



Myanmar



Laos



Thailand



Vietnam



Cambodia



Philippines



Malaysia



Singapore



Brunei



Indonesia

Innovating CBT in ASEAN: Current Directions and New Horizons

The Thailand Community Based Tourism Institute (CBT-I)



Innovating CBT in ASEAN: Current Directions and New Horizons

Innovating CBT in ASEAN: Current Directions and New Horizons

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Indonesia :

Community Based Tourism Standard in Indonesia:
Between needs and challenges
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Potjana Suansri
CBT-I Director



Chapter 1

Introduction



The Association of South East Asian Nations (ASEAN) was established by the Bangkok Declaration on the August 8, 1967. The Member States of the association are Brunei Darussalam, Cambodia, Indonesia, Lao PDR, Malaysia, Myanmar, Philippines, Singapore, Thailand and Vietnam. The ASEAN nations have a population of 607.7 million (8% of the world population) and a GDP of US\$2,327.6 billion (5% of the world GDP). At the ninth ASEAN summit, held in Indonesia on October 7, 2003. The member countries signed a declaration to create an ASEAN Community, sharing “One Vision, One Identity, One Community”, based on three pillars: security, socio-cultural and economic.

The ASEAN Charter serves as a firm foundation in achieving the ASEAN Community by providing legal status and institutional framework for ASEAN. It also codifies ASEAN norms, rules and values; sets clear targets for ASEAN; and presents accountability and compliance. The ASEAN

Charter entered into force on December 15, 2008, and aims to be fully operational by 2015 (ASEAN, 2013). The charter marks the beginning of a new paradigm of cooperation in ASEAN.

In the area of tourism, the ASEAN National Tourism Organizations (NTOs) have agreed on a common vision: ‘By 2015, ASEAN will provide an increasing number of visitors to the region with authentic and diverse products, enhanced connectivity, a safe and secure environment, increased quality of services, while at the same time ensuring an increased quality of life and opportunities for residents through responsible and sustainable tourism development by working effectively with a wide range of stakeholders.’

The plan is organized around three core strategies: 1) The development of experiential and innovative regional products and creative marketing and investment strategies, 2) Increasing the

quality of human resources, services and facilities in the region, and 3) Enhancing and accelerating travel facilitation and ASEAN connectivity.

According to forecasts in the ASEAN Travel & Tourism Competitiveness Report 2012 (WEF, 2012), the ASEAN community, uniting 600 million citizens, will account for almost 5% of global GDP. 10.9% of this will be fueled by the tourism industry. Tourism will create direct employment for 9.3 million people or approximately 3.2% of all employment, and create indirect employment for approximately 25 million people. This growth in the tourism industry will be fueled by increased investment and free trade within the region, allowing ASEAN citizens to own up to 70% of shares in companies in the region.

At member state level, the tourism industry has already signed into these agreements. Investment has begun. Although the ASEAN vision and structure covers security, socio-culture and economy, in practice stepping into ASEAN is being lead by rapid investment. Indeed, it is sometimes easy to misunderstand that ASEAN and the ASEAN Economic Community (AEC) are one and the same.

Laws allowing ASEAN nationals greater freedom to invest, alongside existing investment by international tourism businesses, will lead to even stiffer competition. Companies will need to fight harder for market share in an already highly competitive tourism industry. If ASEAN's diverse local communities, living alongside precious natural resources, are not strong enough to cooperate and participate in defining the direction of tourism development, the ASEAN member states are likely to experience massive, negative impacts on local societies, cultures and natural resources.

There are serious risks that as tourism expands rapidly, local communities around ASEAN will rapidly develop into tourism destinations, without sufficient planning, management and local capacity building. This is likely to lead to problems such as pollution, noise pollution, poor waste management, resource scarcity, community conflict and exploitation of local community members.

Community Based Tourism (CBT) gives local community members opportunities to participate in planning, managing and operating tourism products and services for individual and common benefits. While CBT may not be a main occupation or generate large sums of money for communities, it can be a powerful community development tool, supporting the sustainable management of social and environmental resources. Further, CBT can offer practical directions to balance and integrate "conservation" with "development (including material development)", providing that community members are able to participate in and benefit from CBT development.

The ASEAN region now has almost 20 years of experience developing tourism with people's participation. Every country has examples of CBT. Lessons learned, including case studies of success and failure, have been analyzed, synthesized and shared at national and regional levels through study tours,





and by academics, tourism and development professionals at conferences. However, while several ASEAN countries have over 10 years of experience developing CBT (e.g. Cambodia, Indonesia, Lao PDR, the Philippines and Thailand) there has never been an ASEAN forum for academics, practitioners and supporting businesses and organizations to exchange experience and knowledge about CBT.

CBT in other parts of the world (e.g. Africa and Latin America) has received harsh criticism and even been judged a failure (Goodwin & Santilli, 2009). Meanwhile, organizations which had previously played key roles in developing and supporting CBT as part of conservation and poverty alleviation strategies (e.g. SNV Netherlands Development Organisation and GIZ) have wrapped up or reduced support for CBT.

However, it is notable that in the ASEAN region, there are a significant number of communities which have successfully developed CBT, and continue to operate and benefit from CBT programs several years after project / funding support has ceased. In Thailand, this includes Koh Yao Noi community in Phang Nga, Mae Kampong community in Chiang Mai and Huay Hee community in Mae Hong Son. The Cambodian

Community Based Ecotourism Network (CCBEN) has been able to continue promoting CBT across Cambodia, with support from members and some assistance from the government. The Indonesian Ecotourism Network (Indecon) has worked in partnership with communities for over 15 years to build private sector capacity to partner with CBT.

The literature review conducted as part of this research project discovered that the ASEAN region has a wealth of knowledge, and especially field experience which has not been documented or researched. Meanwhile, many interesting research papers have been written in national languages, but not translated into English, which has lead to limited dissemination and sharing of findings.

This document is one part of a research project on *"Exploring possibilities for the development of a community based tourism standard in the ASEAN region and beyond"*. This project is currently in progress. An important part of the research is to stimulate an exchange of ideas and experiences between government, the private sector, local communities, and other stakeholders. The "Innovating CBT in ASEAN" conference is an important part of the research.



This book has two main parts. The first part is a literature review and situation analysis of CBT in the 10 countries of ASEAN. The second part of the document presents case studies, written by practitioners with direct field experience, from eight ASEAN countries. Writers were asked to present experiences related to the conference themes of supporting sustainability through the development of CBT standards or guidelines, improved quality and action at policy level. The conference focuses on innovation in CBT development. The organizers hope that the conference and related documents will help to increase interest in and support for CBT in the ASEAN region, among the private sector, government organizations, NGOs, and academics.

We hope that the conference will lead to increased cooperation between stakeholders to realize high quality, sustainable CBT which is positive for communities, business partners, tourists and the environment. Ultimately, the research project aims to elevate the level of CBT in ASEAN in order to be recognized at global level, for the benefit of ASEAN local communities and all stakeholders.

This document is part of the materials developed for the Innovating CBT in ASEAN Conference, 30-31 May 2013, Bangkok, Thailand. The conference is organized by the Thailand Community Based Tourism Institute (CBT-I), in cooperation with Payap International University and the Community Based Tourism International Research Center (CBT-IRDC), and was made possible through funding provided by the National Research Council of Thailand (NRCT) and the Thailand Research fund (TRF).

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Chapter 2

Community Based Tourism in ASEAN-An overview per country

2.1 ASEAN tourism at a glance

The Association of Southeast Asian Nations (ASEAN) was established on 8 August 1967. The Member States of the Association are Brunei Darussalam, Cambodia, Indonesia, Lao PDR, Malaysia, Myanmar, Philippines, Singapore, Thailand and Vietnam. ASEAN has a population of 607.7 million (8% of the world population) with GDP of US\$2,327.6 billion (5% of the world GDP) (Soemawilaga, 2012: 2). Singapore (US\$51,000) and Brunei Darussalam have the largest GDP per capita, while Laos, Cambodia and Myanmar (US\$973 on average) have the smallest, in the group (World Economic Forum, 2012: 1).

Right after the WWII, the tourism industry emerged to become one of the largest and fastest-growing economic sectors in the world. The industry went from 25 million international tourist arrivals (ITA) in 1950s to 980 million in 2011 (World Economic Forum, 2012: 2). Based on the UNWTO, in 2010, the latest year for which data is available, the international tourism



receipts (ITR) amounted to US\$919 billion. In the last two decades, tourism has shifted to newly emerging and developing economies in the Asia Pacific whose share over the years grew from only 31% in 1990 to 47% in 2011. UNWTO forecasts that, by 2020, these new economies will receive 53% of all tourist arrivals. ASEAN tourism is growing steadily by 12% annually from 2000 to 2010; going from 36 million of

international tourist arrivals (ITA) in 2000 to 81 million in 2011 (see Table 2.1). The share of the ASEAN region in the total global ITA went from 5.4% in 2000 to 7.9% in 2010. With this impressive growth, ASEAN countries are looking for tourism to increase foreign exchanges and to improve the quality of life of their populations.

Table 2.1 Tourism growth in ASEAN from 1991-2011

Year	ITA (Millions)	Year	ITA (Millions)	Year	ITA (Millions)
1991	20.2	1998	29.7	2005	52.8
1992	21.8	1999	34.2	2006	56.0
1993	23.5	2000	39.1	2007	62.3
1994	25.3	2001	42.0	2008	65.4
1995	29.7	2002	43.8	2009	65.7
1996	31.2	2003	38.4	2010	73.8
1997	31.3	2004	49.1	2011	81.2

Source: Soemawilaga, 2012

The tourism sector plays an important role in the overall ASEAN economy. In 2012, based on WTTC statistics, the total contribution to GDP of ASEAN tourism was US\$255.9 billion, which is 11.1% of GDP (WTTC, 2013)¹. The WTTC also forecasted that the GDP generated from tourism will increase to rise by 6.8% in 2013, and to rise by 5.8% pa to US\$479.7 billion in 2023 (Ibid.).

In 2012, tourism in ASEAN contributed to 25.4 million jobs. This is 8.8% of total employment. This is expected to rise by 5.5% in 2013 to 26,898,500 jobs and rise by 2.6% per year to 34,655,000 jobs in 2023 (9.9% of total) (Ibid.).

¹ Southeast Asia Economic Impact Report <http://www.wttc.org/research/economic-impact-research/regional-reports/southeast-asia/>

2.2 Community Based Tourism (CBT) in ASEAN

Many ASEAN governments see 'tourism' as a key source of foreign exchanges and a solution to relieve economic crises with injections of foreign capital. However, tourism does not always lead to positive results. Several studies have revealed a diversity of negative impacts caused by tourism ranging from most obvious physical impacts such as environmental degradation, resource depletion, and pollution, to more subtle and complicated ones such as socio-cultural impacts, unfair income distribution, and increases in drug use, crime, etc. Numerous articles show tourism's potential destructive impact on societies, culture and environment (Palomino, 2003).

Following criticism of the negative impacts of mass tourism around the world since the 1960s, the search for 'alternative' forms of tourism, with fewer impacts on the environment and society began to emerge. During the 1960s and early 1970s, development agencies began looking for the right approach to sustainability, and community participation was emphasized (Sebele, 2010: 136). Sustainable tourism literature moved in parallel by promoting the involvement of local communities in tourism. Local residents were seen as a key resource in sustaining their "products" (Ibid.). Tourism scholars even mentioned 'Community participation is often regarded as one of the most essential tools, if tourism is to make a substantial contribution to the national development of a country' (Ibid.). The World Commission on Environment and Development in 1987 (the Brundtland Report), and the World Summit of Sustainable Development in Rio de Janeiro in 1992 internationalized common goals for sustainable development in the 1990s, and new directions for tourism aspired to achieve these goals (Ibid.). "Community Based Tourism" (CBT) gradually emerged as a key concept, based on the principle of facilitating community participation and benefit through the whole process of (local) tourism development.

Over the last two decades, CBT has developed widely in South East Asia. In the mid 1990s, the first CBT projects were developed and implemented in The Philippines, Indonesia and Thailand, supported by Novib, a development organization from the Netherlands. In these first years, initiatives focused on awareness on the impacts of tourism, the aspects of sustainability in tourism development and the role communities could play in the sustainable development of tourism. Most initiatives were part of wider rural development projects. In these "early starter" countries, local NGOs began harnessing CBT as a tool for conservation and community development. Over the years, stakeholders in Thailand have recognized CBT's broad contribution to sustainable development. Later other countries in the ASEAN region, followed.





At the end of the 1990s, sustainable tourism, ecotourism, and community based tourism initiatives emerged in most ASEAN countries. In Laos, the Nam Ha ecotourism project emerged at the turn of the century and SNV Netherlands Development Organisation started supporting CBT in several provinces in 2000. In Sapa, in the northern part of Vietnam, IUCN and SNV started supporting communities with their tourism activities around the same time. In Cambodia, CCBEN's support for community based ecotourism was established in 2002. Most of these initiatives linked community development explicitly with nature conservation. In the mid 2000s focus and approaches shifted. The development of CBT was influenced by concepts like pro-poor tourism and responsible tourism with on the one hand an explicit poverty reduction focus, and on the other, an embrace of the private sector and market orientation (Hummel, Gujadhur & Ritsma, 2012).

There have been both successes and failures. Several CBT initiatives have failed to attract tourists, while other initiatives experienced conflicts due to unfair distribution of benefits. This stimulated tough questions from academics about how and how far CBT has contributed towards sustainable development, and how challenges have been overcome. The Thailand Community Based Tourism Institute (CBT-I) developed and introduced a CBT Standard in Thailand, as one of the solutions.

2.3 Characteristics of CBT development in different ASEAN countries

In the different countries CBT developed in different ways, since the early 1990s. As mentioned the initial group-Thailand, the Philippines and Indonesia-received technical assistance from organizations like NOVIB in the early and mid 1990s, but was especially based on strong local NGOs, which were and are certainly able to support CBT planning and development in their countries, sometimes with financial support from international funding agents. Arguably this group of countries could be taken as one group. A second group of countries, including Laos, Cambodia, and Vietnam seems more driven by larger donor projects, supported for instance by the Asian Development Bank, EU and SNV. The direction of CBT in these countries is often more shaped by these projects. A third group seems to be more government oriented. In these countries, the national governments seem to have more influence in directing CBT or homestays. Malaysia, Brunei and Singapore use CBT or homestay programs to provide alternative livelihoods in rural areas. Myanmar is a new entrant in tourism, with a possibility to learn from neighboring countries.

In the next sections these arguable groups are used to introduce the different CBT developments in the ASEAN countries. In the first group-the early starters, supported by local NGOs, first Thailand will be presented, followed by Indonesia and the Philippines. In the second group, Lao PDR, Cambodia and Vietnam will be introduced. In the third group, Malaysia, Brunei and Singapore will shortly be discussed, and finally the situation of CBT in Myanmar is presented

2.4 The early starters, supported by local NGOs

2.4.1 CBT in Thailand

Community Based Tourism in Thailand

Community Based Tourism (CBT) in Thailand has been facilitated by NGOs, educational institutes, the government, tour operators and associations, and even the Thai Agricultural Cooperatives Bank. CBT has also been developed in cooperation with private sector partners, especially tour operators. Currently, there are over 100 Thai communities where tourism has been developed and is managed by local community members, working in groups or cooperatives, which promote their services as 'community based tourism' (CBT-I, 2010). In addition to being a fun experience for visitors, CBT in Thailand tends to place importance

on learning and cross-cultural exchange. CBT projects usually aim to increase and distribute income in the community, build local capacity and support social and environmental work.

Local people in Thai villages are not tourism professionals. They require new skills and knowledge to manage tourism, welcome guests and work with tourism industry partners and stakeholders. Preparation processes have not been identical. However, it is generally agreed that CBT should be developed through participatory processes, building the capacity of community members to understand tourism, plan and manage their CBT programs. Training and coaching have been provided in areas such as hospitality, organisational strengthening, management, marketing, working with partners, monitoring CBT, and network development.



Background-Thai tourism development

Thai government support for tourism started in earnest with the establishment of the Tourist Organisation of Thailand (TOT) in 1960, which evolved into the Tourism Authority of Thailand (TAT). In 2002, the Ministry of Tourism and Sports (MOTS) was established, with responsibility for the development of tourism attractions and services, tourism standards, and business and tour guide registration. This work is implemented by the Department of Tourism (DOT). After 2002, the TAT focused its responsibilities exclusively on marketing Thai tourism. In 2003, the Designated Areas for Sustainable Tourism Administration (DASTA) was established, aiming to increase local economic benefits and sustainability by coordinating public and private sectors to cooperate in the management of their target areas.

Tourism is a key economic engine in Thailand, generating massive employment and income for the country. In 2012, Thailand welcomed 22.3 million international visitors, generating over 24.6 billion Euros (TAT, 2013). According to the WTTC, Travel & Tourism (T&T) contributed a total of THB1,896.7 billion (16.7%) to Thai GDP in 2012. The total contribution of T&T to employment, (including jobs indirectly supported by the industry), was 12.4% (4,818,500 jobs). The WTTC (2013) forecasts that by 2023, international arrivals to Thailand will reach 41.4 million. Moreover, in times of crisis, Thailand frequently relies on tourism to attract

foreign exchange. The 'Amazing Thailand campaign, 1998-9, helped Thailand to recover from the 1997 Asian Economic Crisis. In 2009, during global and national instability, tourism became a National Agenda. A budget of 30,000 Million THB (US\$ one billion) was allocated to stimulate tourism and support the National Crisis Recovery Plan, 2009-12.

Currently, the development of tourism is being implemented by several organizations and follows the MOTS's National Tourism Development Plan 2012-2016. The plan aims to make Thai tourism competitive on a global stage, envisioning that 'Thailand serves as a quality tourism destination, maintains a strong competitiveness in the global tourism arena, and is able to create and distribute revenue based on fair, well balanced and sustainable principles.'



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THAILAND

History of community based tourism (CBT) development in Thailand

As tourist arrivals increased, so did public debates about the impacts of tourism, and questions about **“who benefits and loses out from Thai tourism development?”** During the 1990’s, the concepts of “people-centered development” and “sustainability” also became more popular and mainstream. This period witnessed a growing debate and consensus among Thais that negative impacts of tourism on the environment

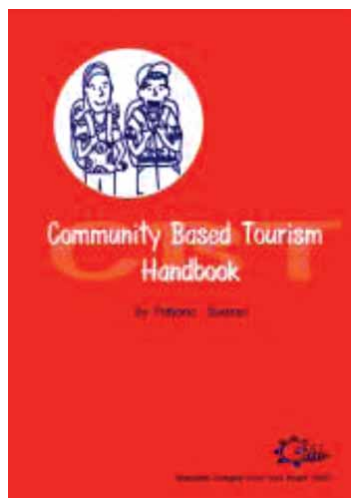
must be limited, and that people’s participation is an essential success factor to realize a more sustainable Thai tourism industry.

A concrete result was the 1997 National Ecotourism Master Plan, developed under the leadership of the TAT, which defined “people’s participation” as one of the pillars of Thai ecotourism (Leksakundilok A, 2004). The importance of community participation in tourism was influenced by lobbying of Thai NGOs. In particular, the Responsible, Ecological, Social Tours Project (REST) had begun working with community members to develop small-scale tourism in Yao Noi island, Phang Nga province, and Kiriwong village, Nakhon Sri Thammarat province. These initiatives confirmed that community participation in tourism development was possible, generating interest among tourism stakeholders and observers.

Unfortunately, the economic crisis of 1997 forced the Thai government to re-focus on the “value for money” message of the Amazing Thailand campaign (Leksakundilok, 2004). Thailand cemented its image as a ‘low-cost, high-value’ destination and ecotourism was effectively given a lower priority. Proactive support for ecotourism and emerging community based tourism (CBT) initiatives was left to local NGOs and progressive Thai tour operators.

From 1994, REST Project, initially under the Thai Volunteer Service (TVS-REST) pioneered CBT in Thailand, supporting community members to consider how tourism could be harnessed to solve problems and support their community development goals. REST also organised tours, to help CBT begin to reach markets. By 2003, REST had accumulated a decade of experience, which was synthesized in the REST CBT Handbook (Suansri, 2003). The handbook has been widely used inside Thailand by academics and community workers, and was also a useful resource for CBT development in the Greater Mekong Subregion.





Another trend which contributed to the development of Thai CBT was community based research (CBR). The Thailand Research Fund (TRF) introduced and disseminated innovative, step by step processes and tools for community members to consider their identity and needs, and learn more about the potential impacts of tourism, before deciding to if / how to develop CBT (CBT-I 2010). In 2006, REST and TRF established the Thailand Community Based Tourism Institute (CBT-I). This resulted in the integration and dissemination of CBT research and development know-how. CBT-I took on new roles by facilitating market linkages; coordinating government support; developing new handbooks and training resources; and facilitating new networks of communities, community leaders, tour operators and academics.

As the economic situation improved, Thai policy begun re-orientating towards sustainable tourism. However, while CBT had begun to attract national and international recognition, the Thai government was reluctant to accept CBT at policy level. CBT developed in neighboring countries. International delegations traveled to Thailand to learn from, and share experience with Thailand. However, the government remained un-persuaded about the potential of CBT. Considerable time and effort had already been invested to develop Thai Homestay. In 2002, when the OTD took over responsibility for rural tourism development, the TAT was already marketing Homestay. The OTD chose to adapt the Thai Homestay standard, and to add important elements of CBT which had previously not been included (e.g. criteria on community management and levels of local participation), rather than to differentiate CBT.

In 2007, the DOT began policy support for CBT, including community network strengthening, and capacity building. The National Tourism Policy Act of 2008 declared special 'CBT' zones and introduced laws and regulations requiring tour operators to use local community members as tour guides. Under the umbrella of the '7 Greens' campaign, the TAT provided some support for CBT, in particular promotional materials. An important development was the establishment of a special CBT Office, under DASTA, with a mandate to support CBT development in their designated areas for sustainable tourism administration.

Despite recognition inside and outside Thailand, CBT (as a distinctive product) remains poorly positioned and unclear at policy level, from development to marketing. There are serious gaps between supply and demand, product development and marketing, and the strategic coordination of implementing organisations at national and local levels. This has caused much reinvention of the wheel, confusion and community fatigue. To fully realise the potential of CBT will require a better integrated, more strategic approach, based on closer cooperation between the Thai government, NGO's, academic and community organisations.

Market Access

There is little market research on CBT. During forums conducted by CBT-I between 2008 and 2012, communities presented that they welcome a mixture of Thai and foreign guests, ranging from cultural tourists, to school and university students, special interest groups, volunteers, families, professionals participating in study tours and groups undertaking 'CSR' activities. The clearest picture can be seen by considering research on both CBT and Thai Homestays (these are often the same villages). Research by the DOT (Promburom, 2011), CBT-I (2010) and Boonratana (2009) indicate that most visitors to these communities are Thais. According to the DOT, 90.7% of visitors across 100 Thai Homestays were Thai, and 9.3% foreign (2010). Domestic tourism has been stimulated by Thai government campaigns such as 'Thai Teow Thai' (Thais take holidays in Thailand) and the Homestay website. Domestic travel has also benefited from improved infrastructure and connectivity, access to information on the internet, and travel documentaries in print and on television (CBT-I, 2010).

Research suggests that a modest majority of visitors are women (50-60%). Most Thai visitors are from Bangkok. Educational groups (schools, universities and professionals on study trips) are also extremely important markets (Promburom, 2011; CBT-I, 2010;

Boonratana, 2009; Tuffin, 2005). DOT research (2011) showed that 60% of Thai visitors who arrive in villages are on educational or study trips. 30% are interested in relaxing and sightseeing, with around 10% interested in nature. Market research commissioned by the TAT (IN-TOUCH, 2010) shows that most Thai public sector workers (new stakeholders) on study trips come from the provinces. Thai tourists are interested in performance, nature and food, while foreign tourists are interested in nature, activities related to culture and tradition and performance. Hygiene and safety are also highly important, especially to Thai tourists (Promburom, 2011).



Boonratana (2009) noted that word of mouth marketing and partnerships with tour operators were some of the more successful channels to market. CBT-I have observed when monitoring past projects that the number of Thai tour operators promoting CBT has increased. There are several examples of partnerships between communities and tour operators which have been positive for the community, their guests and business partners. For example, Intrepid Travel visiting Leeled community in Surathani province, Tour Mereng Tai working with communities in the Mae Hong Son CBT Network, and partnerships between Kiri Travel, Asian Trails and Mae Kampong Community, Chiang Mai (CBT-I, 2010). However, more work needs to be done to scale up links between CBT and responsible tourism partners.

Benefits and challenges of CBT

Many communities have offered CBT programs, independent of external funding, for over 5 years. Data at the individual community level proves that CBT can create significant benefits for service providers, families, community groups, and local social and environmental initiatives (Suansri, 2013: 38-39). Twelve communities which received consistent support from CBT-I since 2006, welcomed a total of 14,640 guests in 2009, generating over THB 6 million (over US\$200,000) and welcomed 22,136 guests in 2010, generating over THB 7 million (over US\$230,000). In 2011, these communities welcomed 18,700 guests, generating a total of over THB 7 million (over US\$250,000) (Ibid.). The contribution of CBT was equal to a 10-20% average increase in income among active community members.

Beyond direct income to CBT service providers, supporting sustainable natural resource management through CBT has also generated indirect economic benefits in the medium-term. For example, in Leeled Community, Surrathani province, the "CBT for Coastal Conservation group" raised over US\$12,000 between 2006-2010 for their Coastal Conservation Fund. This money was used to protect and monitor over 1200 hectares of mangrove forest, with results including

over 1,000,000 new trees and an additional 445 hectares of new mangrove forest grown. In this healthier ecosystem, fish catches improved by over 30%, increasing income to Leeled's poorest fisher families. Leeled has since become one of Thailand's most important sites for studying how to implement effective mangrove restoration (Ibid.). Other benefits include building local capacity, including empowering women (Dunn, 2007).

However, CBT has not been without challenges. Many communities do not receive as many guests as they would like to (CBT-I 2010). Other, specific challenges facing CBT which have been identified in research include delivering more benefits to the poorest people in communities (Suriya, 2009); reducing and managing waste, loss of identity, culture and values, and losing land to outside investors when CBT begins to become popular (Satarat, 2010). These are significant challenges which will require a concerted effort to overcome.



CBT Networks and CBT Network Coordination Center

Across Thailand, CBT communities have begun organizing into networks. Most advanced is the Northern Thailand Community Based Tourism Association, which was established by 35 communities, based in 7 provinces of Northern Thailand. CBT-N developed from regular discussion forums which were organised between 2003 and 2011, by TRF and later CBT-I. Community members found these forums helpful. Between 2005 and 2008, participating community members regularly voiced a wish to establish a more formal organisation. In 2008, following extensive discussions, the Northern Thailand Community based Tourism Network (CBT-N) was established as a voice for grass roots Thai communities working to develop and manage tourism. The CBT-N Association was legally registered in 2012

The CBT-N Coordination Center, based in Chiang Mai, has been established to help promote CBT and CBT-N communities. The center provides information to tour operators, tourists, students and journalists who want to learn about CBT or visit a community. The CBT-N-CC can help to introduce CBT communities and responsible tour operators. In 2012, commonly agreed Codes of Conduct, which define the roles and responsibilities of communities and partner tour operators were developed through a series of workshops organized by CBT-I and sponsored by CBI (under the Dutch Ministry of Foreign Affairs), the TAT and DASTA. It is hoped that the CBT-N-CC will be able to help CBT communities improve market access, in particular to tourists and business partners with a keen interest in responsible tourism.

