

THAILAND

THE GREATEST STORY

IN GLOBAL
TOURISM HISTORY

A 60TH ANNIVERSARY TRIBUTE TO
THE TOURISM AUTHORITY OF THAILAND

Key Developments

2002

- Agreement signed for Thailand to host Incentive Travel & Conventions, Meetings Asia (IT&CMA) 2002-2004
- Thailand Convention and Exhibition Bureau established
- Ministry of Tourism and Sports established
- 220th anniversary of the founding of Bangkok as the Thai capital
- Mrs Juthamas Siriwan takes over as TAT Governor

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GEARING UP FOR THE MICE BOOM



Mrs. Juthamas Siriwan

Deputy Governor For Marketing

**SIGNING CEREMONY TO APPOINT
THAILAND AS THE VENUE OF INCENTIVE
TRAVEL & CONVENTIONS, MEETINGS ASIA
(IT&CMA) 2002-2004
10 JANUARY 2002, BANGKOK**

Sawasdee-kha, and good evening, distinguished representatives of the media.

On behalf of the Tourism Authority of Thailand, I am very honoured to welcome you all to this signing ceremony and press conference to appoint Thailand as the venue of the prestigious regional trade show, the Incentive Travel & Conventions, Meetings Asia (IT&CMA) conference for the years 2002-2004. This formidable event will help Thailand gain extensive global exposure for our excellent, state-of-the-art MICE facilities, and help investors recoup their multi-billion baht investments over the last few years.

As you are aware, the IT&CMA is one of the industry's largest regional trade shows and will be held at the IMPACT Centre in Bangkok between 23-25 October 2002, and again in 2003-2004. This powerful gathering of world-wide buyers and sellers of MICE products and services will attract about 1,200 delegates and generate about 38 million baht in foreign exchange to the Thai economy annually.

I would like to sincerely thank TTG Asia Media for its support in bringing the show to Thailand. And I would like to equally sincerely thank our national airline, THAI

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Thailand ranked 23rd among the world's top MICE destinations in 2000 or fourth in Asia Pacific, only after Australia, Japan and Singapore.

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Airways International, as well as the Thailand Incentive and Convention Association and the hotels and tour operator associations, for their invaluable support.

This event is very important for us because it is in line with our major policy to promote the MICE industry in a big way. Clearly, there is huge potential for future growth, as evidenced by these figures:

- Of the 9.51 million visitor arrivals to Thailand in 2000, about 3.2% or just over 305,600 were MICE travellers, an increase of about 28% over 1999.
- Of the total MICE travellers, about 98,900 attended international conferences, 42,500 participated in trade exhibitions and the remaining 164,200 joined incentive travels.
- They stayed an average of seven days and spent an average of about US\$231 per person per day, much higher than the US\$96 daily expenditure of normal visitors. This contributed about 8% of total tourism foreign exchange revenue to the Thai economy or about US\$495 million.

Clearly, the MICE industry plays a very significant role in boosting our economy. It is a critical component of our travel and tourism industry which is a major foreign exchange for the country and keeps millions of Thai people in jobs. It is important for us to maintain growth and encourage more visitors to Thailand either for leisure or business. In the wake of the Sept 11 crisis, we have worked steadily and steadfastly to help our private sector get their businesses back to normal as well as to further upgrade and improve our MICE facilities and services.

According to research by the International Congress and Convention Association (ICCA), Thailand ranked 23rd among the world's top MICE destinations in 2000 or fourth in Asia Pacific, only after Australia, Japan and Singapore. Bangkok also ranked fifth among Asia Pacific's top destinations, only after Sydney, Singapore, Melbourne and Hong Kong.

Thailand's excellent MICE facilities and services have helped the country win many international awards from leading MICE-related businesses. Recent awards include 1) Bangkok Top Ten City – Global Achievement Award from the US-based “Beyond Border 2000” magazine, one of the many publications by Adams Business, 2) Fifth long-haul MICE destination by UK-based “Meeting & Incentive Travel” magazine as a result of the survey among leading public and private agencies

in the UK, and 3) “Best Meeting Destination for Customer Service” in 2001 by the US-based Connected International Meeting Professionals Association (CIMPA).

Ladies and gentlemen,

One of the best and latest developments which will strongly benefit the Thai MICE industry is the upcoming establishment of a dedicated MICE Bureau which is designed to further promote the industry, co-ordinate with related public and private agencies to assist MICE organisers and market Thailand as a world-class MICE venue.



In addition, we have launched a number of new marketing initiatives. For example, our “Place to Meet” campaign aims to promote Thailand as a superb MICE destination, highlighting our colourful culture, great golfing facilities, fabulous food and elegant spas. Events that qualify for support will get special meet-and-greet facilities at airports, traditional ceremonies at opening and closing functions, guaranteed room rates and free A/V equipment, registration and secretarial assistance, and VIP discount cards and souvenirs for delegates.

Several high-profile events are to be held in Thailand over the next few years, including the 12th World Congress of Gastroenterology to be held next month (February 2002) and the 20th World Scout Jamboree in December 2002, the APEC Leaders Summit in 2003 and the Lions Clubs



International in 2008, the world's largest convention which will bring 30,000 delegates.

Ladies and gentlemen,

In 2002, we plan to continue our Amazing Thailand marketing campaign and supplement it with another theme slogan, "Be My Guest." The campaign is to be one of our most significant marketing and public relations projects ever. It will feature the best of everything that creates demand for Thailand, including a wide variety of special interest, niche-market products featuring Thai food, Thai handicrafts, honeymoon holidays, MICE events, golfing and diving. We will also be developing new destinations to diversify our product lines beyond our popular destinations and these new destinations will also become ideal pre- and post-tours for all MICE delegates.

The year 2002 also marks the 220th anniversary of the founding of Bangkok as the Thai capital. The city is already known as one of the exciting in Asia, and this year, it will become more lively through a vast number of cultural and historic activities. At the same time, the TAT will join forces with tourism-related public and private agencies to launch the "Travel in Thailand All Year-round" campaign to encourage Thais to travel domestically by promoting a new theme every month. A number of parallel festivals will be organised in the provinces with support from local administration agencies and private sector while discounted tour packages, accommodation with value-added services and special airfare will also be offered to both Thais and international visitors.

The TAT will encourage related public and private agencies nation-wide to promote the same theme which will be changed on a monthly basis throughout 2002. These include Flower Festivals in February, Maha Songkran Festival in April, Fruit Season in May, Amazing Mekong in October, Festival of River and Celestial Life (Loy Krathong) in November to name only a few. So, there will always something fun for all visitors, including MICE delegates, no matter when they are in Thailand.

Let me conclude on that note. Once again, I am absolutely delighted with the opportunity offered to Thailand to become the venue of the Incentive Travel & Conventions, Meetings Asia (IT&CMA) in 2002-2004. Thank you all for your strong support.

Thank you very much for your time and Sawasdee-kha.

