism more generally, in terms which beyond the common perception of tourism as being limited to holiday activity only, as people traveling to and staying in places outside their usual environment for not more than one consecutive year for leisure and not less than 24 hours, business and other purposes (UNWTO, 2009). Among many definitions of Tourism, Ritchie Goeldner also stated that Tourism is the sum of the processes, activities, and outcomes arising from the relationships and the interactions among tourists, tourism suppliers, host governments, host communities, and surrounding environments that are involved in the attracting, transporting, hosting and management of tourists and other visitors (Goeldner, 2012).

Travelling for pleasure can be seen in Egypt as early on as 1500 B.C. Mesopotamian civilization gradually spread to the Nile Valley (Pakistan), where similar physical environments and factors enabled additional tourism travel. Ancient Egypt provides some of the earliest and most enduring evidence of pleasure tourism. An inscription, carved into the side of one of the lesser known pyramids and dated 1244 BC, is among the earliest examples of tourist graffiti (Casson, 1994) and such sites remain foundational to Egypt's contemporary tourism industry.

Impulses of civilization emerged in China around the same time as Mesopotamia. Tourism –related travel was well established by 2000 BC and that four distinct groups were dominant throughout the pre modern era. (Guo, 2002) The first group consisted of royalty, their security and their entourages. The reason was to shift the seat of the royal residence between cooler summer and warmer winter locations. Given the massive number of individuals involved in such transfers, the royal residences became resorts of a sort and centers for leisure pursuits such as hunting and horseback riding. The second group included scholars, students and artists, reflecting a long Chinese Confucian tradition of respect for education, learning and self-improvement. Various scenic and inspiring locations in the mountains and elsewhere became popular destinations, and the

writings, poems and paintings produced by visitors may be seen as an early form of travel literature and destination promotion. Buddhist pilgrims and monks were a third major group, and their travel to numerous sacred sites within China was complemented by travel to Buddhist sites in India – some of the earliest indications of outbound tourism. Finally pre modern China was characterized by extensive business travel by traders. During the Tang Dynasty (AD 600 – 900), China was arguably the center of world tourism. The capital city of Xian had a population of at least two million and hosted a large population of foreign students and other visitors (Terrill, 2003).

Tourism in ancient Greece is mostly connected with national festivals such as the Olympic Games, where residents of the Greek city – states gathered every four years to hold religious ceremonies and compete in athletic events and artistic performances. Accordingly, the game sites at Olympia can be considered as one of the oldest specialized, though periodic, tourist resorts, and one that like the Egyptian pyramids still attracts the attention of tourists (Veal, 2007). At the Middle Ages (c. 1100 -1500), Christian pilgrimage stimulated by construction of the great cathedrals and consolidation of the Roman Catholic Church as a dominant power base and social influence in Europe. Even the poorest people were participants, motivated as they were by the perceived spiritual benefits of the experience. Another major form of travel, the Crusades (1095 – 1291), also contributed to the development of the pre modern travel industry, even though the Crusaders themselves were not tourists, they were soldiers. Religiously inspired like the pilgrims, the Crusaders unwittingly exposed Europe once again to the world, while occasionally engaging in tourist – like behavior (e.g. souvenir collecting, sightseeing) during their journeys (Casson, 1994).

By 1500 the Renaissance of Europe was well under way and the world balance of power was beginning to shift to that continent, marking the modern era and the period of early modern tourism (1500 – 1950). The Grand Tour is a major link between the Middle Ages and contemporary tourism. The extended travel of young men from the aristocratic classes of the United Kingdom and other parts of northern Europe traveled to “classical” Europe for educational and cultural purposes (Towner, 1996). The classical Grand Tours first became popular during the mid-sixteenth century, persisted until the mid-nineteenth century (Withey, 1997). The rapid growth of tourism during the contemporary era of modern mass tourism (1950 onwards) is reflected in the global trend of inbound tourist arrival and associated revenues.

2.2 Sustainable Tourism Development

In the early 1980s, the emergence of the green paradigm about the natural environment was the explicit recognition of sustainable development. In 1987, the Brundtland report gave out the sustainable development that is development meets the need of the present without compromising the ability of future generations to meet their own needs (WECD, 1987). The term sustainable tourism became popular in the early 1990s. Sustainable tourism can be regarded as tourism managed in such a way that it does not exceed the environmental, sociocultural or economic carrying capacity of a given destination, and related environmental, sociocultural and economic costs are minimized while related environmental, sociocultural and economic benefits are maximized (Weaver D. , 2006).

Since the early 1990s, UNWTO has played a lead role in identifying and road testing tourism-related indicators. In the latest iteration of this process, the UNWTO in 2004 proposed 12 enduring baseline issues that are applicable to every destination and suggested indicators that allow for these issues to be measured (UNWTO, 2004).

Table 2.1: Baseline Issue and Suggested Indicators by UNWTO

Baseline issue	Suggested indicators
1. Local satisfaction with tourism	• Local satisfaction level with tourism (questionnaire, social media analysis)
2. Effect of tourism on communities	• Ratio of tourist to locals (average and peak period/days) • Percentage of people who believe that tourism has helped bring new services or infrastructure • Number and capacity of social services available to the community (percentage of which are attributable to tourism)
3. Sustaining tourist satisfaction	• Level of satisfaction by visitors • Perception of value for money • Percentage of return visitors
4. Tourism seasonality	• Tourist arrivals by month or quarter • Occupancy rates for licensed (official) accommodation by month (peak periods relative to low season and percentage of all occupancy in peak quarter or month) • Percentage of business establishments open all year • Number and percentage of tourist industry jobs which are permanent or full year (compared to temporary jobs)

5. Economic benefit of tourism	• Number of local people (and ratio of men to women) employed in tourism (also ratio of tourism employment to total employment) • Revenues generated by tourism as percentage of total revenues generated in the community
6. Energy management	• Per capita consumption of energy from all sources (overall, and by tourist sector – per person day) • Percentage of businesses participating in energy conservation programs, or applying energy saving policy and techniques • Percentage of energy consumption from renewable resources (at destinations, establishments)
7. Water availability and conservation	• Water use (total volume consumed and litres per tourist per day) • Water saving (percentage reduced, recaptured or recycled)
8. Drinking water quality	• Percentage of tourism establishments with water treated to international potable standards • Frequency of water-borne diseases (number/percentage of visitors reporting water-borne illnesses during their stay)
9. Sewage treatment (wastewater management)	• Percentage of sewage from site receiving treatment (to primary, secondary, tertiary levels) • Percentage of tourism establishments (or accommodation) on treatment system(s)
10. Solid waste management (garbage)	• Waste volume produced by the destination (tonnes)(by month) • Volume of waste recycled/total volume of waste • Quantity of waste strewn in public areas (garbage counts)
11. Development control	• Existence of a land use or development planning process, including tourism • Percentage of area subject to control (density, design etc.)
12. Controlling use intensity	• Total number of tourist arrivals (mean, monthly, peak periods) • Number of tourists per square meter of the site (e.g. at beaches, attractions), per square kilometer of the destination (mean numbers/peak period average)

Source: UNWTO (2004, p. 245) A Guidebook for Indicators of Sustainable Development

Sustainable tourism development guidelines and management practices can apply to all tourism forms in different types of destinations, including mass tourism and the niche tourism segments (Weaver L. , 2014 5th Edition).

Thus, implementation of sustainable tourism principles requires:

- Making optimal use of environmental resources that constitute a key element in tourism development, maintaining essential ecological processes and helping to conserve natural heritage and biodiversity.
- Respecting the socio-cultural authenticity of host communities, conserve their built and living cultural heritage and traditional values, and contribute to inter-cultural understanding and tolerance.
- Ensuring viable, long-term economic operations, providing socio-economic benefits to all stakeholders that are fairly distributed, including stable employment and income-earning opportunities and social services to host communities, and contributing to poverty alleviation (UNEP, 2004)

Sustainable tourism development required the participation of relevant stakeholders and political leadership to make sure wide participation and to build agreement. Sustainable tourism is a continuous process and it has constant monitoring of impacts, the necessary preventive and corrective measurement whenever necessary. It should maintain the highest tourist satisfaction and ensure unforgettable experience to the tourists and at the same time raise their awareness about sustainability issues and promote sustainable tourism practices.

Sustainable tourism concerns particularly important aspects such as competitive and socially responsible tourism businesses, the opportunity to participate in tourism for all citizens, good employment opportunities in the sector and benefit from tourism activities for the local community. This requires the preservation of cultural integrity and the integration of environmental protection and cultural heritage resources in programs related to tourism. Extensive attempts to implement the principles of sustainable tourism development are take both at the regional level and at the level of tourism enterprises.

2.3 Importance for Socio Economic Growth

Many developing countries know that tourism is important for economic progress and poverty reduction. However, it is also clear that the link between tourism and economic growth and poverty reduction is not automatically connected. It very much lean on whether tourism generates employment opportunities, creates linkages – in particular with agriculture and service-providing sectors – and provides the development of basic infrastructure through the construction of roads, port and airport facilities and the

provision of financial services from which the economy as a whole can benefit. It also based on whether the development of tourism is directed by a national strategy comprising policy, regulatory and institutional frameworks with sufficient incentives to stimulate the development of supply capacity in national markets. The national strategy restricts financial leakages from the domestic economy, which become to be problem in many developing countries, and the efforts made to minimize the adverse impact of tourism on the environment and on cultural heritage are equally important. While the role of tourism in structural economic progress and sustainable development is not a new topic on the international agenda, how to make tourism more sustainable and contribute to developing countries' sustainable development objectives is still a challenge that requires urgent attention (UNCTAD, 2013).

The contribution of the tourism sector to economic growth, job creation, domestic capacity-building and poverty reduction leans on the following factors:

- The extent to which the tourism sector is integrated into the national economy through backward and forward linkages with other sectors and integration into regional and global value chains;
- The extent to which revenue generated by tourism, including foreign exchange, is used to finance infrastructure development, support local enterprises, in particular small and medium-sized enterprises (SMEs), and to develop the skills and institutions needed to create a vibrant local economy;
- The policies and strategies adopted by governments, and whether they encourage increased domestic and foreign investment in tourism, transfer of technology and know-how; promote labor-intensive activities; and target regions where the poor live and work;
- National efforts to ensure that tourism activities are carried out sustainably and meet economic, social and environmental objectives (UNCTAD, 2013).

Moreover, tourism business is not same with other industries. In other industries, a stable and predictable flow of input and outputs contributes to financial stability and facilitates the management process, as enormous investments in time and energy are not required to gauge and prepare for continual changes in the supply demand equation. The dairy industry is an example of a sector with low demand uncertainty. Demand in this industry is not significantly influenced by weather or other changeable factors, nor is the market likely to suddenly stop purchasing dairy products. But tourism is not similar with

dairy industry, being highly vulnerable in some manifestations to changes in weather, fashion and sociopolitical condition. Tourists must travel to the place of production (i.e. the destination), whereas dairy products exhibit the opposite tendency; they travel from the place of production to the homes of consumers. Supply-side disruptions within the destination, such as political uncertainty or a disruption of infrastructure, thus have a major and sometimes overwhelming bearing on visitor intakes. Factors that are not specific to particular destinations can also be influential, as indicated by the 12 – 14 per cent decrease in global travel reservations that followed the terrorism actions of September 2001, and the 26 % decrease in the number of inbound tourists to Thailand in January 2005 (i.e. the month following the tsunami) over the same month in 2004 (ILO, 2005), the 2011 Tohoku tsunami and Fukushima Daiichi nuclear disaster contributed to a 24 % drop in foreign tourists to Japan for the year compared with 2010, aided by the stronger Japanese yen (Demetriou, 2012).

More uncertain and potentially harmfulness are the effects of social and political instability within or in the vicinity of a destination. This characteristic of tourism cannot be overstated. Especially insidious is the potential for just one random and completely unpredictable act of terrorism or sabotage to cripple a destination's tourism industry, as demonstrated by the September 11 terrorist attacks on the United States, as well as those on Bali and Mumbai in 2002 and 2008 respectively. Even though little can be done to prevent such occurrences, tourism managers be aware of this vulnerability and of the possibility that very positive growth performance can be reversed in an instant. Accordingly, a holistic and resilience focused strategy of broader economic diversification – both internal and external to tourism – would help to cushion such impacts, as it would with seasonal variations (Weaver L. , 2014 5th Edition).