2.4.2 CBT in Indonesia

Tourist arrivals to Indonesia in 2012 were slightly over 8 million and expected to attract up to 8.725 million in 2013. The direct contribution of travel and tourism to Indonesia's GDP was IDR 245,939 billion (3.0% of total GDP) in 2012, and is forecasted to rise by 8.5% in 2013. The total contribution of tourism to employment in 2013, including jobs indirectly supported by the industry, is 8.0% of total the overall 8.9 million jobs in Indonesia (WTTC, 2013)². Tourism ranks third after gas petroleum and palm oil in contributing to foreign exchange.

Ecotourism and Community Based Tourism in Indonesia

Indonesia has a wide range of ecotourism assets, which are readily available to attract tourists, especially those who love nature and ethnic communities. In an effort to support environment and cultural conservation and to boost regional economic development, the government of Indonesia has now shifted its focus to sustainable tourism. CBT receives much attention from various organizations and the government agencies, as well. Equipped with massive natural resources and diversity of ethnic people, Indonesia is an ideal place to develop and implement CBT. However, CBT is not always an easy economic solution.

² http://www.wttc.org/site_media/uploads/downloads/indonesia2013_1.pdf



Plans, Policy, Strategies and Campaigns for CBT

Campaigns, events and organizations, which supported sustainable tourism development awareness, included:

- The establishment of Indecon (Indonesian Ecotourism Network), by several CBT and Community Development organizations in 1995;
- The establishment of MEI (Masyarakat Ekowisata Indonesia) - the Indonesian Ecotourism Society in July 1996 (Asian Productivity Organization, 2002: 86). This organization focuses on ecotourism with a high level of community participation;
- The initiation of Pariwisata Inti Rakyat (People Tourism) Campaign, by the Ministry of Tourism in 1995 (Suhandi, 2012: 5);
- The organization of the Kelompok Sadar Wisata (Pokdarwis) Campaign to enhance tourism participation by multi-stakeholder groups at local and destination level;
- The development and implementation of the 1998 National Tourism Master Plan for Indonesia, including the establishment of Provincial Tourism Offices;
- The Visit Indonesia 2008 program; and finally
- The 2011 Wonderful Indonesia Campaign (Wikipedia, 2012).

2.4.3 CBT in the Philippines

Like other developing countries in ASEAN, tourism for the Philippines is becoming 'a powerful driver for economic growth, infrastructure and local area

development, and employment generation' (The Philippines Tourism Plan, 2011). Because of its growth potential, tourism is experienced as one of the Philippine government's priority areas for development. With 4.3 million tourist arrivals in 2012, WTTC is forecast that the Philippines' tourism will grow by 6.4% (WTTC, 2013)³, and that the country is expected to attract 4,672,000 international tourist arrivals, generating 7.7% of total employment or over 2.91 million jobs (WTTC, 2013). WTTC reported that tourism accounts for 7% of total contribution to GDP in 2012, and is forecast to rise by 5.8% in 2013.

Apart from the frequent natural disaster, the Philippines seem to be equipped with every resource and asset needed for ecotourism. The Tarsier Foundation (2012) presented a long list of flora and fauna, approximately 556 species of birds, 180 mammals, and 293 reptiles and amphibians. Approximately 67% of these plants and animals are endemic. Nevertheless, mismanagement of tourism can result in the damage of natural resources, cultural values and conflict among communities relying on the natural resources. In the case of Philippines, whose tourist arrivals are still at a low level (4.3 million), but with a strong potential to grow, ecotourism and nature-based tourism have become widely acknowledged as a key tool to integrate positive tourism development impacts, while preventing the negative impacts, at the same time (Henderson, 2011: 162-169).

³ http://www.wttc.org/site_media/uploads/downloads/philippines2013_2.pdf

Path towards Community Based Tourism

A landmark step towards ecotourism and CBT was launched with the designation of Palawan as “Biosphere Reserve” by UNESCO in 1990. This prompted the government to set the agenda towards sustainable tourism. The Tourism Master Plan of Philippines was prepared by the Department of Tourism with the assistance of UNDP and WTO in 1991. One year following the Tourism Master Plan, the concept of ‘Ecotourism’ was first formally introduced during the second National Tourism Congress. Both government and non-governmental organizations organized a series of regional seminars on sustainable tourism and ecotourism concepts, with assistance of the EU, and the National Integrated Protected Area Program (NIPAP), in 1999.

In the same year, an Executive Order (EO) 111 was passed to establish the National Ecotourism Development Council (NEDC), whose National Ecotourism Strategy (NES) was issued in 2002 to provide a framework for sustainable ecotourism development. Over the last 20 years, ecotourism has evolved as a conservation strategy, improving the well being of local communities, and generating new businesses (Philippines National Ecotourism Development Council, 2002: 9).

In 2002, the Western Visayas Development Plan identified tourism and agriculture as the region's major development thrusts. This encouraged many Local Government Units-LGUs to include tourism development in the executive agenda. The Local Government Support Program (LGSP) implemented a capacity-building project entitled “Tourism Development and Promotion Program” in 2003. The LGSP project aimed to enhance the capacities of LGUs in the region to undertake CBT and develop environment-friendly tour packages.

2.5 CBT with strong support of development aid organizations

2.5.1 CBT in Lao PDR

Tourism development in Lao PDR is a relative recent phenomenon. Following the introduction of the “new economic mechanism” of the late 1980s that encouraged a shift to the market economy and an opening to the outside world, Lao PDR began to embrace international tourism as one strategy to alleviate poverty and generate much needed foreign exchange. By the mid 1990s, the number of international arrivals was growing exponentially, and the national authorities responsible for managing the tourism industry found themselves lacking the experience and resources to manage the cultural and environmental impacts that were arising from rapid tourism growth (Schipani, 2008: 71). Tourism and the tourism industry kept growing fast. At the same time several initiatives were initiated to mitigate the negative effects from tourism, and support communities to benefit more from tourism development. The most know is the Nam Ha ecotourism project, which started in the north of the country at the end of the 1990s. Ever since, the Lao government and (international) NGOs supported the development of CBT.

Between 2002 and 2010 the numbers of tourists has almost tripled from 735,662 tourists in 2002 to 2,513,028 in 2010; a year on year annual growth of almost 11.8% (ADB, 2012). It shows the rapid growth of tourism to Laos in the last decade. Tourists often visit the country as part of a multi-county visit. Most tourists visit the main tourist attractions in Luang Prabang, Vientiane, and Pakse, but might also visit one or a few of the CBT sites of the country (with the CBT sites in Luang Nam Tha and Luang Prabang provinces, among the favorites). CBT is heavily promoted in the Lao PDR with the support of ADB and other

development partners. Based on the sector's strong performance, the forecast of 3 million international arrivals in 2020 has been revised to 3.4 million by 2015.

Lao PDR cooperates with neighboring countries under the ASEAN, GMS, and ACMECS tourism cooperation frameworks (ADB, 2012). The Lao National Tourism Administration, a ministerial-level organization under the Prime Minister's Office, develops and implements tourism policies and plans based on the 2006 Tourism Law and National Tourism Strategy and Action Plan (NTSAP), 2006-2020. The NTSAP promotes the development of the country's natural, cultural, and urban tourism resources to generate jobs, protect cultural and natural heritage, and reduce poverty. Tourism infrastructure development, cultural site restoration and management, tourism human resource development, and CBT are some major initiatives being undertaken. In 2005 an ecotourism policy was developed with support of the ADB and SNV.

Main tourism development initiatives in Lao PDR are related to government projects in conjunction with development organizations. One iconic project was the New Zealand funded ecotourism project in Nam Ha. CBT was central to the project. Over the years ecotourism and CBT remained centre stage in tourism development, whether it was through ADB's Mekong Tourism Development Program, SNV's interventions in four Provinces of the country, or other donor funded projects.

Besides the focus on CBT and ecotourism, infrastructure (like the North South Economic Corridor and East West Economic Corridor) is an important component in tourism development (supported by ADB and JICA), as is heritage conservation, especially in Luang Prabang, through the support of UNESCO and the French government. Recently the joint UN (ILO, ITC) started a capacity-strengthening program for tourism in Luang Prabang.

Tourism development stakeholders in Lao PDR

The public sector at national and provincial level ensures that implementation tourism development mechanisms are in place, effective and participatory for Laos' policies to be implemented. LNTA has the responsibility to regulate and facilitate this process. The Provincial Tourism Department implement at provincial level.

The Private Sector in Lao PDR is significant in the tourism destinations, like Luang Prabang, Vientiane and Pakse. The Private Sector is investing in tour operator businesses, accommodation and restaurants. It is of course driven by profit and takes the major investment risks. In some places, like Luang Prabang, the Private Sector understands that tourism needs to be sustainable and responsible, to flourish in the long run, however in several other places this understanding is limited. The Private Sector should aim for those win-win situations that will bring more profitable business to the enterprise and benefits communities and environment, at the same time.



Communities are an important stakeholder in sustainable and responsible tourism in destinations. They seek and demand integration and involvement in tourism development and investment, and often take on the role of tourism entrepreneurs. In Lao PDR most of the communities are engaged through the government system, only with a few communities the private sector has taken the lead (for instance the Khamu Lodge in Luang Prabang).

NGOs and donor agencies have played an encouraging and facilitating role in sustainable and responsible tourism development in Lao PDR. They link the public and private sector in the country, preparing and implementing standards on tourism and sustainability, ranging from tourism and environmental awareness to human resource development, national industry standards, and facilitate tourism related projects. They supported communities to gain more involvement in tourism development programs, and support the monitoring and assessment of tourism development results.

Significant tourism programs in Lao PDR

Nam Ha Ecotourism Project

The Nam Ha Ecotourism Project was launched in 1999 with financial support from the Government of New Zealand by the Office of the UNESCO Regional Advisor for Culture in Asia and the Pacific in cooperation with the Lao National Tourism Administration, the Lao Ministry of Agriculture and Forestry's Department of Forest Resource Conservation and the



Ministry of Information and Culture's Department of Archaeology and Museums (Schipani, 2008). The project was cited in the National Growth and Poverty Alleviation Strategy and National Biodiversity Strategy and Action Plan for its success in promoting alleviation and natural resource conservation, has become the standard by which national ecotourism development initiatives are measured against (Schipani, 2008: 32).

Mekong Tourism Development Project and Sustainable Tourism Development

The MTDP project, supported by the ADB, was designed to reduce poverty in the participating countries—Kingdom of Cambodia, Lao PDR, and Socialist Republic of Viet Nam—and contribute to economic growth, increase employment, and promote the conservation of the subregion's natural and cultural heritage. The specific objective of the project was to promote sustainable tourism in the lower Mekong basin countries through infrastructure improvements, community and private sector participation, and subregional cooperation. It aimed to improve urban environmental conditions at key tourist destinations, rehabilitate small airports, and improve access roads to tourist sites (like a small airport extension Luang Namtha, and access roads to Konglor Cave, Khammouan, and to Kwangsi Falls, Luang Prabang), included measures to help rural communities develop sustainable and pro-poor CBT, was designed to strengthen public and private sector tourism cooperation in the GMS, and assisted the project countries in strengthening their capacity to promote sustainable tourism development (PCR MTDP 2012).

SNV pro-poor sustainable tourism support

In 2006, Ashley wrote an evaluation on the SNV PPST intervention in Luang Prabang and Khammouane Provinces in Lao PDR. Ashley wrote: 'SNV is effective at building capacity within Provincial Tourism Offices.

This in turn is a valuable intervention in making tourism in Laos more pro-poor over the long term, because this is a time when tourism is growing rapidly, its structure and spread is in flux, PTO capacity is low, PTO influence on the pattern of tourism development is high, the new skills are being applied to developing and promoting rural tourism more effectively and equitably, and this is supported by developments in policy at national level. Thus the intervention is setting the foundations for tourism in Laos to be pro-poor, with considerably involvement of rural people. However, sustained impact requires further input with some adaptation'. SNV adapted its program at the end of the 2000s, focusing more on 'Inclusive Destination Development' engaging in a 'pro-poor value chain development approach'. At the end of 2011 SNV phased out of tourism in Lao PDR.

2.5.2 CBT in the Kingdom of Cambodia

Cambodia had 3.6 million international tourist arrivals in 2012, and is expected to attract 4.1 millions in 2013. In 2012 this was 25.8% of GDP, generating over 1.8 million jobs countrywide (22.3%) (WTTC, 2013)⁴. According to UNTWO, Cambodia was growing at a rate of 18.53% while the world is only at 6% (Ministry of Tourism, 2008). Tourism was initially developed by Prince Sihanouk during 1950s as means to improve the deteriorating economy, but it was interrupted by civil wars and armed conflicts (Lekskuldilok, 2004). After three decades of civil war and armed conflict, Cambodia is re-emerging as an important destination for international tourists. The treasures of Angkor Wat, the culture of the Khmer people, and the general ambiance of Cambodia made the country an attractive destination⁵. Now tourism is one of the four pillars of the national economy together with agricultural, textile, and construction (UNDP, 2012: 14).

⁴ http://www.wttc.org/site_media/uploads/downloads/cambodia2013.pdf

⁵ http://www.unescap.org/ttdw/Publications/TPTS_pubs/pub_1748/pub_1748_CR-C.pdf

There are several reasons to support ecotourism and CBT in Cambodia.

1. The country has identified sustainable tourism as 'a potential tool for development' (Ellis, 2008). Based on the GMS leaders' mission, tourism has also been promoted as a tool for poverty alleviation (UN, 2007). Cambodia presents a unique opportunity to explore CBT as the model utilized to implement sustainable tourism and the use of tourism to stimulate development, with recent attention being given to the opportunities of CBT (Ellis, 2008).
2. Cambodia is rich in natural resources and communities that need support with conservation and development (Ministry of Tourism, 2008). Similar to CBT, Ecotourism also emphasizes community involvement in the development and management of programs. The benefits include income generation, quality of life improvement, and sustainable development (Siphan, 2009).
3. There is an effort to develop tourism in other regions of the country, besides Angkor Wat (Ministry of Tourism, 2008). Ecotourism or CBT projects are adapted mostly in such natural resources rich areas with high chronic human poverty. Finally ecotourism or CBT seems to be designed for several similar objectives; 1) to alleviate environmental problems, 2) to nurture democratic society and decentralization, 3) to improve natural resource management and conservation, and 4) to reduce poverty in rural poor communities (Ken *et al.*, 2004; Rith, 2004; Yin, 2003). Recognizing important roles of ecotourism, the governments of poorer countries as well as international organizations have tried their best to implement (Neth, 2008).

Plans, Strategies and Projects for CBT

The United Nations World Tourism Organization praised Cambodia as one of the few countries that already have a national strategy or plan for ecotourism development. Recognizing the important roles of CBT/ecotourism, the government of Cambodia in cooperation with several non-governmental organizations launched several plans and policies (UNWTO, 2012):

- 1994-1996 National Tourism Development (UNDP);
- 1996-2000 Socio-Economic Development Plan;
- 2001-2005 A National Tourism Development Plan (ADB);
- 2002 National Report on Protected Areas and Development (Ministry of Environment);
- 2003 Cultural Tourism Vision of CANTA (APSARA Authority);
- 2003 The National Poverty Reduction Strategy;
- 2006-2015 GMS Tourism Sector Strategy (ADB);
- 2008-2020 National Tourism Strategy; and
- 2009-2013 National Strategic Development Plan.

As the lead coordinator for CBT in ASEAN, as agreed in the ASEAN Tourism Meeting 2011 in Luang Prabang, Lao PDR, Cambodia is committed strongly to stimulate CBT in the country, and to support other countries in South East Asia.

Several CBT projects have been developed and implemented in Cambodia over the years, some important projects include the Mekong Tourism Development Project (ADB), which focuses on community-based ecotourism and pro-poor tourism development in northeast provinces of Cambodia, the Mekong River Dolphin Conservation and Ecotourism Project (AusAid, WWF, WCS etc), and projects related to Ecotourism in Protected Areas and National Parks (World Bank, ADB, AusAid, DANIDA, IUCN, WWF, Wildlife Aid).

2.5.3 CBT in the Socialist Republic of Vietnam

Vietnam received 5.6 million tourists in 2012, and the WTTC (2013) forecasts the country will attract 6.1 million tourists in 2013. The total contribution of Travel & Tourism to GDP was VND270.6 billion (9.4% of GDP) in 2012, and is forecasted to rise by 7.3% in 2013. Slightly over four million jobs are induced from tourism industry, 3.6% of total employment (Ibid.).

There were not many tourism development related activities before the new economic policy called “Doi Moi” imposed by the communist government of Vietnam in order to attract more trade with other countries. It was not until 1995 that Vietnam enjoyed its first 1.3 million of international tourists, while domestic tourists were always three times higher than the international ones. With the approval of the office of the prime minister, the first 5-Year National Tourism Action Program was launched in 2000-2005 titled “Vietnam-a destination for the new millennium”, and the 2006-2010 action program called “Vietnam-the hidden charm”.



It is no coincidence that ecotourism has already been mentioned in the Master Plan for developing strategies for Vietnam Tourism in 1995 highlighting the strategy of maintaining, restoring and developing tourism resources and environment (including natural and human cultural resources). Like several other countries, scholars are skeptical about the effective implementation. Lam (2002: 4) stated that ‘sustainable ecotourism development will be out of reach in the negligence of preserving natural beauty and cultural traditions of host community that possess biological resources’.

Ecotourism in Vietnam probably dates back to the “Pilot Planning Study of Nature and Adventure Tourism Opportunities in Vietnam” of 1995 organized by the government of Vietnam with support of the New Zealand experts. This project was followed by the development of the Strategy for Vietnam’s Environment towards the year 2000. With the support from various international organizations like UNDP, UNEP, WB, IUCN, ecotourism was promoted as a tool to make contributions to nature conservation, as well as the protection of Vietnam’s natural heritage sites and cultural relics (Ibid.).

Based on its natural abundance, Vietnam was in a good position to develop ecotourism that focuses on the value of natural resources. Ecotourism was soon considered as one key focus of the national tourism development strategy. However still some challenges had to be overcome.

Limited flexibility

Lam (2002) describes that private sector can participate as a joint venture in tourism development. The public-private partnership has been described in Lam's article as a recent flexibility in Vietnam. The flexibility allows the private sector to run their own resorts and tourists attractions. The Saigon-Binh Chau Ecotourist and Resort were established in 1989 by a joint-venture between the Dong Nai Tourist Company and The Saigon Tourist Holding Company. In October 1999 the Saigon-Binh Chau Tourist Joint Stock Company has been formed by nine companies. According to Lam, this flexibility boosts motivation, sensitivity of market demands, and improved financial benefits.

Identification of the enterprises as most influential stakeholder

Thi Nhu Hoa Le (2012) identified three groups of stakeholders influencing ecotourism implementation in Vietnam. These are first of all local communities, second enterprises, referring to businesses or other interested entities wishing to develop or promote ecotourism, and third governmental organizations. Using the stakeholder theory for the first time in ecotourism enterprise research in Vietnam, Le (2012) concludes that enterprises are the most influential stakeholder currently on how ecotourism is established, in Vietnam, even when the author signaled a lack of qualified human resources and of expertise, and limited knowledge of what to do in establishing and operating an ecotourism business in the researched enterprises.

Lack of community participation

Considering the claimed high potential of ecotourism development, Tran Thi Mai Hoa (2010) revealed that only in a few cases ecotourism has been implemented successfully. Tran Thi shows that in ecotourism in Vietnam, the community often is not aware of its possible role in participating and managing ecotourism. Therefore the community does not feel committed to and responsible for environmental and social development issues. In her research, Tran suggests that in order to implement CBT successfully, the community should be allowed to participate in the entire process and manage their own life as well as their native land (Hoa, et al. 2010).

2.6 Government driven CBT development

2.6.1 CBT in Malaysia

With 25 million international tourist arrivals in 2012, Malaysia celebrated the highest number of international tourist arrivals among the ASEAN countries. WTTC forecasts that tourism in Malaysia will enjoy 27.1 million of ITA by 2013. The total contribution of tourism to GDP was MYR146.4 billion (15.6% of GDP) in 2012. Tourism in Malaysia creates 1.7 million jobs, which is 13.6% of the total employment.

After independence in 1957, Malaysia considered itself as a new entrant in tourism industry. It has yet the most successful case in tourism development in the region. With a small number of 2.3 million international tourists arrivals in 1987 when it first established the Ministry of Arts, Culture and Tourism (MOCAT-which turned into the Ministry of Tourism in 2004), Malaysia tourism saw an exponential growth up to 10.2 million in 2000, 16.4 million in 2005, and 24.6 million in 2010, making Malaysia the second most visited country in Asia after China. Malaysia's tourism industry has been

an important driving force for the country's economic and social development since the late (UNWTO, 1990)⁶. Currently tourism is the second highest contributor to Malaysia's Gross Domestic Product (GDP) after manufacturing (Hamzah, 2004).

CBT in Malaysia has gone through a gradual process of metamorphosis towards sustainable development. The government issued the four plans promoting CBT.

Socio-Economic Plan

Ecotourism was first mentioned in the 6th Malaysia Master Plan (1991-1995). CBT was first identified as a new product in the 7th Master Plan of Malaysia (1996-2000) together with nature-based tourism, agro-tourism, and rural tourism. The plan was proposed to develop nature-based assets, i.e. waterfalls, forests, and rural sites, such as villages and farms, as tourism products. According to Marker (2008), the plan was carved to be part of a long-term strategy to diversify Malaysia's offer. The 8th plan marked the beginning of the notion of "sustainable development". In response to changing demand, the plan emphasized more on ecotourism implementation and a homestay program. The 8th plan, however, was not hailed as very "successful" in 'actually following the proposed plan' (The Star Online, 2008).

In the 9th Malaysia Plan (2006-2010), the notion of "sustainable development" was reinforced. The state agency also expanded its roles to 'monitor the success and prevent environmental impacts' (Hamzah, 2004). However, the government's focus is still on development of rural communities to reduce income imbalance between rural and urban areas and between less developed and more developed states. During the mid-term review of the plan, ecotourism

was not regarded as a first priority compared to other forms of tourism such as health tourism, educational tourism and MICE (The Economic Planning Unit, 2008).



National Tourism Policy 1992

Given its abundance of natural resources suitable as ecotourism products, Malaysia had been focusing only on major tourist destinations, like Penang and Lankawi. Community participation in tourism was briefly summarized in the National Tourism Policy in 1992 as to promote rural enterprises, to accelerate urban/rural integration and cultural exchange, and to encourage participation in tourism sector by all ethnic communities. However, Hamzah (2004) observed that planning of tourism development in Malaysia remained top-down in nature. As tourism is a Federal matter, MOCAT/MOT provided the overall framework and direction for tourism product development since 1992.

⁶ http://mkt.unwto.org/sites/all/files/docpdf/unwtohighlights11enlr_1.pdf

National Ecotourism Plan 1995

The development of nature-based tourism on the principles of sustainability and local participation was addressed in “The National Ecotourism Plan” of 1996. Instead of proposing a single term “Community Based Tourism” in their Plan, Malaysia employed different similar terms in various contexts, such as “ecotourism”, “nature based tourism” or “homestay” to express this sustainability oriented tourism. Though carrying slightly different meanings, these terms tend to go towards the same direction of sustainable development, environmental protection and community participation. (Beyer, 2005: 2) The plan identified 52 potential sites for ecotourism and proposed four intervention strategies: 1) improving management of ecotourism areas, 2) promoting product development, 3) providing training and certification of guides, and 4) establishing a consistent branding strategy (National Ecotourism Plan, 1995).

Rural Tourism Master Plan RTMP 2001

In 2001 Malaysia proposed another term ‘rural tourism’ in its first Malaysia National Tourism Policy. With the assistance from the United Nations Development Program-UNDP and World Tourism Organization (UNWTO), the Rural Tourism Master Plan (RTMP) was drafted based on its major Unique Selling Proposition (USPs); namely nature and culture. With a close supervision from the UNDP and UNWTO to turn Malaysian countryside into tourism products, the RTMP was formulated with the following objectives: 1) to increase visitor spending in the rural areas, and 2) to provide a unique different experiences for tourists, and 3) to target new markets, i.e. long stay or high-end tourists.

The RTMP was passed to promote the homestay program as part of the community development. Following the RTMP and in response to the growing

market of sustainable tourism, the following 9th Malaysian Plan was launched from 2006-2010 turning to the community development using rural tourism development as its mechanism (Ibrahim, Rasid & Razzaq, 2009).

Unlike the previous forms of tourism proposed by the government, a study on the “homestay program and rural community development in Malaysia” conducted by Ibrahim, Rasid and Razzaq is probably closest to the definition of CBT in terms of its strategies for community development, criteria for homestay development and monitoring of socio-economic improvements. The homestay was launched in 1995 in Temerloh, Pahang. Since then, it has spread to various other states in the country including Sabah and Sarawak. In 2007, the government has actively provided financial assistance to 138 homestay villages through the Small and Medium Enterprise (SME) Project (SEM Annual Report, 2007). The study of Ibrahim, Rasid & Razzaq, of the homestay program in 2009 revealed that the total of 227 villages participating in the homestay program had increased approximately 55.5% over the previous year. The government, through Ministry of Tourism, prompted to allocate RM40 million to improve the homestay program, and upgrade infrastructure in the participating villages. Another RM10 million was allocated in the same year, in the second stimulus package for the homestay program.

As of 2010, there are 153 official homestay operators. All of the official homestay operators are registered and have been trained and licensed by the Ministry of Tourism Malaysia.

NGOs have been acknowledged to support ecotourism and CBT. The Malaysian World Wide Fund for Nature (WWF) and the Malaysian Nature Society (MNS) are highly regarded for their campaigns to promote ecotourism. The World Wide Fund has been

campaigning to raise public awareness and providing training on ecotourism, while the latter one has cooperated with the government in management of ecotourism destinations. The Malaysia Association of Tour and Travel Agents (MATTA) also provides training to guides and managers to operate ecotourism. MATTA also hosts the Asia-Pacific Ecotourism Conference (APECO) bi-annually. Other organizations providing technical assistances in CBT include the Borneo Ecotourism Solutions and Technologies, and the Homestay Association of Malaysia.

2.6.2 CBT in Negara Brunei Darussalam

Though a small country of 427,000 people, Brunei has enjoyed a large amount of tourist arrivals of nearly half of the country's population in 2012, and expects to have over 246,000 ITAs in 2013. In the next ten year, WTTC predicts that Brunei will have tourist arrivals of approximately 429,000, the same as its number of current inhabitants.

Realizing the rise of tourism in other Asia Pacific countries, the government of Brunei, recently started working towards economic diversification. Brunei's Tourism objective is to increase international tourist arrivals by a minimum average rate of 7% yearly, as well as to increase the average length of stay and expenditure. However, with the majority of its wealth derived from oil and gas, Brunei has placed tourism only as a substitute plan in the future. Based on the National Vision 2035 announced in 2008, the government of Brunei aims at doubling the daily oil and gas production by 2035.

