

**UNITED NATIONS ECONOMIC AND SOCIAL COMMISSION FOR ASIA AND
THE PACIFIC (ESCAP)
ASIAN DEVELOPMENT BANK (ADB)
MEKONG TOURISM COORDINATION OFFICE (MTCO)**

**17th Meeting of the Working Group on the Greater Mekong Subregion
Tourism Sector**

**28-30 March 2006
Luang Prabang, Lao PDR**

REPORT

ORGANIZATION

1. The 17th Meeting of the Tourism Working Group (TWG) on the Greater Mekong Subregion (GMS) Tourism Sector was held in Luang Prabang, Lao PDR on 28 to 30 March, 2006. The objectives of the Meeting were to consider and discuss the Action Plan of the Mekong Tourism Coordinating Office (MTCO) for 2006, the implementation of the strategic programmes under the GMS Tourism Sector Strategy 2006-2015, and to discuss areas of specific cooperation for promoting tourism in the Greater Mekong Subregion. The Meeting was organized by the United Nations Economic and Social Commission for Asia and the Pacific (ESCAP), the Asian Development Bank (ADB), and the Mekong Tourism Coordinating Office (MTCO) in collaboration with the Lao National Tourism Administration.

ATTENDANCE

2. Representatives from national tourism organizations (NTOs) of Cambodia, Lao PDR, Myanmar, People's Republic of China (PRC), Thailand and Viet Nam as well as representatives of ESCAP, ADB, the World Tourism Organization (UNWTO), the Pacific Asia Travel Association (PATA), SNV and MTCO participated in the Meeting. Representatives of various other public and private sector organizations involved in tourism also attended the Meeting as observers. The list of participants is attached as Appendix 1.

OPENING SESSION

3. H.E. Somphong Mongkhonvilay, Minister to the Prime Minister's Office, Chairman, Lao National Tourism Administration, welcomed all honorable delegates to the World Heritage Town of Luang Prabang and extended a special thanks to ESCAP and ADB for their support for this meeting, and for selecting Lao PDR as the venue for this auspicious event. He stated that the GMS TWG Meeting is an important event for countries in the subregion that are preparing to implement the GMS Tourism Sector Strategy from 2006 – 2015, and an important forum to discuss and work out how implement the development objectives adopted under the 6 nations GMS Cooperative Framework agreed at the July 2005 Summit of GMS Leaders in Kunming, People Republic of China. He also confirmed the continued cooperation of the Lao PDR in support of the initiatives to help promote cooperation, peace and friendship and raise the standards of living for the Lao people and others in the subregion. He noted that Lao PDR is located at the center of the GMS, has an extensive range of tourism resources and unique multiethnic customs and traditions. He informed the meeting that tourism has been prioritized as an important sector in the Lao

PDR's socio-economic development plan for 2006 – 2010 and in this context the Government has moved to implement policies and projects to build infrastructure, promote investments and facilitate cross border procedures. The country's first tourism law was passed in the 8th session of the national assembly held in November 2005 and in March 2006 adopted a new national tourism strategy for 2006 – 2020. In closing he wished the 17th TWG meeting a great success and an enjoyable visit to the World Heritage Town of Luang Prabang.