It cannot be denied that tourism is an efficient generator of direct and indirect employment, but the nature of this employment may not always be conducive to the comprehensive economic development of the destination or the material wellbeing of its residents. Wages in the tourism sector tend to be low compared with other sectors, with accommodation and food services workers in Australia earning average weekly wages of $616.20 in May 2018 compared with the national average of $2674.80 in the mining sector (ABS, 2018c). Several interrelated factors account for this wage differential and the resultant high turnover. Because of the seasonal and cyclical nature of tourism, the sector is also characterized by a high incidence of seasonal, part-time and casual employment, thereby further contributing to the discrepancy between actual number of

people employed and the actual hours and wages achieved. Ironically, the advocacy platform has interpreted many of these alleged shortcomings as advantages, in that low wages mean that more workers can be hired, and unskilled workers can find employment opportunities more readily. Furthermore, this platform contends that part-time and seasonal jobs may be more desirable among certain segments in the workforce, such as single mothers and international students (Barron, 2007).

In light of the potential negative effects of tourism, the requirement for promoting sustainable tourism to ensure future gains and to minimize the possible negative impact on the environment and cultures has acquired renewed urgency. This, in turn, has heightened the awareness of policymakers, tourists and tourism business operators about the need and value of conserving unique natural, social and cultural assets of destinations. Tourists are becoming more demanding of the environmental quality of destinations. Similarly, tourist destinations have incentives to conserve and improve the environment, not only for their own sake, but also for creating value. Indeed, sustainability and environmentally conscious tourism business have become important marketing tools and could also provide tourism service providers with a competitive edge (UNCTAD, 2013).

2.4 Reviews on Previous Studies

According to Tourism Development in Burma by Mr. Edman Hörmander 2013, Myanmar has the advantage of being one of the last unexplored countries in Asia, which attracts large number of curious visitors. But even though the demand exceeds the supply there are still some difficulties to consider regarding tourism in Myanmar. The most important issue is the political instability and the lack of suitable accommodation. Furthermore, the distance between the airport and the potential tourist destinations is relatively long and insufficient infrastructure so that was reduced the attractiveness for travelers since the transfer will be time consuming. Some travel agencies also face uncertainties regarding the fulfilment of their standard criteria; these uncertainties include for example the standard of health care.

The analyzed data mentioned the most appropriate way of identifying tourism destinations in the area should be to use a contractor. This type of evaluation system would become to the best results for Myanmar to be seen as a suitable location for tourism. Despite all the negative impacts that can occur from the all-inclusive concept, it is believed to be the most suitable type of establishment for Myanmar. Although it could be combined with more involvement from the local population in order to minimize the

negative impacts on the country. In addition, all the positive and negative impacts that might occur due to a tourist establishment could also be applied on Myanmar. Therefore the importance of striving towards creating a tourist establishment in Myanmar that contributes to the country's further development is recommended. Maximizing the positive effects as well as minimizing the negative impacts of tourism could facilitate for this development (L. Hörmander, 2013).

Thiri Dong studied about the role of Tourism Industry Development in Myanmar between 2000 and 2009. The study found out that some policy implications for sustainable tourism development are needed. It was stated that by upgrading the tourism sector of Myanmar, many business that are directly or indirectly related to tourism were boosted and there can be more job opportunities (ThiriDong, 2012).

A Study on Development of Tourism and Tour Business Companies in Yangon by Phyo Hla Wai, the number of tourist arrivals has increased in 2013 and 2014 and this has been the result of relaxation of rules and regulations of tour businesses as well as for extension of stay duration for visitors. An attempt is made to examine the effects of policy changes in tourism sector with respect to tour business operations and a survey is conducted focusing on 25 tour companies operating in Yangon City (PhyoHlaWai, 2017).

Htaa Htaa examined economic aspect of Tourism in Myanmar between 2005 and 2015. The study analyzed the contribution of tourism sector in the economic development of Myanmar. The contribution of tourism sector to GDP is tripled in terms of values within ten years (2005 – 2015) and foreign direct investment is getting raised year by year. Tourism industry has a greater capacity to provide more jobs opportunity and gender equal access to economic opportunities (HtaaHtaa, 2016).

CHAPTER III
OVERVIEW ON CLMV'S ECONOMY

3.1 Countries Profile and Geography

The national geographic features of CLMV countries are necessary to observe briefly in order to know about the each nation in details and the connected neighboring countries within South East Asia Region Table (3.1).

Cambodia is situated in the southern part of the Indochina peninsula in Southeast Asia. It is 181,035 square kilometers (69,898 square miles) in area, bordered by Thailand, Laos, Vietnam and the Gulf of Thailand. The most distinctive geographical feature is the Tonle Sap Lake, measuring 2,590 square kilometers (1,000 square miles) during the dry season and expanding to about 24,605 square kilometers (9,500 square miles) during the rainy season. This densely populated and plain and wet rice cultivation is the heartland of Cambodia. Most of this area has been designated as a biosphere reserve. In 1997, Tonle Sap was successfully nominated as a UNESCO Biosphere Reserve. Other key habitats contain the dry forest of Mondolkiri and Ratanakiri provinces and the Cardamom Mountains ecosystem, including Bokor National Park, Botum-Sakor National Park, and the Phnom Aural and Phnom Samkos wildlife sanctuaries (wikipedia, 2019).

Lao is officially known the Laos People's Democratic Republic (Lao PDR) and a socialist state and the only landlocked country in Southeast Asia. Situated at the heart of the Indochinese peninsula and bordered by Myanmar, China, Vietnam, Cambodia, and Thailand. Its thickly forested landscape consists mostly of rugged mountains, the highest one is Phou Bia at 2,818 metres (9,245 ft), with some plains and highland. The Mekong River locate a large part of the western boundary with Thailand, where the mountains of the Annamite Range situate at the most of eastern border with Vietnam and the Luang Prabang Range and the northwestern border with the Thai highlands. There are two plateau, the Xiangkhoang in the north and the Bolaven Plateau at the southern end. The climate is tropical and the monsoon pattern (wikipedia, 2019).

Table 3.1: Profiles and Geography of CLMV Countries

	Cambodia	Lao PDR	Myanmar	Vietnam
Name Identity	Cambodia	Lao People's Democratic Republic	Republic of the Union of Myanmar	Socialist Republic of Vietnam
Neighboring Countries	Thailand to the northwest, Lao to the northeast, Vietnam to the east and the Gulf of Thailand to the southwest.	Myanmar and China to the northwest, Vietnam to the east, Cambodia to the southwest, and Thailand to the west and southwest.	India and Bangladesh to its west Thailand and Lao to its east and China to its north and north east.	China to north, Lao and Cambodia to west, part of Thailand to south-west and Philippines, Malaysia, and Indonesia across South China Sea to the east and southeast.
Significant features	Landscape extend to Mekong Delta, mountains and Gulf of Thailand coastline. Densely populated in the Tonle Sap Lake area which is wet rice cultivation land.	Traversed by Mekong River and mountainous terrain, French colonial architecture, hill tribe settlements and Buddhist monasteries.	In south, one third of total perimeter of 5,876 km form an uninterrupted coastline of 1,930 km along Bay of Bengal and Andaman Sea.	The land is mostly hilly and densely forested, with level land covering no more than 20%. Mountain is 40% and tropical forests cover around 42%.
Enter to ASEAN	1999	1997	1997	1995
Capital City	Phnom Penh	Vientiane	Naypyidaw (Yangon is the largest city and former capital.)	Hanoi (The most populous city is Ho Chi Minh city)
Land Area	181,035 Sq-km	236,800 Sq-km	676,578 Sq–km	331,210 Sq-km
Population	16.01 million (2017)	6.85 million (2017)	53.37 million (2017)	95.54 million (2017)

Source: Wikipedia; geography of Cambodia, Lao PDR, Myanmar and Vietnam

Myanmar is officially known as the Republic of the Union of Myanmar and also called as Burma. Myanmar is a country in Southeast Asia with more than 100 ethnic groups. India, Bangladesh, Thailand, Laos and China are bordered and it is the largest of the mainland in Southeast Asia. It is about one third of total perimeter of 5,876 km (3,651 miles) situate as coastline of 1,930 km (1,200 miles) along the Bay of Bengal and the Andaman Sea. As of 2017, the population is about 53.37 million. Its capital city is Naypyidaw, and its largest city and former capital is Yangon (Rangoon) which have home to bustling markets, numerous parks and lakes, and the towering, gilded

Shwedagon Pagoda, which contains Buddhist relics and dates to the 6th century (Wikipedia, 2019).

Vietnam, the Socialist Republic of Vietnam, is the easternmost country on the Indochina Peninsula. There are 95.54 million inhabitants as of 2017 and it is the 15th most populous country in the world. Vietnam is bordered by China, Laos, Cambodia, Thailand, Philippines, Malaysia, and Indonesia across the South China Sea to the east and southeast. Its capital city has been Hanoi since the reunification of North and South Vietnam in 1976, while its most populous city is Ho Chi Minh City. The country's land boundaries is 4,639 km (2,883 miles), and its coastline is 3,444 km (2,140 miles) long. The Southern Vietnam is separated into coastal lowlands, the mountains of the Annamite Range, and extensive forests. The northern part of the country forms mostly of highlands and the Red River Delta. The highest mountain is Fansipan (also called as Phan Xi Pang). From north to South Vietnam, the country also possess numerous islands with Phu Quoc being the largest. The Hang Son Doong Cave is the current largest cave passage in the world since its discovery in 2009. The Ba Be Lake and Mekong River are the largest lake and longest river in Vietnam respectively (wikipedia, 2019).

3.2 Government Reforms of CLMV

Table 3.2: Government Reform Status in CLMV Countries

	Cambodia	Lao PDR	Myanmar	Vietnam
Independent from Colonial Status	1953 Independent French Colony	1953 Independent from French Colony	1948 Independent from British Colony	1945 Independent from France Colony
Political movement	1955 – 1970	1953 – 1975	1948 – 2010	1945-1986
Formed National Constitution / Reforming	1993	1991	2008	1986
Governing Party	The Cambodia People's Party (CPP)	The Lao People's Revolutionary Party (LPRP)	National League for Democratic Party (NLD)	Communist Party of Vietnam (CPV)
Governing System	Constitutional Monarchy	One – party Socialist Republic	Parliamentary republic	Single-Party socialist republic
Economic System	Open market economy	Mixed command and market economy	Complex: Traditional and command economic system	Socialist-oriented market economy
Head of Nations	King: Norodom Sihamoni (Head of State) Prime Minister: Hun Sen (Head of government)	President: Bounnhang Vorachith Prime Minister: Thongloun Sisoulith	State Counsellor : Aung San Suu Kyi President: Win Myint	President: Nguyen Phu Trong Prime Minister: Nguyen Xuan Phuc

Source: Wikipedia; Government of Cambodia, Lao PDR, Myanmar and Vietnam

Cambodia has over 16 million population. The official religion is Theravada Buddhism, practiced by approximately 95 percent of the population. The country's minority groups include Vietnamese, Chinese, Chams and 30 hill tribes. The capital and largest city is Phnom Penh, the political, economic and cultural center of Cambodia. National politics in Cambodia take place within the framework of the nation's constitution of 1993. The kingdom is an elective constitutional monarchy with a monarch, currently Norodom Sihamoni, chosen by the Royal Throne Council as head of state. The government is a constitutional monarchy operated as parliamentary representative democracy. The head of government is the Prime Minister, currently Hun Sen, the longest

serving non-royal leader in Southeast Asia, ruling Cambodia since 1985 (wikipedia, 2019).

Lao People's Democratic Republic attained complete Independence from France on 22 October 1953. Lao is one of the world's only socialist states openly endorsing communism. The only legal political party is the Lao People's Revolutionary Party (LPRP). Government policies are determined by the party through the all-powerful 11-members Politburo of the Lao People's Revolutionary Party and the 61-members Central Committee of the Lao People's Revolutionary Party. Important government decisions are vetted by the Council of Ministers. The new constitution was adopted in 1991 and enshrined a "leading role" for the LPRP. The National Assembly, which has added seats at every election, approves all new laws, although the executive branch retains authority to issue binding decrees. The most recent elections took place in April 2011. The assembly was expanded to 132 members. Laos is a member of the Asia-Pacific Trade Agreement (APTA), Association of Southeast Asian Nations (ASEAN), East Asia Summit, and La Francophonie. Laos applied for membership of the World Trade Organization (WTO) in 1997; on 2 February 2013, it was granted full membership (wikipedia, 2019).