Brunei has only three homestay sites, but only one is considered a CBT site, as it is based on community participation. In 2010, Asian Development Bank-ADB provided fund to conduct a study on 'BIMP-EAGA Community Based Tourism Strategy 2010-2015. Its outcome is "Community-Based Ecotourism is the Focal



Point of the Subregion's Tourism Development Approach". Based on the executive report of this study, the BIMP-EAGA subregion would cooperate to deliver the CBT products using the strategy 'Thematic multi-country community-based ecotourism circuits.' Brunei as part of the region will also receives training of CBT and soon will share parts of the benefits from this joint mission supported by ADB.

2.6.3 CBT in Singapore

Known as a technology, manufacturing and finance hub, Singapore also enjoys its tourism industry. Around 11.7 million, more than twice the population, have been recorded to visit Singapore in 2011. In 2013, this is expected to grow by 5.0%, and will be over 12.34 million tourist arrivals. The total contribution of tourism to GDP was SGD 38.4 billion (11.3% of GDP). In 2012, the total contribution of tourism to employment, direct and indirect, was 9.1% of the total employment (291,000 jobs) in the country.

Based on its limited natural resources, Singapore has set its goal for 2015 to develop tourism into three key areas: 1) Strengthening Singapore's position as a leading Convention & Exhibition City in Asia with a strong and dynamic business environment, 2) Developing Singapore as a leading Asian leisure destination by providing an enriching experience that is "Uniquely Singapore"; and 3) Establishing Singapore



as the services center of Asia, a place where visitors come to enjoy high-end quality services such as healthcare and education services. To maintain its growth, Singapore launched several strategies and campaigns to increase tourist arrivals. The government injected S\$ 2 billion to develop casino resorts after 40 years of antigambling rules. The country also went on to promote Singapore as ‘a global lifestyle and business hub by seeding best-in-class events and bringing in international conferences and exhibitions’ (Channel News Asia)⁷. Singapore has attracted 160,000 visitors last year for the “F1 night race” and has an ambition to increase the number of tourists for the next race.

Though most of the aforementioned tourism campaigns and strategies pursued by the government of Singapore are not related to or supporting ecotourism or CBT, Singapore is concerned and responsive to calls of environmentalists. The government has designed and implemented a number of innovative ways to solve environmental and resource management issues that plague the country.

The Singapore Tourism Board (STB) is in charge of promoting sustainable tourism in cooperation with three other agencies, The Urban Redevelopment Board, National Parks Board, and the National Heritage Board. The STB has included its sustainable tourism agenda under the larger strategic framework called the *Tourism 21 blueprint* which specifically addresses the creation of thematic zones (enhancement of cultural heritage zones), CBT development (farm tourism) and development of nature-based tourism.

2.7 New Tourism in Myanmar

2.7.1 CBT in Myanmar

Myanmar’s tourism development aims to underpin the orderly development of tourism to generate foreign exchange, create jobs, and contribute to poverty reduction. Tourism development efforts are geographically focused on Bagan, Inlay Lake, Mandalay, Mt. Popa, Taunggyi, Yangon, and the island and coastal marine environment of the Myeik Archipelago (ADB, 2012).

Due to the changes in Myanmar, tourism in Myanmar has been growing rapidly. In the last couple of years Myanmar is opening up to the world, and the international community is opening up to Myanmar. According to WTTC, Myanmar received 487,000 tourist arrivals in 2012 and is expected to rise by 10.9% in 2013 to 547,000, making up to 3% of the country GDP, creating over 711,000 jobs from tourism and related industries, which is 2.6% of total employment.

⁷ <http://www.channelnewsasia.com/stories/singaporelocalnews/view/1186566/1.html>

In the last two years the tourist numbers are increasing rapidly and tourism infrastructure is being built in the country in a very fast pace. However, this does not necessarily need to result in sustainable development. As the recent “Responsible Tourism Policy” (2012, p. 3) formulates it: ‘The Republic of the Union of Myanmar is currently experiencing rapid growth in tourism demand. Myanmar is becoming an emerging and fast growing tourism destination in South East Asia. In the first six months of 2012, international visitor arrivals increased by over 30% compared to 2011. In the short run, success is assured and tourism will continue to grow rapidly. However, Myanmar risks potential unsustainable tourism growth and negative impacts related to the environment, culture and society.’

There was growing awareness in the country that guidelines for sustainable and responsible development had to be put in place as soon as possible. In September 2012 the mentioned “Responsible Tourism Policy” (‘a set of national policy principles that provides the foundation for a Myanmar Tourism Development Strategy and Action Plan’, p.3), was published, and a consultants’ team (hired through ADB) started working on the tourism plan. The draft Myanmar Tourism Development Strategy and Action Plan is being finalized, at the moment.

Community Based Tourism as a development concept is a relatively recent phenomenon in the country. The Myanmar Responsible Tourism Policy mentions nine aims that need to guide tourism development in the country. Linked to these nine aims are 58 action points (2012, p. 8):

1. Tourism is a national priority sector-Integrate domestic and international tourism into the national economic policy, and develop linkages between tourism and other economic sectors to maximize benefits. Further strengthen cooperation mechanisms within the public sectors and with the various tourism sector stakeholders (private sector, local communities and civil society) (7 high priority action points);
2. Broad based local social-economic development-Spread benefits in the community, encourage local entrepreneurship and civil society engagement to secure livelihoods for women and youth and to alleviate poverty (no high priority action points);
3. Maintain cultural diversity and authenticity-Preserve national identity and encourage the development of cultural heritage and living cultures (1 high priority action point);
4. Conservation and enhancement of the environment-Take leadership in applying responsible environmental practices in flora and fauna, through adherence to environmental legislation and encouragement of conservation and sustainable usage of natural resources (2 high priority action points);
5. Compete on product richness, diversity and quality-not just on price-Reflect on the tourism products and experiences that are traditional in character of Myanmar, as well as on the market demands and expectations of visitors, with an interest in supporting responsible and sustainable tourism development (3 high priority action points);
6. Ensure health, safety and security of visitors-Meet set standards of all tourism services on health, safety and security across the tourism industry (2 high priority action points);
7. Institutional strengthening to manage tourism-Enhance the understanding and effective management of tourism from a national to a local level and with the stakeholders in destinations (2 high priority action points);
8. A well trained and rewarded workforce-Establish an adequate and appropriate capacity building program through continuing professional development, training and education (3 high priority action points); and
9. Minimizing unethical practices-Apply ethical standards through tourism development to minimize social, economic and environmental harm (3 high priority action points).

Main stakeholders involved

The public sector at the national level ensures that implementation mechanisms are in place, effective and participatory for the Myanmar's policies to be implemented. This includes preparing suitable frameworks for responsible tourism development such as investment, taxation, education, health and safety, marketing, human resources development, and infrastructure development which are embedded in sustainable economic, environmental and social development. The public sector at national level has the responsibility to regulate and facilitate this process (Responsible Tourism Policy, 2012: 22). The main function of the Ministry of Hotels and Tourism is to promote domestic and international investment in the tourism sector, human resource development, and marketing and promotion (ADB, 2012).

Myanmar cooperates in subregional tourism working groups and related initiatives under the ASEAN, GMS, ACMECS, and the Bay of Bengal Initiative for Multi-Sectoral Technical and Economic Cooperation (BIMSTEC) economic cooperation frameworks (ADB, 2012).

Local governments have a crucial role in implementing the action plan of the responsible tourism policy, at local level. In Myanmar, local governments are in the lead of environmental and land-use planning, and rural development initiatives. They also facilitate participation of local communities and licensing of businesses in accordance with the national frameworks. A key role of local governments is to adapt national policies and action plans to the local level and facilitate local stakeholders (Responsible Tourism Policy, 2012: 22).

The Private Sector is instrumental in the implementation of the responsible tourism policy. The Private Sector is driven by profit-making and bears the major investment risks. It is in the interest of the

Private Sector that tourism is sustainable and responsible, to flourish in the long run. Delivering quality tourism products, services, and satisfying visitor experiences, and providing value for money are mainly Private Sector responsibilities. The Private Sector also has the responsibility of developing tourism as an industry and an instrument for Myanmar's sustainable economic growth (Responsible Tourism Policy, 2012: 22).

Communities are an important stakeholder in sustainable and responsible tourism. The same counts for Myanmar. Communities are/should be beneficiaries of tourism development in their particular destinations; and should be closely integrated in the development of/investment in tourism in the destination. Communities should actively engage and be made aware of the potential negative and positive effects of tourism on the local economy, environment and culture. They could seek and demand integration and involvement in tourism development and investment, and take on the role of tourism entrepreneurs (Responsible Tourism Policy, 2012: 23).

Civil society organizations and NGOs have an encouraging and facilitating role in sustainable and responsible tourism development. They can be the link between the public and private sector in preparing and implementing standards on tourism and sustainability, ranging from tourism and environmental awareness to human resource development, national industry standards, and facilitate tourism related projects. They can support communities to gain more involvement in tourism development programs, and can support the monitoring and assessment of tourism development results (Responsible Tourism Policy, 2012: 23).



Important tourism-related programs and project

After a long period of wait and see from both the government of Myanmar and donor agencies in outside of the country, recently several important sustainable and responsible tourism initiatives were initiated in Myanmar, recently. Myanmar has been active in the Tourism Working Meeting of the GMS, and actively participated also in the 'Facilitating Sustainable Mountain Tourism' Training of Trainers course of ICIMOD/SNV in Kathmandu in 2007 (Kruk, Hummel & Banskota, 2007).

In the earlier sections the Responsible Tourism Policy and the Myanmar Tourism Development Strategy and Action Plan have already been introduced, as important policy development projects. Also a significant conservation and development program on tourism and environment is being developed implemented around the Inle lake, at the moment.



Only very recently CBT has become important in tourism development in Myanmar. Early 2011, the Thai Community Based Tourism Institute introduced CBT at a Tourism Working Group Meeting Conference was requested by SST, a private sector company and NGO, to introduce CBT in the country. CBT-I visited the Myanmar later that year and provided several introductory training sessions. In 2012, one of the hotels at the Inle Lake requested CBT-I to introduce CBT for their hotel staff. The group visited Chiang Mai to experience CBT in Thailand.

Compared to other countries like Vietnam, Laos, Cambodia and Thailand, tourism initiatives related to communities are all relatively recent. Although the responsible tourism policy mentions quality standards, in CBT standardization or certification is not a major discussion, yet.

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Chapter 3

ASEAN Country Case Studies

3.1 Introduction to the chapter

This chapter presents Community Based Tourism (CBT) case studies from eight different ASEAN countries. The order of these case studies is similar to the ordering of the countries presented in Chapter 2. The first group consists of the early starters. Thailand, Indonesia and the Philippines were all involved in the Community Based Sustainable Tourism (CBST) program of Oxfam Novib in the early 1990s. The second group consists of GMS countries (Lao PDR, Kingdom of Cambodia, and the Socialist Republic of Vietnam) which received tourism related donor support over the years. The third group is represented by the case of Malaysia, which did not receive much donor support, but has governments which used tourism as a tool to bridge the gap between urban and rural development. Finally, the emerging 'Community

Involvement in Tourism' (CIT) case of Myanmar is introduced.

The eight country cases presented in this chapter provide a quick overview of their national tourism and CBT development, and most cases provide one or several examples of CBT policy or CBT development initiatives in the country. In all country cases, a link is made to the development of guidelines or standards in the particular country. In Thailand a draft CBT standard was developed and tested with several communities. After an initial discussion on a CBT Standard in 2009, in Indonesia no official Standard has been implemented. In the Philippines CBT related standards, regulations and 'codes' are defined on different administrative levels (national, regional and local). In the case of Lao PDR a history of the development of CBT in Luang Namtha is presented, showing the relation of the development activity with

institutional development. In Cambodia a CBT Standard was developed in 2009 and now receives renewed attention as it is assigned to lead the development of the ASEAN CBT Standard. For Vietnam the institutional setting of CBT development in the North of the country is presented. In Malaysia the government is supporting a homestay program, but has not developed a CBT Standard as of yet. Finally, in the fast emerging tourist destination of Myanmar, regulations for CIT (Community Involvement in Tourism) are part of a currently developed "Tourism Master Plan".

As the case studies will show, several promising initiatives are under way, especially in Cambodia, Thailand, and Myanmar. In other countries important steps have been taken as well and these combined experiences provide interesting insights in the challenges, lessons learned and critical success factors when developing and implementing CBT standards in the ASEAN context.



3.2 Directions towards a credible and high-quality Thai Community Based Tourism Standard

Potjana Suansri and Peter Richards

Thailand Community Based Tourism Institute (CBT-I)

Community Based Tourism, a turning point for Thai tourism development

Since 1961, Thailand's development has been based on a series of National Social and Economic Development Plans. Sustained tourism growth has generated massive economic benefits for Thailand. Nevertheless, as tourist arrivals have increased, so have public debates about the impacts of tourism, and "who benefits and loses out from Thai tourism development?"

The 8th National Social and Economic Development Plan (1997-2001), began to include the concept of "people-centered development", and references to the growing global trend towards sustainable development. These new directions and developments were also an important turning point in Thai tourism, marking a new era of broader public debate and questioning the meaning of "sustainability" for Thailand. This period also witnessed a growing consensus among Thais that people's participation is an essential element of successful, sustainable tourism.

The 1997, National Ecotourism Master Plan cemented the importance of local community members' participation in Thai tourism development.

Community Based Tourism (CBT) was not well known at this time. However, concrete pilot projects confirmed that local community participation in tourism development was possible, which generated interest among Thai tourism stakeholders and observers. Before the early 1990's, the predominant position of government and the private sector was that local people lacked sufficient capacity to manage and operate tourism, and therefore managing tourism programs should be left to professionals-tour operators. After this period, the debate slowly progressed to "how to develop local capacity to manage and operate tourism?"

The development of Community Based Tourism (CBT) in Thailand

From 1994, the Responsible Environmental Sustainable Tourism (REST) Project team, worked consistently to pioneer community based tourism development in Thailand, supporting local community members to consider how tourism could be harnessed to solve problems and to support local community development goals in diverse and contrasting socio-cultural and natural environments. REST also organized tours, to help CBT projects to begin reaching markets.

By 2003, the REST team had accumulated over a decade of field experience, which was synthesized and summarized in the REST CBT Handbook (Suansri, 2003). This handbook has been used widely inside Thailand by academics and community development workers, and has also been a useful resource for CBT development in the Greater Mekong Subregion and beyond.

Another trend which contributed significantly to the growth of community based tourism in Thailand was support for community based research (CBR), related to the issue of CBT. In CBR projects, local community members identify a simple research question based on a problem or challenge in their community. They take a systematic approach to identifying solutions, by adapting and using simple research tools like interviews, surveys, social and environmental mapping, etc. The main organization supporting CBR in Thailand was the Thailand Research Fund (TRF), which funded hundreds of local villages to conduct community based research.

TRF's work introduced and disseminated innovative, step by step processes and tools for community members to carefully consider their identity and needs, and to learn more about the potential positive and negative impacts of tourism, before deciding to develop CBT. Community members were empowered

to be 'local action researchers,' supported by TRF staff, who brought a combination of academic and community work skills to their roles. The results of CBR were analyzed by community members, and used to plan appropriate models of CBT (CBT-I 2010).

In 2006, the Thailand Community Based Tourism Institute (CBT-I) was established. and cooperation with Thai universities lead to a sharing of expertise and pilot projects across the country. Lessons learned from new initiatives showed how CBT could be applied to various challenges in various local contexts. Knowledge was synthesized and shared inside Thailand, through academic conferences and seminars, articles and other media, and joint projects with organizations which provide outreach education for Thai communities, including 'community colleges' and Thailand's Designated Areas for Sustainable Tourism Administration (DASTA).

CBT in Thailand, offering useful lessons for the region and beyond

Thai CBT tends to focus on a broad spread of economic, socio-cultural and environmental objectives, retaining a strong focus on the importance of learning and cross-cultural exchange. CBT development in Thailand has been facilitated by NGOs, educational institutes, the Thai government, tour operators and associations, and even the Thai Agricultural Cooperatives Bank.

In 2013, people in over 100 Thai communities have cooperated to develop and manage their own CBT programs. Communities have also organized themselves into provincial and national networks. CBT communities currently welcome a mixture of Thai and foreign guests, ranging from tourists seeking an authentic cultural experience, to school and university students, special interest groups, volunteers, families and professionals participating in study tour programs.



The long history of Thai CBT development, and the range of issues which CBT has been harnessed to address, offers significant, useful lessons to other countries and regions. Much international literature on CBT has focused on the failure of CBT projects after funding dries up and international projects are wrapped up. CBT projects have been negatively impacted by a number of common challenges, including poor infrastructure, remote locations with limited access, internal conflicts among community members (weak governance) and poorly planned, unsuccessful marketing (Hausler, 2010; Goodwin & Santilli, 2009; ODI, 2008). Other projects have over-focused on income generation, at the expense of the local culture and environment.

Thailand also has examples of failed CBT. However, a high number of projects have remained operational and sustainable after initial funding and technical support has finished. Many Thai communities have offered CBT programs, independent of external funding, for over 5 years. Thai CBT destinations have received international recognition through prestigious awards including the PATA Gold Award 1994 (Ban Prasaat, Nakhon Rachasima province), the World

Legacy Award 2002 by National Geographic Traveler and Conservation International (Koh Yao Noi, Phang Nga province) and PATA Gold Award 2010 (Mae Kampong, Chiang Mai province).

CBT case studies and lessons learned from Thailand have been presented in key international events, including the Regional International Year of Ecotourism (IYE) Preparatory Meeting in Chiang Mai, Thailand (2002); the IYE+5 in Oslo, Norway (2007), the 2011 World Tourism Forum, Lucerne, Switzerland, and other events in South America, Africa, Europe, South and SE Asia. Moreover, each year, successful communities receive visits by international delegations interested to learn more about CBT development in Thailand, to apply in their own countries.

Throughout two decades of supporting CBT development, the CBT-I team has observed many factors which influence the success and failure of CBT. A common success factor, shared among Thailand's longest-running sustainable CBT programs is developing CBT based firmly on the needs of local community members, carefully integrating the objectives of partner tour operators and/or supporting

organizations through participatory processes. Bottom-up development has fostered a sense of ownership and responsibility by community members for their CBT products and services, which has been a weakness of many CBT projects implemented from the top down.

The proposition that people's participation in tourism is possible, and is an essential element of sustainability has been validated by two decades of CBT development, with and by local people.

Unfortunately, despite recognition inside and outside Thailand, and examples of government policy support, CBT remains poorly positioned and unclear at policy level, from development to marketing. There are serious gaps between supply and demand, product development and marketing, and the strategic coordination of implementing organizations working in the same target areas. This has caused some reinvention of the wheel, confusion and community fatigue.

To fully realize the potential of CBT, government support would benefit from more integration and strategic cooperation with NGO, academic and community organizations. The development of a CBT Standard, as a tool for product development and marketing, could provide one opportunity to collaborate, integrate and strategize a more effective support package for CBT.

Why does CBT need a standard?

In the field-Communities are dynamic. Situations change over time. Staff such as local guides and homestay hosts leave, and new staff join the CBT group, who have frequently not participated in original trainings. The difficulty of maintaining quality is a challenge which has often been communicated to CBT-I by Thai tour operators and DMCs, when criticizing CBT. A standard can provide a common framework, and training resources to build and maintain quality.

Moreover, with increased awareness of the term CBT, and government budgets available to support CBT, many communities and tour operators which do not operate according to the principles of CBT are beginning to use the term CBT, in a form of community green-washing. Without a standard, it will become increasingly difficult to distinguish between real and fake CBT. This will also undermine the work of many communities which have worked extremely hard to develop tourism with local participation and benefits for community and environment.



To meet these challenges, a range of tools can be considered. For example, *in the field* additional training and coaching can develop the quality of CBT experiences, and to build the capacity of local staff. However, follow-up support from outside organizations is not always available. A CBT standard, with clear indicators and tools to help reach and maintain service and sustainability standards would be useful for community members and supporting organizations. A CBT standard would help to identify gaps in the skills and knowledge of CBT staff, so that they can focus on developing specific skills, or request assistance from outside organizations. Potential supporters will be able to see which areas are weakest, and provide tailored assistance.

A CBT standard would also support the sustainable development of CBT. Implementing the standard would require community members to work together, and to transparently monitor and communicate the management and results of CBT with stakeholders inside and outside their communities. Knowing that CBT will be assessed across a range of issues, community members will need to take action and collect evidence to prove that action has been taken. If monitoring indicates that tourism has had negative impacts on the environment, local culture, etc, community members and partners can work to find a solution. By encouraging greater transparency and participation, a CBT Standard could also help to reduce internal conflicts.

In the market-CBT is gradually becoming better known among tourists and tourism professionals. CBT-I have observed an increasing number of Thai tour operators proactively marketing rural experiences as 'CBT'. However, homestay remains a better known brand inside Thailand. A lot of work remains to communicate the unique aspects and added value of CBT and increase awareness among international and Thai tourists and potential business partners.



Research by the Department of Tourism (Promburom, 2010) showed that the number of international visitors who spent a night in a certified Thai homestay increased from 1.4% to 6% between 2009 and 2010.⁸ Moreover, research conducted for the TAT (IN-TOUCH, 2010) described international and domestic trends which present opportunities for CBT. These trends have influenced the TAT to identify Green Tourism as a key product for 2013 (TAT, 2013).

After CBT products have been developed, marketing partners can try to differentiate CBT in the competitive rural tourism market, by powerfully communicating the highlights and added value of the product (e.g. extra authenticity and benefits for community and environment). This is the 'responsible tourism' approach championed by Harold Goodwin and the team at the International Center for Responsible Tourism (ICRT), which has many merits.

⁸ In practice, many Homestay and CBT communities are the same places

However, in practice, CBT-I have observed that much more value could be added to CBT at the market end. Often, CBT is promoted next to regular rural products, with little or no differentiation. With the increase in green-washed CBT, in a cut-throat competitive environment, a credible standard, especially with government endorsement, could help to differentiate real CBT from regular (less sustainable) rural tourism, being presented (green-washed) as CBT.

Tour Operators working in partnership with the CBT Network have consistently communicated that a CBT Standard would be useful in identifying communities which were ready for market.

A CBT standard could also act as a foundation for a Thai CBT brand, guaranteeing that CBT is a high quality product, which delivers benefits to tourists, community and the environment. The brand (e.g. a Thai CBT Logo), underpinned by the standard, could then be complemented by communicating unique aspects of each CBT program clearly and attractively to potential guests.

A CBT standard should also be useful to access specific, high-value, niche markets, such as school and university study programs. Several recent research papers have identified educational markets as a key market and growth opportunity for Thai CBT (Boonratana, 2011; Suansri & Richards 2013; Tuffin, 2010). The fact that assessments of safety, hygiene, etc. will be required and thus guaranteed by the standard can support educators' responsibility to provide duty of care to their students' development, and sustainable community development.

Thai experience, in particular Thai Homestay and the Greenleaf Foundation, suggests that the development of a standard, behind a recognized brand, can be a useful tool to build capacity, improve product quality, increase credibility across a network of suppliers, and improve market access. In particular, where this has

been done with full, strategic support of the government, working with stakeholders, results have been achieved for product and market development.

Examples of comparable standards in Thailand

The Greenleaf and Homestay standards are examples of Thai standards which can provide lessons about how to develop credible and useful standards, applicable to a CBT standard.

The Greenleaf Foundation Standards

The Greenleaf Foundation was officially registered in March 1998 to 1) Promote knowledge and support studies and research in the creation of a good understanding of environmental conservation, 2) Assist owners and operators in the tourism industry to develop environmental quality standard in their work place, and 3) Develop standards of environmental practices for tourism and tourism-related business in responding to consumer's requirement. Greenleaf's main target group is Thai hotels. The foundation, although operating with limited funds and staff, has enjoyed growth in membership and respect from the Thai Hotel Association.

The foundation was founded with strong support from 6 key stakeholders, including the main government organizations (Tourism Authority of Thailand, Thai Hotels Association, United Nations Environment Program, Demand Side Management Office of Electricity Generating Authority of Thailand, Association for the Development of Environmental Quality, and Metropolitan Water works Authority), which would need to work together to support the foundation and its members (hotels) if sustainability efforts were going to be possible in practice:

The first program is the core Greenleaf Standard for Environmentally Friendly Accommodations. Hotels which wish to develop and prove their environmental credentials must work through 3 stages: 1) a screening process, 2) a qualifying process and 3) a grading process. Scoring in the standard is based on performance in 11 sections, such as Policy and Standards of Environmental Practice, Waste Management, Energy and Water Efficiency, Purchasing, In-door Air quality, Air Pollution, Noise Pollution, Quality of Water, Storage and Management of fuel, gas, and toxic waste, Impact on Eco-system, Cooperation with Community and Local Organizations. The second program is the Greenleaf Smoke Free hotels (722 member hotels), and third is the Greenleaf Health Promotion Hotels (160 members), which are simpler and were developed to encourage hoteliers to increase their confidence and 'step in' to the bigger Greenleaf certification system. Factors which have contributed to the success of the Greenleaf Standard include:

1. Government and civil society support, including in cash and in kind support (e.g. office space at the TAT, technical input into water and electricity bottlenecks and solutions) and consistent participation and input from government and civil partners. It is notable that Greenleaf's relations with the Thai Hotel Association have remained strong, and helped to facilitate discussion and problem solving between the hotel industry and government.
2. The main target market is hotels. A sufficient number of hotels have been willing and able to pay membership fees to enable Greenleaf to operate. While interviewing Greenleaf members in 2010/11, the author learned that some of the reasons why hoteliers renewed their membership with Greenleaf were 1) Cost savings (e.g. electricity and water); 2) Team building, human resource development and improved staff motivation; 3) Government green procurement policy to support green hotels (seminars, etc); and 4) Interest from tourists and tour operators.
3. A wide variety of Thai language training materials and staff able to speak Thai language.
4. Greenleaf has clever strategies to attract hotels which are not ready for the main standard, so that they can make a start, and begin to build trust and build relationships. Hotels can attend free seminars, take their time to get involved, and begin with easier programs, such as smoke free or health promotion hotel if they wish.
5. Greenleaf has excellent, credible, academic support from Dr. Chirapol Sintunawa at Mahidol University, and a small but committed team of auditors. Audits are conducted by a team of experts. The organization has a clean reputation, without criticisms of corruption.

The Thai Homestay Standard

The Thai Homestay Standard was developed by the Department of Tourism, Ministry of Tourism and Sports of Thailand (2004). Success factors for the Homestay Standard include:

1. The standard is part of Thai tourism policy, with a clear responsible organization, the Bureau of Tourism Services Development, under the Department of Tourism;
2. The standard was declared in the Royal Thai Government Gazette. This meant that key-actors, including the committee to accredit standards, the working group to develop standards and the committee to assess standards considered the standards as serious and important;
3. Budget was allocated to establish the necessary committees and working groups, and to organize the necessary meetings to move the standards development process. Budget was also allocated to educate community members about the standards before assessing;
4. The tools to assess the standards and simple and appropriate to Thai villages;
5. The standards have been followed up, developed and assessed consistently;

6. The Department of Tourism has goals for the minimum number of communities to reach standard per year. They are active in encouraging communities to apply for the standard; and
7. Communities which receive the Homestay standard are included in the Thai Homestay Directory and promoted on a website for Thai Homestay, which is popular among Thais.