THE WAY AHEAD AFTER CROSSING THE 10-MILLION MARK



Mrs. Juthamas Siriwan

Deputy Governor For Marketing

ITB BERLIN 17 MARCH 2002

Sawasdee-kha and good afternoon, ladies and gentlemen of the media.

Allow me to extend to you a very warm welcome to this joint press conference by the Tourism Authority of Thailand, Thai Airways International and Bangkok Airways. Thank you all for being with us today and for giving us an opportunity to update you with the latest developments and new products in Thai tourism, especially our current marketing campaigns for 2002.

Let me begin by informing you that Thai tourism enjoyed another triumphant year in 2001. In spite of the global tourism downturn, Thailand recorded arrivals of 10.06 million visitors, up by about 6% over 2000. This was the first time arrivals crossed the Ten-Million mark.

In Europe, Germany is the second most important source market for Thailand. Visitors from Germany to Thailand totalled about 398,000 in 2001, an increase of about 5% over 2000. The UK is now our top source market from Europe, a position that Germany once enjoyed. However, after hearing more about our many new products and services today, we hope to see Germany catch up with the UK in the not too distant future.

Ladies and gentlemen,

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Our ‘Be My Guest’ campaign is designed to promote Thailand as a high quality, value-for-money destination. The same campaign also has a domestic component to raise the awareness of Thai people of being good hosts to visitors.

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One significant trend that is becoming clearly apparent in the German travel & tourism industry is the desire for travellers to enjoy quality holidays. So, it is necessary for us as promoters of travel destinations to ensure that we fulfil that desire. Hence, we at the Tourism Authority of Thailand (TAT) are adjusting both our product offerings as well as marketing strategies accordingly.

Our ‘Be My Guest’ campaign is designed to promote Thailand as a high quality, value-for-money destination. The same campaign also has a domestic component to raise the awareness of Thai people of being good hosts to visitors in order that they recommend Thailand to their friends, colleagues and relatives.

Many campaigns have been organised to underscore Thailand’s popularity as a shopping paradise and world-class golfing destination. The ‘Amazing Thailand Grand Sale Grand Service’ offering a broad range of amazing shopping opportunities and world-class services at equally amazing prices between 1 June and 31 July as well as the ‘Thailand Golf Paradise’ featuring special discounted packages and offering value-added activities including health & spa, cultural and adventure tours and short-courses to attract golfers travelling with families until December 2003.

With support from tourism-related public and private agencies, the TAT has initiated the ‘Thailand Grand Festival’. This event is a year-long celebration of colourful and exciting festivals based on Thai history, heritage and culture. A ‘Product of the Month’ has been created based on the designated theme of each month. This will help create a wider range of activities for visitors to enjoy, no matter which part of the year they choose to travel.

For example, this month (March) under the theme of ‘Summer Music and Sports Festival’, many festivals have been organised. Right after the ITB, between 22-24 March, we will be having the Pattaya Music Festival which will be the biggest gathering ever held in Thailand of over 80 musical bands and 200 singers and artists. We expect about 300,000 people will attend. We will also be organising the Thai Traditional Music Festival in Suphanburi and International Drum Festival in Bangkok. Sports events include 17th Thailand International Kites Festival, 5th Nakhon Phanom Mekong Triathlon and Formula Windsurfing Class Asian Pacific Championships.

Among some of the other upcoming monthly themes are:

- **Songkran Splendours** -- April is the month of the Thai New Year Festival known as Songkran, which will be celebrated with style in Bangkok and major tourist cities like Chiang Mai, Ayutthaya, Samut Prakarn, Sukhothai, Phetchaburi and many more. The celebrations this April take on new significance because it is in this month that Bangkok also celebrates its 220th Anniversary as the capital of Thailand.

Many light & sound presentations will be featured in several destinations like Sukhothai and Ayutthaya Historical Parks, both of which are UNESCO World Heritage Sites, as well as Wat Arun (Temple of Dawn) in Bangkok.

In Bangkok, on Khao Sarn Road and Sanam Luang area adjacent to the Grand Palace, Songkran will be celebrated more lavishly than ever with a cultural procession from Bangkok's 50 districts and other provinces around Thailand.

- **Magnificent Mekong River** -- In October, many events will highlight the colourful folk traditions and way of life in the northern and northeastern Thai provinces bordering the Mekong River starting from the Golden Triangle in Chiang Rai to The Emerald Triangle in Ubon Ratchathani.

Festivals in the northeastern provinces will include Visit Mekong Festival in Ubon Ratchathani, Wax Castle Procession in Sakon Nakorn and Bun Bung Fai Festival (Rocket Festival) in Nong Khai. One of the highlights will be the Illuminated Boat Procession in the Mekong River to mark the end of the Buddhist Lent. Elaborately-adorned boats will be set adrift on the river when night falls.

The northern Thai province of Chiang Rai will host two major events namely Visit the Golden Triangle and the Wai Sa Mae Fah Luang (colourful traditional procession to honour Her Royal Highness the Princess Mother, the late mother of His Majesty King Bhumibol Adulyadej).

Other monthly themes visitors can enjoy include Thai Fruit Festival in May, Green Adventure Festival in June, Timeless Thai Elegance in July featuring Thai arts and lifestyles, Fun Fair Festival highlighting family tours and activities in August, International Boat Races in September, Loy Krathong Festival in November and the Thai Extravaganza celebrating His Majesty the King's birthday in December.



Ladies and gentlemen,

In addition to all these fabulous festivals and promotions, we are maintaining the traditional focus on more strongly positioning Thailand as 1) a gateway to the Greater Mekong Subregion and 2) an international MICE venue.



Gateway to GMS Region

Thailand has long been considered a gateway to the Greater Mekong Subregion (GMS) which comprises of five other countries -- Cambodia, Laos, Myanmar, Vietnam and China's Yunnan province. Among its broad range of tourism attractions, this Subregion is home to many UNESCO-designated World Heritage Sites namely Angkor Wat (Cambodia), Luang Prabang (Laos), Hué (Vietnam) as well as Sukhothai (Thailand).

The Mekong countries are forging stronger cultural, economic and tourism links. Border crossing formalities are being liberalised. Thailand gives visa-free entry to visitors from Germany and many other European countries. Visa on arrival are given at major Mekong airports like Phnom Penh and Siem Reap of Cambodia and Vientiane of Laos. Visas to other Mekong countries can be easily obtained from their embassies in Bangkok.

We are working to better integrate our transportation networks with those of the Mekong countries to give visitors a seamless travel experience region-wide. New highways are being built and airline links are growing significantly. As these transport networks emerge, our tour operators will be offering in the German market unparalleled opportunities for fly-drive-rail-road-cruise tourism.

Several new destinations in the northern Thai provinces are being opened up for visitors. The strategy is to promote a number of provinces as "clusters" under different themes. Two such destinations include Ban Chiang in Udon Thani, another UNESCO World Heritage Site where archaeological discoveries of pottery date back to the Bronze Age civilisation, as well as Pha Taem in Ubon Ratchathani featuring well preserved prehistoric rock paintings estimated to be dating back 3,000 years.