The British took over the administration of Myanmar after three Anglo-Burmese Wars in the 19th century and the country became a British colony. Myanmar was granted independence in 1948, as a democratic nation. For most of its independent years, the country has been engrossed in violent ethnic strife and its ethnic groups have been involved in one of the world's longest-running ongoing civil wars. During this time, the United Nations and several other organizations have reported consistent and systematic human rights violations in the country. In 2011, the military junta was officially dissolved following 2010 general election, and a nominally civilian government was installed. This, along with the release of Aung San Suu Kyi and political prisoners, has improved the country's human rights record and foreign relations, and has led to the easing of trade and other economic sanctions. However, there is continuing criticism of the government's treatment of ethnic minorities, its response to the ethnic insurgency, and religious clashes. In the landmark 2015 election, Aung San Suu Kyi's party won a majority in both houses (Wikipedia, 2019).

At the Sixth National Congress of the Communist Party of Vietnam (CPV) in December 1986, reformist politicians replaced the "old guard" government with new leadership. The reformers were led by 71-year-old, Nguyen Van Linh, who became the

party's new general secretary. Linh and the reformers implemented a series of free-market reforms known as Doi Moi ("Renovation") which carefully managed the transition from a planned economy to a "socialist-oriented market economy". Though the authority of the state remained unchallenged under Doi Moi, the government encouraged private ownership of farms and factories, economic deregulation and foreign investment, while maintaining control over strategic industries. The Vietnamese economy subsequently achieved strong growth in agricultural and industrial production, construction, exports and foreign investment although these reforms have also caused a rise in income inequality and gender disparities (wikipedia, 2019).

3.3 Economic Overviews of CLMV

According to the World Bank Economic Overview, Cambodia has undergone a significant transition, reaching lower middle-income status in 2016 from the status of a Least Development Country. Authorities aspire to attain upper middle-income status by 2030. Driven by garment exports and tourism, Cambodia's economy has sustained an average growth rate of 7.7% between 1995 and 2018, making it among the fastest-growing economies in the world. As global demand peaked in 2018, economic growth is estimated at 7.5%, compared to 7% in 2017 and is expected to remain robust over the medium term. In 2017, per capita income is $4,022 in PPP and $1,309 in nominal per capita. Most rural households depend on agriculture and its related sub-sectors. Rice, fish, timber, garments and rubber are Cambodia's major exports. It was the impressive growth in garments and footwear manufacture. The International Rice Research Institute (IRRI) reintroduced more than 750 traditional rice varieties to Cambodia from its rice seed bank in the Philippines. These varieties had been collected in the 1960s. The US World Justice Project's 2015 Rule of Law Index ranked Cambodia 76 out of 102 countries, similar to other countries in the region. International Tourist arrival rose by 10.7% with those from the People's Republic of China. FDI inflows edged up from 12.6% to an estimated 13% (Asian Development Outlook, 2019). The poverty rate fell to 10 % in 2013, and further reduction of poverty is expected for both urban and rural households throughout 2015–2016. However, human development, particularly in the areas of health and education, skill labor market remains an important challenge and development priority for Cambodia (wikipedia, 2019).

Table 3.3: GDP and Growth Rate of CLMV (At current prices in Millions of USD)

Year	Cambodia		Lao PDR		Myanmar		Vietnam	
	GDP	Growth %	GDP	Growth %	GDP	Growth %	GDP	Growth %
2010	11,229	6.0	6,752	8.1	41,004	9.6	116,300	6.4
2011	12,804	7.1	8,061	8.0	56,502	5.6	135,541	6.2
2012	14,027	7.3	10,192	-	60,282	7.3	155,820	5.2
2013	15,221	7.4	11,955	8.0	61,863	8.4	171,219	5.4
2014	16,689	7.1	13,274	7.6	66,331	8.0	186,224	6.0
2015	18,091	7.0	14,420	7.3	59,795	7.0	193,628	6.7
2016	19,427	7.0	15,903	7.0	64,602	5.9	205,439	6.2
2017	22,340	7.3	17,090	6.5	65,607	6.2	223,837	7.1

Source: ASEAN Statistical Yearbook 2018 (2008 – 2017)
Key Indicators for Asia and the Pacific countries, 2018 (ADB)

Lao PDR grew in GDP averaged 7.7% over the last decade, with income per capita reaching $2,577 in 2018. Notwithstanding the flooding-related disasters of mid-2018, economic growth is expected to remain robust in 2018, at 6.5%. Growth in 2018 was driven primarily by the power, construction and manufacturing (electronic parts) sectors (wikipedia, 2019). In contrast, despite higher metal prices, the performance of the mining sector remained weak. Economic growth is expected to pick up in 2019-2020 which supported by increased power generation, growing opportunities in the non-resource sectors from closer regional integration, and reforms to improve the business environment. The development strategies are based on generating electricity from its rivers and selling the power to its neighbors, Thailand, China, and Vietnam, as well as its initiative to become a "land-linked" nation, shown by the construction of four new railways connecting Laos to its neighbors. The government is seeking to maintain macroeconomic stability by taking actions to improve domestic revenue collection, controlling expenditure, and strengthening public debt management. As a result, there will be fiscal consolidation, with preliminary estimates indicating that the budget deficit will decrease to below 5% in 2018. The government is strengthening revenue administration and efficiency through the introduction of electronic tax payments, while containing the spending in 2018. Fiscal consolidation is expected to slow down the accumulation of public debt in 2019. Lao PDR has made good progress over the past twenty years, including halving poverty, reducing hunger, and improving education and

health outcomes. However, the country needs to accelerate investments in human capital. According to the Lao PDR Human Capital Index, a child born in the country today will only reach 45% of her potential compared to if she enjoyed full health and education. Malnutrition is a critical issue, with stunting affecting over 30% of children under five. The maternal mortality rate also remains high, at 220 per 100,000 births (2013), with only 38% of births in rural areas without roads occurring in a health facility (Asian Development Outlook, 2019).

Table 3.4: Services Sector Percentage in Countries' GDP from Structural Output

	Cambodia	Lao PDR	Myanmar	Vietnam
2010	40.7	39.6	36.7	42.2
2011	39.8	38.7	36.2	41.5
2012	40.1	44.1	37.0	41.4
2013	42.9	46.8	38.1	43.1
2014	42.2	48.6	37.7	43.4
2015	42.3	49.4	38.8	44.2
2016	42.4	48.0	39.5	45.5
2017	42.3	46.8	40.4	45.8

Source: Key Indicators for Asia and the Pacific countries, 2018 (ADB)

Myanmar is a member of the East Asia Summit, Non-Aligned Movement, ASEAN and BIMSTEC, but not a member of the Commonwealth of Nations. It is a country rich in jade and gems, oil, natural gas and other mineral resources. Myanmar is also endowed with renewable energy; it has the highest solar power potential compared to other countries of the Great Mekong Sub region. In 2013, its GDP (nominal) is at US$56.7 billion and it's GDP (PPP) at US$221.5 billion (Wikipedia, 2019). The income gap in Myanmar is among the widest in the world, as a large proportion of the economy is controlled by supporters of the former military government. As of 2017, Myanmar ranks 148 out of 189 countries in human development, according to the United Nation Human Development Index. Wide-ranging reform initiated in 2011 has continued under the democratically elected government that took office in April 2016. The government's development strategy have recently been announced in a number of strategic planning documents such as the Myanmar Sustainable Development Plan, 2018–2030; National Education Strategic Plan, 2016–2021; Myanmar National Health Plan, 2017–2021; and

Myanmar National Social Protection Strategic Plan, 2014. Building on these initiatives, the country needs to accelerate reform, which will contribute to inclusive development. Reform to public financial management should aim for greater fiscal prudence, transparency, and efficiency. It should include strengthened Treasury functions, more systematic public investment planning and implementation, and the adoption of appropriate accounting and auditing standards to make public spending more productive (Asian Development Outlook, 2019).

Throughout the history of Vietnam, its economy has been largely on agriculture based on wet rice cultivation. There is also an industry for bauxite mining in central Vietnam, an important material for the production of aluminum. The collectivization of farms, factories, and capital goods was carried out as components in establishing central planning, with millions of people working in state enterprises. Despite strict state control, Vietnam's economy continued to be plagued with inefficiency and corruption in state-owned enterprises, poor quality and underproduction. Vietnam began to liberalize its trade by devaluing its exchange rate to increase exports and embark on a policy of economic development. As a result of the reforms, Vietnam achieved around 8% annual Gross domestic product (GDP) growth between 1990 and 1997, with the United States also ended its economic embargo against Vietnam in early 1994. Despite the 1997 Asian financial crisis affecting Vietnam and causing economic slowdown to 4-5% growth per annum, its economy began to recover in 1999, with growth at an annual rate of around 7% from 2000 to 2005 and making the country as one of the world's fastest growing economies (wikipedia, 2019)

According to the World Bank economic overview, over the past 30 years, Vietnam has had a remarkable development record. Economic and political reforms under Doi Moi, launched in 1986, have spurred rapid economic growth and development and transformed Vietnam from one of the world’s poorest nations to a lower middle-income country. Vietnam’s economy continues to show fundamental strength, supported by robust domestic demand and export-oriented manufacturing. The extreme poverty rate is estimated to have declined to below 3 percent. Following 6.8 percent growth in 2017, preliminary data indicate that GDP growth accelerated to 7.1 percent in 2018, underpinned by a broad-based pickup in economic activity. Women’s economic empowerment has also steadily improved in Vietnam over the past decade. Women’s labor force participation rate is within 10 percent of that of men, a smaller gap than that found in most other countries. In addition, there has been an upward trend in the share of

women in wage work, mostly driven by increased employment opportunities for women in foreign-owned export-oriented factories (Asian Development Outlook, 2019).

3.4 Economic and Social Content

Cambodia, the Lao PDR, Myanmar, and Vietnam (CLMV) are situated between the Southeast Asian, India, and the PRC. They are speedy developing members of ASEAN, with total land area, 1.4 million km^2 with a combined population of approximately 165 million people. The majority of rural areas are doing agriculture. However, urban migration by young adults increased to earn better economic opportunities. The expansion of industry and services, including tourism drive the impressive economic performance, although a gap is between CLMV and their wealthier neighbors in ASEAN (Table 3.5) (ADB, 2017).

Table 3.5: Economic and Social Indicators (2017/2018)

	Population (million)	Gross National Income per Capita ($)	Gross Domestic Product Growth (%)	Poverty rate (%)	Human Development Index Ranking on 189 countries
Cambodia	15.64	1,230	7.3	37.2	146
Lao PDR	6.78	2,270	6.5	23.1	139
Myanmar	53.86	1,210	6.2	38.3	148
Vietnam	94.67	2,160	7.1	4.9	116

Source: ADB, Basic Statistic 2018; United Nations Development Program, Human Development Report 2018

The percentage of the population below the poverty line of $1.90 per day (purchasing power parity) is lowest in Vietnam (4.9%), followed by the Lao PDR (23.1%), Cambodia (37.2%) and Myanmar (38.3%) (ADB, 2018). The majority of poverty is rural, but the urban poverty are also found. Households headed by women are more likely to be poor than households headed by men, and poverty rates tend to be much higher among ethnic minorities. After making good progress in reducing income poverty in recent years, many families remain highly vulnerable to shocks such as price increases for essential goods and natural disasters. Vulnerability is worsen by weak national social protection systems and low access to affordable money (ADB, 2017).

Gross domestic product (GDP) growth in 2018 was highest in Cambodia (7.3%), followed by Viet Nam (7.1%), the Lao PDR (6.5%) and Myanmar (6.2%). Per capita gross national income (GNI) is highest in the Lao PDR ($2,270) and lowest in Myanmar ($1,210). Although CLMV are all transitioning to lower middle-income status, their GNI fall behind the levels reached in Brunei Darussalam, Indonesia, Malaysia, the Philippines, Thailand, and Singapore (ASEAN-6), where it ranges from $3,500 to more than $55,000. Cambodia is expecting its GDP to increase by 7% in 2019 and 6.8% in 2020 while growth in the Lao PDR is forecast to moderate at 6.5% in 2019 and 2020. Myanmar is expecting annual GDP growth will accelerate to about 6.8% in 2019–2020. GDP growth in Viet Nam is forecast to increase by 6.8% in 2019 and 6.7% in 2020. Over the medium term, sustained economic growth will be increasingly driven by integration into regional value chains, infrastructure investment, natural resource exploitation, and continued into light manufacturing and services. Lower oil prices are expected to boost growth and increase household disposable income, generating positive spillovers for domestic and intraregional travel and tourism (ADB, 2017).