History of the development of a Thai CBT Standard

CBT in Thailand was pioneered by NGOs, academics and community members. Although CBT is now formally part of the Thai tourism policy, it took many years and was a difficult process to encourage the government to support CBT. This was due to issues such as the dynamic nature of CBT product and staff, with many internal and external influencing factors; the difficulty of marketing an acronym (CBT) compared to more attractive sounding tourism products (such as ecotourism, homestay, etc.); and a gap in trust between the Thai government and civil society.

CBT is considered to support Thai government policy towards people's participation and stimulating a grassroots, community economy. For this reason, some support at policy level has been provided, including funds, human resource development and CBT network development. However, government support has not been sufficient to really move CBT forward. Training courses have tended to be very short, marketing has been focused on events and individual publications, and network support has often been out of touch with the situation and progress of community networks. Work has often been outsourced on short term contracts, without serious strategic cooperation between the various expert organizations implementing work. This has led to confusion and fatigue in many communities and a feeling of

reinventing the wheel. The Department of Tourism has so far not made serious efforts to develop a CBT Standard.

CBT-I, considering a standard to be a useful tool to support CBT capacity building, product development, marketing, and achievement of the social and environmental goals of CBT, have worked since the mid 2000s to facilitate the development of a CBT Standard, with participation from local community members working in CBT projects across Thailand.

CBT-I's (then REST) work to facilitate the development of a Thai CBT standard started in 2005. Following the development of a pilot CBT standard for the EU Funded CHARM project, the team organized a meeting with the Department of Tourism, responsible for tourism standards development, to request further development of the draft CBT standard. The response from the department was not fully positive. The Department of Tourism replied that for a CBT Standard to be able to be developed in cooperation, an order would be necessary from the director of the Department, and that as the Thai Homestay Standard already assessed many relevant criteria, not only those related to the provision of accommodation, a CBT Standard would be unnecessary.

Next, alongside partners in Thailand and Europe, CBT-I implemented the EU funded Corporate Social Responsibility Market Access Partnerships project (CSR-MAP 2008-2010). This project conducted research about EU demand for Thai sustainable tourism; developed new sustainable tourism standards for SME tourism operators (including a new CBT standard); and developed 20 new, integrated Thai sustainable tourism routes. The new standards were based on the Global Sustainable Tourism Criteria, with reference to existing national standards (including Homestay). The process included feedback from EU tourism experts, ECEAT, as well as in-depth

participatory consultations and input from over 240 Thai and EU tourism operators and 30 Thai communities. The resulting standards can fairly be said to represent an adaptation of the GSTC to the Thai context. A further aim of the project was to influence Thai tourism policy, towards sustainable tourism, by proving the extent of EU market demand for Thai sustainable tourism.

After 18 months, the project had achieved several relevant results (research, standards, new sustainable routes). The project had catalyzed close cooperation between the project partners, the European Center for Eco and Agro Tourism (ECEAT), Thailand Ecotourism and Adventure Travel Association (TEATA), the Greenleaf Foundation, and CBT-I. The standards were developed through highly participatory processes for tour operators, communities (CBT), SME hotels, restaurants and tour guides. Different supplier groups gave each other detailed feedback, and EU experts provided additional comments. Thai supplier groups considered feedback from Europe and either agreed and included the additional criteria, agreed but noted that they were not yet ready to implement this criteria yet (with a reason), or disagreed (with a reason).

The process of developing the CBT standard included the participation of over 30 communities from across Thailand, in a series of workshops, followed by testing the standards in 5 communities with different social and environmental contexts. Cooperation with the Thai government included signing MOU's with the DOT and TAT. The TAT funded EU tour operators to attend a 2010 FAM trip (to survey the routes and feedback on the standards), and the DOT agreed to develop the five CSR-MAP standards further. In the months following the end of the project, the DOT hired experts to develop and clarify indicators for the new CBT standard.

Unfortunately, however, following the end of the CSR-MAP, the Department of Tourism did not continue to develop the CBT Standard. The reasons given to CBT-I were that no budget had been earmarked and no staff member was given responsibility to follow up this issue. There were several rapid changes at senior levels, without a commitment to support a CBT standard. TEATA also went through a turbulent period of internal political disagreements, which limited the support to the new tourism routes. Nevertheless, as an example of good cooperation between key organizations in Thai sustainable tourism, the project was a success, and produced the first serious draft of a Thai CBT standard, developed with direct local community participation.

The CBT Standard developed during the CSR-MAP was further developed by CBT-I, as a tool to assess communities and to direct further development, in partnership with the Thai government organization, Designated Areas for Sustainable Tourism Administration (DASTA). However, as DASTA is not the organization officially responsible for tourism standards, they are not able to certify communities with the CBT standard. However, they are able to use the standard to assess progress and give awards. Convinced that a CBT Standard is a valuable tool to develop CBT and community capacity, CBT-I is currently conducting research to identify success factors and obstacles to develop CBT to the level of the CBT Standard. Even if the Thai government does not support further development of a CBT Standard, the lessons learned will be useful to communities and supporters by providing tools to assess and develop CBT.

Conclusion

During the past 20 years, as CBT has developed, so has conviction in Thai society that people's participation is an essential element of sustainable development and sustainable tourism. A large number of communities have developed CBT based on the principles of broad community participation, benefits for community and environment, and cross-cultural exchange. Many communities have independently monitored their successes and challenges and developed consistently, without the necessity of a standard. However, if CBT is to realize its full potential as a turning point in Thai tourism development; have maximum credibility with tourists, the tourism industry and government; and earn appropriate recognition as a powerful tool for community participation, development and conservation, a CBT Standard is a very useful tool.

Lessons show that a CBT standard is most likely to succeed if it is developed, implemented and promoted (e.g. alongside a CBT brand) in cooperation with relevant Thai government agencies.

As Thailand has many examples of international best practice, which tourists and professionals from around the world are interested to experience, the government should be proud of CBT, and the achievements of Thai community members and civil society in developing concrete, successful projects which directly support government policy. The Thai government, in particular the Department of Tourism and the Tourism Authority of Thailand, should work in close collaboration with stakeholders and experienced and committed implementing agencies to roll out a complete, strategic package of support for CBT, from product to market, with a CBT Standard and brand as key strategies to link and balance product development and marketing.

To avoid reinventing the wheel, responsible government agencies should also establish a steering committee and task-force, comprising key implementing organizations, so that work conducted by contracted expert organizations can be harmonized and not create confusion in the field.

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3.3 Community Based Tourism Standard in Indonesia: Between needs and challenges

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Tourism Development in Indonesia

Globally, tourism remains one of the strongest economic sectors; yet several interesting developments marked the importance of the emerging economies of South East Asia. International tourist arrivals grew globally by 4% in 2012 to reach 1.035 billion, according to the latest UNWTO World Tourism Barometer (UNWTO, 2013)⁹. Interestingly, countries of emerging economies showed higher growth (+4.1%) compared to countries of advanced economies (+3.6%); while the Asian and the Pacific countries particularly are showing the strongest results. Growth is expected to continue in 2013 only slightly below the 2012 level. Asia and the Pacific showed stronger prospects (up to 6%) compared to other regions. The region marked 15 million arrivals in 2012, reaching a total 233 million international tourists. More importantly, South-East Asia (+9%) was the best performing sub-region much due to the implementation of policies that foster intraregional cooperation and coordination in tourism (UNWTO, 2013).

International tourist arrivals to Indonesia in 2012 reached 8.044.462 tourists, which indicates an increase of 5%; compared to 2011 which recorded 7,649,731 international tourists (see Table 3.1 for details). This growth exceeds the global increase rate of 4%, which was released by UNWTO. The promising growth also seems to continue, as in the first quarter of 2013, Indonesia has booked an increase of 6% or 2,018,059 tourists from the same period last year (Ministry of Tourism and Creative Economy, 2013).

This achievement is closely related to various destination development initiatives and promotional efforts by the Indonesian Ministry of Tourism and Creative Economy together with various stakeholders.



⁹ This outlook is confirmed by the UNWTO Confidence Index, which is compiled among over 300 experts worldwide.

Table 3.1 International Tourist Arrivals in Indonesia, 2008-2012

Year	International tourist arrival		Length of stay	Expenditure per person (US\$)		Income	
	Number	Growth (%)		Daily	Per trip	Amount (US\$million)	Growth (%)
2008	6,234,497	13.24	8.58	137.38	1,178.54	7,347.60	37.44
2009	6,323,730	1.43	7.69	129.57	995.93	6,297.99	(14.29)
2010	7,002,944	10.74	8.04	135.01	1,085.75	7,603.45	20.73
2011	7,649,731	9.24	7.84	142.69	1,118.26	8,554.39	12.51
2012	8,044,462	5.16	7.70	147.22	1,133.81	9,120.85	6.62

Source: Centre of Data and Information Ministry of Tourism and Creative Economy, 2013 and Bureau of Statistic

The ministry also launched the new advertising slogan: “Wonderful Indonesia” in 2011 as an all-encompassing tagline covering Wonderful Nature, Wonderful Culture, Wonderful People, Wonderful Cuisine and Wonderful Value for Money. The national government has developed and issued the Master plan for National Tourism Development (RIPPARNAS)¹⁰ which sets out a strategy to develop national tourism destinations by 2050 such as Lake Toba in North Sumatra and Komodo Island in East Nusa Tenggara. The tourism master plan is to be carried out in conjunction with the Master Plan for the Acceleration and Expansion of Indonesian Economic Growth (MP3EI) 2025, which identifies the need for investment of US\$14 billion to achieve tourism industry development.

As an archipelago of more than 17,500 islands with thousands of traditional villages enriched by extensive diversity of culture, history and nature; Community Based Ecotourism has all the reasons to be developed in Indonesia. Community based ecotourism is expected to create jobs at villages and to increase local income. Tourism development based on village

potentials is expected to help develop local economy, thus in the longer term discouraging village population to find jobs in the city.

Development of Community Based Tourism and Ecotourism in Indonesia

The concept of Community Based Tourism has actually been initiated in Indonesia since the 1995, when the Ministry of Tourism launched “Pariwisata Inti Rakyat (PIR)” program. The term “pariwisata inti rakyat” can be literally translated as community based tourism. This concept underlines the role and participation of rural communities as both the actor and beneficiary of tourism activities. This concept largely aimed to empower village community, which was believed as one of the fundamental assets of tourism development in Indonesia. The program interpreted “Tourism Village” as a rural area which offers a holistic atmosphere reflecting the genuine of the village, both its socio-economic life, social culture, custom, daily life, architecture, unique spatial structure, particular and attractive economic activities; all these are the potentials to be developed as tourism components.

¹⁰ Government Regulation No.50/2011 on Master Plan of National Tourism Development

However, regardless its holistic objective, the concept was slowly implemented; particularly due to lack of understanding about participatory tourism development.

At the same time, the concept of *ecotourism* was introduced and implemented by Non Government Organizations (NGOs). NGOs like Indecon (*Indonesia Ecotourism Network*) established in 1995 and MEI (*Masyarakat Ekowisata Indonesia*) established in 1996, started to actively introduce ecotourism as one of the options to improve community welfare as well as to contribute to natural conservation and cultural preservation. Indecon and other tourism stakeholders agreed that ecotourism development in Indonesia should not only be rooted in nature, but should also emphasize community involvement in developing the village, community empowerment, as well as local economic development at rural areas. Therefore, in one way or another, ecotourism is perceived as the front runner to promote community based tourism in Indonesia.

Since the introduction of the Decentralization Law (Law No. 22/99) in 2000, the focus on village development is stronger, which creates more opportunities for participatory tourism development approaches. Although it required years, the concept has been gradually acknowledged by stakeholders. The Ecotourism Summit at the International Year of Ecotourism (2002) has also accelerated ecotourism development in Indonesia.

Indecon keeps expanding its ecotourism network in Indonesia by innovating different approaches to the various contexts of community based tourism initiatives which may either accelerate or halt development. Since 1999 Indecon had developed a model of community based tourism; for example in the communities of Tangkahan at Mount Leuser National Park (North Sumatra-Aceh). Here, obtaining acknowledgement and establishing partnerships between the National Park and once-illegal-loggers of Tangkahan prove an effective and innovative approach as it directly puts ecotourism to resolve existing conflicts (see Box 3.1 for details).

Box 3.1 (from left to right) Community of Tangkahan, tourists follow host' daily morning shopping at local market of Candirejo village; women guide at Senaru village



The Next Stage

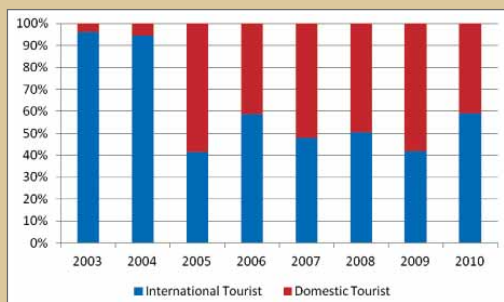
Globally, tourists increasingly want their vacation to benefit local communities and nature conservation. They also look for activities that allow them to directly interact with local communities and for a quality experience when they book a tour. A survey of the Association of British Travel Agents (ABTA) among their members' customers showed that tourists prefer environmentally friendly tourism activities. One in three holidaymakers now believes that holidays should have an environmental rating; it was estimated that this represents over ten million people taking foreign holidays. The figure has grown from 29% in 2010 to 33% in 2011. Furthermore, 19% (up 2% from 2010) of consumers are prepared to pay more for a holiday with a company that has a better environmental and social record (ABTA, 2012).

Fuelled by various broadcasts and media coverage on exciting and mind-fulfilling trips to villages and exotic destinations, similar trends occur in Indonesia's domestic market. The aviation industry boosted growth of the domestic market with *low-cost* flights. More than 70% of the existing airlines in Indonesia were established in the last 15 years. Shortly, the Indonesian domestic market is expected to reach of 124 million tourists (Ministry of Tourism and Creative Economy, 2013) and (*hopefully*) will generate a significant contribution to local economic development.

Along with this global and domestic paradigm shift, community based tourism continues to flourish in Indonesia, and we can witness the next stage of community based tourism development at the villages, for example in Candirejo village (see Box 3.2).

Box 3.2 Candirejo Village, Central Java

Candirejo village is located just 3 kilometres from the World Heritage Listed Borobudur Temple. In the first years, the village was visited by 1.114 tourists and domestic tourists only counted 4%. Nearby Borobudur Temple was visited by more than 3 million people in 2012. Just three years after its operation, the trends changed drastically and ever since, domestic tourists have contributed significantly to tourism in Candirejo, which hit 3,167 tourists in 2010.



Policy Support

Considering these recent developments, the Indonesian Ministry of Tourism and Creative Economy has issued several policies and programs in order to increase the involvement of local community in tourism development. Law No 10/2009 on Tourism has outlined the importance of community empowerment as one of the principles for tourism development in Indonesia. Article 17, for instance, has obliged both national and local government to protect micro, small, medium enterprises and cooperatives in tourism; particularly by facilitating partnerships and making assurance policy. Moreover, article 25 obliged tourism businesses to establish a mutually beneficial partnership with local micro and small enterprises and cooperatives.

In order to support the development of village tourism, in 2009 the Ministry formed a special directorate on community empowerment. Most recently, in 2010 the Ministry launched its national program of community empowerment (*Program Nasional Pembangunan Pemberdayaan Masyarakat (PNPM) Mandiri Pariwisata*). This program aims to develop 2000 tourism villages throughout Indonesia, by providing grant funding for villages. The program has generated some merits and success stories, but many times its implementation faces considerable challenges, especially when its project procurement approach meets community participation dynamics. It requires villages to submit a project plan or request to be funded or constructed by the government. However, often there is insufficient facilitation (in terms of time and content) for villages to make such plan. Although project activities would be selected by inter-village board meeting; the decision would rely much on what the meeting considers as important for the village. In many cases, the intervention focused on a short-lived physical improvement project, rather than stimulating long term development.

Strategic Issues in Community based Tourism Development

Other than the policy issues, in this case study two issues are highlighted which are strategically related to the sustainability of the business.

Engagement of Local Community in Conservation of Natural and Cultural Resources

Discussing the relation between tourism and natural and cultural resources obviously leads to discussing the role of community. Conventional tourism development with a focus on increasing the *number* of tourists has delivered solely an economic point of thinking towards tourism; while essentially tourism depends on resources and hospitality. Well protected natural and cultural resources will maintain the attractiveness for tourist *to come* in the first place; while hospitality will improve comfort and satisfaction for tourist *to stay longer* or *to promote*. It is very important to engage communities in conservation; however in many cases, poverty is a driver for local populations to exploit their natural and cultural resources or simply to ignore their conservation efforts. Continuous awareness raising is paramount, and in addition actions should be taken to ensure that profits or benefits of tourism are channeled for engaging community in conservation efforts.

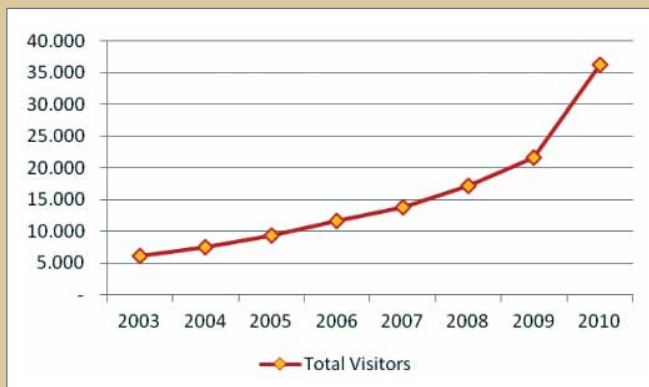
Benefit Sharing

The issue of benefit sharing concerns questions such as: who should be involved, what are the roles; who are the beneficiaries, and how shall the benefits be shared amongst all? This discussion had led to various theories and approaches towards community involvement in tourism, for instance stakeholder mapping and community needs assessment. This step is essential in the beginning and even more when the number of tourists increase. The role of institutions managing tourism activities is a key success factor in resolving upcoming management and financial problems.

In previous cases in Tangkahan, Candirejo village, as well as Senaru and Sembalun village at Rinjani National Park, Indecon facilitated strengthening of the institutional system at a local level to ensure sustainability. It does not include only establishing a local organization (a typical mistake in many cases); but also a management and financial mechanism to support the operation. It can include, but is not limited to: a mechanism to select the members of organization, for benefit sharing, or to resolve disputes. This is all crucial in order to empower local community to manage itself and to prepare them to face problems that might come in future.

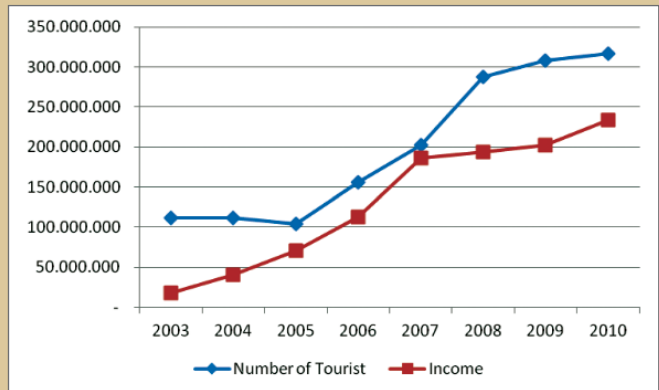
Box 3.3 Tangkahan, Leuser National Park, North Sumatra

An example of an initiative that aims at both community development and conservation is Tangkahan, a community living at the border of Mount Leuser National Park. It had long developed conflicts with the management of national park over illegal logging activities inside the park. Facilitated by Indecon, both parties founded a community tourism organization, Lembaga Pariwisata Tangkahan (LPT), in 2002. Both parties also signed a memorandum of understanding. It was agreed that illegal logging would be stopped, in exchange for the use of a small area of the park for tourism purposes. More than 10,000 hectares were placed under the community's care, of which only 300 are open for ecotourism. Based on the assumption of travel patterns and expenditures, we calculated that cash flow from tourism in 2010 in Tangkahan reached more than 4 Billion IDR or more than 400 thousand USD.



Box 3.4 Candirejo Village, Central Java

The Cooperative of Candirejo Tourism Village has a mechanism to distribute its income to various villagers directly participating in tourism, such as the owner of homestays (used by tourists), the owner of bikes (for bike tours), the owner and rider of horse cart (for dokar tours), the owner of snack home industries (visited during tours), and many more. Each has to follow standard operation procedures established by the cooperative to ensure the quality of services to visitors. The Cooperative also contributes its profit to Candirejo village, which is then used for public goods and services. In 2010, the Cooperative only earned totally about 320mio IDR. The village and cooperative agreed to set a quota and to limit tourist arrival in order to maintain the genuine village atmosphere. However, as the head village said with a smile, “that (amount) is enough for us to live happily, so we want to keep it that way...” so, make sure you book first before you come...



The mechanism for benefit sharing is particularly important, because many community based tourism initiatives have collapsed not because they are less beautiful or less accessible (as typically thought by conventional tourism planners), but because they were unable to manage the income. In these cases, profit from tourism was usually enjoyed only by few elites of the villages or their families and relatives. It would then create jealousy and internal competitors amongst the local community.

CBT Standards and Guidelines

In order to tackle issues as described above and guide CBT initiatives towards successful development and implementation of quality CBT products, typically, guidelines and standards are developed and applied. In Indonesia, several organizations have tried to develop standards related or applicable to CBT. However, they have not yet gained any legal legitimacy as national standard.

For example, in 2008, under the international EU funded project “Communities in International Bussiness”, Indecon tried to facilitate communities to develop CBT standards. The Standard was formulated in the form of CBT Criteria and Indicators, categorized based on the three main components of sustainable tourism (Socio-Economic, Environmental and Socio-Cultural). These criteria are based on important issues and the 3 main objectives of CBT development which were agreed during a national workshop, which are:

Creating job and poverty reduction;

Contributing to nature and cultural conservation; and Supporting the partnership initiative among the community, private and government on CBT development.

Indecon worked with local communities from (i) Rinjani, West Nusa Tenggara, (ii) Flores, East Nusa

Tenggara, (iii) Halimun, West Java, (iv) Candirejo, Central Java, and (v) South Sulawesi; as well as local tour operators, local governments, and the national government. Despite their different state of development, the Criteria fitted relatively well however they took on differently upon different points of the indicators.

At a national level, the Standard has been presented to the Directorate of Standard Development¹¹ from the Ministry of Culture and Tourism. Within the project framework, the Standard was also applied to develop and/or to refine tour products from the regions, which were marketed through the Green Travel Market network.

Beyond this point, the Standard has been further disseminated to Indecon network. Now after two years, the implementation of the Standard by local communities will need to be systematically assessed. However, some major challenges and lessons learned have been identified already:

One of the challenges is Indonesia’s diversity. It is very difficult to develop a general Standard that is applicable to all contexts in Indonesia, because the vast diversity of communities with different levels of understanding, different economical status, different social structures, etc. Even if any characterization or grouping is applied, it is comparably difficult to develop different standards for each character.

Furthermore, the following important lessons were drawn:

The need for CBT Standard is understood and agreed by many scholars and facilitators; however the urgency of such standard is not always understood by

¹¹ This Directorate no longer exist, but its function on development of standard for tourism industry has been transfered to Directorate of Tourism Bussiness, Ministry of Tourism and Creative Economy.

the community. Most communities involved in CBT in Indonesia earn their living from agriculture, farming, fishery, or any other rural livelihood. Tourism is certainly a new domain for most of these communities; understood as simply as having non villagers around or getting extra cash in a short period. Maintaining a level of service and hospitality in order to meet tourist expectations would be the least of their priorities. Hence, changing the mindset of the community may be the first challenge for developing CBT standard.

Several CBT initiatives in Indonesia have reached the appropriate level of understanding, such as those described earlier. However, a process of developing CBT Standard sometimes neglects the *consequences* that the community should bear to implement it. They can be multifold: ranging from fund allocation (i.e. for capacity building), facility improvement, or organizational restructuring (i.e. payment mechanism).

Most often, a standard is developed by experts or governments with very little consideration on the *difficulties* for the community to implement it. A process of developing a CBT standard should involve a series of consultations with the community (who will implement it), business (most often tour operators and/or tourists), and governments (who will acknowledge and endorse it), assisted by a technical expert; surveys and observations in order to understand the real situation and difficulties faced by each stakeholders.

In some cases, it is suggested to better use the Standard as a stimulant to encourage communities to improve their services *rather than* using it as a benchmark for CBT.

On a more practical level, it is advised to develop and apply the Standard *first* to tour products, as they more directly provide income for communities; thus *second*

to other sub-business (i.e. homestay, tour product, attraction management) and/or different related profession (i.e. CBT tour guide, homestay owner). Local communities need an encouragement to implement such standard. Assuming that the Standard improves the quality of tour products, then it will increase community income.

Develop a self assessment mechanism; a simple matrix designed to be used by the local community whenever they would like to assess *to which extent* their products fulfill the Standard.

Conclusion and Outlook

Tourism in Indonesia is showing relatively strong growth in the last years; both from domestic and international markets. Likewise, due to a global paradigm shift of consumers deliberately choosing more responsible holidays, Community Based Tourism is increasingly popular. However, for CBT to be successful for nature conservation and community benefits, and viable from a business point of view, a number of challenges need to be overcome.

To guide existing and new initiatives to overcome these challenges, CBT standards have been developed. These standards proved difficult to implement in Indonesia and it has been questioned whether standards are indeed a necessary tool for successful CBT development and operations. In case standards will be developed, it is recommended to carefully design different level of standards in order to accommodate different characters of community. Furthermore, it is necessary to inform the communities about the importance of the standards; include a series of consultations with the local community in the development process, and start with standards for increasing quality of tour products as they are expected to yield financial results relatively quickly.

Developing Indonesian CBT needs double efforts. First, a continuous dissemination of the CBT Product Standard to wider CBT stakeholders needs to take place. Second, after developing any standard, it is imperative to assist local communities to implement it; either by technical assistance, media coverage on and/or marketing of the products or the achievements of local communities upon implementation. Finally, it is similarly important to disseminate and assist local and national governments to endorse these initiatives legal documentation.

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3.4 Integrating innovation, quality and standardization in CBT in the Philippines: Three examples from Bohol Province

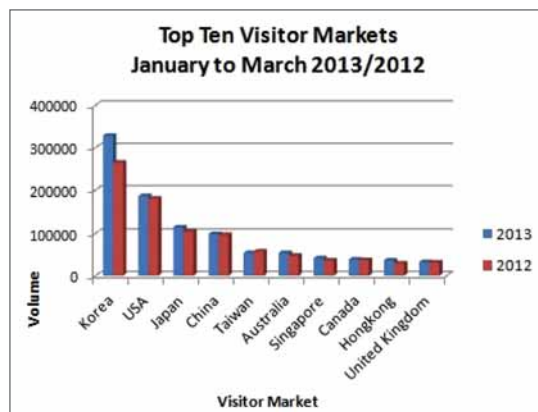
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Background

Based on data from the Department of Tourism (DoT), visitor arrivals in the Philippines during the first quarter of 2013, reached a record high of 1.27 million, a 10.8% increase from 1.15 million arrivals for the same period in 2012. By regional grouping, the ASEAN market recorded a 14.8% overall growth while the East Asian market grew by 14.2%. Among the key markets, only Taiwan experienced a decline in visitor arrivals.