On the aviation front, flights between Thai and GMS cities are growing. Thai Airways International and Bangkok Airways operate dozens of weekly flights to capitals and major resort and heritage cities of the Mekong countries. Indeed, Bangkok is the only city in Asia with direct flights to so many regional cities. I will let you hear more about this from my colleagues from THAI and Bangkok Airways.

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Pattaya, a resort that is well known in Germany, is also trying hard to adjust its image. This year several tourism businesses and provincial tourism officials from Pattaya are participating in the ITB.

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MICE Venues and Facilities

Germany is well-known for its many huge trade fairs, exhibition and convention facilities. We are heading in the same direction with our Meetings, Incentives, Conventions and Exhibitions (MICE) industry. Many prestigious international events are coming our way, thanks to the appeal of our products and services, high quality standards and value for money. Upcoming MICE events like the 20th World Scout Jamboree will be held in December 2002, the APEC Leaders Summit in 2003 and the Lions Clubs International in 2008, the world's largest convention which will bring 30,000 delegates.

Pattaya, a resort that is well known in Germany, is also trying hard to adjust its image. This year, several tourism businesses and provincial tourism officials from Pattaya are participating in the ITB to let the German market know about the many major tourism-related infrastructure improvements. The city is the first resort in Thailand to have a full-fledged wastewater treatment system which has helped address the environmental problems the city has long faced. The resort's potential for hosting high-grade MICE events has also been boosted with the new US\$38 million Pattaya Exhibition and Convention Hall (PEACH) located within the grounds of the Royal Cliff Beach Resort.

The TAT's Frankfurt Office has recently appointed a dedicated staff member just to promote our excellent MICE venues and facilities in the European market. We have also done a number of promotions in Europe by organising the 'Thailand Incentive Day' featuring valued added services and highlighting our colourful culture, great golfing facilities, fabulous food and elegant spas, and launching direct marketing campaigns targeted at the European corporate sector. We also participate every year in the European Incentive Business Travel and Meetings (EIBTM) show.

Ladies and gentlemen,

Let me conclude on that note. We will be happy to take questions in a few moments. Thank you for your strong support and for being with us this evening. I hope you have a fruitful and productive ITB. Before I hand over to the representatives of Thai Airways International and Bangkok Airways, please allow me to show you a video presentation on 'Thailand Grand Festival'.

Thank you very much.

A SUB-REGIONAL GROUPING GAINS GROUND



Mr. Patpong Abhijatapong

*Deputy Governor for Planning and
Development*

**THE 1ST INDONESIA-MALAYSIA-
THAILAND GROWTH TRIANGLE (IMT-GT)
IMPLEMENTING TECHNICAL GROUP (ITG)
MEETING ON TOURISM
1 AUGUST 2002
SONGKHLA, THAILAND**

Sawasdee-khrap and good morning, ladies and gentlemen.

On behalf of Tourism Authority of Thailand (TAT), I am very honoured to extend my warmest welcome to you all once again to Thailand. Thank you very much for being with us at the 1st Indonesia-Malaysia-Thailand Growth Triangle (IMT-GT) Implementing Technical Group (ITG) Meeting on Tourism in Songkhla.

We can be proud that sub-regional groupings like ours are playing a major role in promoting tourism, facilitating investment, creating jobs and supporting thousands of small and medium-sized enterprises (SMEs) which are the backbone of our economies. I think we are also a good example of how governments and the private sector can work closely to build a strong and sustainable tourism industry.

International visitor arrivals to the IMT-GT cities in the three member countries appear to be producing mixed results, which means that we have to work harder to take our projects and plans forward. In 2001, the IMT-GT region attracted just about 9.44 million international

visitors, a slight drop by about 2%, mainly due to the global tourism industry downturn as a result of the September 11 crisis. Of these, about six million travelled to the IMT-GT cities of Malaysia, 2.18 million to Indonesia cities and 1.26 million to Thai cities. Visitor arrival flows are now stabilising and I hope as a result of plans we approve at this meeting, we will be able to generate better tourism growth in 2002.

Distinguished delegates,

One of the important agenda items before us today is the formal repositioning of our Working Group to an Implementing Technical Group (ITG). As indicated in the draft terms of reference (TOR) of the ITG that are before you today, the repositioning will help the ITG adopt a clear and systematic path for ensuring that both our tourism marketing and development projects are in line with the overall regional action plan. A mechanism will be set in place to track the implementation of these plans, including coordinating with other government agencies to overcome any impediments we may face. The ITG will report to the Senior Officials Meeting (SOM) and Ministerial Meeting (MM) respectively.

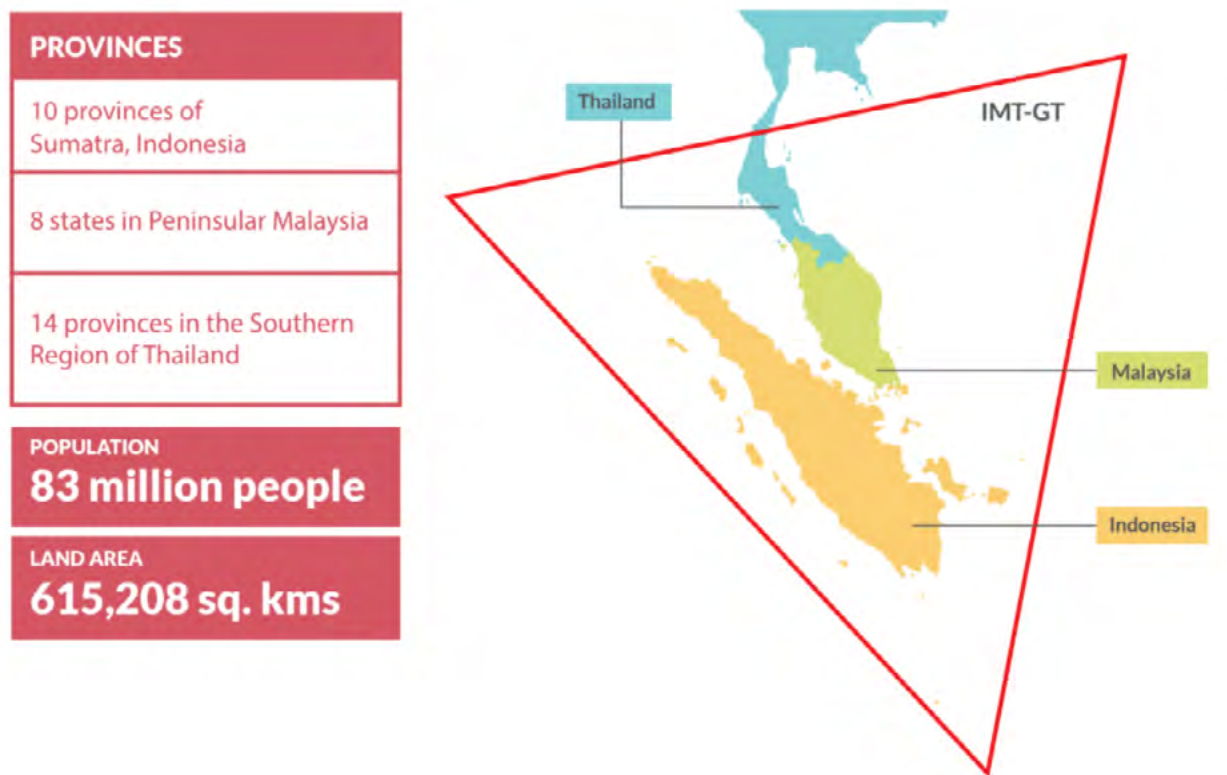
There are a number of plans and projects that we have to discuss at this meeting. These will require both funding and commitment to be fulfilled. The responsibility for coordinating the implementation of each of these plans and projects will need to be apportioned amongst our respective countries. Because our brief is now going to be more on implementation, we will need to ensure follow through on all our commitments.



