

Program F: FACILITATE THE MOVEMENT OF TOURISTS IN THE GMS

Title	Countries	Estimated costs	Priority class.	Contacts
F 1: Tourism Facility and Processing Improvements at Key Border Checkpoints in the GMS	Cambodia, Lao PDR, PRC, Thailand, Myanmar, Viet Nam	US \$ 0.75 mlns	1	Christine Jacquemin, project coordinator, Mekong Tourism (Coordination) Office. Email: cjacquemin@adb.org , christine@MekongTourism.org ; website: www.MekongTourism.org .

<p>1. Location and Geographic Scope:</p> <p>On the North-South Economic Corridor (i) between Mohan in Yunnan Province, PRC and Boten in Lao PDR, (ii) between Chiang Khong in Thailand and Houeixay in Lao PDR, (iii) between Lao Cai in Vietnam and Hekou in Yunnan Province, and (iv) between Mae Sai in Thailand and Tachilek in Myanmar; on the East West Economic Corridor (v) at Lao Bao between Lao PDR and Vietnam and (vi) between Savannakhet in Lao PDR and Mukdahan in Thailand; on the Southern Economic Corridor (vii) between Aranyaprathet in Thailand and Poipet in Cambodia and (viii) between Bavet in Cambodia and Moc Bai in Vietnam; between (ix) Chong Mek in Thailand and Pakse in Lao PDR; and (x) at Dom Kralor/Voen Kham between Cambodia and Lao PDR and (xi) at Dongxing/Mon Cai between Guangxi, PRC and Vietnam.</p>
<p>2. Name of Project Leading Agency:</p> <p>At the Third GMS Tourism Sub-regional Workshop in Guilin City, it was recommended that the Mekong Tourism Coordinating Office (MTCO) be the lead agency for implementing the project.</p>
<p>3. Name of Principal Sponsor/s: MTCO</p>
<p>4. Sector or Division (Market, Infrastructure, Circuit, Border Zone, Corridor, Study, HRD, Culture, Protected Area, Investment Support): Border zone facilitation</p>
<p>5. Type of Proposed Project (Technical Assistance or Loan): Technical Assistance (TA) and Loans</p>
<p>6. Government Priority (High, Medium, Low): High. The GMS Tourism Sub-regional Workshop Facilitation Group (NTO/Govt representatives, Feb 2005) agreed to give this project <i>High Priority</i>. All relevant NTOs consulted during the GMS Tourism Strategy Mission No. 2 (Feb 2005) agreed to give this project priority</p>
<p>7. Project Background and Rationale:</p> <p>The current land border checkpoint facilities and related processing and management of tourists in the sub-region are of low standard, generally unsuited to the needs of high-yielding sub-regional tourists and management of the fast-growing border tourism markets, and do not support the development of the GMS priority tourism areas and routes. Approach access, tourist information, signage, food and beverage, transit accommodation, shopping, money exchange, WC, and other facilities are absent, insufficient or of very poor quality. Key border points such as between Cambodia and Lao PDR and Lao PDR and Vietnam need to be fully opened for tourism in order to develop the potential tourist destinations and routes essential for contributing to poverty alleviation. The current cross-border situation reflects poorly on the image of the sub-region as a world-class tourist destination and impedes the development of tourism. The marketing of the sub-region as a single destination needs to be supported by first class border facilities and services and this project aims to provide a programme of facility and human resources development to ensure this.</p>
<p>8. Project Objectives:</p> <p>To improve and upgrade border checkpoint facilities and services for tourists at the existing land border points in the sub-region</p>
<p>9. Project Scope and Description:</p> <p>The project would involve preparing and implementing a preparatory study and programme of implementation to: (i) train border immigration, customs and security staff in the handling and of tourists; (ii) develop standardized immigration and customs fees, vehicle cross-border registration and insurance systems, and driving license systems, forms and processing procedures; (iii) improve border tourism facilities to provide for one-stop immigration, customs and security inspection; (iv) upgrade and landscape road access to the border points; (v) upgrade and develop support tourist information, signage, food and beverage, transit accommodation, shopping, money exchange, toilet, and other facilities; and (vi) develop a fully functioning border facility between Cambodia and Lao PDR at Dom Kralor/Voen</p>
<p>10. Links with GMS Countries and to Other Project/Donor Initiatives, etc:</p> <p>The project will strengthen linkages between all GMS countries, particularly between Cambodia and Lao PDR and create many new tour route opportunities currently not available thus strengthening economic linkages between the GMS countries</p>
<p>14. Expected Outputs and Overall Outcomes:</p> <p>The main outputs of the projects comprise: (i) a land border crossing facility and software improvement master plan; (ii) a border tourism planning and management training programme; a financing plan including loan programme; and an implementation programme.</p>