4. Ms. Shireen Lateef, Director, Social Sectors Division, Mekong Department, ADB, also welcomed participants. She noted that the ADB had supported cooperation in the GMS for more than 10 years and congratulated the members of the TWG on a solid record of achievements. She emphasized that in addition to supporting infrastructure development for the tourism sector for ADB, the building of human and institutional capacities, strengthening ownership and participation, ensuring a more equitable distribution of benefits and developing safeguards to protect the more vulnerable sectors were equally important. She also noted that tourism development left to itself did not necessarily guarantee sustainable development or safeguarding the interests of vulnerable groups will be. Hence, the Mekong Tourism Development Project is making concerted effort to shape and develop a better understanding of the tourism development process and the need to adopt broader and inclusive approaches based on a clearly defined strategic framework for sustainable development. In this context she mentioned that ADB was pleased to have provided technical assistance for the formulation of the GMS Tourism Sector Strategy 2006 – 2015. She pointed out that the thrust of the strategy was not to stimulate tourism growth in itself, but to manage the structure and impact of this growth so that it will be more sustainable, equitable, sensitive and responsive to the needs of less advantage groups, and make a direct positive impact towards the Millennium Development Goals. She congratulated the GMS countries for fast tracking the establishment and funding of the MTCO and the appointment of a full time Executive Director. She informed the meeting that ADB in partnership with the French Government was arranging funding for the appointment of a Project Coordinator for the MTCO to be filled in May 2006. To strengthen the implementation of the GMS Tourism Sector Strategy, she advised that the ADB was in the process of assisting the participating countries to develop and design a project focusing on demonstration subprojects in the area of sustainable development of natural and cultural heritage; pro-poor tourism development; cross border facilitation; human resource development and training; and private sector participation. She announced that ADB will also explore the potential to conduct a two week executive training course in tourism planning and management for senior and mid-level public sector officials within the framework of the Phnom Penh Plan. In conclusion she acknowledged that substantial progress had been made in advancing the agenda for GMS cooperation in the tourism sector and that the ADB looks forward to continued to work with the TWG and other development partners in reaching the objectives of the GMS Tourism Strategy.
5. Mr. Ryuiji Yamakawa, Chief, Tourism Unit, Transport Policy and Tourism Section, ESCAP also addressed and welcomed the participants to the 17th Working Group meeting. He thanked the organisers for preparing the meeting and the LNTA for selecting Luang Prabang for the meeting. He mentioned that Luang Prabang represent cultural and natural heritage. He stressed that tourism

is an important sector in addressing poverty reduction. He mentioned that the GMS countries have made tremendous progress in facilitating tourism growth in the subregion. The connections between the major destinations in the GMS region have made this growth possible. He mentioned that to facilitate this process the GMS tourism sector strategy was created and MTCO established. He asked all stakeholders to give support and welcomed all delegates to the meeting.

ELECTION OF OFFICERS AND ADOPTION OF THE AGENDA

6. The meeting elected Ambassador Vang Rattanaavong, Vice Chairman of the National Tourism Administration of Lao PDR as Chairperson of the Meeting and Mr. Lin Shan, General Director of Planning and Finance Department, China National Tourism Administration as Vice Chairperson.
7. The meeting adopted the Agenda, which is attached in Appendix 2.

ESTABLISHMENT OF THE MEKONG TOURISM COORDINATING OFFICE

8. The Executive Director, MTCO thanked the Thailand Ministry of Tourism and Sports for providing an office space for the MTCO. He provided a brief overview of the tourism sector in the GMS region and outlined the main tourism growth trends by GMS countries between 2004 and 2008. He presented the current status of the establishment of the MTCO and presented the draft program of activities and budget for the first year of operation. The details of the activities and operational budget are attached in Appendix 3.
9. The ADB representative noted that the budget for the salaries of the MTCO staff should only cover the Executive Director and a Secretary. It was noted that the budget for the Project Coordinator would be paid from a different budget. The Executive Director confirmed that the ADB will provide the position of Project Coordinator for the MTCO with the financial support of the French Government.

STRATEGIC PROGRAMMES:

PROGRAMME 4.2 A: MARKETING AND PRODUCT DEVELOPMENT PROGRAMME

10. The Executive Director of MTCO gave a brief overview of the objectives, scope, and implementing arrangements for the marketing and product development

programme under the GMS Tourism Sector Strategy. He then outlined his plans for implementing the programme in the next year, the key elements being: (1) use of a temporary logo based on the flags of the GMS countries and development of a permanent logo through a contest, (2) a change in the name of the office from the MTCO to Mekong Tourism Office (MTO), (3) a marketing strategy emphasizing web-based promotions, trade fairs presentations and publicity, and (4) a marketing and promotion budget of \$67 000 including contribution in kind or cash for the next year. Details are attached at Appendix 3. The Executive Director stated that the new website www.mekongtourism.org will go live on 29th March, 2006.