Against this rapid economic growth, CLMV still rank low on the Human Development Index, a composite index measuring average achievement in three basic dimensions of human development: health, Education, and a decent standard of living. Myanmar is ranked 148 among 189 countries assessed, Cambodia is ranked 146, the Lao PDR is ranked 139 and Viet Nam is ranked 116 Downbeat perceptions of well-being substantiate the rankings. For example, only 46% of Cambodia's population is enjoyed with their standard of living, and in Myanmar the percentage is 49%. Satisfaction with life circumstances is also low, as measured by the Life Satisfaction Index, with the average score of 5.2 (out of 10) for Viet Nam, 4.6 for the Lao PDR, 4.6 for Cambodia and 4.2 for Myanmar. This may be partly attributed to rising inequality and the growing gap in prosperity between rural and urban areas (ADB, 2017).

To address inequality and vulnerability, Government, development partners and civil society should focus more resources on enabling small and medium-sized enterprises (SMEs) development; improve health, education, and other social services. Improving transport and communications networks that link urban and rural areas is essential, to strengthen market linkages and diversify economic growth. More efficient tax generation, collection, and administration is also needed to help ease constraints that impede public investment in infrastructure and social services. Tourism growth supports CLMV's efforts to tackle these issues by stimulating SMEs investment in services, manufacturing,

and agriculture. It creates good jobs suitable for both unskilled and skilled workers, particularly women and youths. If well managed, tourism also generates tax revenue and stimulates merchandise exports by reducing variable trade costs and mitigating market failures related to information failure. Recent studies suggest a 1% increase in tourist arrivals to an exporting country increases that country's exports to the tourist's home country by 9% (ADB, 2017).

CHAPTER IV
ANALYSIS ON TOURISM DEVELOPMENT IN CLMV COUNTRIES

4.1 Overview of Tourism

CLMV are enrich with diverse natural and cultural tourism assets. After escaping from conflictual decades, it was found out that all countries gave priority to tourism development in their national socioeconomic plans because it is potential to create jobs, generate foreign exchange receipts, accelerate regional economic integration and especially, promote friendship and goodwill among nations. The responsible for tourism (national tourism organizations) as government ministries are Ministry of Tourism, Cambodia; the Ministry of Hotels and Tourism, Myanmar; the Ministry of Information, Culture and Tourism, Lao PDR; and the Ministry of Culture, Sports and Tourism, Vietnam.

Enriching cultural and heritage of CLMV, there are many tourist attracted cities and destinations in CLMV countries. In Cambodia, the main tourist destinations are Sieam Reap, Angkor Wat and Phnom Penh and tourism in the coastal area is also developing. Leisure is the main purpose of visits and together with business and visiting friends and relatives. In Lao PDR, the most attractive cities are Vientiane, Champassak, Savannakhet, Luang Prabang and major purpose of visit is leisure, religious pilgrimage and business. In Myanmar - Yangon, Bagan, Inle Lake and Mandalay are the popular cities among many other interesting places. The most visitors came for the purpose of leisure, business and visiting friends and relatives. Myanmar is famous about historical heritage, wild and nature beaches, and diverse cultural and natural attractions. Hanoi, Ho Chi Minh, Ha Laong Bay, Hue-Hoi An and Da Nang are the most popular destinations for tourists in Vietnam. Most travelling purpose is leisure and business. Vietnamese cuisine is also the most famous tourism asset.

4.1.1 Infrastructure and Facilities of Tourism

Table 4.1: Total Accommodation and Licensed Tour Agency of CLMV - 2017

	No. of accommodation	No. of licensed tour operator
Cambodia	2255	619
Lao PDR	2734	422
Myanmar	1590	429
Vietnam	25600	1752

Source: National Tourism Statistics Reports, CLMV, 2017

In Cambodia, the number of hotels and guesthouses are more than twice to 2,255 with 46,000 bedrooms during 2008 – 2017. Accommodation choice is from small family owned enterprises to five star branded properties. In 2017, Cambodia has 619 travel agencies and tour operators employ 6,123 licensed guides, 68% of whom are located in Siem Reap (Ministry of Tourism, 2018). In Lao PDR, there are 2,734 guesthouses and hotels, with 50,600 bedrooms, among them five star rated are less than 10%. The number of registered tour operators are more than doubled to 422 in 2017. However, number of active licensed tour guides, 604 are insufficient to meet market demand (MICT, 2018). In Myanmar, there are 1590 hotels and guesthouses, with 63,978 bedrooms. In development pipeline, there are 64 properties with financed by foreign direct investment, which soon will be 12,194 bedrooms. By improving roads and bridges in the Greater Mekong Sub - region (GMS) East – West and North – South economic corridors, it is together with modernization of immigration facilities, and is expected to boost tourism flows across land borders with the Lao PDR, the PRC, and Thailand which would help to accelerate regional integration. Myanmar has 429 licensed outbound tour companies and 4371 licensed tour guides (MOHT, 2017). Vietnam has more than 25,600 accommodations, with 508,000 bedrooms, 24,212 of which are five-star rated. With many new projects in the pipelines, the upscale accommodation market in Vietnam is great potential, providing many opportunities for European SMEs looking to invest in Vietnam's hospitality industry. High-quality European products are a competitive advantage over domestic ones when supplying luxurious establishments because of advanced technologies. Vietnam has approximately 1,752 international tour operators and more than 10,000 agencies that provide service to domestic tourists with more than 9,600 licensed tour guides (VNAT, 2018).

Quality transport infrastructure is crucial for facilitate tourist movements to attraction within country and other countries. Quality environmental infrastructure and services to support the collection, treatment, and storage of solid waste and wastewater; availability of piped clean water supply; and access to reliable electricity are equally important for tourism competitiveness. CLMV have all good progress in upgrading air transport infrastructure in gateway cities, building extending highways, and expanding access to public utilities in major urban areas. However, infrastructure improvements and service delivery in secondary destinations are unable to provide completely with demand, mainly due to funding and capacity constraints for construction and maintenance, low population density in rural areas, and limited decentralized planning. (ADB, 2017). As a result, CLMV fall behind Asia-Pacific benchmarks for infrastructure competitiveness and health and hygiene (Table 4.2).

Due to insufficient transport infrastructure and poor environmental services, it is restrained the sustainable and more inclusive tourism growth in two ways. First, it is happened lacking well-maintained airports, ports, roads, sanitation, wastewater treatment, flood protection, and piped water supply and many secondary destinations are unable to make attraction of private investment in quality tourist service infrastructure.

Moreover, it is happened imbalanced growth by discourages visitors from venturing off the preserve current patterns. For example in Cambodia, relatively with good urban services in Phnom Penh and Siem Reap receives about 60% of Cambodia's total accommodation stock and half of the country's international visitor arrivals. In comparison, the seaside town of Kep—with good tourism potential but with lack of a piped water supply and adequate sanitation—receives only 1.1% of international visitors. Similarly, Vientiane Capital has 25% of the Lao PDR's hotel rooms and receives 37% of international visitors. The variation is even greater in Myanmar, where Yangon have more than 90% of international overnight visitors and get 31% of the country's total accommodation stock (Table 4.3) (WEF, 2018).

Table 4.2: Competed Rankings for Infrastructure, Health, and Hygiene of CLMV

	Air Transport		Ground and Ports		Tourist Services		Health and Hygiene	
	Value	Rank	Value	Rank	Value	Rank	Value	Rank
Cambodia	2.1	103	2.6	116	2.9	108	3.9	112
Lao PDR	2.3	89	3.0	96	3.2	97	4.3	108
Myanmar	2.0	115	2.2	132	2.1	137	4.4	101
Vietnam	2.7	68	3.1	87	2.9	105	5.0	83
Asia-Pacific Average	3.58		3.83		3.68		5.14	

Value range = 1–7, with a higher number indicating better performance.
Rank = 1–141, with lower number indicating better performance.
Source: World Economic Forum. 2015. *The Travel and Tourism Competitiveness Report 2015*. Geneva.

Table 4.3: International Visitor Arrival and Tourism Services Intensity

	Accommodations			International Tour Operator		International Visitor Arrivals	
	No. of Rooms	Share (%)	Occupancy (%)	Companies (no.)	Share (%)	No.	Share (%)
Phnom Penh	14,661	28.6	60	325	53.0	1,972,879	46.9
Siem Reap	15,228	29.7	70	264	43.1	2,237,286	53.1
Preah Sihanouk	5,431	10.4	70	15	2.4	358,639	6.4
Kep	775	1.5	60	-	-	46,840	1.1
Vientiane	14,627	25.4	74	216	58.7	1,737,979	37.1
Luang Prabang	6,891	12.0	73	57	15.5	531,327	11.3
Champasak	5,234	9.0	56	29	7.9	611,244	13.0
Houaphanh	1,111	1.9	51	1	0.3	34,493	0.7
Yangon	15,424	30.8	72	404	94.0	1,180,682	90.7
Mandalay	6,788	13.6	73	25	6.0	553,572	42.5
Bagan	2,565	5.1	70	-	-	351,427	27.0
Mawlymyine	730	1.5	72	-	-	115,087	12.1
Ha Noi	18,630	6.7	55	482	42.6	2,100,000	30.7
Ho Chi Minh City	40,202	14.5	69	388	34.3	3,800,000	55.5
Da Nang	10,570	3.8	51	40	3.5	630,908	9.2
Quang Ninh	9,517	3.4	70	39	3.4	2,491,000	36.4

Sources: National tourism organization statistics reports 2012–2015; New Crossroads Asia. 2015. Myanmar: *All That Matters*. Issue 5, October 2015. Yangon; ADB estimates (ADB, 2017).

The second problem which is a huge mass of visitor arrivals easily overwhelm to poor transport infrastructure and environmental services in leading to insufficient collection and treatment of solid waste and wastewater, shortages of piped clean water, and traffic congestion. This make future tourism growth at risk and causes environmental degradation, economic losses, and inconvenience for residents. For example, in Luang Prabang in Lao PDR, where the number of annual international visitor arrivals is about 10 times the local population and growing by 14% per year, residents produce an average of 0.63 kilograms of solid waste per capita per day, but international visitors generate nearly twice as much, disproportionally overburdening the town's solid waste management system. Luang Prabang and its peri-urban villages produces 68 tons of solid waste per day, but only 66% is collected and disposed in the town's controlled landfill, less than 6% is recycled, and about 20 tons per day are left to accumulate in the environment (JICA, 2015). International visitors also consume large volumes of water, ranging from 300 liters per person per day—triple that of local residents—to 880 liters per person per day for luxury travelers. Consequently, Luang Prabang has 3.5 times the national average of unplanned piped water supply interruptions (ADB, 2014). Overall, the annual economic losses resulting from lower visitor numbers and reduced spending by visitors who become sick from diseases related to poor sanitation and hygiene ranges from $17.3 million in the Lao PDR to $68.6 million in Viet Nam and $73.7 million in Cambodia (World Bank, 2009) (ADB, 2017).

4.1.2 Tourism's Contribution to GDP and Employment

In 2015, International tourism generated $15 billion with 4.6 million jobs in CLMV, (Table 4.4). The direct contribution of travel and tourism to GDP is highest in Cambodia 13.5%, followed by Vietnam 6.6%, the Lao PDR 4.6%, and Myanmar 2.6% individually. Investment in tourism subsectors such as hotels, air and land transport services, and leisure and recreation services that deal directly with tourists totaled $4.75 billion in 2014 and rose to $6.1 billion in 2015. Average expenditure per visitor is lowest in Lao PDR $155 and highest in Viet Nam $1,204. Average expenditure per visitor in Asia and the Pacific is $1,500 (UNWTO, 2019).