Two significant projects on our agenda include 1) the Tourism Brochure featuring the IMT-GT package tours which include main destinations of member countries and 2) meeting the high demand for direct flights between Hat Yai and Medan by either national carriers or private airlines of Indonesia and Thailand.

We at the TAT are very happy to support the production of marketing and promotional collateral material including the design of new logo and theme, tour package brochures and travel guide books, overland tourist map and information website. The TAT will also be happy to support a research study to help us better define our marketing strategy and also conduct train courses on eco-tourism.

Ladies and gentlemen,



The IMT-GT sub-region is a very important component of our overall cooperation plans within the framework of ASEAN tourism. We play a critical role in promoting intra-ASEAN tourism, and our role will become important with the implementation of the ASEAN Free Trade Area (AFTA) in 2003. Our senior ministers and indeed the people of our respective countries now want us to act rather than talk. As implementation requires both funding and commitment, we will need to come up with both at this important meeting. I look forward to our deliberations and to a successful conclusion which we can positively report forward to our ministers and the general public.

Once more, thank you for being with us today.

THE BEAUTY OF TAKING A DIVE IN THAILAND



Mrs. Juthamas Siriwan
TAT Governor

DIVING EQUIPMENT & MARKETING ASSOCIATION (DEMA) 22 OCTOBER 2002 LAS VEGAS, USA

Good evening and Sawaddee-kha, distinguished guests and ladies and gentlemen,

I am very honoured and delighted to welcome you all to the International Night -- Thailand at the DEMA 2002. Thank you all for being with us today and for giving us an opportunity to update you with the latest developments and newest products of the Thai tourism industry, especially our excellent diving facilities. We hope that your presence here will go a long way towards building good and firm relationships and will lead to successful business with Thailand.

Let me begin by giving some statistical information of visitor arrivals from the US to Thailand. With a little more than 485,000 visitors, the US was the ninth biggest market for Thailand in 2001. Although clearly affected by the 9/11 attacks, Thailand still managed to maintain a 2.5% growth in American visitors. However, the impact is being felt this year. During January-June 2002, American visitors totaled about 253,000, down 3.7% over the same period of 2001. We are working hard to reinstate confidence among American visitors about traveling to Thailand and we hope to get your strong support to accomplish that effort.

The first thing I want to tell the people of the United States is that our government firmly supports you in the war on terrorism. Thanks to Thailand's long-standing religious and cultural traditions, thousands of Americans live peacefully and comfortably in Thailand. American companies are among the largest investors in Thailand; General Motors has made Thailand the main hub of its Asian operations and plans to make it the 'Detroit of Asia.' Thanks to the benevolent reign of His Majesty the King, Thailand remains peaceful and politically stable. I want to assure you of that.

Over the years, American visitors have come to Thailand in droves. They come for our exotic culture, food, shopping, adventure and heritage. First-time visitors can enjoy our colourful culture, shopping and entertainment while repeat visitors can experience newly-developed tourist destinations and niche products especially superb health and spa facilities, great sports activities like golf as well as wide range of ecotourism activities like mountain biking, hiking, cliff climbing and sea canoeing.

And yes, we also have great dive sites.

Ladies and gentlemen,

Thailand is a country of superb beaches and famous islands. Our 2,710-kilometre coastline runs along the Andaman Sea and Gulf of Thailand which are home to more than 200 species of coral and a myriad of other fascinating marine life.

The Gulf of Thailand to the east is home to the islands of Koh Samui, Koh Tao and Mu Koh Ang Thong, our largest marine national park. To the west, hundreds of idyllic islands are dotted around the Andaman Sea, the best known of which are Phuket and Phi Phi. Others like the Similan and Surin islands are well-known as world-class diving sites.



“ One of the world’s biggest diving events endorsed by DEMA, Asia Dive Expo (ADEX), is returning to Thailand between 9-11 May 2003. ”

Due to the different monsoonal seasons of the Gulf of Thailand and the Andaman Sea, either one of the two locations is always accessible for divers. The best time in the Gulf of Thailand is between May and September while the Andaman is at its best between October and April. This makes Thailand ideal snorkeling and diving destination all year round.

Diving facilities are of the highest professional standards and cater to the needs of divers at all skill levels. Through the Professional Association of Diving Instructors (PADI), several of Thailand’s five-star dive resorts have gained worldwide recognition.

Ladies and gentlemen,

You will be glad to know one of the world’s biggest diving events endorsed by DEMA, Asia Dive Expo (ADEX), is returning to Thailand between 9-11 May 2003. We are expecting about 3,000 trade visitors and 15,000 public visitors from more than 30 countries. I know that many of you here have already signed up. But for those who have not decided, I’m pleased to inform you that DEMA members will be eligible to 20% discount on space rental for this event. This is a great opportunity which should not be missed.

Let me conclude on that note. Should you need more information about Thailand, please free feel to contact all the Thai delegates who are already here or either of our offices in Los Angeles and New York. I hope to see many of you at the ADEX 2003 in Thailand.

Thank you very much for your time. Sawasdee-kha.

INTRA-REGIONAL TOURISM ON A ROLL



Mr. Pradech Phayakvichien

Advisor

38TH WTO COMMISSION MEETINGS AND TECHNICAL SEMINAR 22-24 OCTOBER 2002 NARA, JAPAN

Sawasdee-khrap and good morning ladies and gentlemen.

It is a great honour and pleasure for me to address the delegates of the 38th Meeting of the WTO Commission for East Asia and the Pacific and the WTO/APTEC Technical Seminar on Intra-Regional Tourism in East Asia and the Pacific in Japan. I would like to express my appreciation to the government and people of Japan for the efficient organisation of the seminar and the warm and cordial welcome extended to us. Let me also express my thanks to the World Tourism Organisation (WTO) and (APTEC) for their strong support in organising this regional seminar.