11. The representatives of China (PRC), Lao PDR, Myanmar, Thailand and Vietnam agreed to the interim logo, the proposed development of a new logo and the proposed name change. The Myanmar representative recommended that the names of the countries should be placed under the flags in interim logo. The Executive Director advised that the logo was only for the interim until the new logo is developed. China raised the issue that the MTCO's primary function was coordination between the GMS countries and that for this reason, it may be useful to retain the term 'coordinating' in the name. Cambodia advised that whilst it understood the need to streamline the name of the MTCO from a market branding point of view, it felt that the full name should be retained in correspondence involving coordination between the GMS countries. The UNWTO representative advised that the name MTO was preferable to the more complex MTCO which has less meaning in a market branding context.
12. The ADB representative asked the Executive Director to prepare an implementation plan of the logo design contest including a brief on the strategy and the marketing programme. The shortlist of winning designs together with recommendations for the preferred design should be presented to the TWG for approval. The ADB also supported the proposed name change. The Executive Director advised that he will work towards the implementation of these guidelines.
13. The UNESCAP representative agreed with the four recommendations of the Executive Director and stressed that the private sector should be heavily involved in the logo development process.
14. The PATA representative asked for further clarification on the in kind contribution identified in the proposed budget. The Executive Director advised that some of the contributions were estimates but on the basis of discussions with prospective airline and hotel partners, felt confident that these amounts could be achieved.
15. The SNV representative asked what kind of sponsorship was being sought to develop and maintain the website. The Executive Director explained that at this stage, the emphasis was to get the site up and running and then seek sponsorship support for its expansion and maintenance. The ADB representative asked the Executive Director how he could ensure that the website would be properly maintained especially in view of the difficulties in maintaining previous GMS tourism sites. The UNWTO representative agreed that the web site needs to be well maintained. Thus it would be essential for each of the countries to contribute content on a regular basis to the MTCO for updating the site. The

Executive Director responded that he would rely on the private sector (especially the tour operators) as well as the tourism offices in the GMS countries for the content to update and maintain the website.

16. The TWG delegates approved the Executive Director's proposals for the use of the interim logo, development of new logo, the use of MTO for marketing and presentation activities and MTCO for official correspondence with the GMS countries, the proposed marketing activities and related budgets for the next year.

PROGRAMME 4.2 B: PROGRAMME TO DEVELOP TOURISM-RELATED INFRASTRUCTURE

17. The Executive Director gave a brief introduction on the objectives, scope, rationale and implementing arrangements for the 13 strategic projects under the programme. These are listed as projects 17 to 29 in the GMS Tourism Sector Strategy. He asked each country to present brief reports of the status of the projects that they lead.

18. The Thailand delegate provided a report on the Projects 17, 20, 23 and 25. The main points were as follows:

- On Project 17: The Mekong World Tourism River Corridor, the effort to date is centered on developing a camp site and rest area at Mukdahan on the East West Corridor and border with Lao PDR to act as the focal point for orientating tourists to the Mekong River at an estimated cost of \$2.2 million.
- On Project 20: the Emerald Triangle Area Tourism Zone, the proposal is to develop a Three Civilizations Theme Park and Museum with related visitor facilities and services located at Sisaket at an estimated cost of \$12.7 million.
- On Project 23: the Heritage Necklace Circuit, the proposal is for the development of a Sukhothai Homestay village including health spa resort facilities at Sukhothai at a cost of \$2.5 million.
- On Project 25: the Andaman Coast Tourism Zone, the proposal involves (1) development of an international seaport located in Ranong Province that will act as a base for cruising and yachting to the Andaman islands off the coast of Thailand and Myanmar estimated to cost \$25.9 million; (2) a marine ecotourism activity center and camp site located at Phang-Nga province targeted at high-end ecotourism markets estimated to cost \$ 5.6 million; (3) an aquarium with indoor and outdoor exhibition in Phuket that will feature marine life of the Andaman coast and islands with an estimated cost of \$22.5 million.