A half of tourism workers in CLMV are women, but gender profile by job type diverse considerably. Women tend to be employed in lower-skilled jobs paying lower wages, while men hold more managerial positions in government and private tourism enterprises. This situation is consistent with global benchmarks, which indicate that

women comprise 33% of senior management in hospitality professions and 27% of leadership positions in food and beverage services (Grant, 2015). Many poor and lower income women enter the tourism sector with small personal investments. Most would benefit from better access to affordable credit and vocational training; this is particularly true for ethnic women and when the household head is a woman (ADB, 2017).

Table 4.4: Tourism's Contribution to GDP and Employment, 2015

	Cambodia	Lao PDR	Myanmar	Vietnam	Total
International visitor expenditure ($ billion)	3.01	0.73	2.12	9.56	15.42
Direct contribution to gross domestic product (%)	13.5	4.6	2.6	6.6	27.3
Tourism investment ($ billion)	0.4	0.4	0.1	5.2	6.1
Tourism employment (direct)	1,034,700	122,900	661,000	2,783,800	4,602,400
Women's share of employment (%)	54	50	51	70	225
Average expenditure per visitor ($)	631	155	453	1,204	2,443

Sources: National tourism organizations; Gender-Related Impacts of the Global Economic Slowdown in the Greater Mekong Sub region: Emerging Trends and Issues. Manila; World Travel & Tourism Council 2016, (ADB, 2017).

4.1.3 International Visitor Arrivals

Table 4.5: International Visitor Arrivals, 2008–2017 ('000)

	2008	2010	2012	2014	2016	2017	Average Annual Growth Rate (%)	ASEAN Share (%)
Cambodia	2,125	2,508	3,584	4,503	5,012	5,602	12.3	4.4
Lao PDR	1,736	2,513	3,330	4,159	4,239	3,870	15.2	4.3
Myanmar	193	792	1,058	3,081	2,907	3,443	57.7	4.3
Vietnam	4,207	5,050	6,848	7,874	10,013	12,922	9.5	7.3
Subtotal	8,261	10,863	14,820	19,617	22,171	25,837	15.1	20.3

Sources: ASEAN Secretariat and national tourism organization estimates (ADB, 2017)

With supportive government policies, annually averaged growth rate of international visitor arrivals to CLMV is 15%, approximately which is 2 times the rate in ASEAN-6 (Table 4.5). In 2017, CLMV achieved an all-time high of 25.8 million international visitors. International visitors are increased gradually in all four countries since 2008 and Myanmar is the highest average annual growth rate 57.7% within 10 years. Although recent growth has been impressive, CLMV receive only 20% share of ASEAN's total international visitor arrivals (ASEAN, 2017).

4.1.4 Visitors Trends

International visitor arrivals in Cambodia rose to 5.6 million in 2017, 11.8% increase compared to 2016. The People Republic of China is the largest source market 21.6%, followed by Vietnam 14.9% and the Lao PDR 9%. Other significant medium and long haul source markets are Thailand, the Republic of Korea, United States, Japan, France and Malaysia. International tourists that visit as part of a package tour stay in Cambodia for an average 4.6 days, while independent travelers stay for 6.6 days. Average daily sending across all international overnight market is about $150 per day. Airports in Phnom Penh and Siem Reap together receive 57.5% of total international visitor arrivals; 38% enter the country through overland borders and 2.6% enter by water. The busiest land border checkpoints are Poipet (Cambodia – Thailand) and Bavet (Cambodia – Vietnam), with each processing about 20% of international visitor arrivals. Casino tourism at these borders is a key attraction (Ministry of Tourism, 2018) (ADB, 2017).

Table 4.6: Visitors Trends of CLMV, 2017

	Cambodia	Lao PDR	Myanmar	Vietnam
Top three market and share of arrivals (%)	PRC (21.6) Vietnam (14.9) Lao PDR (9)	Thailand (46.47) Vietnam (23) PRC (16.52)	Thailand (20.10) PRC (15.6) Japan (7.45)	ROK (56.4) PRC (48.6) Russia (32)
Arrival by air %	61.7	26.40	38.88	84.43
Arrival by land %	33.5	73.60	60.41	13.57
Arrival by water %	4.7	0.00	0.71	2

PRC – People Republic of China, ROK – Republic of South Korea
Source: National tourism organization estimates

International visitor arrivals to the Lao PDR was 3.86 million in 2017, 8.7% decrease compared to 2016. Thailand is the largest source market and accounts for 46.5% of international arrivals, followed by Vietnam 23% and People Republic of China, PRC 16.5%. The main medium – and long – haul markets are the Republic of Korea, France and the United States. The fastest – growing market, from a substantial base, is the Republic of Korea. Long – haul overnight international visitors stay an average of 8.39 days and spend $76.6 per day, while intraregional visitors entering with a passport stay an average 3 days and spend $40.5 per day. About 16% of all reported visitor arrivals are lower – spending day – trippers who mainly enter at Vientiane Capital, Savannakhet, and Luang Namtha. There is an active gaming industry, with border casinos in Savannakhet and Bokeo provinces. Luang Prabang. 17.2 % of international visitors use inbound tour operators, but half combine their visit to the Lao PDR with a visit to Thailand (MICT, 2018) (ADB, 2017).

Myanmar received 3.44 million international visitors in 2017 and 15% increase compared to 2016 including 1.3 million overnight visitors who arrived by air and 2.08 million day- trippers who entered by land. The main source markets are Thailand, comprising 20.10% of international overnight visitors, the PRC 15.60% and Japan 7.45%. Other important medium – and long – haul markets are the United States and Republic of Korea. Average length of stay for international overnight visitors is 9 days and average spending is $153 per day. Excluding accommodations, overnight visitor visitors spend the most on activities and tours, shopping and meals. Bagan and Pyu Ancient cities are recognized as world heritage sites by UNESCO in 2019 and 2014 respectively (MOHT, 2017) (ADB, 2017).

International visitor arrivals to Vietnam reached 12.9 million in 2017, 29.1 % increase compared to 2016. The main source markets are South Korea 56.4%, People Republic of China 48.6%, the Russia Federation 32%, Africa 25.6%, Taiwan 21.5%, Germany 13%, Malaysia 17.9%, Thailand 13%, Singapore 8% and Japan 7.6% are also important medium – and long – haul markets. Average length of stay for international overnight visitors is about 9.27 days and average daily spending is $145. International visitors on group tours comprise 31% of all international arrivals and stay for 7 days on average, while independent travelers comprise “free and easy” tour, 69% with the average length of stay up to 14 days (VNAT, 2018) (ADB, 2017).

4.2 Factors of Tourism Demand

CLMV tourism growth is driven mainly by improved physical connectivity with regional and global markets, facilitative tourist visa policies, rapid advances in information and communication technology (ICT), and the rising affluence of developing Asia.

4.2.1 Improved Physical Connectivity

CLMV's tourism growth is strongly influenced by airport modernization and the rapid increase in scheduled air services. Significant ASEAN – wide investments in infrastructure and aircraft, backed by steady progress toward establishment of a single aviation market under the ASEAN multilateral agreement on air services and ASEAN multilateral agreement for the full liberalization of passenger air services make it possible to fly direct between most capital cities in ASEAN and a growing list of secondary cities. This is facilitating a sharp rise in intra-ASEAN air passenger traffic, particularly using low – cost carriers, and streamlined global access to CLMV through large international airports in Bangkok, Singapore, and Kuala Lumpur. An example, international scheduled inbound flight to CLMV increased by 24.3% to 111,200 from 2012 to 2014, and inbound seats increased by 24% to 19.5 million, over the same period (Table 4.7). This upward trend is expected to continue over the long term, with Boeing forecasting the combined fleet size of Southeast Asian Airlines will increase form 1,190 airplanes in 2013 to 3,770 airplanes in 2033, 73% of which will be single – aisle jets to serve regional leisure and business travelers (Boeing, 2015). CLMV also will benefit from the expansion of handling capacity at Bangkok's gateway Suvarnabhumi International Airport, to 80 million passengers per year by 2020, and renovation of Bangkok's Don Mueang International Airport – a regional hub for low cost carriers – that will bring its annual capacity up to 30 million in 2016 (ADB, 2017).

The international airports in Phnom Penh, Siem Reap and Sihanoukville are served by 36 airlines and received about 42,000 flights per year, with 4.2 million scheduled inbound seats. International airports in Luang Prabang, Pakse, Savannakhet, and Wattay are served by 9,900 flights per year, 1.3 million scheduled inbound seats. In Myanmar, International inbound flights have grown from 4,200 in 2011 to 20,586 in 2017 with 3.6 million scheduled inbound seats. The international airports in Ha Noi, Ho Chi Minh City, Hue, Can Tho, and Da Nang receive about 180,000 flight per year, with 26.5 million scheduled inbound seats (Ministry of Tourism, 2018) (ADB, 2017).

Table 4.7: Air Passenger Traffic at International Inbound Scheduled, 2012 – 2014

	Inbound Flights			Change 2012 – 2014 (%)
	2012	2013	2014	
Cambodia	20,923	25,233	27,874	33.2
Lao PDR	8,945	10,314	9,881	10.5
Myanmar	9,376	13,548	16,087	71.6
Vietnam	50,240	54,227	57,355	14.2
Subtotal (CLMV)	**89,484**	**103,322**	**111,202**	**24.3**
Thailand	133,311	158,711	165,322	24.0
Total (CLMV+TH)	**222,795**	**262,033**	**276,524**	**24.1**
	Inbound Seats			Change 2012 – 2014 (%)
	2012	2013	2014	
Cambodia	3,064,732	3,764,955	4,210,176	37.4
Lao PDR	950,527	1,211,483	1,166,067	22.7
Myanmar	1,517,968	2,307,606	2,740,364	80.5
Vietnam	10,236,364	10,996,468	11,427,500	11.6
Subtotal (CLMV)	**15,769,591**	**18,280,512**	**19,544,107**	**23.9**
Thailand	31,392,086	35,944,608	36,664,195	16.8
Total (CLMV+TH)	**47,161,677**	**54,225,120**	**56,208,302**	**19.2**

Source: SRS Analyzer via Pacific Asia Travel Association mPower (ADB, 2017)

Increasingly convenient land travel in mainland Southeast Asia and between southern PRC and the Lao PDR, Myanmar, and Vietnam is another factor fueling intraregional leisure travel. Travel times by road have decreased significantly following construction of the extended highways that link CLMV to large outbound-generating markets in the PRC and Thailand. Intraregional land travel also is made easier by newly introduced cross-border transport agreements. These enable investment in international tourist coach services and the movement of more personal vehicles across borders. In 2010, for example, 97,000 personal vehicles and 54,000 buses used the second Lao PDR – Thailand Mekong Friendship Bridge, which connects Mukdahan, Thailand, to Savannakhet, Lao PDR. This is a 56% increase in personal vehicles and a 41.2% increase in bus traffic compared to 2007. Meanwhile, international visitor arrivals to the Lao PDR via the first Lao – PDR – Thailand Mekong Friendship Bridge, connecting Nong Khai, Thailand, to Vientiane, Lao PRC, in the GMS North – South Economic Corridor, received 373,026 international visitor arrivals in 2015, an increase of 82.9% compared to

2013. The ease of visiting more than one country by land, air or a combination of both is an attractive value proposition that CLMV offers time – constrained consumers (ADB, 2017).

Leisure cruising on the Mekong and Irrawaddy River is also growing. There are scheduled cruises between Phnom Penh, Cambodia and several towns in Vietnam‘s Mekong Delta; Jinghong, PRC and Chiang Saen, Thailand; Chiang Kong, Thailand, and Luang Prabang, Lao PDR; and Yangon – Mandalay – Bagan, within Myanmar. Luxury cruising on the lower Mekong River was increased by enactment of the updated Agreement between the Socialist Republic of Vietnam and The Royal Government of Cambodia on Waterway Transportation, which sets out the framework facilitating waterborne transportation of passengers and cargo between the two countries, and transit of passengers to and from third countries. Since the agreement came into force in 2009, the 62 meter *Aqua Mekong* (40 passenger capacity), 92 meter *AmaDara* (142 passenger capacity), 92 meter *Amalotus* (142 passenger capacity) and several smaller ships have been launched. As a result, about 75,000 international tourists entered Cambodia by water in 2013, mostly at the Kaoam Samnor border gate on the Mekong River. International arrivals to Vietnam by water numbered 47,583 in 2014, up just 3% compared to 2008, while Myanmar welcomed 18 oceangoing cruise ships, with 18,611 passengers, in the same year – a threefold increase over 2013 (ADB, 2017).