This seminar is very much in line with the Thai government's policy to promote intra-regional tourism and to position the country as gateway to the Greater Mekong Subregion (GMS) and the Association of Southeast Asian Nations (ASEAN). I'm sure it will provide you with a valuable opportunity to acquire useful information and exchange ideas and experiences related to the promotion and development of intra-regional tourism. It will be one more step towards building strong and sustainable development bonds within Asia and the Pacific region.

Before giving examples of many efforts which we have undertaken to promote intra-regional tourism in the GMS and ASEAN, allow me to begin with some statistics to show how important intra-regional tourism is.

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In 2001, international visitor arrivals to Thailand totaled 10.06 million. Of these, 6.06 million visitors were from East Asian countries or about 60% market share of total arrivals.

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IMPORTANCE OF INTRA-REGIONAL TOURISM

Ladies and gentlemen,

Intra-regional tourism is the largest source of visitor arrivals, which is normal in most parts of the world. People invariably tend to travel more to their neighbouring countries first.

According to the Pacific Asia Travel Association (PATA), international visitor arrivals to Southeast Asia totaled about 41 million in 2001. Of these, 15 million or 37% were visitors from within Southeast Asia itself while nine million or 22% were from Northeast Asia.

Thailand's top ten arrivals generating markets include Japan, Malaysia, Taiwan, China, Singapore, Korea, Hong Kong, UK, USA, and Germany. Seven of them are East Asian countries. In 2001, international visitor arrivals to Thailand totaled 10.06 million. Of these, 6.06 million visitors were from East Asian countries or about 60% market share of total arrivals.

In terms of tourism revenue, visitors from East Asian countries stayed an average of 5.26 days and spent an average of about 4,200 baht (or US\$95). This generated about 134 billion baht (US\$3 billion) tourism foreign exchange revenue or about 45% of the total 299-billion-baht (US\$6.7 billion) tourism receipts. This showed the significance of the East Asian market or intra-regional tourism for us.

The September 11 terrorist attacks in the US strongly affected the global tourism industry during October-December 2001. Thailand also recorded a decline in arrivals from some long-haul markets especially in the US and South Asia. Therefore, inter-regional and short-haul markets have become increasingly significant.

In addition, the horrific bombings in Bali on 12 October is clearly going to worsen the current slowdown which the global tourism industry is already experiencing. It will further affect the confidence of visitors to travel. We are deeply saddened by this continuing assault on the travel and tourism industry and the targeting of innocent civilians. I hope the situation will return to normal as soon as possible.

TAT'S ROLES IN DEVELOPING INTRA-REGIONAL TOURISM

Ladies and gentlemen,

The promotion of travel & tourism to, from and within the ASEAN and GMS countries is a cornerstone of the TAT's tourism development policies. Thailand has long been recognised as an aviation hub of the ASEAN and GMS. Bangkok is the only city in the world to have direct flights to so many capitals of the ASEAN countries and exotic tourist cities in the GMS region.

We consider our neighbours to be not competitors but partners with whom we share not just common borders but a unique natural and cultural heritage. We believe that most long-haul visitors travel to various regional destinations during their trip. This is a golden opportunity for us all.

We are working with our neighbouring countries to boost visitor flows to and within the region through many forums such as ASEAN, GMS and under other tripartite and bilateral agreements. At all levels, we have worked with other major international players like the World Tourism Organisation (WTO), Pacific Asia Travel Association (PATA), United Nations Economic and Social Commission for Asia and the Pacific (UN ESCAP) and the Asian Development Bank (ABD).

Association of Southeast Asian Nations (ASEAN)

- Visit ASEAN Campaign (VAC) -- The Visit ASEAN Campaign is a joint tourism marketing initiative designed to position the ASEAN region as a single tourism destination and encourage visitor arrivals to and within the ten countries. Based on a common branding slogan, "ASEAN -- Asia's Perfect 10 Paradise", the VAC is aimed at creating an impact well beyond 2002 by building upon the unique tourism assets, strength and diversity of the ASEAN countries.

The ASEAN member countries are now in the second phase of this campaign which will focus on expanding the brand-building activities to include specific promotional and communications activities in target markets. The VAC logo and tagline have been incorporated as a sub-brand into the collateral and marketing promotional material of the ASEAN NTOS.



- ASEAN Tourism Agreement (ATA) -- At the ASEAN Summit in Phnom Penh in November 2002, the ASEAN heads of state will sign the region's first ASEAN Tourism Agreement to commemorate the 35th anniversary of ASEAN's founding. The Agreement will see ten ASEAN member countries working closely on facilitation of intra-ASEAN travel, development of tourism-related human resources, marketing and promotional campaigns and encouraging tourism investments. This will give a major impetus to regional tourism growth.

These include extending visa exemption arrangement for nationals of ASEAN Member States, phasing out travel levies and travel taxes on nationals of ASEAN, encouraging the use of smart cards for ASEAN business and frequent travelers and easing the process of issuance of travel documents and progressively reducing all travel barriers.

Indeed, Thailand has also been appointed to work as lead country on the facilitation of intra-ASEAN travel. Thailand has done a number of researches and surveys and regularly reported to the ASEAN National Tourism Organisations (NTOs) Meetings held twice a year. Many strategies have also been proposed to the ASEAN Marketing Task Force for implementation.

Greater Mekong Subregion (GMS)

It was the TAT that initiated and funded the formation of the Agency for Coordination of Mekong Tourism Activities (AMTA) that has played such a major role in coordinating a large number of important tourism promotions and plans since 1996. Some of these projects include participating in high-profile international tradeshows, convening specially designed training courses, organising friendship caravans, producing travel manuals and GMS website.

Visitor Arrivals to the Greater Mekong Subregion in 2000/2001

Country	2000 % Share	2001 % Share	% Change
Cambodia (1)	313,465 2.25	370,650 2.51	18.24%
Laos (2)	737,208 5.30	673,823 4.56	-0.91%
Myanmar (3)	207,665 1.49	204,862 1.39	-1.35%
Thailand (4)	9,508,623 68.37	10,061,950 68.12	5.82%
Vietnam (2)	2,140,100 15.39	2,330,050 15.77	8.88%
Yunnan (5)	1,000,000 7.19	1,130,000 7.65	13.00%
Total	13,907,061 100.00	14,771,335 100.00	6.21%
Remarks:	(1) Tabulated by residence and by air		
	(2) Tabulated by nationality and by all modes of transport		
	(3) Tabulated by nationality at Yangon Airport		
	(4) Tabulated by residence and by all modes of transport		
	(5) Estimated figures		

“ A partnership between public and private sectors is critical for developing sustainable tourism in Thailand. It helps us save costs and generate ideas. ”

There is a lot of mutual benefit in our activities. Our GMS countries can tap into the vast numbers of people who come to Thailand through our marketing and promotion campaigns. At the same time, Thailand benefits from being able to work with new and emerging destinations, in order to benefit all. In 2001, though global tourism slumped after September 11, the GMS countries still managed to end the year with arrivals of nearly 15 million visitors, up by more than 6% over 2000.