Of the 1.27 million arrivals in the period January-March 2013, Korea is still the leading source market which captured 25.8% of the total inbound traffic with over 328,000 arrivals. Other important source markets are the United States (14.6%), Japan (9%), China (7.7%) and Taiwan (4.2%).



Source: DoT, Tourism Statistics (First Quarter, 2013)

Tourism is becoming a fast growing industry in Bohol, the tenth largest island in the Philippines, right in the heart of Central Visayas. Bohol has a rich wellspring of ecology, history, culture and natural heritage sites that have earned worldwide interest. The Boholanos envision Bohol to be the prime eco-cultural destination and a strong agro-industrial province in the country. The existing tourism activities on the island and established tourism facilities show that Bohol is gaining prestige as a tourist destination in the region.

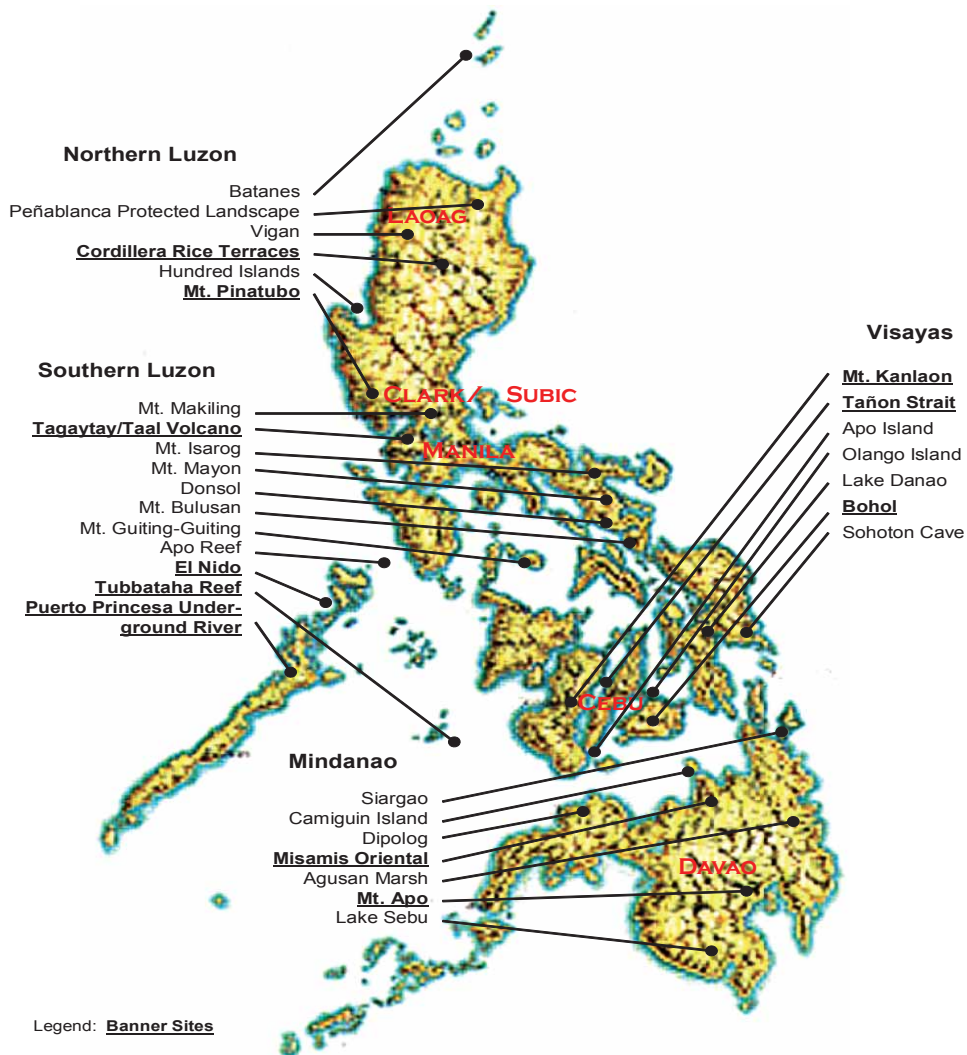
General Trends

Although beach-based tourism remains mainstream in the Philippines, for the past few years, ecotourism has slowly been gaining attention. Private sector operators have noted that tourists from major source markets have matured from the city tours to more nature and adventure-based experiences. Several products have recently been highlighted for their environmental and cultural practices, partly as a reaction to the Boracay water pollution problem, which has deeply affected attitudes to tourism development within the Philippines.

Palawan, for example, has focused on the conservation of its natural resources and capitalized on them as tourist attractions. There has been limited focus by private sector developers in coordination with Local Government Units (LGUs). Provincial governments are increasingly recognizing ecotourism as a means for achieving local objectives. Constraints for development

include a threatened and diminishing natural resource base, difficulties with partnerships among stakeholders, lack of product development, and poor linkages with the other sectors of the industry, particularly with regard to marketing and promotion.

Figure 3.1 below show the key ecotourism sites in the Philippines.



Source: National Ecotourism Strategy (Draft)

The Tourism Industry in Bohol¹²

Tourism in Bohol has grown over the last decade and has become an important sector in the province's economy. Although data from the Bohol Tourism Office reveals a somewhat fluctuating trend in tourist arrivals in Bohol, this is less relevant to community based tourism because often community based tourism arrivals are not officially recorded.

The tourism industry is one of the three pillars viewed as engine for economic growth of the province centered on poverty alleviation, employment generation and infrastructure strengthening. It is potentially a very important socio-economic sector that generates substantial benefits to its people. Bohol's efforts in developing sustainable tourism cumulated in winning the "Kalakbay Awards" in 2003 as "Destination of the Year", and in 2004 for its "Ecotourism Development Program".

Bohol is being promoted as an "ecological-cultural destination" with ecological tourism as the major strategy for the conservation of biological diversity and preservation of the unique natural and cultural heritage of the Boholanos. This is coherent with the National Ecotourism Strategy, which incorporates sustainable management of natural and cultural resources; environmental education and conservation awareness; empowerment of local communities; and, development of products that will satisfy visitor needs and position the Philippines as a globally competitive ecotourism destination (DoT, 2002). There is a shift in thinking to conserve biological diversity for its local values as much as its national and global values within the wider landscapes in which protected areas are found.

The National Ecotourism Strategy identified Bohol as one of the ecotourism banner sites in the country. Banner sites are selected to set an image and to position the Philippines in the international and domestic markets. They are as well envisioned to serve as models for developing ecotourism.

Blessed with an array of natural and cultural resources, Bohol has come a long way in becoming the top tourist destination in the Philippines. Attractions include white beaches, reefs, wetlands, forests, and caves as well as historical and religious landmarks. It has a unique limestone landscape with the "Chocolate Hill" cones as the most famous landmark of the province alongside the Philippine Tarsier (*Tarsius syrichta*). Likewise, culture, arts and artistic traditions are evident in Boholano music, painting, dance, literature, theater and sculpture. These natural, cultural and historical assets have made the province more renowned in the country and abroad.

Policy and Institutional Organisation

The Philippines' National Ecotourism Strategy (NES) serves as guidelines in the implementation of CBT in the country. The National Ecotourism Strategy is envisioned to provide an integrated and coordinated mechanism for partnerships among the government, the private sector, the local communities and tourists to ensure the industry's viability and competitiveness in the long run. Based on a situational analysis and strategic framework it identifies Key Ecotourism Sites and covers issues such as Ecotourism Marketing and Development Programs, Standards and Accreditation, Ecotourism Development Fund, The Philippines Ecotourism Network and Stakeholder Commitment.

¹² Section based on the Biodiversity Conservation and Ecotourism Framework Plan of Bohol 2006-2015 (Province of Bohol, n.d)

Corollary to the NES, government guidelines for CBT have been established such as Rules and Regulations to Govern the Accreditation of Agri-Tourism/Farm Site in 2004, pursuant to the Provisions of Executive Order No. 292 dated July 25, 1987, otherwise known as “Administrative Code of 1987” and the Rules and Regulations to Govern the Accreditation of EcoGuides, EcoTours, EcoLodges and Ecotour Facilities, promulgated in 2008 pursuant to the provisions of RA 7160, EO No. 120 and EO No. 111, Series of 1999. EO 111 also established an institutional framework and mechanism for the integrated development of ecotourism. The objectives of EO 111 were furthered by the National Ecotourism Congress in Bohol in 1999 that adopted a national policy and definition of ecotourism.

The province of Bohol has adopted a participatory governance approach for provincial affairs. Thus, the government sees to it that all the concerned sectors are involved. In the field of CBT, the Provincial Tourism Council is chaired by a private sector stakeholder, particularly the owner of a prestigious resort in Panglao, Amarela. With the active participation of civil society groups, NGOs like PROCESS-Bohol make sure that communities actively participate in decision-making processes as full member of management bodies.

The Biodiversity Conservation and Eco-Tourism Framework Plan of Bohol 2006-2015 (BEFP) was formulated in collaboration with all stakeholders involved in the tourism industry including communities involved as service providers. Based on the BEFP, a Provincial Ordinance No. 2009-013 known as “*Bohol Tourism Code*” was enacted to regulate the tourism operations of the province. The Code clearly stipulates the guidelines in the CBT operations in the province of Bohol with its corresponding tourism management body that oversees the implementation of the Code.

The BEFP was then the reference material in the Abatan River Code formulated by the Abatan River Development Management Council (ARDMC). The Abatan River Code was enacted primarily for the following objectives:

- a) To serve as the “Bible” in the operation of the Abatan River Ecotourism Development with the following purposes:
 1. Develop and promote sustainable tourism with the participation of the community,
 2. Protect and conserve the environment, natural and cultural heritage,
 3. Create local employment opportunities, and
 4. Generate municipal revenues.
- b) To ensure that all reasonable and sustainable measures are taken by the LGUs to protect, restore and enhance the quality of the environment having regard to the principles of ecologically sustainable development and eco-cultural tourism (ARDMC, 2009).

As such, all tourism activities along Abatan River shall comply with all the provisions as stipulated in the Code.

Implementation: Some of the examples of integrating ecotourism principles in CBT development

Communities play a very significant role in the tourism value chain as shown in the figure below by GTZ. Communities primarily serve as service providers for food, tour guides, cultural shows, livelihood demonstrations, and the like. To ensure community participation in the entire chain, NGOs like PROCESS-Bohol provided intensive capacity-building and information, education and communication (IEC) services to enhance their skills and knowledge on the significant roles in the ecotourism industry.



Uwe Sturmman - GTZ Private Sector Promotion - Mapping, Analyzing & Upgrading of Tourism Value Chains - 08 March 2010 / 2

Source: GTZ (2010)

In partnership and in collaboration with the local government units concerned, the DOT, the DENR and the Bohol Tourism Office and TESDA, the NGOs facilitated the organizing of community-based people's organizations (POs) after which series of training/orientation for Community-Based Sustainable Tourism took place. After various committees within the organizations were established, members of the committees were trained on skills and knowledge on the tourism services such as Tour Guiding, Effective Customer Relations, Values Formation, Food Preparation and Table Presentations. Since the CBT is an enterprise, Policy Building Workshop as basis in running their enterprise as well as training courses for Simple Bookkeeping and Accounting were also conducted. The POs furthermore visited successful CBT sites outside the province to have an actual experience on how run a CBT enterprise.

In the three examples below, the basic components of ecotourism are highlighted such as community participation, environment and engagement of tourism industry players which leads to making CBT as an alternative enterprise. Communities are already generating income while protecting and managing the environment. The tourism industry stakeholders in the province of Bohol played a significant role in the promotion and marketing of their tourism products.

The first example, SAVIMA¹³ Community Life Tours and Mangrove Adventure Tours, is implemented by SAVIMA, a fisherfolk organization based in San Vicente, Maribojoc, Bohol. The tourism product includes a mangrove adventure tour on a 700 meter-boardwalk crossing the 56-hectare diverse mangrove forest. The tours provide visitors with an authentic look at the

¹³ San Vicente Mangroves Association

natural and cultural wonders of Maribojoc Bay. Livelihood demonstrations by locals, opportunities to sample local cuisine, homestays and other activities are offered by the communities. The tour also includes actual planting of mangrove propagules to reforest the 56 hectares mangrove areas managed by SAVIMA Maribojoc Bay or gathering “imbao” shells and “takla” / snapping shrimp during low tides, giving each tourist a real-world feel of nature -with feet mired in the cool mud and hands holding those tiny species-a unique activity.

PROCESS-Bohol also helped SAVIMA enhance its local capability by conducting training programs on tour guiding and hosting for the homestay program. Today, the PO is already accepting guests for their modest homestay accommodation.

The second example, Abatan River Community Life Tour (ARCLT), encompasses 5 municipalities along the Abatan River and its primary tributary. The tour offers nature experience and cultural heritage while cruising along Abatan River as well as experiencing community life with their livelihoods. The communities along the Abatan River served as the tourism service providers as caterers of food, members of the cultural collectives, local tour guides, boat operators, among others.

Unlike SAVIMA which is implemented by a peoples' organization, the ARCLT is under the auspices of a multidisciplinary body called the Abatan River Development Management Council (ARDMC) formed through Executive Order No. 19 issued by the Governor. It is composed of POs, NGOs, national government agencies and the local government units of the province of Bohol and the 5 municipalities along the Abatan River. A Project Management Office (PMO) is set up by the Council to implement and managed the tour.

The Council used the services of PROCESS-Bohol, to serve as the PMO to ensure that the project continues beyond the terms of elected government officials. There are various tourism products that are being promoted such as Amazing Firefly Tour, Kayaking, Stand Up Paddling, Abatan River Community Full Package Tour, Flexi Tour and Sunset Tours, and other customized tours.

The third example of a community-based tourism venture in Bohol is the Cambuhat River and Village Enterprise. This community-based ecotour venture is operated by the Cambuhat Enterprise Development and Fisherman Association (CEDFA) in Cambuhat, Buenavista, Bohol. The tour features a paddle-boat river ride, whereby tourists learn about the values and local management of the estuarine and mangrove ecosystem, and includes a tour to oyster-culture farms and the village to see the traditional industries. The ecotour venture has helped in generating community cooperation, and government and private sector collaboration in local environment management.



Results and challenges

With the current thrust of the province to reduce poverty, ecotourism is used as one of the strategies for the creation of local employment opportunities and generation of municipal revenues, establishing a system of local community entrepreneurship in the operation and management of ecotourism sites (Province of Bohol, 1998).

The results in the implementation of CBT impacted the communities by unlocking the economic gain and livelihood benefits for the poor. They range from enhancing employment and supporting local businesses, developing collective community income to sharing infrastructure services, address competing uses of natural resources and improve social, environmental and cultural impacts to building policy dialogue and engagement in decision-making.

Through CBT, tourism in the country and particularly in Bohol province has boomed, and is already felt by communities involved as tourism service providers, earning a living from it. Being part of the tourism value chain, there is an increased awareness with communities on the importance of protecting the environment and generating income at the same time. Communities know now how to interact with people outside their own communities. In a nutshell, through CBT, communities are now more empowered.

The challenge, however, is the *sustainability* of the development efforts. The Community-Based Tourism concept is still new to the participating communities. In order to sustain the CBT initiatives, there is a need for more capacity-building activities as well as more exposure to other successful CBT initiatives, for them to appreciate their respective roles in the tourism value chain.

Moreover, CBT implementation needs proper monitoring and evaluation to ensure that policies and guidelines are strictly enforced. This is also to check whether local communities and eco-cultural sites are effective and to determine what has to be improved or changed. It will guide internal development and provide external accountability. The monitoring process must be participatory, involving the communities and other stakeholders in evaluating successes and challenges and identifying areas for improvement. It should be an ongoing process, which can be used to adjust, improve and fine-tune the activities.

Conclusion

In the continually growing tourism industry and the emerging phenomenon of ecotourism, areas of vast potential are waiting to be explored. But there are pitfalls as well. It is therefore important that every country should set up policies and guidelines in the context of a sustainable development strategy. Further, such policies and guidelines shall be cascaded, adopted and must be strictly implemented at the local level to ensure sustainability and sense of ownership.

CBT really helps address the poverty problem of the community when fully maximized with its principles strictly followed for its own sustainability. Through CBT, it implies that the community has substantial control and involvement in the eco-tourism project and that the majority of benefits remain in the community while environment are properly protected and managed.

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3.5 Community Based Tourism initiatives in Laos' Luang Namtha Province-Lessons learned from implementation in the last 15 years (1999-2013)

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Introduction and background

The Nam Ha Ecotourism Project (NHEP) is a Community Based Tourism (CBT) development project facilitated by the United Nations Educational, Scientific and Cultural Organization (UNESCO) in Laos' northwestern province of Luang Namtha. Currently, the ecotourism project encompasses trekking and paddling routes easily accessible from the city of Luang Namtha, offering one, two, and three-day hiking itineraries and three or four day kayak and rafting trips. All tours are organized and led by the Nam Ha Eco-guides Association and the Provincial Tourism Authority. Each of the itineraries offers adventurous tourists the opportunity to visit remote villages within the Nam Ha National Biodiversity Conservation Area (NBCA), providing up-close and personal cultural experiences with the Akha, Lantan, Khmu and Hmong hill tribe cultures.

The idea of developing ecotourism in and around the Nam Ha NBCA came from a United Nations Economic and Social Commission for Asia and the Pacific (UNESCAP) conference in 1996. UNESCO followed through by conducting a feasibility study in 1996-97 through the Lao National UNESCO Committee and the National Tourism Authority of Laos with funding from the government of New Zealand (Schipani, personal communication, 2003).



The feasibility study revealed that opportunities for ecotourism did exist in this region and that poverty levels warranted a new alternative to economic development. At this point, UNESCO began seeking funding and government approval for a formal project to take place in this region. Early on during the proposal development phase before funding was approved, UNESCO established a National Supervisory Committee (NSC). The vice-chair of the National Tourism Authority (NTA) chaired the committee comprised of members from the Ministry of Agriculture and Forestry (MAF), Ministry of Information and Cultural Affairs (MICA), UNESCO Lao, Commission for Planning and Cooperation (CPC), and the Science, Technology and Environment Agency (STEA). This supervisory committee played a crucial role in developing the proposal and likely in getting the project approved by the Lao national government.

The prime minister's office approved NHEP in 1999. The original three-year project received funding from two main donors, the governments of New Zealand and Japan through the International Finance Corporation. Work began in October of 1999 and continued through October of 2002. A second phase of the project was proposed for May 2002 to strengthen Community Based Ecotourism (CBET) management systems and to build capacity of local staff. UNESCO considered the development of

a sustainable CBE model to be well underway, but one that remained incomplete. Phase two was not funded by December 2003, yet, but there was consideration that the proposed activities would be subsumed under the Asian Development Bank's Mekong Tourism Development Project.

Setting high standards as the first of its kind in Lao People's Democratic Republic, NHEP won the 2001 United Nations Development Award for the outstanding contribution the project team made toward poverty alleviation in the country (Schipani, 2002). The implementation team felt pressure to produce a model that could be replicable elsewhere in South East Asia. The team referred to their process as "endogenous model building," meaning something that is produced from within-emphasizing their reliance on the community as the driving force for the project activities, an interesting descriptor considering the project was initiated by an external, foreign non-profit entity. Steven Schipani, UNESCO's Chief Technical Advisor for the project, admitted that during implementation, their team deviated from the original plan to conduct a more detailed feasibility study, executing more of a demonstration project with tangible results (Schipani, personal communication, 2012).

Because NHEP focused so intensely on delivering products at the end of its first phase in 2002, it could be argued that certain process elements necessary for a culturally sensitive, bottom-up process were overlooked. This issue is considered in greater depth within the process section and later sections throughout the paper.

The Nam Ha NBCA became a prime target for ecotourism as wildlife hunting in the area increased to an unsustainable rate. Villagers hunted rare animal species to be sold in the marketplace to generate needed income for their communities. Sometimes they took the animals down to the market in Luang Namtha, but often outsiders traveled to the villages specifically

looking for certain species. In addition, the NBCA experienced large mammal wildlife declines. '[T]he majority of large-bodied mammals and birds, and all reptiles, were more frequently reported as decreasing in abundance' (Johnson et al. 2003: 5). An ecotourism strategy seemed appropriate as it had the potential to bring in additional revenue into the community and educate the residents as to the environmental effects of their commercial activities. Also, with increased development pressures on the area, an ecotourism strategy also provided an opportunity to preserve the rich cultures of the Akha, Hmong, Khamu, and Lantaen ethnic groups who were facing pressure by the Lao government to move their villages closer to the city of Luang Namtha or to an established roadway for better access to services.

Cultural and natural heritage policy

The main government agencies responsible for heritage conservation in the Lao PDR are the Ministry of Information and Culture (MIC), the Ministry of Agriculture and Forestry (MAF), Lao Front for National Construction, primarily involved managing ethnic affairs with the MIC, the Science, Technology and Environment Agency (STEA) and to a lesser degree, the Lao National Tourism Administration (LNTA).

Lao PDR participates in several international treaties and conventions related to the protection of natural and cultural heritage. In 1987, the government ratified the World Heritage Convention and is a signatory to the **International Covenant on Economic, Social and Cultural Rights**. In 2004, the country adopted the Convention on the International Trade in Endangered Species (CITES) after ratifying the International Convention on Biological Diversity in 1996.

The country's first Heritage Law was passed by the National Assembly in 2005. This law has articles on the protection of tangible and intangible cultural heritage, historic heritage and the natural heritage.

The Heritage Law classifies cultural and historic resources as local (may be district or provincial), national or world heritage sites. Natural heritage is further subdivided into a regional category. In Luang Namtha, the majority of heritage resources, for example That Phoum Phouk and That Xieng Teung, are designated as provincial heritage sites. Luang Namtha does not presently have any properties on the World Heritage List, but the Nam Ha National Protected Area was listed as an ASEAN Heritage Site in 2004.

Prior to the adoption of the national Heritage Law, the 1997 Decree of the President on the Preservation of Cultural, Historic and Natural Heritage set out the framework for the protection of national heritage in Lao PDR. This decree, along with the Forestry Law (1996), Environmental Protection Law (1999), the Regulation on the Management of National Protected Areas, Aquatic Resources and Wildlife (2003) and Prime Minister's Decree 164 that establishment of the country's system of National Biodiversity Conservation Areas in 1993 (now referred to as National Protected Areas) are the primary legal documents concerned with heritage protection as it relates to tourism development and management.

Tourism's legal framework is enshrined in the Tourism Law that was passed by the National Assembly in November 2005. Various decrees issued by the Tourism Administration, Prime Minister's Office and Committee for Planning and Investment cover the regulation of hotels and guesthouses (Decree 195 and 1107), travel companies (Decree 1150), tour guides (Decree 626) and foreign investment (Foreign Investment and Business Law of 1994).

The Lao National Tourism Administration has developed a vision and guiding principles for Lao Ecotourism as part of its National Ecotourism Strategy and Action Plan. The vision is that:

"Laos will become a world renowned destination specializing in forms of sustainable tourism that, through partnership and cooperation, benefit natural and cultural heritage conservation, local socio-economic development and spread knowledge of Lao PDR's unique cultural heritage around the world."

The guiding principles of the National Ecotourism Strategy are to:

- Minimize negative impacts on Lao nature and culture;
- Increase awareness among all stakeholders as to the importance of ethnic diversity and biodiversity conservation;
- Promote responsible business practices and work cooperatively with local authorities and local people to support poverty alleviation and deliver conservation benefits;
- Provide a source of income to sustain, conserve and manage the Lao protected area network and cultural heritage sites;
- Emphasize the need for tourism zoning and visitor management plans for sites that will be developed as tourists destinations; and
- Use environmental and social baseline data and long term monitoring programs to assess and minimize negative impacts.
- Maximize economic benefits for the Lao national economy, especially for local businesses and people living in and around the protected area network
- Ensure that tourism development does not exceed the social and environmental limits of acceptable change as determined by researchers in cooperation with local residents
- Promote local styles of architecture and infrastructure that are developed in harmony with the Lao culture and environment, use local materials, minimize energy consumption and conserve local plants and wildlife

At the provincial and village level, the authorities and village leaders are able to formulate rules and agreements concerning the utilization, conservation and protection of the country's heritage as well. A basic overview of the legislative hierarchy in the Lao PDR is shown in Table 3.2 below.

Table 3.2 Legislative hierarchy in the Lao PDR

Type of Legislation	Approving Institution
Constitution of Lao PDR	National Assembly
Treaties and Conventions	National Assembly
Laws	National Assembly
Resolution of the National Assembly Standing Committee	National Assembly Standing Committee
Presidential Ordinance/Decrees	President
Resolution of Government	Prime Minister
Prime Ministers Decree/Orders	Prime Minister
Prime Ministers Notification/Instruction	Prime Minister
Ministry Regulation	Minister of Concerned Ministry
Ministry Decision/Order/Appointment	Minister or Vice Minister
Ministry Instruction/Guideline/Notification	Minister
Provincial Governors Order	Provincial Governor
District Governors Order	District Governor
Village Rules	Village Chief



Managing CBET in Luang Namtha villages

Luang Namtha is widely recognized as one of the leading sustainable tourism destinations in Lao PDR. Cited in the National Growth and Poverty Alleviation Strategy and National Biodiversity Strategy and Action Plan for its success in merging poverty alleviation and natural resource conservation, the CBET model developed by the UNESCO/LNTA Nam Ha Ecotourism Project between 1999-2007 is the standard by which national tourism development initiatives are measured against. Also recognized internationally for its gains in the fight against poverty and sustainable use of biodiversity, the Nam Ha Project won several international awards including the 2001 United Nations Development Award, a British Airways Tourism for Tomorrow Award, and was a finalist for the United Nations Development Program's Equator Award in 2006.

Ecotourism as it is practiced in Luang Namtha arguably meets all of criteria of the IUCN, most notably by creating economic and employment opportunities for local people while at the same time ensuring that tourism activities contribute to natural and cultural heritage protection. Factors enhancing the sustainability of tourism in Luang Namtha include extensive information and education campaigns about ecotourism and forms of sustainable tourism targeted at policy makers, the private sector and local communities. As a result of these campaigns local leaders have the knowledge and information to make enabling policy and create regulations that protect the cultural and natural resources that underpin the province's growing and profitable ecotourism sector.

Since the introduction of the first CBET programs by the Nam Ha Project in 1999, there are now more than 141 established tour circuits, involving some 189 communities. Participating communities that have been prepared to provide services to tourists as part of the Nam Ha project's CBET development

methodology that involves heavy investments in awareness raising and skills training generally report high levels of satisfaction with the way tourism operates in their communities. This is a sharp contrast to areas such as Vang Vieng in Vientiane Province or Muang Ngoi in Luang Prabang Province, where large numbers of tourists invaded before local people were prepared to avoid or mitigate the negative social and environmental impacts that tourism can induce. Residents in Vang Vieng and Muang Ngoi report an increasing number of conflicts between local business owners, an increase in petty theft and drug abuse among youth, too many visitors and environmental problems such as water pollution and excess trash.