Initial concept plans were presented for each project.

19. The UNWTO delegate advised that project documents had already been prepared for the Heritage Necklace and the Emerald Triangle Projects focusing on product development, marketing, and human resource development, and that

subject to UNDP funding, UNWTO was looking forward to commence the design of these projects by the middle of 2006.

20. The Yunnan Province delegate gave an overview of projects 18 and 27: The Golden Quadrangle Area and the Shangri-la – Tengchong – Myitkyina Tourism Development Zone. The main points raised were:
 - 20 subprojects had been identified across the two projects; and
 - support from donor agencies in preparing project documents for these projects was being sought and hope to implement and improve the projects earlier.

21. The Lao PDR delegate gave a brief report on the progress of Projects 19 and 24. The main points made were:
 - On Project 19: the East-West Economic Corridor, Lao PDR advised that it had submitted a proposal to JICA to fund a detailed study for the planning and development of tourism in the corridor.
 - On Project 24: the Lao PDR – Viet Nam Cross-border Community-based Tourism Zone, it was advised that Lao PDR was working with SNV and Vietnam to adopt the UNWTO ST-EP programme in this area.

22. The Cambodian delegate provided a report on project number 21: The Southern Economic Corridor that links Bangkok with the coastal areas of Cambodia and southern Vietnam. The project proposal focuses on developing a high quality road link between Thailand, Cambodia and southern Vietnam. Vietnam and Thailand have been invited to form a working group to assist in the implementation of this project.

23. The Vietnam delegate provided brief overview for Projects 22 and 26. The main points were:
 - On Project 22: A master plan for the Green Development Triangle has already been approved by the three Governments to support the development of this area including recommendations for tourism development. A mission to identify the tourism resources in the area concluded that ecotourism and cultural tourism development would be the most appropriate development approaches. She also noted that there is a need to convince the development partners to prioritize tourism development in the Green Triangle. The delegate suggested that part of budget of the MTDP could be used to implement some activities within the project.
 - On Project 26: The Red River Valley, the delegate noted that little progress had been made to date and were looking to meet with Yunnan Province to move the project forward. She also mentioned that Vietnam is seeking development partners to assist in the preparation of the project document.

24. The Guangxi delegate provided a report on Projects 28 and 29. The main points were:
 - On Project 28: The Guangxi – Northeast Viet Nam Borderlands Tourism Zone, conceptual plans were being prepared for key tourism sites along the Guangxi-Vietnam border including the Detian Waterfall Scenic Site that is shared by both countries. It was reported that the expressway from Nanning to the border with Vietnam had been recently completed. It was noted that

there was good cooperation with their Vietnamese counterparts, especially the provincial authorities, however, there is a difference in opinion on the development of the cross border Detian Falls and Guangxi seeks the assistance of the MTCO in facilitating a common approach towards development at this site.

- On Project 29: The GMS Coastal and River Cruise Lines, the delegate noted that cruise line services were already under way between Baihai and Halong Bay.
25. The ADB delegate suggested that the lead countries for each project should provide the TWG with a brief document that indicates the action plans for implementation, procedures for coordination among participating countries, funding requirement for project preparation, and where possible, implementation, and requirements to development partners, if any. The paper should identify focal points in each participating country in order to ensure that a subregional approach is adopted in implementation. It was also suggested that the project documents for the Emerald Triangle and Heritage Necklace should be circulated to the TWG members to provide examples of the overall approach that they might wish to adopt in the project preparation phase.
26. The Executive Director mentioned that there will be an email address to which the countries could submit their project documents and post project status reports (projects@mekongtourism.org).