A number of bilateral and multilateral agreements are being negotiated and implemented by the GMS countries. Many latest efforts like joint tourism promotion between Thailand and other Mekong countries have been launched. These include with ‘Two Kingdoms, One Destination’, ‘Three Countries, One Destination’ and ‘Thailand Travel Mart’. Allow me to give you some details of each.

- ‘Two Kingdoms, One Destination’ -- In 2000, the TAT and the Tourism Ministry of Cambodia launched their first co-operative marketing campaign, “Two Kingdoms One Destination”, aimed at boosting tourism flows to and between the two countries. The campaign combines the unique culture, heritage and ancient tradition of the kingdoms of Cambodia and Thailand into one major campaign. The two countries have used the campaign as their main joint-marketing theme to attract visitors by promoting major tour routes covering the two countries.
- ‘Three Countries, One Destination’ -- The promotion of motor caravans and fly-drive tour programmes linking Vietnam, Laos and Thailand have been boosted. The three countries have designed four package tours ranging from five to seven days linking major destinations especially along Route No. 8 and 9 in an effort to boost intra-regional travel and long-haul visitor arrivals.
- Inclusion of the GMS in the TTM Plus -- In 2001, Thailand’s annual travel industry trade show was expanded to include the GMS countries as exhibitors for the first time. Held annually in September, the ‘Thailand Travel Mart (TTM) plus Amazing Gateway to the Mekong Region’ was designed to showcase the Mekong River countries as well as highlight Thailand’s unique position as an overland and aviation gateway to them.

Private sector initiatives

We believe that public agencies play a vital role in promoting the Thai tourism industry. The TAT is basically a marketing agency and can do little without the co-operation of everyone in the industry. Thus, a partnership between public and private sectors is critical for developing sustainable tourism in Thailand. It helps us save costs and generate ideas. The private sector is also the most critical element for developing intra-regional tourism.



For example, one of the most updated and successful efforts is the Bangkok Airways' Mekong World Heritage Tour. Bangkok Airways has developed a unique Mekong heritage tour that conveniently links the World Heritage cities of Sukhothai, Luang Prabang, Hue and Siem Reap. These flights began with thrice weekly services and are to be raised to five weekly due to popular demand. The airline is also developing its own 300-million-baht airport in Trat province to provide access to the popular Chang Island as well as Cambodia as well as help develop culture-and-beach packages.

PROBLEMS, IMPEDIMENTS AND CHALLENGES

Visa/cross border formalities

Today, visa policies and facilitation issues in the region and indeed most parts of the world have been tightened as a result of 9/11 and even some periodic political tensions among the neighbouring countries themselves. Immigration authorities in some regional countries have withdrawn the visa-free or visa-on-arrival facilities for various countries. Even the concept of a single-visa for the Mekong countries, five of which are also members of ASEAN, has had to be downplayed in the proposed draft of the upcoming ASEAN Tourism Agreement. Hence, there have been no recent significant developments especially in visa and border-control formalities to facilitate intra-regional travel.

The facilitation of travel to and within the ASEAN region will be decided more on the basis of security concerns and by our Immigration and Foreign Affairs ministries. Tourism authorities and ministries can make their recommendations to our respective security agencies about the need to continue to promote intra-regional travel, but it is questionable to what extent our recommendations will be taken seriously as long as global political tensions persist.

Insufficiency of infrastructure and facilities

The development of overland intra-regional travel and tourism especially via highways and railways is still facing some bottlenecks in certain countries due to the lack or low-standard of transportation infrastructure and other related facilities like border control offices and international standard road signage and rest areas. These require member countries to work more closely to eradicate existing problems.

FUTURE FOR INTRA-REGIONAL TOURISM

The six GMS countries are benefiting from billions of dollars worth of infrastructure development projects now under way. The roads, airports, ports and waterways will allow the private sector to package superb fly-drive-cruise-rail packages through some of the most exotic regions in the world. These projects are receiving extensive funding support from international institutions like the ADB and the Japanese government. To name only a few, these include:



- East-West Economic Corridor -- The East-West Economic Corridor (EWE) is a network of highways designed to link cities along the South China Sea to those in the Bay of Bengal. One of the most recent developments has been an agreement to complete a critical section of the Asian Highway from Thailand across Myanmar to India. The road will run from the border town of Mae Sot in Thailand, turn north to Pagan in Myanmar and join up with Moreh, a small border town in the east Indian state of Manipur, a distance of roughly 1,500 kilometres.
- Rail Link from Singapore to Southern China -- This major railway link that will run from Singapore to Chinese southern province, Yunnan, via Malaysia and Thailand, and also including Cambodia and Vietnam. It will form a crucial link with another transportation network being developed under another economic corridor, this one running from North to South.
- Second Thai-Laotian Mekong International Bridge -- This Bridge will link the western Laotian province of Savannakhet and the northeastern Thai province of Mukdahan. The bridge will be 1,600 metres long and have an international checkpoint with immigration and customs facilities. It is expected to be finished in late 2004.

Ladies and gentlemen,

In my opinion, I think two main contributing factors which will ensure the future of intra-regional travel and tourism are as follows:

Commitment of member governments

The continuous and unwavering commitment from the member governments by way of proactive actions to translate any agreed resolution into concrete programmes and activities in the tourism field is very crucial. Once the ASEAN Tourism Agreement is signed, it will be necessary for all NTOs to work more closely to make the ASEAN Tourism Agreement more effective.

Partnership between public and private sectors

Tourism, as we are well aware, is private sector driven, as such the private sector-led approach will certainly give tourism development a greater push. Member countries should therefore encourage more active participation of the private tourism entities and to recognise them as the spearhead of tourism growth. The government sector should therefore consolidate its efforts with active private sector participation towards progress and be ready to face any emerging challenges in the years ahead. In addition, there is a need to carefully work out the exact nature of the balance between public and private responsibilities in the partnership both domestically and regionally.

Ladies and gentlemen,

Let me conclude on that note. I hope this presentation has helped you better understand the significance of intra-regional tourism and opportunities for co-operation in promoting intra-regional tourism in the Asia Pacific region. I will happy to take any questions.

Once more, allow me to thank the WTO and APTEC for their initiative in organising this seminar and for allowing me to address you today. Thank you for your time and I wish you all a successful seminar.

Sawasdee-khrap.

INTEGRATING TOURISM MANAGEMENT AND PROMOTION IN THE IMT-GT REGION



Mr. Patpong Abhijatapong

*Deputy Governor for Planning and
Development*

INDONESIA, MALAYSIA AND THAILAND GROWTH TRIANGLE TRAVEL FAIR 28 OCTOBER 2002 MEDAN, INDONESIA

Sawasdee-khrap and good morning, ladies and gentlemen.