Protected heritage values in Luang Namtha

To protect the cultural and natural heritage values that underpin Luang Namtha's ecotourism-focused tourism industry, the Provincial Tourism Department works actively with tour operators and communities to ensure that tourism's negative effects on local culture and the environment are minimized. One way this is accomplished is by maintaining an open line of communication between the tourism office, tour operators, guides and communities during regular meetings and systematic monitoring efforts, and most importantly, taking action to address any problems that arise. The Provincial Governors Office has issued a set of orders on the operation of ecotourism activities in the province that include specific articles about tour group size, the use of trained guides, prohibitions on the sale of antiquities and wildlife, forest protection along specified ecotourism circuits and the collection of taxes and permit revenues. These orders, backed by national Laws and Decrees discussed in the previous section are the primary legal tools that the Tourism, Forestry, and Information and Culture Department use to support heritage management actions in the province.

Based on the mentioned vision and guiding principles of the Lao Ecotourism Strategy and Action Plan, the Luang Namtha Provincial Tourism Department in cooperation with heritage managers in the province has developed a strategy for ecotourism development in and around the Nam Ha NPA that sets out the following objectives: (i) raise awareness for local communities in terms of protected area management and natural resources conservation, (ii) use a participatory approach to allocate and manage NPA resources, with an aim to increase wildlife populations and biodiversity, (iii) improve the quantity and quality of human resources to cope with tourism growth and ensure the sustainable use of heritage resources, (iv) continue to improve, expand and diversify ecotourism products to attract more visitors to Luang Namtha province and to generate more income for local people and the public sector, (v) use community-based ecotourism as a tool for creating jobs, contribute to poverty alleviation and create a balance between development and conservation activities, and finally (vi) promote information about tourist sites in and around the Nam Ha NPA.

Management of cultural and natural tourist sites in Luang Namtha, is performed directly by local communities that have historically been stewards of these resources. For example, the Luang Namtha Provincial Tourism Department has authorized concession agreements for Nam Dee and Nam Eng villages to operate the Nam Dee Waterfall and Nam Eng Caves. The day-to-day operation and management

of these sites is in the hands of village authorities as opposed to the common practice of handing out concessions to investors from outside the immediate community. The latter scenario often leads to conflicts between the investor and surrounding communities because local people experience loss of economic benefits or restrictions on carrying out livelihood activities. Often times these limitations are imposed by the investor. A portion of revenues generated from entrance fees is shared between the Tourism Department and community to sustainably fund marketing activities, publication of interpretative materials, monitoring and operations and maintenance of infrastructure at the sites.

Monitoring the relationship between the community and tour operators in Luang Namtha is effective and simple, because of the way the Provincial Tourism Department grants permission to operate individual tour programs through cooperative agreements. These agreements, approved by the Provincial Tourism Department, village and candidate tour operator, assign a single operator exclusive access to a community-based tour circuit or host village, based on straightforward rules governing the maximum size and frequency that tour groups may visit the community, provisions that instruct the operator to





perform a cultural orientation for guests before they visit the village and set a schedule of fees the operator must pay the village for food, lodging, village-based guides, transportation, handicrafts, trail maintenance, etc. The agreement defines the areas that are off-limits to tourism activities and sets fee schedules concerning user permits, entrance fees and taxes. In the event that conflicts arise between signatories, the Tourism Department can easily identify the parties involved and work with them to solve the problem.

Implementation, Monitoring and Evaluation-Planning and regulating CBT in Luang Namtha

Participatory planning, a step by step approach

Phase I of the NHEP was implemented by the LNTA through the Luang Namtha Provincial Tourism Department, with technical assistance from the UNESCO. Phase II was funded by NZAID, UNESCO and the Lao Government. Recruitment and contracting of international advisors was done by the UNESCO Bangkok Office with local project staff selected by the Lao Government. To ensure that project staff understood the planning, reporting and monitoring requirements of UNESCO and the Lao Government, short orientation

workshops were conducted by UNESCO/LNTA regarding administrative management of the project. As a result of these workshops, it was decided that implementation of the project would revolve around 6-month bi-annual work plans guided by the approved project document. The project team drafted work plans for the LNTA-based National Project Supervisor to approve and then submit to UNESCO.

Much of the Nam Ha Project was carried out using a learning-by-doing approach, especially activities that involved the development of community-based ecotourism programs. To train the national project team in participatory rural appraisal techniques a series of field trips were organized. The best way to train people, especially in rural appraisal methods, is to allow them the opportunity to apply their learning in real life situations. Valuable lessons were learned in terms of how to collect data in a participatory way, but there were not adequate provisions made for collecting and verifying the type of information one would need to properly plan a CBET program. A number of survey tools were created and refined that include the; (i) Community-Based Ecotourism Site Selection Matrix, (ii) Visitor Survey, (iii) Community-based Ecotourism Village Resource Mapping Exercise, and (iv) the Village Tourism Capacity Assessment.

In Luang Namtha, visitor surveys revealed that more than 70% of tourists were interested in community-based ecotourism activities such as trekking to ethnic minority villages, and more than 80% were

interested in visiting the Nam Ha NPA. When asked about desired length of proposed tours, in the year 2000 when the project team began developing the first trekking programs, more than half of visitors responded that they preferred two-day, one-night forest treks that involved lodging in a village, and only about 10% would purchase a tour that lasted more than two nights. Through 2007, trekking and visitation to villages were still the activities in highest demand. In terms of willingness to pay, a figure of US\$15-20 per day was the price range that tourists initially were prepared to pay for community-based ecotours, quite a bit higher than average daily expenditure at the time which was only US\$9 per day.

Following the initial surveys and scoring of a number of potential circuits, secondary surveys were undertaken to further discuss and confirm that village leaders would like to develop tourism in their community. The secondary surveys also verified walking times and access. Information was gathered on costs for village-based services such as food, lodging and guides, as well as transportation costs to and from the trailheads. Base costs were calculated and a price determined for the first trial tours, with commercial viability heavily influencing where the project would develop its first tour program. During secondary logistic surveys, the project team spent considerable time gathering information on cultural and natural attractions along the walking trails that could be used later in interpretative materials and guide training.

Since the first trekking program to Ban Nalan was developed many more trekking tours have been developed in Luang Namtha. Some experts ask, "Are there too many treks in Luang Namtha?" and suggest that the province should diversify its selection of tour programs. While the Nam Ha Project team does not disagree with this advice, there are several reasons why there is a focus on developing treks in Luang

Namtha. First, there is high market demand for this type of tour, in fact, even before the project began tourists were trekking out to villages. Without systematic community preparation and trained guides to accompany tour groups, there were many misunderstandings between tourists and villagers, and communities were largely missing out on the economic opportunities available from tourism. Second, trekking tours as they are practiced in Luang Namtha are one of the best ways to ensure that the poorest people in remote villages gain employment and direct economic benefits from tourism, without having to migrate out of their community. For example, a typical trek employs 2-3 guides, and food, lodging and some transportation is purchased directly in the village. Handicrafts are also frequently bought directly from producers at the village level, which gives an economic boost to the most needy communities while helping to ensure that the traditional knowledge used in craft production is passed on to the next generation of young men and women.

Institutional Strengthening-Policy, operational regulations, and co-management

Using official channels that were already established though the Project's National Supervisory Committee and Provincial Steering Committee the project developed a set of regulations and guidelines for CBT that addressed issues such as which villages are permitted to host tourists (this is regularly amended as new villages develop tourism activities) group size, frequency of visit, number of guides required in regard to group size, guide pay scales, how much villages are paid for food and lodging, prohibitions on the sale of wildlife and antiques, and established revenue sharing formulas and guidelines on the use of taxes, user fees and village development funds generated by tour programs and tourist attractions. Luang Namtha was also the first province in the country to develop and publish a set of detailed CBET related investment

guidelines. This packet has a comprehensive set of application forms and advice for investors interested in establishing community-based tour services in Luang Namtha.

The creation of regulations and guidelines was led by the Provincial Tourism Department, which crafted the documents over an eight year period, with room for ongoing revisions to deal with the changing situation on the ground in Luang Namtha. For example, the first set of temporary regulations on the operation of trekking tours, collection of protected area entrance permits, guide regulations and use of village development funds, placed a disproportionate amount of decision making authority in the hands of the Provincial Tourism Department itself, without building in adequate checks and balances. This scenario led to accounting discrepancies within the Nam Ha Eco-guide Service and loss of public revenue for the protected area management unit. There was also an alarming lack of community-participation in the decision making process regarding the use of village development funds. To add to these problems, which mostly occurred between 2002 and 2005, established limits on tour group size and departure frequency were commonly exceeded. In 2005-2006 the temporary regulations were reviewed by the public and private sector, and amended to create a more effective and enabling regulatory framework.

Although the Provincial Tourism Department has taken the lead in drafting and refining CBET regulations, the Information and Culture, Forestry, Provincial Revenue Department and the Governor's Office are now deeply involved in reviewing, approving and enforcing them at the provincial level. At the national level, aspects of the CBET regulatory framework developed in Luang Namtha have been incorporated into the Decree on the Implementation of the Lao PDR's Tourism Law, illustrating how modalities for tourism development and regulation have grown from the bottom-up in Lao PDR.

Authorities, including village-level leadership, that are responsible for creating regulations and guidelines will first need to gain experience in the development and operation of community-based ecotourism before they can effectively make rules to regulate it. The Nam Ha Project provided such experience to heritage managers and communities in Luang Namtha by involving them in each step of the development process and later involving them in the review, amendment, and approval of various community-based ecotourism related regulations and guidelines. As with any enterprise, community-based ecotourism needs to have regulations that check and balance power between the diverse stakeholders that it involves.

CBET cooperative agreements between villages, tour operators and provincial tourism, culture, environment and financial managers that outline each stakeholder's role and responsibility in operating and managing tour circuits and destinations are one of the most important legal mechanisms supporting sustainable tourism development in Luang Namtha. After initial development of new ecotourism products and destinations, it was evident that various stakeholders had different interpretations of their role and responsibility in managing tours and destinations. For example, the Tourism Department and NPA Management Unit each claimed the other was responsible for trail maintenance. Some town based guides were attempting to under pay villagers for food and lodging. Some villages in turn were not supplying adequate food to tour groups and some were clearing forest along trekking trails or hunting in places verbally designated as sanctuaries. Tour operators were attempting to avoid paying permit and entry fees whenever possible, and in some cases, not sending qualified guides on forest treks. To redress this problem the Provincial Tourism Department and Nam Ha Project Team developed model community-based ecotourism cooperative agreements for select tour circuits with a range of stakeholders, and assisted the authorities to follow up on the implementation and

enforcement of these agreements until their content became standard operating procedures. Two variations of the cooperative agreements exist; (i) one that sets rules for the way tour circuits are managed and (ii) one that focuses on the way destinations (i.e. individual caves, waterfalls, etc) are managed. The idea of formally assigning tourism and heritage management responsibilities to local communities using the cooperative agreement is another innovation pioneered in Luang Namtha that is being constantly improved as new tours and destinations are developed under this scheme.

Tourism and community-based ecotourism are dynamic activities that involve many actors, many of which might not agree on their individual and collective responsibility in operating tours, managing heritage resources and sharing financial benefits. The formation of mutually agreeable cooperative agreements through participatory discussions can provide a legal framework and serve as a tool to help protect each signatory's interests, help to arbitrate disagreements when they arise, and help to protect the cultural, historic and natural resources that attract tourists in the first place.

Monitoring and Evaluation

Regular contact between officials and communities to monitor the economic, cultural and environmental impacts brought about by tourism is another factor that is supporting the sustainability of tourism in Luang Namtha. Monitoring activities measure impacts at three levels: (i) the wider macroeconomic effects of tourism on the provincial economy, (ii) the collective impacts of tourism at the village level, and (iii) individual household perceptions of tourism's economic, social, environmental and cultural impacts within communities. Staff members of the Tourism, Forestry and Information and Culture Departments, as well as local guides, have been trained in data

collection and analysis, with ongoing monitoring activities providing a flow of information to decision makers and community leaders that allows them to identify problems and fine tune tourism management practices when the need arises.

A community-based ecotourism monitoring protocol was developed over the course of phase I of the project and has been improved upon during phase II (see Table 3.3). This monitoring protocol gauges community satisfaction with tourism, measures the distribution of economic benefits, identifies threats to the environment and cultural heritage and assesses tourist satisfaction. It also includes community workshops where data gathered during household surveys is reported back to the community to identify any problems that may be arising due to tourism in the village.

Table 3.3 Nam Ha CBET monitoring protocol

Monitoring Action	Frequency
Visitor Feedback; Nam Ha NPA Wildlife and Resource Use Monitoring	Every Trip
Trail Maintenance Survey; Village Conservation Team Data Collection (wildlife and outsider threats)	Monthly
Village Household Questionnaire; Nam Ha NPA Village-based Threat Monitoring	Biannual
Community Workshop	Annual

Experience in implementing the monitoring protocol shows that it can be a very helpful tool to ensure that tourism managers and NPA staff maintain regular dialogue with communities and identify problems early. This helps to build strong and trusting relationships with the participating communities and additionally helps to raise awareness about the philosophy and objectives of ecotourism at both the village and policy level.

The monitoring protocol that was developed in Luang Namtha was very comprehensive but proved too difficult for local tourism and heritage managers to implement once the project ended. A simpler or more focused approach would have been better, but without a commitment of financial and human resources by local authorities, no monitoring scheme can be effectively carried out nor monitoring data acted upon to solve problems or validate success.

Conclusions and recommendations

While the laws, regulations and strategies that are in place to protect the heritage in Luang Namtha, offer a very good framework upon which to help manage tourism and tourism-related activities, implementation of the documents has proven difficult because many local heritage managers lack the capacity to interpret and enforce them. Luang Namtha, unlike provinces that have a World Heritage Site such as Luang Prabang and Champasak, does not have a provincial heritage management committee and approaches heritage management in an ad-hoc manner. Inconsistent budgetary allocations from the provincial and national treasury and a shortage of well-trained public sector heritage managers further impedes the implementation of international conventions, national laws and local orders.

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3.6 CBT Standards: development and application in Cambodia

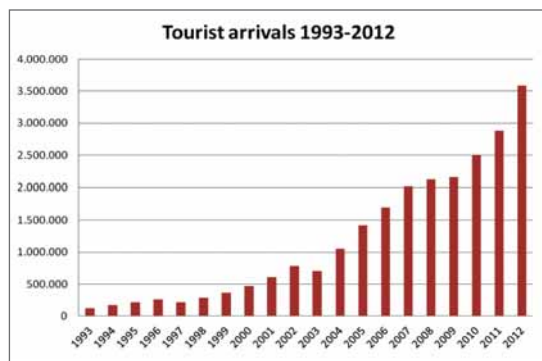
Sopheha Sok

Cambodia Community Based Ecotourism Network

Background

Tourism development in Cambodia has been growing gradually since 1993 when Cambodia had its first national election. Recently, the growth has increased more rapidly-in 2012 Cambodia received 3,584,307 international tourists which represents an increase of 25% compared to 2011 (see Figure 3.2; MoT, 2013).

Figure 3.2 Tourist arrivals 1993-2012



Source: MoT (2013)

In the last few years, the infrastructure to tourism destinations has been improved. There are more connections between provinces; many international borders with Thailand, Vietnam and Lao, PDR are open and operated, visa on arrival has been applied, and more tourism infrastructure was built to respond to the market demands. Moreover, Cambodia hosted

a number of significant tourism events such Asian Tourism Forum in 2011, the 3rd World Ecotourism Conference in 2011 and ASEAN Summits in 2012.

The Tourism Strategic Development Plan 2012-2020, ecotourism policies, guidelines and many other documents have been developed and implemented to promote Cambodia to tourists as the “Kingdom of Wonder”. Community based tourism (CBT) is one of the main priorities in the Ministry of Tourism’s strategic development plan.

Community based tourism emerged in Cambodia in the late 1990s and has increasingly been applied by both local and international civil society as an alternative tool for community development and nature conservation. The number of CBT initiatives has mainly increased in Cambodia’s main tourism hubs: Northeast, Coastal Zone, and Tonle Sap area. Currently, there are roughly 50 CBT destinations in Cambodia (MoT, 2013). The Yeak Loam community (a Pinong indigenous group) in Ratanakiri province was the first CBT initiative in Cambodia supported by the DRIVE project, aiming at conservation of nature and indigenous cultures. Subsequently, in 2001 a CBT initiative was developed in the Chambok community in Kampong Speu province. The impressive success of Chambok resulted in a strong uptake among tourism stakeholders and encouraged more CBT initiatives throughout the country. The Ministry of Tourism has recognized Chambok as a best practice of CBT development and has declared it as a place for new CBT initiatives to learn from their experience.

Having seen the opportunities of CBT development in Cambodia, a few NGOs working in environmental and nature conservation developed the concept of a CBT network in order to facilitate further initiatives. Cambodia Community Based Ecotourism (CCBEN) was established in 2002 and officially registered at the Ministry of Interior in 2005. The mission of CCBEN is

to support and promote CBT initiatives for sustainable community development and nature conservation.

The Network's main activities are:

- *Networking and communication*: Facilitating communication and networking between members, the industry, government and relevant stakeholders;
- *Member engagement*: Creating strong, positive relationships between CCBEN and its members;
- *Marketing and Promotion*: Promoting CCBEN, its members and community based tourism in Cambodia to the world;
- *Advocacy*: Encouraging dialogue between communities, the private sector, civil society and relevant authorities and engaging in relevant public policy formulation process; and
- *Capacity building & training*: Building the capacity of members through providing quality resource information, advice and support to communities.

Furthermore, CCBEN's activities include resource mobilization and providing accreditation for responsible tourism businesses in Cambodia. Through its member services and interaction with external stakeholders, CCBEN has cemented a niche for community ecotourism in Cambodia and successfully put this form of sustainable tourism on the itinerary of the international traveler who looks for a more insightful Cambodian experience.

Cambodian CBT Standards development

Although CBT initiatives have been increasing in numbers throughout the country, there was no common standard in place to guide them until 2009. Many initiatives were dealing with problems regarding the management structure, definition of community members' roles and responsibilities, and the benefit sharing mechanism put in place. Moreover, initiatives often focused more on nature conservation and community participation, lacked a strategic plan and marketing strategy, and offered a limited level of

comfort. As a result, the CBT destinations were unable to attract sufficient visitors for their economic viability. A baseline study in 2009 conducted by CCBEN about CBT development in Cambodia indicated that only a fraction of the total tourist number visiting Cambodia has spent their time at the CBT destinations (CCBEN, 2009). Various reasons were identified, such as limited marketing, promotion and private sector engagement; insufficient skilled human resources leading to poor services delivery and a limited variety between CBT products. The baseline study also illustrated that CBT in Cambodia faced a lot of challenges such as:

- Lack of regional planning-CBT initiatives were developed in isolation between the NGO and the community and it was not yet in the Ministry of Tourism's national strategic plan;
- Lack of activities-current CBT products are mainly concentrated around one theme/resource and therefore do not encourage tourist to stay longer;
- Limited interpretation-the CBT experience should educate both visitors and hosts;
- Limited enthusiasm from the community's side-CBT is considered as an idea developed by outsiders and therefore the host community is not doing it from their hearts;
- Limited monitoring of product quality-limited number of visitor satisfaction surveys, limited feedback from private sector, or feedback from the communities, etc.); and
- Weak involvement of travel trade (CCBEN, 2009).

Marketing and Promotion

Marketing and promotion were not the main priority in most of the CBT development in Cambodia; the understanding of the significance of publicity was limited which resulted in less awareness of the CBT initiatives even among local visitors. Until 2010 only few CBT initiatives (Chi Phat and Banteay Chhmar, Prek Toal and Chambok) had their own website, as a result of NGO support. Updating information was

limited to maybe once a year and they was not shared through the correct channels. For instance, tour operators did not receive the updated information from the CBT initiative and therefore could not include CBT in their itineraries. Up to now, not all the CBT sites have updated their information or have a brochure for marketing purpose.

In 2010 and 2011, the Ministry of Tourism produced a number of videos, songs, and magazines of the CBT destinations, a website (www.tourismcambodia.org), and short spots for advertising on local and internal media; which has impacted significantly on public awareness about CBT. The number of local tourists to CBT destinations has increased and more tour operators started promoting CBT in their product items. CCBEN has organized a CBT Forum once a year to raise more awareness to private sector and motivate communities to keep doing good work at their destinations.

Private sector engagement

The private sector was put aside at the early stages of CBT development. As mentioned earlier, most CBT sites were initiated by NGOs which concentrated more on nature conservation, environmental protection and community involvement. But although the economic sustainability of the project relies very much on visitor numbers to the sites; the private sector was not engaged in the development process. Tour operators are insufficiently aware about CBT due to the lack of information and difficulties to communicate directly with communities. Some tour operators have high expectations of CBT communities' products and services; yet this delivery is usually very basic, does not meet the requirements, and resulted in dissatisfaction. Very few CBT sites currently work in partnership with tour operators, although this dialogue is important and needs to be improved.

Human resources

Human resources are still a challenge for CBT development. NGOs working on CBT are specialized in community development but generally lack of the expertise to run a tourism project as a business. Communities have limited knowledge and some members may be illiterate. And in tourism, as a service industry, dealing with people is more complicated and requires considerable skills and knowledge. Furthermore, if CBT development projects do not include the required capacity building to ensure long-term viability, the community will be unable to attract visitors once the project finishes after 3-5 years.

CBT Standard development processes

In 2008, in the frame of the EU-Asia Invest project "Communities in International Business", CCBEN has developed a CBT standard. The idea was to have a common standard for CBT development in Cambodia aimed at certain sustainability requirements and responding to market demands. In order to develop the standard, two studies of CBT were conducted; a CBT baseline study and a CBT supply chain analysis to get more insight about CBT development in Cambodia. Several meetings have been conducted among stakeholders to discuss the criteria for the standard and two big national CBT forums were organized to confirm and finalize a draft standard. CBT definitions and principles were developed and the CBT standards were developed based on the definition and principles (see Figure 3.3).



In the development process, CCBEN had involved universities, communities, the private sector, NGOs and the ministry of tourism to share different aspects and views on CBT development. Representatives of university, NGOs and the private sector were invited as a working group to meet and discuss several times before reaching a consensus to the national workshop. The Working group representatives included:

University: Royal University of Phnom Penh which is oldest state university in Cambodia providing tourism management course and train their students to become tourism developers.

NGOs: Wildlife Alliance, Mlup Baitong, Save Cambodia's Wildlife, CBNRMLI (Community Based Natural Resources Management Learning Institute), and CEPA (Culture and Environmental Protection Association) and SNV Netherlands Development Organisation.

Private sector: Cambodia Association of Travel Agents (CATA) representing a major voice of the private sector in Cambodia.

CBT Standards criteria

The CBT Standards consist of two main standards: CBT standards which respond to the ten principles of CBT; and CBT products and services standards.

The ten principles of the CBT include:

- Principle 1: Involve and empower community
- Principle 2: Establish partnership with relevant stakeholders
- Principle 3: Gain legal recognition from relevant authorities
- Principle 4: Achieve social well-being and human dignity
- Principle 5: Establish linkages to local and regional economy
- Principle 6: Enhance linkages to local and regional economy
- Principle 7: Respect the local culture and tradition
- Principle 8: Contribute to natural resource conservation
- Principle 9: Improve quality of visitor experiences by strengthening meaningful host and guest interaction
- Principle 10: Work towards financial self-sufficiency

The CBT standards comprise 59 indicators. The CBT products and services standards consist of CBT guide standards, CBT tour standards, CBT food and beverage standards, CBT accommodation standards and CBT friendly tour operator standards. Each standard has their own indicators to be applied: guide standards have 31 indicators, tour standards have 29 indicators, food and beverage standards have 43 indicators, accommodation standards have 43 indicators, and friendly tour operator standards have 71 indicators.

CBT Standards

CBT standards are the basic standards for CBT initiatives to comply with in order to meet the minimum requirements of the guests to the CBT destinations. CBT standards are developed based on the ten principles and responds to socio-culture, economic, environment and management standards. For example, it requires communities to have democratic elections of the CBT committee, support principles of gender equity and social inclusion, and provide opportunities for visitors to participate in local activities alongside community members.

CBT Products and Services Standards

CBT Guide Standards

A CBT guide must be a community member, has been living in the community and receive recognition from other people in the community as a good and reliable person and be able to represent the community properly. He/she must have good knowledge, skills, experiences and a positive attitude. CBT guide standards have three main components: 1) Recruitment; 2) Qualification & training; and 3) Personal qualities and ethics.

CBT Tour Standards

A CBT tour is an activity organized by community members for visitors to see and learn about local community, culture and environment. CBT tour standards have three main components: 1) Management; 2) Visitor briefing; and 3) Tour design.

CBT Food and Beverage Standards

CBT food and beverage standards are applicable to F&B providers in the CBT area who cater to visitors. CBT food and beverage standards have four main components: 1) Management; 2) Hygiene; 3) Meals; and 4) Exchange experience.

CBT Accommodation Standards

A CBT accommodation is a homestay and/or communal or other guesthouse operating under guidelines and management of CBT. The CBT accommodation standards have six components: 1) Management framework; 2) Building; 3) Guest sleeping; 4) Bathroom; 5) Safety and security; and 6) Hygiene.

CBT Friendly Tour Operator Standards

A CBT friendly tour operator is referring to a responsible tour operator whom care about the sustainability of nature, culture of the site and would like to support the local economic to local community. CBT friendly tour operator standards have four main components: 1) Minimize negative impacts on culture and nature; 2) Support the local economy; 3) Promote the joy of discovery, knowledge and respect; and 4) Promote satisfying and safe experience for the tourists and the community.

CBT Standards Implementation

In order to operate the standard, the following was proposed:

- Each CBT site that wishes to be promoted internationally and through the CCBEN network is encouraged to fill in the CBT standards checklist and submit to CCBEN
- CCBEN pays a visit to the CBT site in order to do an onsite assessment of the standards
- If the visited project meets the minimum requirements; it will be awarded by CCBEN with the Responsible CBT certificate, which is recognized by UNWTO. The project will then be included into promotion materials developed by CCBEN to be promoted to international responsible tour operators and on the CCBEN website.

In 2009, the CBT standards were used to select sites for conducting a Cambodian CBT Supply Chain Analysis in the frame of the EU-Asia Invest project 'Communities in International Business'. The study examined the supply chains in each of the 13 CCBEN supported CBT destinations. From the thirteen CBT sites, only five met the CBT standard criteria; (Chi Phat in Koh Kong, Chambok in Kampong Speu, Prek Toal in Batambang, Banteay Chhmar in Banteay Meanchey and Tmatbeuy in Preah Vihear), and the results were presented in the 2nd CBT forum. The other eight CBT sites committed to improve themselves in order to meet the requirements if another study would be conducted. However, since there was no follow up after the 2nd CBT forum, few things have been improved as expected.

The implementation of CBT standards has also remained limited because CCBEN did not promote it broadly to tourism stakeholders in the last few years due to changes in the management structure of CCBEN. In fact, only participants in the CBT forums and those involved in the CBT standards development have been aware about the standards.