PROGRAMME 4.2 C: PROGRAMME TO IMPROVE HUMAN RESOURCES IN THE TOURISM SECTOR

27. The Executive Director of the MTCO gave a brief overview of the objectives, rationale, scope, outputs, outcomes and implementing arrangement for human resources development under the GMS Tourism Sector Strategy and the four related strategic projects.
28. The ESCAP delegate noted that 76 tourism training institutes and NTOs in GMS countries (Cambodia 2, China 8, Lao PDR 2, Myanmar 2, Thailand 23, and Viet Nam 39) had participated in the activities of the ESCAP Network of Asia-Pacific Education and Training Institutes in Tourism (APETIT). The representative of ESCAP advised that in the previous year:
- It had organized an ESCAP/APETIT Conference on Tourism Education and Training in the Asia-Pacific Region in Hanoi from 18-21 October 2005.
 - Through the APETIT cooperation network, the Singapore Hotel and Tourism Education Centre (SHATEC) conducted a seminar on Revenue Management for the Hotel Sector in Hanoi on 23-25 October.
 - An advisory mission was conducted, with the cooperation of the Macau University of Science and Technology and the University of Hawaii at Manoa, to assist the National University of Lao PDR in syllabus and curriculum development in information and communication technology for tourism and hospitality management.

29. The Cambodian delegate gave a progress report on three Human Resource and Capacity Building projects for which it is the lead country. Project 2 is targeted at Middle-level public officials. Project 3 targets hospitality skills trainers in vocational schools, and Project 4 focuses on top and senior level officials and technical personnel in NTOs. A project document has been prepared for Project 2 (targeting middle-level officials) that was circulated to the countries for their comments and suggestions. Project documents have yet to be prepared for Projects 3 and 4. Cambodia is seeking development partner support for preparation of project documents for these. In addition, it was mentioned that one partner could be AUSAID and Australia's Cooperation
30. On Project 5, the HRD project for deans and professors in institutions with tourism and hospitality management degree programs, the Guangxi delegate reported that the first phase of the Guilin Tourism College had been completed in October 2005. The college had an initial enrollment of 3000 students, together with more than 100 faculty professors. Completing the second phase would expand the college population to 15,000 students and more than 300 professors. The college will be seeking to collaborate with more established tourism institutions in the GMS countries. One partner could be AusAID and Australia's Cooperative Research Center for Sustainable Tourism, which links 16 Australian universities in tourism education and training.
31. The UNWTO representative informed the group that the UNWTO is launching a project to upgrade the Guilin Tourism College as a center for excellence in tourism training in Southeast Asia. The project would commence in April 2006, initially focus on educating the educators, and training the trainers.
32. The representative from the ADB briefed the delegates on:
- plans to organize a two week executive training course for senior and mid-level public sector tourism officials under the Phnom Penh Plan in the last quarter of 2006; and
 - progress on the implementation of training courses for national tourism organizations in Cambodia, Lao PDR and Vietnam under the MTDP.
33. He also briefed the delegates on the upcoming Sustainable Tourism Development Project. The project could include a training component directed at developing the capacity of mid-level public sector tourism officials and at hospitality skills trainers in vocational schools in Cambodia, Lao PDR, Vietnam, Yunnan (PRC) and Guangxi (PRC). These subprojects would be designed in 2006, and subject to negotiations with participating countries on approval by the ADB Board of Directors, implemented between 2007 and 2011.

