PROJECT OBJECTIVE

This three-year project launched in September 2014 aims to enhance job creation and socio-economic development in Myanmar through an inclusive tourism approach to benefit local communities. This will be achieved by increasing the competitiveness of local enterprises by integrating them into value chains in their supply of products and services.

This project is part of the Netherlands Trust Fund III programme in support of Export Sector Competitiveness financed by the Centre for the Promotion of Imports from developing countries (CBI).

THE CONTEXT

Myanmar’s tourism sector is constantly growing and can contribute to spur socio-economic progress through foreign exchange earnings. Myanmar attracted more than 2 million international visitors in 2013, and in 2014, it is estimated that 3 million travellers will visit the country, according to the Ministry of Hotels and Tourism (MOHT).

Tourism in Kayah State holds great potential for growth, particularly for cultural and eco-tourism. This can help to generate income, create jobs and open up opportunities for the local population, many of whom live in poverty.

PLANNED ACTIVITIES

The project is will generate 3 outputs:

- increase the trade capacity of local tourism-related enterprises, tour operators and suppliers of goods and services, and develop cultural tours among local communities to promote inclusiveness in tourism promotion and revenue generation

- enhance the capacity of tourism associations and supply chains in providing sector development support services: through the CBI EXPRO methodology for the training of trainers, this project will enable the Union of Myanmar Travel Association (UMTA) and the Myanmar Tourism Marketing Association (MTM) to better understand tourism markets in Asia and Europe, and to become training coaches for UMTA and MTM members. At state level, the project will strengthen the Kayah Hotelier Association and new tourism-related value chain associations (such as handicrafts). The newly
established Kayah branch of the Ministry of Hotels and Tourism will benefit from greater engagement with the tourism-related private sector in the state.

- build business linkages and partnerships: this project will increase opportunities for local handicraft production (wood carving and musical instruments) and food producers and service providers (guides and musicians) to adapt their goods and services to meet tourist demand. Linkages between Yangon-based inbound tour operators and foreign outbound tour operators can be established through trade fairs. A side event will be organized at the ITB Berlin or World Travel Mart London to showcase the attractions in Kayah State. This project will help partners to develop and implement a marketing strategy for Kayah State within the framework of Myanmar’s international tourism promotion.

EXPECTED IMPACT ON THE POOR

Among the expected results are:

- a 20% increase in the value of tourism exports (i.e. tourist spending) in Kayah State directly or indirectly benefitting selected enterprises and communities
- 2 new cultural tourism tour packages to Kayah State offered by national and international tour operators
- a 30% increase in value and/or volume of local products and services to be supplied to the tourism sector in Kayah State
- 2 tourism and tourism-related institutions reporting improvements in their managerial performance and/or services to small and medium-sized enterprises
- 15 tour operators reporting increased understanding of export market operations
- 10 SMEs and community producers and service providers having met potential buyers
- 10 linkages between inbound and outbound tour operators facilitated

FUTURE DEVELOPMENTS AND SUSTAINABILITY OF THE INTERVENTION

Pro-active participation of national (Ministries, MTF, UMTA) and state-level public and private stakeholders is crucial for the sustainability of the project. UMTA and MTM will be actively involved in project implementation. The project’s focus on creating and strengthening tourism and supply chain sector associations in Kayah State will contribute to the sustainability of the project.

Direct interaction between the project and enterprises will be gradually reduced and substituted by local service providers, trained by ITC. The established structures (supply chains between hotels and goods and services providers) will be strengthened to support their effective functioning following project completion.

The methodologies and results of the interventions will be shared with other provinces in Myanmar to facilitate replication. Staff of related ministries and associations will be involved as much as possible to enable them to execute similar projects in other areas.