Conclusion and next steps

Tourism development in Cambodia is growing rapidly and the number of CBT initiatives is growing as well. CBT is one of the main priorities in the government strategic plan 2012-2020; which will provide a significant potential to further develop CBT. Cambodian CBT standards have been developed with involvement of key stakeholders such as a university, NGOs, the private sector, but its implementation has been limited to date.

Partly, this can be explained by challenges regarding human resources and changes in the management structure of CCBEN. But it was also experienced that successful uptake of CBT standards among the target groups requires promotion and awareness raising about using the standard after its development.

With the new strategic plan of CCBEN for 2013-2015, CCBEN will revise and simplify the standards to be easier to understand and will also have it translated in Khmer language in order to promote them extensively to stakeholders. As one of the strategies to encourage the CBT initiatives to apply these standards properly, CCBEN will organize a CBT Best Practice contest. This contest will be held every year and the processes of the contest will be part of the monitoring and evaluation of CBT development in Cambodia. Each CBT site will be motivated to apply for the contest. In order to compete for a prize, they must ensure that their CBT development has fulfilled the Cambodian CBT standard. A multi-stakeholder committee will be installed to judge the CBT and CCBEN will play a role of main facilitator.

Another important development is that the Cambodian Ministry of Tourism is appointed to lead the development of the ASEAN CBT Standards. Tourism ministers of ASEAN have signed an agreement to develop ASEAN tourism standards in order to facilitate the mobility of tourism professionals within ASEAN

(tourism professionals can work around ASEAN with the same, commonly recognized standards). Several different standards will be developed, such as ASEAN Green Hotels, ASEAN Homestay and ASEAN Spa standards. and Cambodia has been delegated to lead the development of the ASEAN Clean Tourist City and ASEAN CBT Standards (MoT, 2013). This provides an important opportunity for the Cambodian CBT standards to serve as a basis to develop the ASEAN CBT standards.

Considering the aforementioned opportunities, following its new strategic plan and clear direction to aim for sustainable CBT development in addition to the high commitment and strong efforts of its team, members and partners, CCBEN believes that by 2016, CBT in Cambodia will be more organized and structured, well managed, more attractive, and at least 50% of the CBT will be self-sustaining.

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3.7 Organizing Community Based Tourism product and business development in Vietnam

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Introduction

CBT is not a new form of tourism in Vietnam, which brings many economic benefits to communities, supports protection of natural areas, and adds to conservation of local cultures. Vietnam has much potential of developing CBT. However over the years, we have not focused enough on CBT, so it has not been exploited effectively. Developing a product requires a lot of time. Product development involves a lot of stages, starting from product concept to product design in the planning, designing details of the product (construction design), product generating, pilot-testing product in the market, until selling products to customers. Such a process can take many years. In addition, tourism products are often gradually completed during their implementation and exploitation process. A CBT product involves many people, many parties, and many components. Ideas for tourism product development may result from researchers and managers, but also probably from the tourism industry. Such ideas need support of different stakeholders, including management agencies, local authorities, and especially local people and companies, who transform the concept into actual product sold to tourists. Thus, the involvement of different stakeholders in the discussions and product development process is essential to achieve success in tourism product development in general, and in CBT product development in particular.



The development of tourism products, including CBT products has received much attention of managers in the Vietnam National Authority of Tourism (VNAT), provinces and international organizations, nongovernmental organizations, as well as businesses in Vietnam, reflected in several reports, planning documents, plans, research reports and other studies. Ha Giang is an example. This province established a Provincial Tourism Development and Management board, including one member of the People Committee as a leader, Head of Department of Culture, Sports and Tourism, and components of related agencies and organizations. In addition, the board includes the authority of the district which contains important tourism destinations. The Department of Culture, Sports and Tourism should be established as an agency which takes the responsibility in CBT development, and is directly under the leadership of this Department. The agency will be responsible for formulating and directing the implementation of CBT development programs in its province, synthesizing the situation of CBT development, and reports to the board. The board will have quarterly meetings to receive reports on CBT development and gives assessment promptly, especially on issues related to investment and development, policies and regulations, or interdisciplinary cooperation.

Communes with key CBT destinations, as presented in the example above, will establish a CBT Board, including the leader of the commune committee as chairman, components of related departments and organizations, commune police, head of village and representatives of business households in the commune. It is proposed to build the office of CBT development and management board next to the local cultural house with adequate equipment, such as the computer system connected to the internet. The Board is responsible of managing and operating CBT activities around its commune, including managing tourists and tourism business households, organizing skills training programs, promoting tourism

development, protecting the environment, preserving cultural and natural resources, and establishing the safe and secure environment at CBT sites. It also manages the CBT Development Fund and implements the CBT management regulations. The Board operates under the existing planning mechanisms. The Board members will be entitled to social allowances and bonuses depending on their contribution.

Developing cooperatives, groups and local enterprises; strengthening co-operations between stakeholders in CBT development

At one end of a continuum of CBT business development possibilities, households operating a CBT business are able to establish a voluntary co-operative organization sharing responsibility together. The organization can apply for certification of the commune committee about voluntary co-operation when 3 households or more join in the organization. This partnership will allow the households operating a CBT business to share their business sources and guests more easily, flexibly and effectively. Moreover, this cooperation helps to avoid direct competition in the CBT business environment. Households can establish cooperatives to operate CBT under the cooperative law. The advantage of such cooperatives is highly socially responsible, as their main mission is benefiting their members rather than achieving the highest return. These cooperatives will operate primarily with the fund contributed by their members, and households contribute annual fees. Fixed assets achieved during the operation process will be collectively owned and used for collective benefits without being divided into private property even after the dissolution of these cooperatives.

At the other end, households operating CBT businesses can establish enterprises (private enterprises, limited companies or joint stock companies) and operate under the Enterprise Law. According to this Law, they



Systematically developing and implementing CBT regulations in tourism destinations

According to a recent consultant's report for CBT in Ha Giang, on the basis of CBT development plans, the province should devise a plan to support CBT destination sites in establishing and implementing CBT regulations (AECID, 2012). The regulation should be established with the participation and consensus of members of the commune CBT Board that aims to manage and organize tourism business activities to ensure fairness in interest and obligations of related participants. This equality will be the basis to achieve goals that are sustainable development and tourism resources conservation.

could conduct business activities actively following the market mechanism. They can conduct business transactions conveniently, including tax obligations or receipt payment with the state management agencies and business partners. They still receive preferences associated with enterprises operating in remote areas or priority businesses. However, this type requires the manager to have administrative capability—a high requirement for small and informal businesses.

The main contents of this regulation includes: 1) Responsibilities and rights of the organizations/ individuals involved in CBT activities in the local community; 2) The regulations on allocation focus on overnight tourists allocation at local community; 3) The main services price; and 4) the CBT fund.

The main steps in implementing CBT in one destination:

- *Check potential and current situation of CBT development.* Each destination should offer many benefits to the local community with fundamental characteristics such as:
 - Including elements related to education, and disseminating culture and the local lifestyles in providing tourism service;
 - Increasing awareness of tourists and the community on conversation;
 - Developing small business managed by the local community;
 - Minimizing negative impacts on the natural and cultural-social environment;
 - Supporting nature conservation through the creation of benefits associated with natural managing activities;
 - Including elements impart education and culture, the local lifestyle in the travel services provider.
- *Developing a process and establishing a structure for local management.* The organizational structure is the determining factor involved in CBT, and real community control.
- *Developing local capacity to build and maintain sustainable CBT.* CBT is based on local people. The tourist experience depends on the quality of services provided by local people. So, the importance of human resources is the key to determining whether CBT is able to maintain and develop sustainable or not.
- *Promotion plan for CBT.* This plan has to confirm especially tourism products of each province, tourism distribution channels, and partners involved in sales and promotion (tour operators, hotels, social and occupational organizations, non-governmental organizations, state managing agencies; international organizations...).

Main challenges in developing and implementing CBT products and businesses in Vietnam (especially in relation to the provinces of Lao Cai, Ha Giang, and Dien Bien)

- Major investments are needed to move from tourism potential into a form of capable exploitation; because of the exploitation conditions, provinces need major investment to be able to efficiently utilize their abundant tourism potential.
- Investment in infrastructure development requires much time; while tourism depends heavily on infrastructure conditions, long-term investment in infrastructure will slow down the product development capabilities.
- Human resources for tourism are limited, including management capacity and services; educational and business level in general and related to CBT development in particular, in the three provinces is low. Raising awareness and capacity requires much more time.
- Not fully assessing the potential for CBT development; tourism potential is still largely unexplored, and not being evaluated or exploited;
- Carrying capacity of the destination; if there were no appropriate policies to develop tourism, the risk of overcrowding in a number of prominent CBT sites is noticeably high.
- Decline in resources associated with CBT and cultural tourism at some sites; the process of socio-economic development and cultural exchange led to changes in customs, practices, lifestyles and identity of local people.
- Benefit sharing among the community to ensure sustainable development; in many places, inappropriate CBT development leads to the risk of uneven distribution of benefits and the possible risk of conflicts.

- Coordination between visiting tourism development (large scale) and CBT development (small scale); the provinces have outstanding tourism resources have the ability to attract a large number of travelers. If no visitor management measures are taken, it might risk overloading CBT villages in the provinces.
- Financial investment and capability for CBT development; capital of the local people spending on CBT development is limited.
- Balance between tourism development and other development goals including economic targets, security and defense; in addition to tourism resources, Most of provinces also has many other resources (mineral, hydropower, forests, etc.) matching the requirements of economic development. There are potential conflicts within the development goals.

Recommendations on policies for CBT development

Tourism development, especially community-based tourism development, is considered one of the most important and consistent policy attentions of the local government, from provincial to local level. However, an apparent planning system with clear solutions, policies, and action programs has not been developed and updated. The limitations of technology, capital, budget, and research, create a huge gap between expectations of the desired future developments of CBT in Vietnam and the level of local capabilities. Specifically, the following recommendations would greatly enhance the 'enabling environment' for CBT development in Vietnam.

- During the planning process associated with tourism development projects and other relevant economic-social sectors; consider the needs for CBT development in remote areas, in the ethnic minorities, in abundant natural and cultural resource sites which can be exploited for tourism development. Consult with local people and create opportunities for local people (local committee) to have permission to make decisions towards such programs and projects. Encourage projects that enhance infrastructures associated with key CBT destinations.
- Support adequate preferential loans to help local people start tourism businesses; provide technical assistance in business planning process, create loan application procedures, manage capital, monitor business activities and assess impacts of the CBT development project.
- Raise capital and technical assistance for CBT development from foreign organizations through the action plan for CBT development. Support market research and approach, distribution channels, product and new models for development, branding and destination marketing.
- Introduce tax incentives (exempt/reduce personal income and corporate income tax, value added tax for goods and services which is supplied by local people and import tax for equipment). Provide preferential land rental charges and fees for the use of natural resources and infrastructures. Empower and create the best conditions for local people (organizations/individuals) to own and exploit natural resources for CBT development. Develop and implement tourism and hotel training programs for local people.
- Simplify procedures and create conditions for CBT development, including procedures for visiting and staying overnight at the border areas, or at ethnic areas; Ensure safety and security at destinations. Invest in the transport system to ease access to tourism destinations, infrastructure and tourism facilities.

- The provinces that have potential for CBT development are often poor provinces, so conditions of infrastructure (electricity, water, healthy care, etc.) associated with tourism development, are not the forte of tourism development departments. Even at the sites operating CBT, infrastructure conditions are still worse, which impedes the expansion and quality enhancement of products. Government and local people have to invest huge budgets to improve infrastructure. But, local budget is not enough to ensure good building tourism facilities. Governments should enforce policies to attract privatization.

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3.8 The role of homestay in Community Based Tourism (CBT) development in Malaysia

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Introduction

Local communities' involvement and inclusion in tourism is considered a key resource for sustaining this industry (Hardly et al., 2002). Community participation is regarded as one of the most essential tools for tourism, if it is to make a significant contribution to national development of a country (Lea, 1988). Community Based Tourism (CBT) is managed and owned by communities with the purpose of enabling tourists to increase their consciousness and awareness and learn about the community and local people's culture. Successful CBT can ensure environmental, social and cultural sustainability of an area (Suansri, 2003). It achieves sustainable development and can improve the living conditions of local people without damaging the environment. The aims of CBT are communities' ownership and empowerment, natural and cultural resources conservation, enhancing socio-economic development and ensuring tourists' experiences (Hiwasaki, 2006). Furthermore, CBT can be utilized as a strategy to enlarge the flexibility of socio-ecological systems for contributing in sustainable development (Simpson, 2008).

In Malaysia, CBT was first introduced as a new tourism product during the period of 7th Malaysia Plan (1996-2000). The Malaysian government has focused on CBT to develop rural communities to reduce economic

imbalance between rural and urban areas. Community participation in tourism was mentioned in the National Tourism Policy, formulated in 1992. The policy emphasized rural enterprises; cultural exchanges acceleration of urban and rural integration; and encouragement for ethnic communities' participation in the tourism sector (Siti-Nabiha, 2010).

The Malaysian homestay program was announced officially as a tourism product in 1995. This program can be regarded as a rural and cultural CBT product. It was also recognized as a tourism product in the rural tourism master plan (RTMP) of 2001 (UNDP, 2003). The RTMP was passed to promote the homestay program as part of community development. In Malaysia, homestay accommodation is mainly operated and organized by the Kampung (village) people (Clammer, 1996; Kennedy, 1993). Homestay operators are incorporating local culture and activities in their accommodation offers. Necessary spaces, level of quality and security of houses are important elements for the homestay operation in Malaysia. The homestay program provides tourists multi ethnic life conditions with cultural experiences and economic well being for the local people (Liu, 2006). According to the Malaysian Homestay Association (MHA), foreign tourists from Japan, Australia, Korea and domestic tourists, mainly students, are the main clients for homestay accommodations (Kayat, 2007). The Malaysian homestay program differs from other commercial homestays in the world. Here, guests live with the homestay operators' family during their stay period. The operators' involves with their guests in eating, cooking and other activities, exchanging and learning from each other's culture (Peterson, 2004). The present study focuses on the potential of homestay accommodation for community participation and development initiatives in Malaysia. The study also highlights the socio-economic impacts of homestay from the perception of operators' through a case study in Terengganu state of Malaysia.

Methodology

The study used both primary and secondary data which were collected from reliable sources. Homestay operators from Terengganu state were being chosen for observation and data collection in the study. A total of 10 homestay operators were selected from three villages of Terengganu for collecting primary data. A structured questionnaire has been used in this study with open and closed questions. Secondary data like documents, acts, regulations, and policies have been collected from the Ministry of Tourism in Malaysia and other related sources. Published materials such as relevant research reports, articles, books and annual reports have also been reviewed in order to accumulate secondary data and justify arguments.

Sampling and data analysis

The sample size of this study has been determined based on non-probability convenience sampling design. This technique is based on calculated personal judgments and researchers utilize their own perceptions and knowledge to determine the sample size. The present study is a case study in nature. So, a small (10) sample size has been determined to collect primary data due to time constraints and budget limitations.

Results and Analysis

Homestay accommodations attract a considerable number of foreign and domestic tourists in Malaysia. The numbers of domestic and foreign tourists in homestay accommodation increases year by year in Malaysia.

Table 3.4 Domestic and foreign tourists to the homestay accommodation in Malaysia, 2006-2008

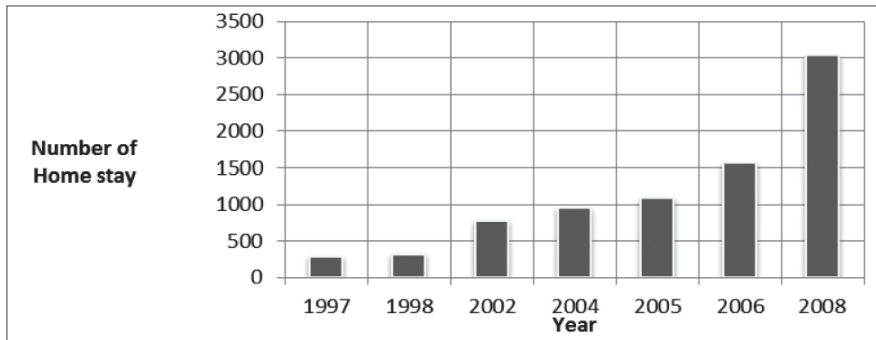
Tourist's Type	2006	2007	2008
Domestic	24,507 (62.89%)	51,055 (70.50%)	68,416 (74.74%)
Foreign	14,458 (37.11%)	21,368 (29.50%)	23,117 (25.26%)

Source: Modified from Malaysia 2009

The homestay accommodations in Malaysia attracted 24,507, 51,055 and 68,416 domestic tourists in the year 2006, 2007 and 2008 respectively. A total of 14,458, 21,368 and 23,117 foreign tourists were attracted over these same years (Table 3.4).

The total number of participating homestays in Malaysia is increasing every year. There were about 286 and 321 houses participating officially in the homestay program throughout the country in the year of 1997 and 1998 respectively. The number of houses rose to 776 by 2002. There were 1,089 participating houses in 2005 and 3,034 in 2008 (Figure 3.4).

Figure 3.4 Total number of Homestay participants in Malaysia, 1997-2008



Source: Modified from Malaysia 2009

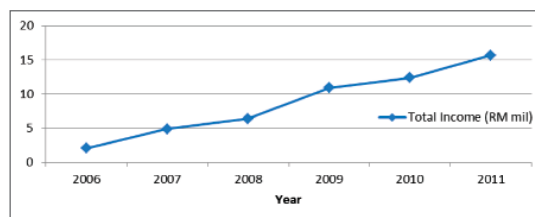
In Malaysia, homestay accommodation is increasing in villages year after year, as well as the number of operators. In 2006, the highest number of villages engaged in homestay operation, was in Pahang. Perlis, Kedah, Selangor were showing the lowest number of villages engaged in homestay operation in that year. In 2007, mentionable number of villages in Pahang, Johor, Selangor, Sabah and Sarwak were engaged in homestay operation. However, Perlis and Kedah were still showing a low number of villages, engaged in homestay operation in 2007. An increasing number of villages in Pahang, Johor, Selangor, Sabah and Sarawak were engaged in homestay operation in 2008 (Table 3.5).

Table 3.5 Homestay accommodations in villages and operators, 2006-2008

State	2006		2007		2008	
	Village	Operators	Village	Operators	Village	Operators
Perlis	1	12	1	12	2	34
Kedah	2	51	3	94	6	106
Langkawi	4	96	4	97	4	94
Penang	8	116	9	200	9	202
Perak	7	117	8	154	6	178
Selangor	4	480	16	371	16	535
Melaka	5	97	5	112	4	103
N. Sembilan	5	120	6	194	8	234
Johor	15	42	15	246	15	435
Kelantan	6	123	6	125	8	163
Terengganu	5	82	5	149	7	149
Pahang	20	277	22	383	23	336
Sarawak	12	144	14	152	16	172
Sabah	15	188	18	203	19	228
Labuan	7	22	3	41	3	65

Source: Tourism Services Division, MT (2009)

Homestay accommodations have become one of the most successful programs that have been identified by the Ministry of Tourism. In 2011, this type of accommodation occupied 32% against its target of 23%. Moreover, the homestay program procured an additional income of RM¹⁴ 15.7 million against the RM 14 million target set for the year. The revenue from this accommodation is increasing year by year. In 2006 total revenue was RM 2.06 million; it reached RM10.92 million in 2009. Total revenue of homestay was RM 12.40 million and RM 15.73 million in 2010 and 2011 respectively (Figure 3.5).

Figure 3.5 Total revenue from the homestay program

Source: Modified from Malaysia, 2012

¹⁴ RM-Malaysian Ringgit (US\$1= RM3)

Stakeholders involved

The Malaysian government has been involved in planning, operating, development and controlling the homestay program. Three ministries are involved directly in the program: Ministry of Tourism, Ministry of Rural and Regional Development and Ministry of Agriculture. These organizations are giving financial, logistic, infrastructure and development support to the local people for successful homestay operations and CBT activities. The activities of several ministries for homestay development and CBT activities are discussed below.

- Ministry of Tourism (MOTOUR): Ministry of Tourism is the main promoter of the homestay program in Malaysia. MOTOUR gives emphasize on this program for rural tourism development. This ministry recognizes the homestays program as contribution to poverty alleviation and income generation for rural people. MOTOUR provides necessary guidelines, policies, directions for developing homestays. They allocate funds for upgrading accommodation rooms and toilets, infrastructure development and operating. Homestay promotion and marketing programs are also performed by this ministry. The ministry works with the State Tourism Action Council, the Economic Planning Unit and other government agencies for further homestay development.
- Ministry of Rural and Regional Development (MRRD): MRRD also provides assistance to the homestay program to develop rural areas. They give emphasize on this accommodation program to enhance socio-economic up-grading of rural communities and reduce differences between urban and rural areas. This ministry is providing infrastructure development,, such as roads, toilets, public walkways, landscape management and community halls for homestay development in rural areas.
- Institute for Rural Advancement (INFRA): This institute is controlled and directed under MRRD. This institute provides training and arranges workshops for homestay operators, owners and involved communities for developing their capacity in homestay operating.
- Ministry of Agriculture (MOA): MOA has helped the homestay accommodations to highlight agricultural products and attractions. This ministry provides financial and technical assistance to improve homestay for developing agriculture sector and enhancing agro tourism in Malaysia.

Besides the above mentioned support, the Malaysian government gives special attention to local communities' involvement in tourism activities. In the Ninth Malaysia Plan (2006-2010) period, the government introduced homestays as a diversified tourism product. During the Tenth Malaysia Plan (2011-2015), the government is supporting the development of the private sector and public-private partnership initiatives in CBT activities, as well as homestay accommodations. In the Economic Transformation Program (ETP), Malaysia's government emphasizes the establishment of eco-based accommodations in tourism destinations. This initiative encourages homestay accommodations, as well as CBT initiatives. So, homestay accommodations are considered now as innovative CBT products to the government, investors as well as rural communities.

Opportunities and challenges in Malaysia's homestay program

Bhuiyan, et al. (2012) conducted a study on homestay accommodations in East Coast Economic Region (ECER). The study used respondents' survey data from local communities. The respondents recognized that homestay accommodation can be one of the major activities for CBT development in this region. Local people have benefited economically, socially and environmentally from this accommodation. The study has identified some opportunities remaining in ECER, as well as Malaysia for establishing homestays, which should be helpful in CBT development. These are:

- **Low charge:** The accommodation, meals and other charges of homestays are cheaper than other accommodation facilities in Malaysia. The guests normally spent RM60 to RM120 in a day for all activities.
- **Hospitality:** Guests of homestays get warm hospitality from the operators. The guests are becoming actually guests of the whole village.
- **Motivation of young generation:** The homestay program builds up confidence, patriotism and leadership among the young generation. Youth learns about collaboration by working with the visitors' of homestay accommodation.
- **Women entrepreneurship:** The homestay program is helping women entrepreneurs in rural areas. It provides new jobs and business opportunities to women using local resources. They can operate a small business, traditional food production and homemade cooking on the basis of the homestay program.
- **Easy access:** Homestay accommodations are usually situated near the tourism attractions in the country. If visitors are staying in these homestays, they have easy access to the tourism attractions.

- **Present cultural performance:** Cultural performance is an integral component of the homestay program. The Ministry of Tourism is funding cultural performances as part of operating successful homestays.
- **Limited environmental and social impacts:** Homestays have been developed at small scale. It needs less space and limited involvement. So, homestay is not polluting the environment hugely, and has little negative social impact.
- **Commercial interest and investment:** Homestays have been operating to attain commercial benefit. It also ensures investment opportunity for businessmen.
- **Opportunities for local entrepreneurs:** Local entrepreneurs in rural areas can operate homestays easily with limited capital. It can be exploited by family businesses, and stimulates the local economy.

Bhuiyan et al. (2011) conducted a policy study on homestay accommodation in ECER on the basis of secondary data and information from related ministries and agencies. The study pointed out that homestays may be developed as alternative accommodation for tourism and local communities' enhancement activities, in ECER, as in Malaysia. The study mentioned homestay accommodations have huge potential for community involvement in tourism development. The study concludes that in spite this potential, challenges also remain for homestay development:

- **Low standard of accommodation:** Poor quality of accommodations is a major weakness of the homestay program in Malaysia. For the lacking of a higher standard, homestays do not attract many western tourists.
- **Unacceptable bathroom and toilet facilities:** Toilets of homestays are identified as of poor quality. These are not comfortable and hygienic for the tourists.

- **Identity of each homestay:** Another weakness for homestays is the lack of identity. The homestays have not differentiated enough.
- **Lack of hospitality experience:** The homestay staff, often, is not so experienced in hospitality. Language difficulties between guests and host family are another problem in the homestay operations.
- **Lack of marketing:** Due to an ineffective marketing, homestay businesses do not flourish, as expected. Lack of capital to investment in professional marketing is another barrier for homestay promotion.
- **Lack of marketing and promotion campaigns:** Proper and prompt campaigns are absent in homestays business; comprehensive guidebooks and IT based information is not available.

Homestay accommodations case study

Homestay is one of the potential CBT approaches in Malaysia. Most of the homestay accommodations of Malaysia are situated in rural areas. Rural communities can participate in tourism activities by meaningful involvement in homestay accommodations. The study highlights the socio-economic impacts of homestay from the perception of operators' through a case study in Terengganu state of Malaysia. Terengganu is one of the states of the East Coast Economic Region (ECER) of Malaysia. This state is more socio-economic backward compared to other states of Malaysia. Low incomes, unemployment, poverty, low urbanization, limited investment, and poor infrastructure development are mentionable. However, this state is full of natural and mineral resources, unspoiled scenic beauty, islands, beaches, Islamic heritage and cultural attractions.

The Malaysian government gives emphasize to tourism development in this state on the basis of its tourism attractions. Homestay may be a potential earning source for the local people in Terengganu. The accommodations provide a focus on traditional life style, local culture and customs to attract domestic and foreign tourists. This program can create commitment and genuine interest among local people, as well as local youth. The local people can enhance their socio-economic status by participating in the homestay program (ECER, 2007).

A total of 10 homestay operators were selected from three villages of Terengganu for collecting primary data. Three respondents were selected from Kampung Rhu 10 and Kampung Baru Penarik, and four from Kampong Pasir Raja. Most homestay accommodations in Terengganu are situated in these three villages. Most of the families in Kampung Rhu 10 earn a living from fishing. Tourists enjoy the everyday fishing life, as well as specific activities of this village, like fire-fly watching, cultural performance, handicrafts and batik canting. Kampung Baru Penarik is a fishing village near the beach. This village is famous for its clean and beautiful sea-beach and sea-food restaurants. Kampong Pasir Raja is a traditional village situated very close to the Titiwangsa Mountain Range. The attractions of this village are traditional homes, natural beauty and Chemerong Waterfalls. The homestay accommodations of this village are attracting local and foreign tourists as well as school programs. Tourists are enjoying several activities here such as playing traditional games, rafting, making paddy oat flakes, cultural performances and opportunity to enjoy traditional dishes prepared by host families (Bhuiyan et al., 2013).