**PROGRAMME 4.2 D: PROGRAMME TO IMPROVE STANDARDS OF
NATURAL AND CULTURAL HERITAGE CONSERVATION AND
MANAGEMENT OF SOCIAL IMPACTS**

34. The Executive Director of the MTCO reported on the status of activities for training Resource Managers in Conservation and Tourism. He outlined the strategic programmes and six strategic projects for the sustainable management of cultural and natural heritage sites, and for managing the negative social impacts of tourism.
35. Cambodia reported on its activities in regards to the Projects 7 and 11.
- On Project 7: Saving cultures, saving lives: confronting the reality of negative social impacts of tourism development on the people of the GMS, and introduced the objectives and scope of the project. Cambodia is in the process of preparing a project for discussion with the other GMS countries.
 - On Project number 11: Following in the steps of Shiva and Lord Buddha, linking the ancient monumental heritage of the GMS that will promote cultural tourism in the region. The Cambodian representative reported that the project is in the preparation phase and a document would be circulated to participating countries for discussions and agreement.
36. Guangxi Zhuang Autonomous Region, PRC reported on progress and plans for strategic project 8: Preserving the soul of the ancestors: protection of traditional living cultures in the framework of tourism development in the GMS. Two cultural museums have been constructed and they will complete an additional 2 eco-museums in 2006. A total of 8 eco-museums are planned for construction. Guangxi is seeking to nominate Huashan for inscription as a UNESCO World Heritage Site, and called on the GMS countries to cooperate on World Heritage site protection and preservation.
37. The delegate from Lao PDR reported on activities for Projects 6 and 10.
- On Project 6: Training of guides at cultural and natural heritage sites, Lao PDR mentioned that the project document for will be circulated to the TWG for comments, through the Executive Director.
 - On Project 10: Creating biodiversity conservation corridors: setting up trans-border complementarity to strengthen tourism management in and around protected areas. No substantial progress was reported.
38. Thailand reported on progress and plans for strategic project 9: Capacity building for heritage managers to protect and manage priority sites for tourism. The representative gave introduction on the activities planned for the coming year. All delegates noted the need for technical support from the development partners and looked to the MTCO to support their efforts in the coming year.
39. The ADB representative mentioned that it expects to support project number 10 in which Lao PDR is the leader and also project number 7 and 11 lead by Cambodia through the upcoming Sustainable Tourism Project subject to negotiation with potential participating countries. This support could be provided to Lao PDR, Cambodia, Vietnam, Yunnan (PRC) and Guangxi (PRC).

PROGRAMME 4.2 E: PRO-POOR TOURISM DEVELOPMENT PROGRAM

40. The Executive Director of MTCO briefed the delegates on the overall objectives, scope, outputs and implementing arrangements for this programme and the related strategic project number 12: GMS Tourism Initiatives to Reduce Poverty involving the implementation of seven pro-poor tourism subprojects in each GMS participating country/province in which Cambodia. He noted that upcoming Sustainable Tourism Project would assist Cambodia, Lao PDR, Vietnam and the two provinces of China to design and implement their pro-poor tourism development projects.
41. Cambodia gave an overview of the progress of project number 12: GMS Tourism Initiatives to Reduce Poverty involving the implementation of seven pro-poor tourism subprojects in each GMS participating country/province. Cambodia advised that it had established a national project organization that would review and select areas where pro-poor projects should be undertaken. The delegate also advised that the UNWTO ST-EP foundation was funding a pilot project in Siem Reap involving the linking of poor villagers with the tourism development there.
42. The UNWTO representative reported that they are assisting Cambodia in formulating a long-term plan for community-based tourism through its ST-EP program. The highlights of the project include:
 - 4 pilot community-based projects,
 - HRD Strategy project at the national and local levels
 - Institutional streamlining of the MOT, particularly to better equip the institution for community-based tourism development
 - Development and diversification strategy for community-based tourism,
 - Short-, medium-, and long-term marketing strategy for CBT, and
 - SME skills enhancement (especially micro-credit and micro-financing).
43. SNV representative from Cambodia mentioned that the Ministry of Tourism and SNV signed a Memorandum of Understanding in 2005. SNV will assist the MOT to 1) develop a stakeholder-agreed, national level ecotourism strategy, 2) implement the Mekong Tourism Development Project, and 3) build institutional capacity (starting with Development Planning Department of the MOT).
44. The ADB representative advised that \$2.8 million had been provided for pro-poor tourism projects under the MTDP. It was also noted that a pro-poor tourism component could be included in the upcoming Sustainable Tourism project.