4.2.2 Tourist Visa Policies

According to the UNWTO, Southeast Asia is the most open sub region in the world in terms of tourist visa requirements (Table 4.8). About 33% of the world’s population can obtain a tourist visa on arrival, and 26% are not required to obtain a visa when travelling for tourism (UNWTO, 2014).

CLMV have all endorsed the ASEAN Framework Agreement on Visa Exemption, which exempts ASEAN citizens who hold valid national passports from visa requirements to visit other ASEAN countries party to the agreement for a period of stay of up to 14 days. The World Economic Forum ranks Cambodia as the most open among CLMV and second in ASEAN after the Philippines (WEF, 2018). Visa policies and procedures in Vietnam and Myanmar are assessed as less facilitative; however, the low openness ranking for Myanmar does not consider deployment of the country’s new electronic visa and expanded visa on arrival programs (ADB, 2017).

Cambodia allows tourist visa on arrival for 179 countries and tourist visa exemption for citizens of all ASEAN member states (Ministry of Tourism, 2018). The Lao PDR allows tourist visa on arrival for 180 countries and tourist visa exemption for citizens of all ASEAN member states (MICT, 2018). Since opening its economy in 2011, Myanmar has fully adopted the ASEAN Framework Agreement on Visa Exemption, introduced tourist visa on arrival services for 26 countries and permits electronic tourist visas for more than 100 countries. (MOHT, 2017) Vietnam offered prearranged visa on arrival for 182 countries and visa exemption for all 24 countries including ASEAN member states (VNAT, 2018) (ADB, 2017).

Table 4.8: Visa Openness, 2011 - 2017

	Rank 2011 (1-139)	Rank 2013 (1-140)	Rank 2015 (1-141)	Rank 2017 (1-136)
Cambodia	15	30	59	58
Lao PDR	-	-	23	18
Myanmar	-	-	132	-
Vietnam	7	15	89	73

Source: World Economic Forum: The Travel & Tourism Competitiveness report 2015/2017

4.2.3 Information and Communication Technology

In the Digital Age, ICT has used for the way consumers plan, purchase, and share experiences about tourism products and services. According to the Boston Consulting Group, more than 95% of travelers use digital resources for travel planning and consumption, and to share information during and after a trip (Guggenheim, 2014). This is influenced by increasing rates of fixed-line and mobile internet usage, the falling cost of internet access, and the rising popularity of online travel agents and social media. For example, TripAdvisor's various branded sites reach 490 million unique monthly visitors and contain more than 760 million reviews covering 8.3 million accommodations, restaurants, and attractions (Tripadvisor.com, 2019). In the 12-month period ending 25 August 2019, there were about 500 million active Google users, 665 million active Baidu users and 2.41 billion Facebook users; 29 billion images were uploaded to Instagram and 1.3 trillion videos were viewed on YouTube (Internetlive.com, 2019). This clearly states the importance of ICT and social media to the travel and tourism industry. Apart from

being an effective tool to promote tourism, ICT modernization supports inclusive growth by creating opportunities for SMEs to affordably connect with global markets (ADB, 2017).

Examples of how ICT is being used by government and the private sector to support travel and tourism in CLMV includes the introduction of electronic visas (Cambodia, Myanmar, and Viet Nam), the use of government and private websites for destination marketing, online advertising, business listings on online travel agents, and the use of peer-to-peer sharing economy websites (ADB, 2017).

Table 4.9: Information and Communication Technology Indicators, 2014/2015

	Networked Readiness Index (1-143)	Internet Users (million)	Internet Use Annual Growth (%)	Mobile Broadband (per 100 people)	National Tourism Organization Global Website Ranking
Cambodia	110	0.8	10	10	5,990,443
Lao PDR	97	0.7	-	3	749,291
Myanmar	139	0.6	9	1	1,495,671
Vietnam	85	40	9	83	309,432

Sources: World Economic Forum: The Travel & Tourism Competitiveness report 2015/2017; alexa.com; internetlive.com, (ADB, 2017)

4.3 Components of Tourism Sector

Since 2005, CLMV have good progress in promoting tourism development. At the same time, the countries suffer from a poor human resources constraints, poor transport infrastructure, and insufficient protection of the environment and cultural heritage assets. These constraints make lower the overall tourism competitiveness in CLMV and hold back the development of potentially profitable market linkages between tourism and other sectors. The results are reduced economic benefits, environmental degradation, and persistent inequality between gateway and secondary destinations. Rather than focusing on simply increasing numbers of visitor in countries, efforts should change toward generating and retaining more income from tourism, better balancing the distribution of

benefits within CLMV and among ASEAN countries, and controlling negative impacts (ADB, 2017).

4.3.1 Human Resources

Tourism is a labor intensive, place dependent economic activity that directly employed about 4.6 million people in CLMV in 2015. Continued rapid growth in visitor arrivals could create nearly 700,000 additional new jobs by 2020, mainly in diverse small and medium-sized enterprises (SMEs) that provide goods and services consumed by visitors (WTTC, 2015). Industry stakeholders report that the need for quality human resources far outstrips supply, and the lack of well-trained workers is one of the main barriers to improving tourism service quality and competitiveness. Compared to other ASEAN countries, CLMV has low enrollment in technical and vocational education and training (TVET) according to International Labor Organization and Asian Development Bank. (ILO, 2005) (ADB, 2017).

Poorly management of tourism growth also can cause to sexual exploitation of children and child labor. According to ECPAT International, increasing numbers of children in Southeast Asia are sexually exploited by local and foreign visitors who make use of facilities developed for tourism to gain access to children (ECPAT , 2014). Children working as street vendors, as tour guides, and in entertainment venues are especially vulnerable to abuse, with elevated risk of becoming entangled in sex work and trafficking. These risks are higher for children living near borders, casinos, and special economic zones. Although poverty, migration, parental absence, and abusive household situations are among the main contributors to vulnerability, ending sexual exploitation of children by tourists requires more effort to (i) educate visitors and industry stakeholders about the factors that make children susceptible to abuse, (ii) strengthen legal frameworks to allow increased criminal prosecution of traveling sex offenders in tourist destinations and countries of origin, (iii) improve cooperation and investigative capacity of international law enforcement agencies, and (iv) promote tourism products and services that align with child-safe tourism principles (World Vision, 2013) (ADB, 2017).

4.3.2 Protection of Cultural and Natural Assets

Natural and cultural assets, including historic sites, cultural industries, national parks, and urban green space happen a destination attraction to visitors and livable for residents. Recognizing that protection of such assets is essential to maintaining the

cultural values and ecosystem services that are important to many facets of their economies, CLMV have legally founded extensive protected area systems in conjunction with other ASEAN countries (Table 4.10). Recreation and tourism feature prominently in the management plans of most protected areas. Since accepting the Convention Concerning the Protection of the World Cultural and Natural Heritage (the World Heritage Convention), CLMV have added 14 properties to the United Nations Educational, Scientific and Cultural Organization (UNESCO) list of World Heritage Sites (UNESCO, 2019). All are striving to increase the number of listings and prioritize funding and technical expertise for conservation. CLMV are active parties to the ASEAN Declaration on Heritage Parks and contain about half of the protected areas selected under the initiative (ASEAN Secretariat, 2003) (ADB, 2017).

Table 4.10: Protection of Natural and Cultural Areas in ASEAN

	Natural Protected Areas			United Nations Educational, Scientific and Cultural Organization World Heritage Sites	ASEAN Heritage Parks
	No.	Area (km2)	Total Land Area (%)		
Cambodia	44	47,466	26	2	2
Lao PDR	33	38,542	17	2	1
Myanmar	57	48,592	7	2	7
Vietnam	223	25,153	7	8	5

Sources: ASEAN Biodiversity Information Sharing Service, International Union for Conservation of Nature, UNESCO World Heritage Center database (ADB, 2017)

The most distinctive threats to tourism development in CLMV's natural protected areas are an abundance of well-designed management plans, weak enforcement of laws and regulations mentioned by stakeholders, development of extractive industries, expanding commercial agriculture, and wildlife poaching. Moreover, CLMV's protected areas deteriorate from insufficient government funding, rapid population growth, agricultural encroachment, growing demand for fuel wood, and illegal trade in wildlife, timber, and non-timber forest products. By reviewing of cultural heritage management practices, UNESCO point out the need for better urban planning and adaptive use of

heritage buildings, increased public participation in conservation planning, heritage education for residents and tourists, promotion of cultural industries, reinvestment of taxes and fees into heritage conservation, and more stringent use and enforcement of cultural heritage impact assessments as part of development planning (UNESCO series, 2017) (ADB, 2017).

4.3.3 Climate Change and Environmental Safety

The United Nations Framework Convention on Climate Change (1992) and the subsequent Paris Agreement (2015) unify international efforts to mitigate the release of greenhouse gases into the atmosphere and adapt to the negative impacts of climate change. The main purpose is to limit global temperature rise during this century to well below 2 degrees Celsius above preindustrial levels and to pursue efforts to hold the temperature increase to 1.5 degrees Celsius (UNFCCC, 2006). In CLMV, due to the incidence of severe weather events, changing rainfall patterns, rising temperatures, more frequent forest fires, and sea level rise increased the major negative effects of climate change. These are putting greater strain on transport infrastructure and urban services essential for tourism, threaten agricultural output, and may increase the frequency and severity of communicable disease outbreaks. An urgent priority for tourism is highly dependent on pristine beaches, coastal cities, agriculture, forests, and other natural attractions, countering climate change (ADB, 2017).

Tourism and travel make greenhouse gas emissions—mainly carbon dioxide (CO2) by increasing incremental consumption of energy-intensive transport and accommodation services. Per passenger, per room, per GDS transaction, and per unit of revenue, we serve global travelers more efficiently, and these efficiency gains carry forth in future tourism growth to contribute to the aspirational goal of a 50% reduction in carbon emissions by 2035 (WTTC, 2015). Technological improvements such as fuel efficiency, alternative fuels, and renewable energy are required to lower transportation emissions. On the demand side, consumer behavior change can be promoted to lower emissions. It should be encouraged to choose lower-carbon travel options, to offset emissions, and to purchase environmentally friendly products and services. CLMV are committed to implementing the ASEAN Green Hotel Standard, but more requires to be done to strengthen building codes, increase the generation and distribution of renewable energy, and improve the energy efficiency of urban services such as water supply and wastewater treatment. Tourism destinations also require to make climate change

adaptation efforts. It is needed more financing and technical expertise to design and construct climate-resilient infrastructure and retrofit existing facilities. Business must apply to changing demand patterns, and all industry stakeholders must implement resource conservation measures, especially water, forest, and coastal ecosystem conservation. As tour operators deal with the entire tourism supply chain, they can assist influence government, consumers, and businesses to implement mitigation and adaptation measures (ADB, 2017).

4.4 Government Sector Strategy, Policy, and Plans

The national tourism sector strategies of CLMV focus on Infrastructure and service quality improvements to increase tourism expenditure, maximize income and employment generation from tourism and linked industries, and reduce the negative social and environmental impacts of tourism. The main strategic directions and policies are summarized in Table (4.11). Priority projects to improve public infrastructure need followed by human resource development, negative impact management, marketing and promotion, and travel facilitation.

The regulatory and business environment for tourism are strongly influenced by laws and policies on immigration, transport, construction, and labor. Recognizing that the private sector is an important role as investors and destination marketers, CLMV's national tourism organizations interrelate strategic planning and policy dialogue with other government agencies and private enterprises through national tourism sector advisory boards, sector working groups, and industry associations. These consist the Cambodia Association of Travel Agents, the Cambodia Hotel Association, the Cambodian Tourism Marketing and Promotion Board, the Myanmar Tourism Federation, and the Vietnam Tourism Advisory Board. Although the Lao PDR presently does not have a national tourism advisory board or similar public–private entity, the Lao Association of Travel Agents and the Lao Hotel and Restaurant Association routinely work with government to address tourism related regulatory and policy issues (ADB, 2017).