Table 3.6 Economic Aspects of Homestay Accommodations

Variable	Range	Frequency	Maximum& Minimum Values
Monthly Living Expenses (RM)	1,000-1,500 1,600-2,000	5 5	Maximum 1,800 Minimum 1,000
Initial Investment (RM)	<50,000 >51,000	3 7	Maximum 90,000 Minimum 30,000
Monthly Income (RM)	<1,000 1,100-1,500 1,600-2,000	1 5 4	Maximum 2,000 Minimum 600
Targeted Annual Revenue (RM)	<30,000 31,000-50,000 >51,000	5 2 3	Maximum 96,000 Minimum 15,000
Expected Break-Even Point (BEP)	2-3 years 4-5 years	9 1	Maximum 4 years Minimum 2 years

Source: Survey data

Table 3.6 reveals the economic aspect of homestay accommodations on the basis of respondents' opinions. The minimum monthly family living expenses of the respondents are between RM 1000 and RM 1800. Most of the respondents (70%) have invested more than RM 51,000 in the homestay accommodations. The monthly income from homestays is between RM 600 and RM 2000, with most over RM 1,000. The maximum annual revenue of respondents is RM 96,000, however most annual revenues are below RM 30,000. Most respondents have reached a Break-Even Point (BEP) within 2 or 3 years.

Table 3.7 shows the perception of homestay operators towards socio-economic impacts of homestay operation. Most of respondents (80%) agree that homestay is helpful to focus on traditional cultural conservation. Eight respondents (80%) feel that homestay influences employment opportunities for local residents while two have no opinion. According to eight respondents, homestay is boosting social equity of local people, but two disagree.

Eight respondents agree that homestay increases the quality of local people's life while two disagree. The statement homestay is helpful for conservation is supported by eight respondents while two have no view. Eight respondents support that public-private consultations are necessary for homestay development while one respondent has no opinion and one respondent disagrees. Nine respondents agree that homestay increases the stability of local people life style while one does not support this. Regarding the statement that homestay is supports the ecosystem, nine respondents agree and one disagrees.

Table 3.7 Perception on Socio-economic Impacts of Homestay

Statements	Opinion Scale (%)					Mean value	S.D.	Agree (4 & 5)	Disagree (1 & 2)
	1	2	3	4	5				
Homestay is helpful to focus on traditional culture		1	1	4	4	4.10	.994	8 (80%)	1 (10%)
Homestay influences employment opportunities for local residents			2	4	4	4.20	.788	8 (80%)	
Homestay is boosting social equity of local people		2		5	3	3.90	1.100	8 (80%)	2 (20%)
Homestay increases the quality of life		2		6	2	3.80	1.032	8 (80%)	2 (20%)
Homestay is helpful for conservation			2	4	4	4.20	.788	8 (80%)	
Public-private consultations are necessary for Homestay Development		1	1	3	5	4.20	1.032	8 (80%)	1 (10%)
Homestay increases the stability of local people life style		1		3	6	4.40	.966	9 (90%)	1 (10%)
Homestay is helpful for ecosystem		1		5	4	4.20	.918	9 (90%)	1 (10%)

Source: Survey data

The case-study reveals that homestay operations have socio-economic impact on local communities. The operators have earned a major portion of their monthly expenses from the homestay accommodations. The initial investments of homestays are less than RM 100,000. Operators can reach the Break-Even Point (BEP) within a 2 to 4 year period. That means the overall turnover from this accommodation is satisfactory level in terms of earning. This scenario creates a significant impact on employment creation and local economy.

The descriptive analysis of respondents' perception of the socio-economic impact of homestay accommodation shows that the respondents believe homestay operation has helped the local economy, society and environment. The operation strengthens traditional culture and customs of local people. It provides a stable living standard and life style. Homestays increase employment opportunities and public-private investment and consultations. Moreover, most of the respondents from homestay operators are satisfied with their monthly income from

this accommodation. Homestay accommodations are mainly operated by family members of the owners. According to respondents, homestay operation is not highly effective for encouraging social equity and increasing the life quality of local people.

This case study concludes that homestay accommodation is a successful CBT approach in Malaysia. In this program, homestay operators, homestay association, local governments and local community can participate together in decision making, planning and development activities. Homestay accommodation can ensure economic benefits as well as social cohesion for rural communities in Malaysia. So, it is a profitable CBT innovation for Malaysia. The case study provides some guidelines for improving quality and standards of homestay accommodations. These can maintain traditional cultural conservation and local ecosystem, boosting social equity, improve quality of life, create employment opportunities and emphasize on stockholder- stakeholders consultations.

Conclusion and recommendations

The Malaysian government is giving priority to CBT for economic advancement of the country. Homestay accommodation is one of the key elements in this. The development of homestays is a joint effort of the Tourism Ministry, Malaysian Homestay Association (MHA) and local investors. Research initiatives, sustainable marketing and proper policy in management have been considered for homestay development as well as CBT in Malaysia. With proper planning and implementation, operational regulation and management, appropriate development and financial allocation in homestay operations; sustainable CBT development in the country can be ensured. Finally, homestay accommodations ensure the economic advancement of the communities, as well as sustainable regional development. There are several steps that may be taken to develop the homestay accommodation for CBT activities in Malaysia further. These include:

Capacity building: A capacity assessment is very important for the homestay operations. Homestay accommodations are examined regarding their capacities. The quality of the houses should improve while participating in the homestay program. The homestay accommodation are certified and rating system based quality control to encourage competition between homestay providers.

Develop facilities: Homestay operators can improve their facilities to attract more tourists. Some improvements, such as location, separate bedrooms and toilets for the guests, proper security and high standard of cleanliness, are helpful for homestay operation. Capacities of homestay owner should be improved for product development, management, operation and marketing.

Community participation: The success of homestay operation depends on community involvement and support towards this program. The homestay owners get opportunities, ability, power and incentives from the communities for their successful operation. Key stakeholders are involved in the overall activities of homestay program.

Loan facility: The government and non-government organization can provide loans for homestay accommodation. They should provide this facility to the operators with reasonable terms and condition. The loan facilities provide homestay operators with opportunities to scale up operations.

Training and Development: Training program should be arranged for upgrading the service quality, taught to be proficient in English and foreign languages. The professionalism must be improved among the homestay operators for product development, management, operation and marketing.

Integrated approach: An integrated approach should be maintained towards developing, managing and marketing the homestay program. Several studies (Bhuiyan et al., 2011; 2012) are showing that homestay accommodations have positive socio-economic impacts on local communities. A balance between the educational, entertainment and commercial elements of homestay is also emphasized in this regard.

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3.9 Community Involvement in Tourism in Myanmar

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History of tourism development in Myanmar including recent developments

Myanmar is a country emerging from five decades of inward looking policies and international isolation that have kept the international community, development agencies, global business-and the international tourism industry-at bay.

For decades, embassies, journalists, travel writers and tourism pressure groups have asked international visitors to stay away from Myanmar. Over the 20 years, from 1990 to 2009, international visitor arrivals grew from just 8,968 to 762,547. Roughly one-third of these arrivals were likely to be a combination of border-crossing by neighboring communities and “border tourists” entering the country for less than 24 hours on “visa runs” from Thailand.

By way of contrast, the process of political and economic reforms well underway since 2011, has led directly to a sudden and rapid increase in international tourist arrivals. In 2012 international visitor arrivals to Myanmar has reached 1,058,995, which means that the country has received for the first time in the history of tourism over one million international visitors. In the past ten years, an average annually growth of 6.6% was recorded, while 2012 marked a growth rate of 29.7%. The international arrivals into the country’s main entry point, Yangon International Airport, almost

doubled from 364,743 in 2011 to 559,610 in 2012¹⁵. The majority of Myanmar’s international tourist arrivals currently frequent one or more of six destinations: Yangon, Bagan, Inle Lake, Mandalay, Kyaikhto, and Ngapali Beach.

Despite its relative isolation, Myanmar has to some extent been able to participate in regional initiatives to strengthen tourism planning and attract more visitors to the region. Through its various Ministries, the country has been involved in a wide range of discussions dealing not only with tourism but also related areas including connectivity, transportation and biodiversity. Myanmar has also participated in, and approved, the ASEAN Tourism Strategic Plan and the ASEAN Tourism Marketing Strategy.



¹⁵ Top ten markets for international arrivals entering Myanmar by air, with the total number of arrivals and their relative market share, illustrate that Thailand and China account for the largest number of arrivals; a combined share of 27.8% in 2012; the Asian market accounting for over 64% of all arrivals, followed by Western Europe with 22%, North America with 7.4% and Oceania with 3.5%.

The Myanmar government has identified tourism as a key pillar of the national economy for the upcoming years. The tourism industry offers significant growth potential in terms of income and employment generation-as well as wider benefits associated with improved healthcare, education and transport services.

Myanmar is currently perceived as unspoiled and this provides competitive advantage as well as being important to the maintenance of Myanmar's spiritual values and culture. Yet Myanmar risks unsustainable tourism growth and massive negative impacts relating to environment, culture and society. This is increasingly becoming evident that in the key destinations, the pressure on accommodation and sites could have potential negative impacts on the tourism experience for visitors with possible negative consequences for the image of Myanmar. The Myanmar Ministry of Hotels and Tourism (MOHT) and the Myanmar Tourism Federation (MTF) have recognized that the rapid tourism development may succeed in boosting the sector and creating swift economic development but may fail in the long-term success for sustainable tourism development in the country.

Numerous challenges have been identified in previous workshops at several destinations in Myanmar organized by MOHT and MTF in collaboration with ADB or Hanns-Seidel-Foundation, including: (i) demand for hotels outstripping supply during the high season; (ii) insufficient measures to interpret, protect and conserve heritage assets; (iii) poor waste management in all its forms; (iv) insufficient stakeholder engagement in planning processes; (v) a lack of tourism-related research; and, (vi) a lack of human, technical and financial resources.

Responsible Tourism Policy

In response to these challenges, the 'Myanmar Responsible Tourism Policy'¹⁶ was launched in September 2012, a charter for a sustainable path for industry growth. According to its vision, the country should use

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

In particular, the inclusion of local communities is noted repeatedly within the Myanmar Responsible Tourism Policy (2012) in Aim 1 and Aim 2:

- a) Aim 1: Tourism is a national priority sector. Integrate domestic and international tourism into the national economic policy and develop linkages between tourism and other economic sectors to maximize benefits. Further strengthen cooperation mechanisms within the public sector and with the various tourism sector stakeholders (private sector, local communities and civil society).
- b) Aim 2: Broad based local social-economic development. Spread benefits in the community, encourage local entrepreneurship and civil society engagement to secure livelihoods for women and youth and alleviate poverty.

Aims 3, 7, 8 and 9 are also directly or indirectly related to community involvement in tourism as they focus on cultural heritage, networking and stakeholder process, capacity building and social safeguards

¹⁶ See http://www.hss.de/fileadmin/media/downloads/berichte/121015_myanmar_tourism_english.pdf

- c) Aim 3: Maintain cultural diversity and authenticity. Preserve national identity and encourage the development of cultural heritage and living cultures.
- d) Aim 7: Institutional strengthening to manage tourism. Enhance the understanding and effective management of tourism at a local to national level and work with stakeholders in destinations.
- e) Aim 8: A well trained and rewarded workforce. Establish an adequate and appropriate capacity building program through continuing professional development, training and education.
- f) Aim 9: Minimizing unethical practices. Apply ethical standards through tourism development to minimize social, economic and environmental harm.

Policy on Community Involvement in Tourism

In order to achieve these policy objectives, the MOHT and MTF have decided to elaborate a “Policy on Community Involvement in Tourism in Myanmar”¹⁷ as a complementary and more specific policy for the promotion of community activities in tourism. The policy was formulated in February 2013 and included eight workshops with approximately 250 stakeholders representing the public and private sector and local communities from Yangon, Bagan, Inle Lake, Kyaing Tong and Loikaw. On 15th February, the draft policy was presented and discussed at a conference in Nay Pyi Taw with more than 50 participants from the public and private sector. Subsequently, the draft was sent to stakeholders who were not able to participate in the conference and a request was made for further comments. On 20th March 2013, the final draft was discussed again for final approval at the Ministry of Hotels and Tourism in the presence of His Excellency U Htay Aung, Union Minister for Hotels and Tourism and more than 20 staff members.



The following challenges of community involvement in tourism were especially identified during the workshops:

- Lack of tourism knowledge and tourism awareness by local communities;
- Safety and security issues;
- Increasing pressure on the environment (poor waste management);
- Clash between culture and tourism;
- Child abuse/drug abuse/human trafficking;
- Poor accessibility of remote areas (e.g. transport and restricted areas);
- Weaknesses in collaboration between government, regional authorities, tourism stakeholders and local community; and
- Inadequate regulatory framework for licensing small hotels and local/village guides.

The level of participation of local communities in Myanmar was discussed in all workshops. The majority of participants expressed the concern that a high level of local community participation might not be possible in the short or medium term due to a lack of experience in decision-making processes. Therefore, most of the participants recommended a medium level of participation for the

¹⁷ The process was supported by Hanns-Seidel-Foundation (Germany)

time being. This means that communities must be consulted and involved in decision-making processes on tourism planning and management, which directly affect their livelihood. However, final decisions shall be made in coordination with the private sector and with the approval of the public sector administration. Many participants expressed the view that communities should be empowered in the long term to have full administration in tourism planning which may affect their livelihood through direct participation. Due to the outcome of this discussion at the workshops and at the Ministry of Hotels and Tourism, it was decided to use in the future the term “Community Involvement in Tourism”-CIT and not “Community-based Tourism”-CBT (as a high level of participation by all community members is the core principle of Community-based Tourism). The Myanmar term of CIT means literally: “A community participating and involving in tourism.”

The concept of Community Involvement in Tourism (CIT) in Myanmar is, therefore, described as follows:

- a) Community Involvement in Tourism means to create wealth for local communities and it encompasses all ethnic groups in Myanmar. It is, therefore, sensitive to local culture and beliefs of all people.
- b) It is not limited to cultural, village or ethnic tourism only as it includes mainstream tourism activities and service provision to tourists and the tourism industry. In the immediate industry, these opportunities include the provision of accommodation, tour and attraction products, which are targeted at a range of niche markets. Local ethnic knowledge and local flora and fauna provide an exceptional starting point for developing nature, bird watching and recreational fishing sectors of the market. Tourists attracted by this expertise would generate demand for food and drink, (village) guiding, accommodation and ancillary services. In the provision of these products and services there are many more roles

such as food production, transport, arts and crafts, cultural performances (e.g. dance, songs, storytelling) and cultural demonstrations such as weaving, agricultural practices, music, craft making and cooking.

- c) Community members should be encouraged to start their own small and medium enterprises or to act as investors or even joint venture partners with the public or private sector.

The core aim of CIT is that a significant number of local community members gradually gain substantial control over, and have greater involvement in the development and management of tourism activities in their region so that the major proportion of the (financial) benefits remains within the local economy. Therefore, local residents need to have a say in decisions over tourism development in their area and to work with other stakeholders to develop opportunities for employment, enterprise development, skills development, and other improvements in local livelihoods. Some actions, such as participation in planning processes, may be undertaken by communities acting collectively and some, such as enterprise development, performed by local individuals and families only.

In designing investment incentives and in facilitating soft loans for tourism development (e.g. from banks or donors), it will be ensured that the specific needs of small-scale, community, and informal sector enterprises are taken into account. A long-term goal will be to enable community members to move from the informal to the formal sector and gain access to, for example, loans from the formal banking sector. The Myanmar Government is encouraged to create conditions under which it is in their interest to work with communities by giving them market power and by giving the private sector more investment security and greater incentives for partnership.



It is recommended that members of local communities, even those who are not directly involved in tourism enterprises, gain some form of benefit through a community fund (visitors are requested to pay a certain amount of money into the community fund which will be used by the community for community activities only).

Communities or community members are encouraged to run Bed & Breakfast Services (B&Bs) either managed by community/ community members or in partnership with the private sector. International and domestic tourists are allowed to stay at these B&Bs in local communities if they follow certain rules defined by the community. Although Myanmar signed the ASEAN homestay standards in 2010, the promotion of B&Bs is recommended due to local customs and for religious reasons. Communities are able to gain first-hand experiences with village B&B's which may enable them to run homestay programs in the long-term.

Stakeholder roles and responsibilities CIT in Myanmar

Whether Myanmar will be successful in moving towards responsible tourism and specifically towards the integration of local communities depends on its ability to work and bring together professional competence, stakeholder perspectives and result-oriented implementation. According to the Policy on CIT, the *national government* ensures that implementation mechanisms are in place and that they are effective and participatory. This includes the preparation of suitable frameworks for community tourism development such as investment opportunities for SMEs in tourism, training opportunities, implementation and monitoring of licensing and standard systems and marketing of community-related tourism activities.

Local administration, including state and regional administration play a crucial role in activating the action points locally. The *private tourism sector* should involve local people in a participatory way in tourism development and investment. Joint-venture partnerships between private sector and local communities are recommended. *Communities* should actively engage in tourism and be made aware of the potential negative, but also positive impacts on their local economy, environment and culture. They should seek and demand a high level of integration and involvement in local tourism development and investment and as individuals should take on the role of tourism entrepreneurs.

It is anticipated that *non-governmental and civil society organizations*, particularly locally and community-based ones, will encourage tourism development in local communities. They should support and assist in preparing and implementing community tourism projects, ranging from tourism and environmental awareness programs to human resource development programs and to the implementation of community-benefit/ based tourism initiatives. Maybe even more important, they should act as mediators between public and private sectors and communities to generate more community involvement in the tourism industry and have a responsibility to monitor and evaluate the commitment to community involvement in tourism.

Additionally, it is important to define the roles and responsibilities of *international and domestic visitors*. They are encouraged to visit local communities and provide a meaningful contribution to their livelihood, e.g. by buying locally or supporting them through long-term voluntary work (minimum four weeks). Visitors are discouraged from donating money, sweets, medicines, clothes etc. directly to local communities without consulting a local person such as the local guide or a local organization.

Standards for CIT

The Policy on Community Involvement in Tourism in Myanmar includes as well in its Annex CIT Standards and Standards for B&B. The standards including criteria and indicators are based on the Global Sustainable Tourism Criteria (GSTC) and on CSR-MAP Project from Thailand. During a workshop with about 50 different stakeholders from Myanmar in February 2013, the international criteria and indicators were discussed in sub-groups and adapted to the Myanmar context.

As described in the CIT Policy, MOHT and MTF plan to set up two positions for 'Community Tourism Liaison Officers' who will be in direct contact with representatives of CIT projects. A monitoring process regarding the implementation has been not established yet. The Ministry of Hotels and Tourism is responsible for monitoring on progress and challenges to implementing the policy. According to the policy, action points and priorities should be reviewed bi-annually in a tourism stakeholder forum

Private sector involvement in CIT-the example of Inle Princess Resort

Currently, the involvement of local communities is highly encouraged and promoted by MOHT in Myanmar. Nevertheless, few small projects have been initiated in the past and Myanmar is still in a "state of virginity" regarding the implementation of CIT. The private sector, especially small entrepreneurs, shows great interest in implementing CIT projects. Inle Princess Resort, a small locally-owned tourism business operating 46 bungalows on the Inle Lake is such a private business with a long history of community involvement in their operations. This section describes how the private sector of Myanmar (in this case a hotelier) can play a pivotal role in CIT and securing community benefits from tourism.

Inle Lake

Inle Lake is located at 850m meter altitude in the Southern Shan State of Myanmar, surrounded by mountain ranges of over 1500m altitude to the East and West. Covering about 70 square km, it is the second largest lake in the country. Formed as fault by the contact of the lime stone mountains, the water of the lake has distinct chemical characteristics with high alkalinity resulting in a number of endemic species. Inle Lake is home to more than 200 kinds of birds (habitants and migrants) and more than 50 kinds of

fish, therefore the. Government declared the lake as a wildlife sanctuary in 1980.

But the lake is most appreciated for its well preserved cultural landscape, and is on the tentative List of UNESCO World Heritage Sites. About 5 ethnic minority groups dwell in about 400 small villages scattered on Inle Lake and its shore; the Inthar (meaning 'sons of the lake') people from the major ethnic group. Their ways of life (farming on floating gardens; leg-rowing techniques, traditional weaving and other handicrafts) are unique in the world.

As a result of its natural beauty, pleasant weather and unique cultural and ethnic resources the lake has become Myanmar's major tourist attraction after the archaeological site of "Bagan". Of the over 1 million tourists that visited Myanmar in 2012, 65% had visited Inle Lake.

However, the lake suffers from environmental degradation of the water and its surrounding area due to population growth, hotel and tourism development, the continuous expansion of floating vegetation on the lake, extensive usage of fungicides and insecticides in their vegetation, human and solid waste generation.

Inle Princess Resort

One of the resorts actively striving for conservation of the lake's unique resources is Inle Princess Resort. The family that runs this resort is of ethnic Shan and Inthar origin. Their ancestors worked in the trade of local regional produce, and therefore knew and understood the value of working together with the community. U Ohn Maung was the first of a new generation of hoteliers and started Inle's first (5-bedroom) guest house in 1976 under the name of "Inle Inn". With the country partially opening up in 1993, the number of tourists increased enough to extend the business, and the Inle Princess Resort was opened on the eastern bank of the lake in 1998.

From 1998 till 2012, the resort (as well as the rest of the country and its tourism industry)-went through a turbulent period. The 1996 'Visit Myanmar' campaign attracted some 150,000 to 300,000 tourists to Myanmar and the resort as well as its staff was sufficiently prepared to benefit from this small influx of visitors. However the events of the saffron revolution in 2007 and the Nargis Cyclone in 2008 hit the industry badly. Hotels had to reduce their staff numbers, and Inle Princess lost some good staff members who found jobs in the Middle-East hotel industry. 2010 was the year of so many changes; the release of Aung San Suu Kyi and the general election. Together with the resulting increase of tourism in 2011 and 2012, also Inle Princess recovered from the difficult period before.

Sustainability and community involvement

Traditionally community based tourism is regarded as a movement developed and operated as a non-profit initiative aiming for community development with NGOs as most important facilitators. Inle Princess Resort however, has developed and implemented a model where a business plays a key role in making tourism generate community benefits. Rather than a targeted objective, the model developed naturally as working closely with the community created attractions that would make something special and commercially interesting.

As stated above, the founding family of Inle Princess is well rooted in the community and developed 'real community life' as prime component to draw tourists to their resort. Clients are attracted by the local atmosphere and spirit because about 90% of materials and the decorations is locally made. In the backyard of the resort compound, craftsmen work on mulberry paper making, pottery making, wood carving, lacquerware, furniture making, compost making and many people work in the big garden.



Now, Inle Princess provides work opportunities to more than 250-300 families from the area by employing about 150 permanent staff (carpenters, craftsmen, landscapers and gardeners, boat drivers and rowers, etc.). The resort moreover built a well equipped hospital, 3 orphanages, 6 nursery schools, 2 health care centres and a dispensary. With this development, the community has access to affordable health care and educational services.

Furthermore, the development of a community-based village guest house was attempted. However it appeared that the lack of a guiding policy from the Ministry and unclear land use rights in parts of the Inle area posed major challenges to developing systematic and successful community based tourism.

Now, Inle Princess is setting up the Hospitality Vocational School in order to further involve the surrounding community as well as securing the sustained availability of quality human resources for responsible tourism in the Inle region. The aim of the school is to produce young, talented and skilled staff who shall work in this industry with the mindset of valuing the Inle environment, traditions and customs. Moreover it aims to distribute this absorbed knowledge to their family members and their co-workers.

The idea for the school came from Yin Myo Su, the Managing Director of Inle Princess Resort. Foreign organizations such as the Norwegian “Partnership for Change” liked the idea and approached Inle Princess

to be involved in the project. Although the resort strongly believes that 'learning by doing' yields the best results, a 'soft loan' was agreed with the Norwegian agency for building the school under the condition that the school will pay the loan back in 3 to 5 years time.

The "Inle Heritage Hospitality Vocational Training School" aims to be operational from September 2013 and will train about 40 quality students a year. Although this may seem a relatively small number, its effect on 40 families in small communities is expected to be rather significant. More than a training centre, the school aims to present a model to a broader group of stakeholders who will be invited to come and learn how to operate businesses responsibly with regard to the resources in and around the lake.

Being a new and innovative project, there will be many challenges regarding for example teaching, financial management and other issues. Moreover its impacts will need to be checked, assessed, evaluated and adjusted in order for the centre to continuously improve its service to the community and the industry.

Another planned activity of Inle Princess Resort is to facilitate CIT development in a selected neighboring village together with disciplined, organized and cooperative local stakeholders. The community leader and community members already showed interest and willingness to implement CIT in their village. One of the resort's senior staff members will lead the process, which is projected to entail development of several exclusive tourism activities, accommodation and other tourism related services provided by the organized community. The critical foreseen challenges will be the distribution of benefits and the allocation of responsibilities for the respective tasks in the early years. To overcome such challenges, the model is designed to implement a proper business model and distribute benefits accordingly to the operator and the

community. After a certain period of time the whole operation will be handed to the community.

This model of CIT development facilitated by a private business is still work in progress and is hoped to be implemented after the national policy on the community involvement in tourism has come into force.

Results and lessons learned

As a result of the efforts of Inle Princess, the esteem of the traditional customs and values from local communities is preserved and this message is passed on to the staff of the resort and their co-workers. It is believed that if staff members quit or resign the learned concepts of preserving such values will always be an added value to their future careers, especially in the tourism industry.

Also, some lessons learned regarding CIT have emerged from IPR's efforts. Many of Inle Lake's villages have already experience with or initiated tourism activities; in such cases it has proven very difficult to organize the CIT activities as the way CBT is working in Chiang Mai (Thailand) for example.

Another big difficulty is the supportive action and collaboration from the administrative body, concerned department such as the forest and wildlife preservation department, and the village head for implementing the CBT.

Finally, when developing CIT, operators can take advantage of individual business interests that can create the unnecessary impacts in the community. Therefore, the properly guided policy for this community involved tourism in Myanmar, followed by the enforcement on this policy, should be implemented at soon as possible.

Conclusions and outlook

Myanmar is currently at a turning point in its recent history. The government has done an important step by setting up these two policies in an early stage, but have to prove in the upcoming years that they develop and implement a balanced approach towards future tourism development with community involvement in tourism (CIT), as well as to provide communities a prominent role. As a matter of fact, the forthcoming 'Policy on Community Involvement in Tourism' provides a concrete and structured platform with clear guidelines for all stakeholders regarding their roles and tasks in the future.

On a local scale, the Inle Princess Resort hopes to be able to provide a model for future development. As the Myanmar Ministry of Hotels and Tourism is inviting more domestic and international investors, it is strongly advised that investments be made in responsible tourism projects. The case of Inle Princess Resort may serve very well as a model to be studied closely by future investors, in order to learn how local (native) entrepreneurship, environmental sustainability and community benefits can go hand in hand.

In the coming few years, tourism in Myanmar is expected to continue its rapid growth. Inevitably, along with the business and community benefits, this will have a significant impact on Myanmar's natural and cultural resources, as so clearly happening already to the Inle Lake.

However, both on a national policy level and from a private entrepreneur point of view, this case study has shown that Myanmar is capable of taking (more) important steps to ensure responsible tourism development and more effective and beneficial community involvement in the future.

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