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The overall outcomes of this project will be to contribute towards the development and expansion of sub-regional tourism flows and enhance the distribution of tourism benefits in the sub-region.

15. Impact on Poverty Alleviation:

Through the creation of new destination and circuit opportunities, especially in areas with high levels of poverty incidence, the project will enhance the distribution of tourism benefits and lead to substantial poverty alleviation through the creation of new livelihood and employment opportunities.

16. Impact on the Natural, Cultural and Social Environment and Mitigation Measures:

The impact on the natural and cultural environment is likely to be minimal. The negative social impacts of greater connectivity in the flow of tourism between the GMS countries, especially for women and children, need to be carefully managed at each site.

17. Participatory Development Issues, if any:

There is a need to examine the role of the private sector and other partners such as the NGO movement in the development, operation and management of border facilities in order to ensure that the overall approach is sustainable from an economic and social point of view

18. Sustainability and Financial Viability of the Project:

The sustainability and financial viability of the project will be based upon use of proper planning, development and management principles and practices; supported by appropriate user fees to recover development and recurrent costs.

19. Expected Impact on Target Beneficiaries:

The target beneficiaries include: (i) border personnel dealing with the facilitation of tourists; (ii) SMEs in the private sector providing services at border points; (iii) local communities, especially those with high poverty levels; and (iv) tourists and travellers.

The project will: (i) enhance the capacity of border personnel to facilitate the movement of tourists in a friendly and consistent way; (ii) stimulate the creation of micro, small and medium enterprises in supplying tourism services; (iii) provide new livelihood and employment opportunities for local communities; and (iv) enhance the tourists' overall image of the sub-region as a highly attractive destination.

20. Private Sector Participation:

Given the availability of a large captive market, the private sector could be co-opted to undertake the upgrading and development of the necessary border facilities and support services on a build-operate and transfer or build-lease and transfer basis. The private sector would operate all commercial elements.

22. Proposed Development Partners (Donors/Funding Sources):

ADB, bilateral donors, and the Private Sector

23. Proposed Implementing Agency:

GMS Taskforce under the leadership of the Lao PDR. At the GMS Tourism Sub-regional Workshop Facilitation Group (NTO/Govt representatives, Bangkok, Feb 2005), the China/Yunnan NTO delegation suggested that China could also lead with this project.

24. Project Readiness (local approvals; availability of pre-feasibility study, etc):

Some planning work to develop one-stop-checking facilities for goods and passengers has already commenced at five border areas under the GMS Transportation of Goods and Passengers Agreement. Some one-stop border checkpoint facility models are already under construction. Further discussions would need to be undertaken to agree on the objective, proposed sites, and development programme among the GMS countries.

25. Implementation (incl. preparations) Arrangements:

The NTOs of the GMS countries through the Taskforce will manage the preparation of an implementation programme

26. Initial Estimated Cost : \$0.75 million for technical assistance only

- Preparatory activities (studies, planning and arranging financing) \$0.50 million
- Capacity development (500 staff @ \$300) \$0.15 million
- Evaluation \$0.10 million

(Estimated construction cost of \$15.5 million for eight border checkpoints at \$1.5 million, plus one border checkpoint at \$3.5 million)

27. Implementation schedule:

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Element	2006				2007				2008				2009				2010			
preparatory	x	x	x	x																
capacity building			x	x	x	x	x	x					x	x	x	x				
construction					x	x	x	x	x	x	x	x								
evaluation					x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x

28. Major Constraints and Risks:

The project is subject to changes in immigration, customs and security policies of GMS countries towards the movement of goods and people between them. Also, some countries do not see this area as being one where the private sector can play a significant role or have special interest groups that would not benefit from the proposed arrangements, and will resist the proposed development.