PROGRAMME 4.2 F: PRIVATE SECTOR PARTICATION PROGRAMME

45. Cambodia advised that Project 13 was in the preparation phase including the establishment of a mechanism for private sector participation at the national and subregional level. The delegate gave the MTDP experience in

- Cambodia as a good example of private and public sector participation through the development of the tourism marketing board. Cambodia has prepared a project proposal that has been submitted to the Executive Director for circulation and discussion amongst the GMS countries.
46. The Lao PDR representative mentioned that under the MTDP, Lao PDR has completed the draft proposal for establishing of the Tourism Marketing and Promotion Board. It is now waiting for the President to sign the decree on implementation of the tourism law.
 47. UNESCAP informed the TWG that, in support of the MTIS, it had recently undertaken a study on tourism investment policies, procedures and priorities in the GMS. The findings from the study would be presented as a keynote at the MTIS.
 48. The UNWTO delegate recommended that the TWG consider a single Tourism Marketing and Promotions Board for the GMS, similar to that established in the Caribbean region. He was not in favor of establishing national tourism marketing boards because these might dilute private sector participation and support at the subregional level. In addition, he warned that national tourism marketing boards might duplicate the functions of existing NTOs.
 49. The ADB representative agreed in principle with the UNWTO observation that national tourism marketing boards would be ineffective if NTOs would continue to perform the same functions. He explained that there was a concern in the planning stage that the countries were not yet ready to form a joint tourism marketing and promotion board at this time. Thus, the MTCO was established as an interim mechanism for subregional tourism marketing within the framework of a long-term roadmap leading to the establishment of a subregional marketing and promotion board.
 50. The Cambodia representative indicated that individual tourism promotions boards are necessary to beef up country destination marketing capacities because public-private sector partnerships would be more efficient and effective. Secondly, national tourism boards would cooperate with the subregional marketing board because it would be in their interest to do so. He argued that the private sector contributors at the subregional level would be different from those at the national level, e.g. regional airlines, hotel chains, etc. In fact, under the Agreement with the ADB, each country as a condition of the Loan had to establish a national TMPB within 24 months of signing the loan Agreement.
 51. The PATA delegate agreed on the need for national tourism board within the GMS, and suggested that it might just be a question of confidence in the MTCO given that it was a new office.
 52. The delegate from Myanmar observed that in the GMS context, each country needs to work closely with the private sector particularly in the marketing area, given the limited public sector resources. He gave the example of the Myanmar Marketing Committee (MMC), which is run 100% by the private sector.

53. The UNWTO delegate pointed out that unless the GMS countries were willing to go with a subregional approach towards a marketing organization, then the ability of the GMS to market itself as a single destination would be compromised. The delegate also argued that NTOs in the public sector have a different view of things compared to those in the private sector.
54. The delegate from Cambodia indicated that there was still a need for strong public-private sector partnerships at both the national and subregional level.
55. ADB congratulated the private sector on the organization of the MTIS noting that the private sector had shown its commitment to support the tourism cooperation process in the subregion and that the ADB would assess the possibility to include a private sector component in the upcoming sustainable tourism project. An investment forum would be organized for this purpose in the last quarter of 2006. In addition, the ADB delegate advised that 120 specific investment projects had already been identified under the GMS Tourism Sector Strategy.