Myanmar welcomes tourists from around the world and will continue to facilitate smooth and efficient access to the country. To develop Myanmar as a year-round destination with a geographically spread product base, MTF, MOHT work together. Importantly, the value of tourism create precedence over simply increasing the volume of international visitors. Government of Myanmar closely evaluate the expansion of the

sector and encourage forms of quality tourism that are consistent with national, state, and regional development objectives. Furthermore, Myanmar 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 put a high target of 3.01 million international visitors in 2015 and 7.5 million in 2020. Based on this high growth scenario, tourism receipts are estimated 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 1.5 million. To ensure that this growth is organized 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 Master Plan (MOHT, 2013).

Table 4.11: Government Tourism Sector Strategies of CLMV

Strategy	Strategic Directions	Targets
Cambodia Tourism Development Strategic Plan (2012 – 2022)	• Enhance tourism product development and product quality • Improve marketing and promotion • Improve travel facilitation, transportation and regional and international connectivity • Improve tourism safety and management of negative environmental, social, cultural and economic impacts • Strengthen legal systems and management mechanisms • Human resource development	• 7.5 million international visitor arrivals (IVA) • $5 billion international visitor expenditure • 1 million new jobs
Lao PDR National Tourism Strategy (2012 – 2020)	• Increase national income and generate employment for local people • Increase public and private investment to enhance the quality of tourist destinations and products • Effectively implement regulations, standards • Improve tourism research, information, marketing and promotion • Human resources development • Improve tourism infrastructure and develop products and circuits that link subnational areas	• 4.5 million IVA • $800 million international visitor expenditure • 100,000 new jobs
Myanmar Tourism Master Plan (2013 – 2020)	• Strengthen the institutional environment for tourism • Build human resources and service quality • Strengthen safeguards for destination planning and management • Development quality products and services • Improve connectivity and tourism related infrastructure • Build the image, position, and brand of Myanmar	• 7.5 million IVA • $10.2 billion international visitor expenditure • 1.5 million new jobs
Vietnam Strategy for Tourism Development to 2020, Vision to 2030	• Develop tourism into a leading economic sector • Improve tourism quality, efficiency, brand recognition, and competitiveness • Promote international and domestic tourism, focusing on attracting more high spending international visitors • Protect cultural, historic, and natural resources • Increase domestic and international tourism investment	• 10.5 million IVA • $19 billion international visitor expenditure • 900,000 new jobs

Sources: National tourism organizations; Third Meeting of the CLMV Tourism Ministers. 2015, Nay Pyi Taw (ADB, 2017)

4.5 Survey Analysis

The purpose of travel and tour company survey was to obtain the facts about challenges of tourism sector in Myanmar by sampling travel and tour agencies based in Yangon which is one of the main business assets for Tourism Sector. It was to find out what are the major challenges for travel agencies market, the need of infrastructure development and the necessary of ICT development for tourism sector in Myanmar. The sampling frame, questionnaires instrument, data collection procedure and data analysis are described.

In addition, it was mentioned about challenges of current tourism sector by interviewing with Sales Managers from selected Five Stars Hotels in Yangon with opened type questioning methods.

Nowadays, Travel & Tour Companies are established to provide one stop service for tourists who travelling all around the world. In Myanmar, most of Travel & Tour Companies are located in Yangon. Among them, 33 tour companies are selected from 50 active tour companies in Yangon which handle both in-bound and out-bound tour programs by using with convenience sampling method and this survey is conducted to tour managers and owners from these 33 tour agencies.

4.5.1 Survey Design

In this survey, questionnaires were used in collecting data from the respondents. For primary data, Key Informant Interview is conducted on responsible persons including owners and managers from 33 out of 50 fully active tour agencies. Normally there are between 1 to 5 employees who take responsible for tour operator and manager role in larger tour companies. The survey is collected from 25 managers and 8 owners, total 33 respondents. In Yangon, there are more than 400 registered travel agencies but not all are active at present. Based on the availability of the sample size, the survey is collected from 33 tour companies out of 50 active in-bound and out-bound tour companies in Yangon. The questionnaire was self-administrated and was divided into 3 sections which are the characteristics of respondents, challenges in infrastructure and tour market and respondents' perspective on challenges and opportunities of current tourism development in Myanmar.

4.5.2 Characteristics of Respondents

The characteristics of the 33 respondents of the tour companies are presented in Table (4.12) through gender, age, educational qualification, present position in the company and years of working experience.

Table 4.12: Characteristics of the Respondents

Gender	**Respondents**	**Percentage**
Male	10	30
Female	23	70
Age Group	**Respondents**	**Percentage**
18 – 22	2	6
23 – 27	6	19
28 – 32	7	20
32 – above	18	55
Educational Qualification	**Respondents**	**Percentage**
Under graduate	2	6
Graduate	25	76
Post Graduate	6	18
Working Experience in Travel & Tours	**Respondents**	**Percentage**
Between 1 - 3 years	4	12
Between 3 - 5 years	3	9
Between 5-10 years	19	58
More than 10 years	7	21
Position	**Respondents**	**Percentage**
Tour Owner	8	25
Tour Manager	25	75

Source: Survey Data

According to Table (4.12), most of the respondents are female and it accounted for 23 out of 33 and 70% of total respondents. Among them it also found out as some are owners and managers of respective travel & tour companies.

For the respondents' age, the majority of age group are 32 and above and total 55% with 18 respondents which shown that most of the tour business employees and owners are millennial age range and they started their tour business at a younger age and being engaged in this business for several year.

The educational level is shown that 76 graduated percentage with total 25 people and their position are 75% are working as tour managers and 25% are owners. Their working experiences in travel & tour business is 58%, 19 respondents are nearly 10 years experiences and 21% with 7 people are more than 10 year working experiences. By analyzing these data, most of the tour managers have experience in the field nearly a decade and the following survey data and their point of views are relied for the thesis at most.

4.5.3 Challenges of Infrastructure and Tour Market

All structural questionnaires are prepared to collect the opinion of Travel & Tour owners and managers upon their current challenges of tourism sector, specify on infrastructure and tour market. Total 10 questions of five – point Likert scales (ranging from "strongly disagree = 1" to "strongly agree = 5") which measure the perception on difficulties and challenges of infrastructure and tour market. Refer to the table (4.13), Infrastructure is importance for Tourism development in Myanmar. All about 96% of respondents are totally agree on the needs of basic infrastructures in Tourism Sector.

Table 4.13: Respondents' view on importance of Infrastructure

	Strongly Agree	Agree	Neutral
Frequency	24	8	1
Percentage	72%	24%	4%

Source: Survey Data

Based on the classification of different infrastructure needs table (4.14), the mean agreement level of the descriptions are above 4.0. The result proved that roads, airlines and accommodation infrastructures are required at maximum. The respondents mentioned that good condition of roads are needed to develop which is shown by maximum mean agreement score 4.06. Insufficient and poor condition of road make the slowness of tourism business movement. Tourist are unable to go to attractive destinations efficiently because of poor condition of road infrastructure. The famous secondary destinations are not popular than it could be. Moreover 3.97 agreeable mean scores revealed that respondents had experience that tour plan was cancelled because of poor road conditions. Northern part of the Myanmar are the most distinctive beauty land areas with snowy hills

and mountains, called Kachin State. But it was due to the difficulty and poor road infrastructures, a few visitors and tourists only went there in every year.

Table 4.14: Classification on different Infrastructures Needs

Particular	Mean	Std. Deviation
Infrastructure is important for Tourism Development in Myanmar.	4.55	.666
Tourists use road trip than air trip to go to interested destinations in Myanmar.	3.88	.820
The good condition of road is needed to develop at many destinations in Myanmar.	4.06	.747
You have experience that the cause of poor road condition, tour plan and arrangement has been cancelled.	3.97	.847
Myanmar has insufficient domestic and international airlines.	3.82	.808
Airfare are expensive than other neighboring countries.	4.30	.728
We do have sufficient hotels and accommodations for International tourists.	4.00	.901
Accommodation charges are expensive for tourists. (exclude luxury Tour)	4.03	.883
The clean pipe water is not available in some tourist destinations of Myanmar.	4.30	.883
Infrastructure development and well maintenances are much needed for Myanmar Tourism Sector.	4.09	.914

Source: Survey Data

For the airline service, 3.82 mean score proved that there wasn't enough airlines in Myanmar. By comparing the airfare to other neighboring countries, airfares are the most expensive in Myanmar which is proved by 4.30 of strongly agreeable mean score in the survey data. Increased of air schedule and services are strongly influencing to tourism development. Less monopolized and competitive airfare price are the only way to create more demands in the market and travelers will use more air service when travelling that can create strong connectivity within regions .

Accommodation charges are expensive for tourists and there were insufficient accommodations for some tourist destinations. Above 4.0 mean level proved that

accommodation charges are expensive in Myanmar for tourists compared with other CLMV countries. Welcomed SMEs business, privatization and more foreign investment in hotels business are required. Based on the tourist arrival ratio in yearly, accommodations are needed to be extended to secondary destinations. Then, clean pipe water is also required at tourist destinations, 4.30 of aggregable mean data shown for that questionnaires. According to the Tourist Health and Safety procedure, clean pipe water is really important for health care.

The 4.09 aggregable mean described that lack of proper maintaining for existing infrastructures and that is the urgent and important action for current tourism development in Myanmar. Maintaining tourist sites and natural heritages systematically are one of the live long sustainable tourism business and ethical development for socio – economic growth for residents.

Refer to the table (4.15) classification of current tourism market situation and other supports are mentioned in below. In generally, there are gained 3.5 mean level above and standard deviation is below 1 in average which mean that respondents are strongly agree on following discussion points. Inbound tour market is more active than outbound market by seeing the 3.64 mean level of respondents result. Due to the political affair (Rakhine Case), European tour market is going down since 2016, shown in figure 4.06 strongly mean level of respondents and zero budget tour are popular in end of 2018. That is the cheap package holidays known as “Zero Budget Tour” from China. Zero-budget travel is controversial because travel agencies and business in destination countries are often linked or owned by the same entity, which means much of the profit returns to China and 4.30 mean data is proved that issue.

Table 4.15: Classification of Tourism Market and others Supports

Particular	Mean	Std. Deviation
Inbound Tour Market is developed than Outbound Market currently.	3.64	1.168
Tourist can travel to many attractive destinations (Cultural and Natural heritage Site) in Myanmar safely.	3.58	1.347
To promote Myanmar Tourist Destinations, authority from Associations need to organize/participate more outbound fam meeting and ASEAN tour exhibition in oversea often.	4.36	.742
Outbound tourism development is depend on market promotion and responsible tourism.	3.58	1.300

Tourist can enter to Myanmar and travel anywhere easily without any restricted rule and regulation.	3.61	1.088
European Tour Market is down trend compared with Asian Market because of political affair (Rakhine Case).	4.06	.704
Popularity of Zero Budget Tour make the tourism market breakdown.	4.30	.847

Source: Survey Data

The agreeable mean 3.58 of tour managers and owners said that to strengthen the outbound tourism market, the responsible tourism and sustainable market promotion are required. Need to participate in outbound FAM meeting and ASEAN exhibition in others countries organized by country tourism Associations. To extend the quality market, that is the very important and Tourism Associations in Myanmar need to work closely with others countries associations for regional tourism development. The highest responds, 4.36 mean showed the totally agreement on it. Normally tourist can travel in Myanmar safely and restricted rules and regulations are applied up to minimal standard based on survey result, 3.61 mean level is shown in data. In concluded the market data, Myanmar tourism market need to extend more to global level and work with standard rules & regulation for travelers since we have required safe environment for tourists.

Table 4.16: Importance of ICT in Tourism Sector

Particular	Mean	Std. Deviation
Internet is essential for tourism sector nowadays.	3.67	.990
To advertise the tour plan and packages, internet website become the most effective way to use than other advertising tools.	3.85	.795
Most of your clients contact to you via Email.	4.06	1.144
Current electronic Visa policy is required to be accessible for tourists.	4.15	.619

Source: Survey Data

Refer to Table (4.16) Information and Communication Technology is essential to Tourism Development in Myanmar, all the mean level for above concerned questions achieved nearly 4 mean level and the respondents are strongly agreed. By analyzing the survey data, ICT is demanded for Travel & Tour business. But our electronic visa policy

is still require to be accessible for tourist, shown 4.15 mean level of respondents proved it.