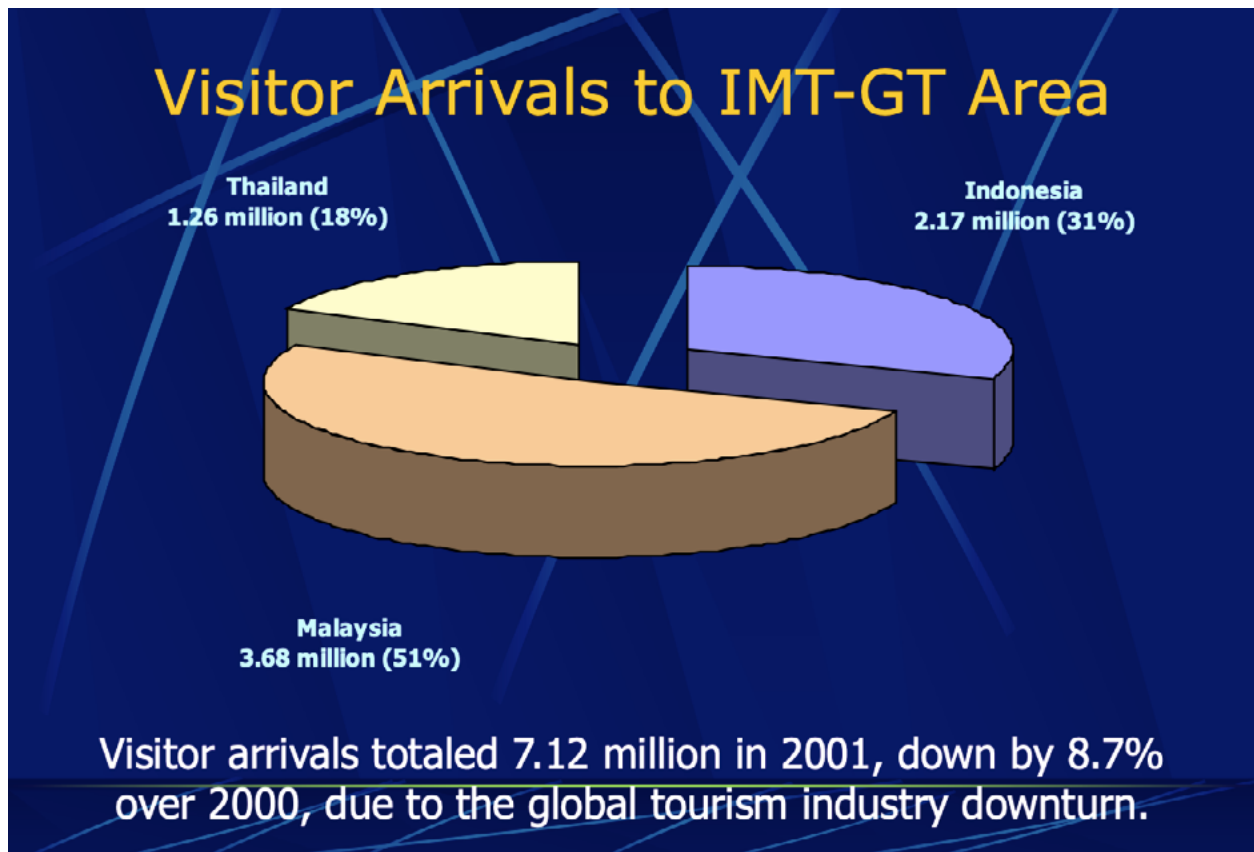
It is a great pleasure to be here today. Thank you for giving me the opportunity to address you on “Management of Integrated Promotion on IMT-GT Tourism” today. I would also like to express my thanks to the North Sumatera Tourism Board for organising this regional forum and the Government of North Sumatera Province for the warm hospitality extended to the Thai delegation.

Before I discuss tourism promotion management strategies and plans for the IMT-GT, let me begin with some general background of the Indonesia, Malaysia and Thailand Growth Triangle.

BACKGROUND OF IMT-GT

Ladies and gentlemen,

The Indonesia-Malaysia-Thailand Growth Triangle (IMT-GT) covers an area of 180,100 square kilometers. It comprises Aceh, North Sumatera, West Sumatera and Riau provinces of Indonesia; the four northern states



of Malaysia namely Kedah, Penang, Perak and Perlis; and Satun, Narathiwat, Songkhla, Yala and Pattani in Thailand. Though divided by political boundaries, this region shares a unique heritage composed of a rich fabric of Indian-Malay-Chinese-Thai traditions that is unmatched anywhere else in the world.

In 2001, the IMT-GT region attracted about 7.12 million international visitors, a decline by about 8.7%, mainly due to the global tourism industry downturn as a result of the September 11 crisis. Of the total number, about 3.68 million traveled to the IMT-GT cities of Malaysia, 2.18 million to Indonesia cities and 1.26 million to Thai cities.

Unfortunately, the bombings in Bali on 12 October will clearly worsen the current slowdown in global tourism. We are deeply saddened by this continuing assault on the travel and tourism industry and the targeting of innocent civilians. Nevertheless, it should encourage us to work more closely than ever to help return the situation to normal and revive visitor flow.

SWOT ANALYSIS

Strengths

1. Indonesia, Malaysia, and Thailand have extensive aviation, rail, highway or cruise networks which facilitate travel to/from and within the three countries.

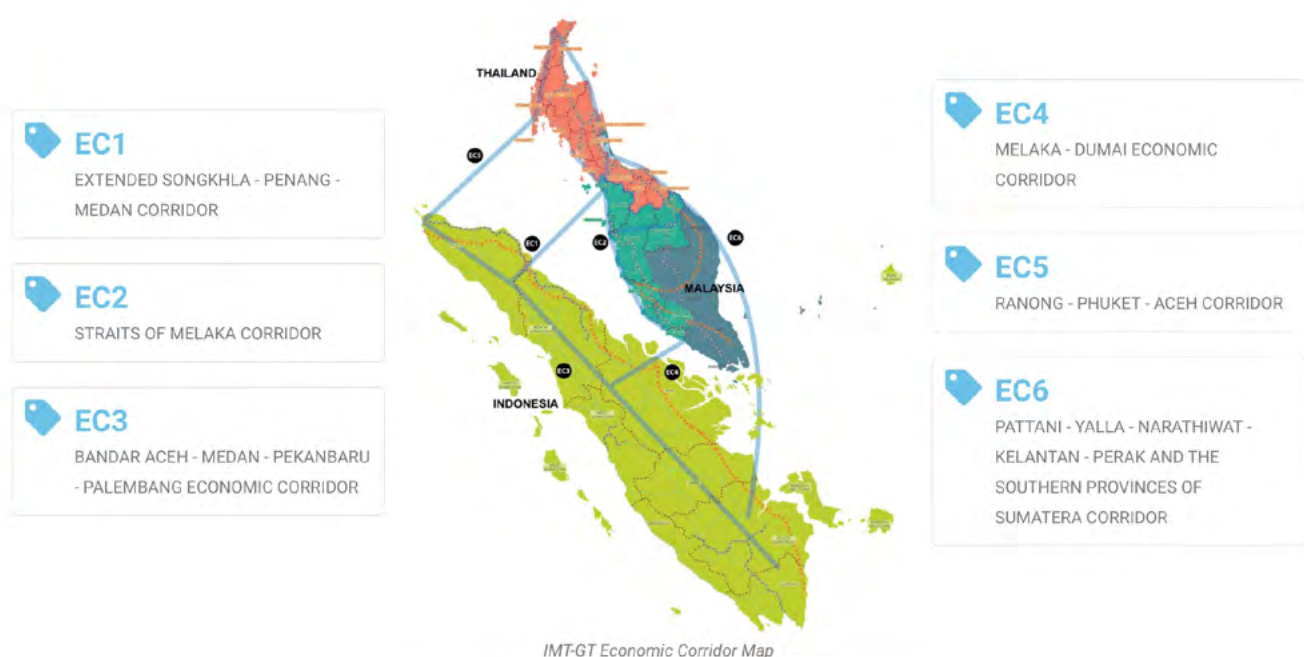
2. There are no visa requirements for nationals of the three countries. For example, Indonesian and Malaysian visitors to Thailand do not need a visa when entering Thailand for tourist purposes if their stay does not exceed 30 days.
3. The National Tourism Organisations and the private sectors of the three countries are working closely to promote intra-regional travel and tourism as well as attract visitors from other regions. Tourism businesses in the area offer many tour packages to cover the major IMT-GT destinations.