PROGRAMME 4.2 G: PROGRAMME TO FACILITATE THE MOVEMENT OF TOURISTS TO AND WITHIN THE GMS

56. Related to Project 14 – GMS-wide Visa Scheme, Thailand and Cambodia updated the TWG on progress with regards to a single visa scheme under the ACMECS framework. An MOU agreement has been signed to develop a single visa program between the two countries and that arrangements are in place to introduce the concept in August 2006, subject to working out some outstanding issues connected to the sharing of visa fees. The ADB delegate congratulated Cambodia and Thailand and indicated that it was pleased that its initiating paper had been picked up under the ACMECS framework. In this context, the ADB attended three ACMECS working group meetings on the issue and demonstrated how cooperation in this area could be effectively undertaken.
57. For Projects 15 and 16, the Executive Director urged the member countries to forward information and updates on facility and process improvements at key border checkpoints, as well as progress on travel facilitation initiatives.
58. The Thailand representative noted the implementation of pilot projects at border checkpoints in connection with the GMS agreement on the transportation of passengers and goods with China, Vietnam, Lao PDR and Cambodia. The Cambodian representative added that the agreement was being implemented in 5 locations and will provide for one-stop processing of customs and immigration documents, thereby facilitating the flow of tourism.
59. The ADB noted the implementation of the pilot projects and indicated that some countries had yet to sign all of the related protocols to fully implement the agreement. It was advised that the responsible agency should be invited to make a presentation at the next TWG meeting. The ADB delegate also advised that the

upcoming sustainable tourism development TA project will include a component for land border facility and service upgrading.

DATE AND VENUE OF THE NEXT MEETING

60. The chairperson proposed that PRC be the host of the TWG Meeting. PRC accepted and advised that the meeting would be in Nanning City, Guangxi. After some discussion, TWG agreed to a tentative date of late October 2006. The Executive Director would advise the countries on the final dates after further coordination with all parties. Given the shorter time frame for preparation, Cambodia proposed that the next meeting be more focused with fewer points for discussion in the agenda.
61. The UNESCAP delegate noted that the previous 17 meetings of the TWG have been organized by ESCAP and ADB. However, the subsequent meetings of the TWG would be organized by MTCO. The ADB representative supported the UNESCAP proposal and congratulated the TWG for its evolution into a mature subregional body. He assured the group that ADB, UNESCAP, UNESCO, UNWTO, PATA, SNV and other organizations would continue to support the efforts of the TWG as an advisory board.

OTHER MATTERS

62. The MTDP Ecotourism Planner for Lao PDR presented the newly established GMS tourism information center in Vientiane, Lao PDR. The center is staffed by the LNTA staff and is designed to take the advantage of the strategic location of Vientiane. He also referred to newly established tourism centers throughout Lao PDR design to promote pro-poor tourism and called on delegates to the TWG to assist in providing information and other collateral materials that could be distribute from these tourism centers. He also referred to the Ecotourism Lao Website www.ecotourism.lao.com which is linked to tour operators specializing in ecotourism and links to websites of organizations such as the ADB, UNESCAP, UNWTO, UNESCO and others.
63. The SNV requested that the TWG provide inputs on the MTIS proceedings that can be put into a press release for Thursday. He noted that the MTIS would seek to promote investment projects, including small-scale projects suitable for private sector investment. He informed the group that the MTIS website would remain live for 12 months and encouraged the countries to continue submitting and updating projects for possible private investment.

64. The TWG confirmed the appointment of the Executive Director of MTCO with the signing of the contract between Mr. Stephen Yong and the authorized representative of the GMS countries.
65. The ADB congratulated all the GMS countries and would like to emphasize that in the next meeting participants must be at the Director General level as agreed in the previous TWG meeting.

APPRECIATION

66. The Executive Director of MTCO thanked the Lao Government for providing the venue for the 17th TWG meeting in Luang Prabang.
67. The Chairman thanked the delegations and the development partners for the support and assistance in making the 17th TWG meeting a success and he is looking forward to the next meeting and wished all the delegates an enjoyable visit to Luang Prabang.

ADOPTION OF THE REPORT