Even though Myanmar have significant changes in Tourism compared with last decade, she still face the challenges in peace and stability within countries with ethnic groups which is not major impact to tourist safety in ground but rumor and bad reputation go through and spread social media and effect to tourists who haven't come to Myanmar yet. Another challenges is price competitiveness in the market. Hotels and airfare prices are still high and tourism market should be flexible by balancing supply and demand sides. ICT usage should be broaden enough up to International range and maximize accessibility to promote many tourist destinations and adaptability to required rules and regulations.

4.5.4 Opportunities of Tourism Development

There are many positive changes and improvement in Myanmar Tourism Sector after practicing open economy in country. Increased different size of hotels and accommodations, in total 1704 hotels in 2018 according to Ministry of Hotels and Tourism, Visa on Arrival are permitted with less restriction based on requirements, many more fine dining restaurants with different cuisines from all around the world are available and at the same time job opportunities for local people are created. Domestic travel business are increased magnificently and more heritage sites are recognized by International organizations (e.g. UNESCO).

After government reform in 2010, inbound tour market is gradually improved and there are many domestic travelers among citizens. Beside, ICT is improving within country wide but it still keep bottom rank in ICT usage compared with CLMV countries. However, travelling blogs on internet are famous and poplar among citizens nowadays. Many traveler bloggers are more professional and extending their market to international level gradually. These are the very positive change to promote the Myanmar Tour Destinations to get Global interest. In 2018, inbound licensed tour company increased 2670 Local Company and Joint-Venture Company is 41 and Foreign Company is 1, total 2712 companies (MOHT, 2017).

Another positive changes is easy access to make the currency exchange for tourists compared with last decade. In the major cities of Myanmar, many licensed currency exchange counters and shops were opened. Based on the market price, exchange rate was flexible and both parties get fair price. It can make the circulation of foreign

currency in the market economy. Moreover, it is available card settlement in hotels, motels, restaurants and shops, at most of the tourist destinations. With the credit and debit card, it was easy to pay the bills, especially international card company VISA, Master and Unionpay. That was the very positive change for pay the bill smoothly, easy cash flow for nation and very convenient for the international travelers.

By doing randomly interview with Sales Managers of Five Star Hotels in Yangon, the below data are interpreted. The survey hotels are Sedona Hotel, Grand Wydham Hotel, The Strand Hotel, Sule Shangri-La Hotel, Melia Hotel and Chatrium Hotels. The respondents shared their perceptions and expectations on current tourism market. Even though it was down trend of European tour market compared with Asian market, it will be better to put more effort to increase support from government and Tourism Associations to promote tourist destinations to Global Market, to create flexible rules and regulations to be more accessible for tourists and to make workable tour activities and plans for any level of travelers. Since Myanmar have rich of natural and cultural assets, it doesn't need to create manmade things to retain the travelers' interest. By networking, promoting, digitizing, advertising and making well known about Myanmar to global travelers, the best way to generate tourism sector incomes at maximum.

CHAPTER V
CONCLUSION

5.1 Findings

With analyzing of CLMV countries' tourism development by secondary data and Myanmar Tourism Development by primary survey data, there are major findings together with challenges and opportunities to improve Myanmar Tourism Sector.

Based on both secondary and primary survey data analysis, there are 3 main challenges for Myanmar tourism development which are Infrastructure, country policy and regulations and the shortage of skill labors.

Myanmar possess many attractive tourist places, the most popular destinations and the very potential secondary destinations in the country, but where haven't been positioned on the certain level as earning revenue for country yet. It is difficult to access, poor infrastructure, lacking well – maintained plan from natural disasters, sanitation and waste management control are the main challenges to promote the whole country tourist sites. According to the primary survey data, 93% (4.09 mean scores) of respondents are proved that lack of proper maintaining system on existing infrastructures. With refer to ICT usage, especially for internet user within country is only 0.6 million in 2015, which is the lowest rank among CLMV and also Myanmar has the second largest population size among CLMV and only 1 mobile broadband per 100 people can used. So, ICT development by country wide is still challenging to promote tourism development and SME business is required to provide usage of internet and mobile communication throughout the country.

Compared with CLMV countries' Tourism Investment in 2015, Myanmar is the lowest investment rank, only (0.1 billion) and competitiveness ranking for infrastructure is also the lowest values and rank. In 2017, tourist arrival by air is 38.88% (by land is 60.41% and by water is 0.71%) and 3.6 million scheduled inbound seats which is shown that Myanmar transport infrastructure is still at the bottom line among CLMV. Myanmar has only 1704 hotels and guesthouses in 2018 and 64 properties in development pipeline.

Myanmar still need to develop SME jobs and welcome to foreign direct investment for tourism infrastructure development.

Political un-stability is one of the challenges in tourism development as well. With an example of Myanmar, the western part of the Country, Northern Rakhine State suffered internal conflict since October 2016 and that destination was stopped for any tourism activities. The unexpected natural disaster in the countries is one of the reason to breakdown the tourism development. Refer to the primary survey data, 4.06 mean level of survey respondents agreed that European Tour Market is down trend compared with Asian Market because of political affair in Rakhine State.

In tourist visa policies, it has seen much improvement in Myanmar but it is still on the low openness ranking in country new electronic visa and expanded visa on arrival program. As refer to survey data, Electronic Visa policy is required to be accessible for tourists by proving 83% (4.15 mean) of respondents. Government policy and strategic direction for tourism development must be high degree of tangibility and more connectivity to build up demanding tourism market. Myanmar need openness to interact with ASEAN and Global Tourism Market.

Although CLMV all have progress in upgrading TVET system, the demand for skilled tourism workers underscores the need to further access to quality education and training that is relevant to tourism industry needs according to table and adapted from International Labor Organization and ADB report (ADB, 2017).

Tourism is a rapidly growing, place-dependent activity that offers enormous opportunities to boost inclusive economic growth. Strengths to build on CLMV's diverse tourism assets, excellent (air, land and water transport) infrastructure, open visa policies, and private investment in employment-intensive subsectors. These include accommodations, food and beverage services, tour operations, and local entertainment, all of which create and sustain good jobs and generate income. The developing Asia is expected to provide continued stimulus for tourism growth into the foreseeable future. Policy makers in CLMV need to recognize that strategically managed tourism can enhance inclusive economic growth by enabling rural and urban residents to access lifelong salaried employment in service sectors and provide markets for lower-income producers. Tourism generates significant tax revenue that can be reinvested to support social development objectives, improve environmental management, and protect cultural heritage (ADB, 2017).

In Myanmar, there are many tourist attraction places are waiting to be explored. The Land, Mountains, Sea are equally surrounding and demonstrating The Golden Land Myanmar as enriching natural resources and tourist destinations. Based on the 135 different ethnic groups in Myanmar, it could be the highest assets in promoting the traditional culture, foods and community based tourism. Based on the survey result, respondents agreed that there are many positive changes and improvement in Myanmar Tourism Sector after practicing open economy in the country. Increased different size of hotels and accommodations, in total 1704 hotels in 2018 and International visitor increased 57% growth annually until 2017 according to Ministry of Hotels and Tourism. Visa on Arrival are permitted with less restriction based on requirements and many more fine dining restaurants with different cuisines from all around the world are available in Myanmar and at the same time job opportunities for local people are created. Domestic travel business are increased magnificently and more heritage sites are recognized by International organizations (e.g. UNESCO). Being a member of ASEAN countries, Myanmar have better opportunities to do regional integration and sharing tourism market and make profitable revenue for tourism development.

5.2 Suggestions

To get better balance the tourism benefits, with good tourism potential for secondary destinations need more public investment in transport infrastructure to facilitate the movement of tourists into new areas. Infrastructure improvement is highly required for secondary destinations that protects the environment and expand environmental services to make sure that destinations are safe, livable, and competitive. A part of the infrastructure investment, targeted policy reforms and better tourism education and training are needed to invest the business environment more attractive and to produce the goods and services which is demanded by high-paying visitors.

To increase net income from tourism which is required productivity enhancements and expansion of diverse small and medium size enterprises (SMEs), which need to broaden their supply of local products and services. By helping producers of food, crafts and other local goods and services access tourism value chains, it could boost overall spending in destinations, providing a larger pool of destination expenditure, more jobs and potentially higher net income. To achieve these outcomes, it is needed more

investment in productive rural infrastructure, urban – rural connectivity and business support services.

Quality infrastructure, capable human resources, and progressive policies will help mitigate the risks to sustainable and inclusive tourism growth in CLMV. These include environmental degradation, undesirable social impact as such as child-sex tourism, communicable disease outbreaks, insufficient disaster readiness and response, and strong tourism competition from other destinations in Asia and the Pacific.

There is a requirement to upgrade the skills, qualifications, and foreign language aptitude of incumbent workers to facilitate career progression within industry. Effort should focus on expanding the number and geographic spread of quality public and private technical and vocational education and training facilities (TVET) to increase professional development for teachers, to improve collaboration between government and private industry to develop and implement competency-based curriculum and certification frameworks, to expand training courses that are tailored to the time and resource constraints of learners, to increase enrollment with due consideration for needs-based scholarships to ensure inclusivity.

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APPENDIX I

Questionnaire for Tourism Sector Development in Myanmar

This questionnaire is only for EMDevS thesis about the tourism sector development in Myanmar. I am a student of Yangon Economic University and doing the research for "Challenges and Opportunities of Current Tourism Sector Development in Myanmar". Kindly take a few minutes to answer the questionnaires from you. Your answers are the most valuable help for this research and country. Thank you so much for all of your contribution and time, indeed.

Section I: Demographic Data of Travel & Tour Company Owner/Manager

Direction: Please choose the suitable answer for following questions.

1. Gender
   Male
   Female

2. Age Group:
   18 - 22
   23 - 27
   28 - 32
   32 - above

3. Position
   Owner
   Manager
   Others

4. Education

Under graduate

Graduate

Post Graduate

Others

5. Working Experience in Travel & Tours

Under 1 year

Between 1 - 3 years

Between 3 - 5 years

Above 5 years

Others

6. Income per month

Below 500,000 Ks

500,000 Ks - 1,000,000 Ks

1,000,000 Ks - 1,500,000 Ks

1,500,000 Ks - 2,000,000 Ks

Above 2,000,000 Ks

Part II: Survey Questionnaires of current tourism sector development.

Direction: Please choose and tick the following criteria from 1 to 5 for the given statement the following scales:

1 - Strongly Disagree, 2 - Disagree, 3 - Neutral, 4 - Agree, 5 - Strongly Agree

Infrastructure

No.	Particular	1 Strongly Disagree	2 Disagree	3 Neutral	4 Agree	5 Strongly Agree
7	Infrastructure is important for Tourism Development in Myanmar.					
8	Tourists use road trip than air trip to go to interested destinations in Myanmar.					
9	The good condition of road is needed to develop at many destinations in Myanmar.					
10	You have experience that the cause of poor road condition, tour plan and arrangement has been cancelled.					
11	Myanmar has insufficient domestic and international airlines.					
12	Airfare are expensive than other neighboring countries.					
13	We do have sufficient hotels and accommodations for International tourists.					
14	Accommodation charges are expensive for tourists. (exclude luxury Tour)					

15	The clean pipe water is not available in some tourist destinations of Myanmar.					
16	Infrastructure development and well maintenances are much needed for Myanmar Tourism Sector.					

Tourism Market

17	Inbound Tour Market is developed than Outbound Market currently.					
18	Tourist can travel to many attractive destinations (Cultural and Natural heritage Site) in Myanmar safely.					
19	To promote Myanmar Tourist Destinations, authority from Associations need to organize/participate more outbound fam meeting and ASEAN tour exhibition in oversea often.					
20	Outbound tourism development is depend on market promotion and responsible tourism.					
21	Tourist can enter to Myanmar and travel anywhere easily without any restricted rule and regulation.					
22	European Tour Market is down trend compared with Asian Market because of political affair (Rakhine Case).					

23	Popularity of Zero Budget Tour make the tourism market breakdown.					

Information Technology

24	Internet is essential for tourism sector nowadays.					
25	To advertise the tour plan and packages, internet website become the most effective way to use than other advertising tools.					
26	Most of your clients contact to you via Email.					
27	Current electronic Visa policy is required to be accessible for tourists.					

Part III: Open Questions Type

28. What is the positive changes in Myanmar Tourism Sector compared with last decade?

29. What is the major challenges in current Tourism Business?

30. What are the most important facts to promote Myanmar Tourism Business?