Weaknesses

Visa policies and facilitation issues have been tightened for non-IMT-GT citizens as a result of 9/11. Immigration authorities are considering withdrawing the visa-free or visa-on-arrival facilities for various countries. The facilitation of travel to and within the ASEAN region will be decided more on the basis of security concerns and by our Immigration and Foreign Affairs ministries.

Opportunities

1. Close relationship between people of the three countries as well as similarity in religious beliefs and traditions results tourism flows between the three countries all year round. Our research shows that Malaysian and Indonesian visitors comprise the dominant share of the market in South Thailand.
2. A number of transportation infrastructure projects are coming up like the Singapore-Kunming Rail Link (SKRL) and East-West Economic Corridor (EWEC). This will benefit the region's travel and tourism industry at large.



“ In the many years since the IMT-GT region began promoting tourism, we have been working closely to facilitate intra-regional travel, develop human resources, improve facilities and infrastructure and encourage investment.

”

Threats

Visitors are becoming more concerned about safety and security issues resulting from the 9/11 attacks in the US as well as the recent bombings in Bali. The latter incident in particular has got a lot of publicity which can damage the image of this subregion as a safe destination. It is therefore imperative authorities of the three countries work closely on boosting safety and security measures.

ON-PROCESS DEVELOPMENT PROJECTS

In the many years since the IMT-GT region began promoting tourism, we have been working closely to facilitate intra-regional travel, develop human resources, improve facilities and infrastructure and encourage investment. It would be useful here to recap some of the progress that has been made and the issues we still face.

Facilitation -- To promote and facilitate overland travel and tourism, the three countries are relaxing their frontier formalities and regulations. For example, Indonesia's North Sumatera has issued decrees to facilitate the entry and exit of tourist vehicles to and from the North Sumatera provinces to support the IMT-GT Auto-Venture Tour project in 2003.

Meanwhile, both Thailand and Malaysia are to consider extending the operating hours of more checkpoints.

Human Resources Development -- The development of tourism-related human resources is very crucial. A number of training courses are to be held more on a regular basis. Malaysia has offered the use of its training institutions for tourism personnel within the IMT-GT region.

Development of Transport Facilities and Infrastructure -- We are working to better integrate our transportation networks to give visitors a seamless travel experience in the Triangle and offer more options for our tour operators to promote intra-regional fly-drive-rail-cruise packages. Airline links are growing significantly and road-links are being strengthened.

Investment -- The IMT-GT member countries are updating the information related to the policies and regulations for promoting tourism investment. This information will be publicised through the ASEAN website and via a series of the IMT-GT Road Show.



PROMOTIONAL AND MARKETING CAMPAIGNS

One key IMT-GT objective is to enhance tourism linkages between participating regions. Closer co-operation between countries facilitates seamless travel within the region. In line with its commitment to enhance the economic well-being of the Triangle, the IMT-GT Tourism Working Group established the Marketing & Promotion Task Force to spearhead the promotion of tourism in the region.

The IMT-GT Marketing and Promotion Task Force is now working on the TOR of marketing strategy research which will include methodology and modalities, along with a review of the costs and funding.

Logo and Positioning -- We are working on the design of the logo to be used in the brand-building activities in target markets. The logo and theme tagline will be incorporated into all future marketing and promotional collaterals.

The theme “Charm of Southeast Asia Triangle” has been designated for the campaign which will seek to highlight the subregion’s exotic new destinations, with great shopping opportunities, high-standard health and spa treatments and exhilarating eco-tourism adventures, all backed by excellent infrastructure and transportation networks that make travel a smooth and seamless experience.

In addition to promoting intra-regional travel and tourism flows, the campaign will also aim at attracting visitors from other regions. Target markets are visitors from short-haul regional countries in East Asia like Japan, Taiwan, China, Korea and Hong Kong, other ASEAN neighbouring countries like Singapore. In the long run, the campaign will aim at attracting more visitors from high-yield long-haul markets like Europe as well as Australia and New Zealand.

Target customer segments will be quality and high-yield visitors focusing on niche tourism products like spas and herbal/health facilities as well as special discounted airfares of the three national airlines. Plans call for developing more tour packages especially for senior citizens and long-stay visitors.

New Packages for “The Charm of Southeast Asia Triangle” Campaign

One of the most popular tour programmes is the 6-day tour covering Hat Yai - Penang - Medan, Lake Toba. This route offers a genuine taste of the IMT-GT. Starting from Hat Yai where visitors can enjoy great shopping opportunities, they can then travel overland to Penang and experience its superb beaches. Visitors then fly to Medan and enjoy a half-day excursion on Lake Toba, Southeast Asia’s largest and one of the world’s deepest and highest, formed by a stupendous prehistoric volcanic explosion. This route offers an extensive range of unforgettable activities ranging from shopping to eco- and adventure tourism.

Four other tour programmes have been designed. They range from 6-8 days and combine the main capital cities with popular tourist destinations. They all feature great opportunities to enjoy many more excellent products and services like spas, golf, dining, marine and adventure sports like diving, sea kayaking, cliff climbing, and cruising in the three countries. These packages include:

- Bali - Jakarta - Medan - Penang - Hat Yai (6 days);
- Kuala Lumpur - Langkawi - Satun - Hat Yai - Penang - Medan (8 days);
- Bangkok - Phuket - Hat Yai & Satun - Langkawi - Perlis - Genting - Kuala Lumpur - Bangkok (6 days); and
- Bangkok - Hat Yai - Penang - Genting - Bali - Kuala Lumpur - Bangkok (7 days).



Marketing Activities

Production of IMT-GT Collaterals -- A number of marketing and promotional collaterals have been produced for distribution at major regional and international travel and tourism trade shows to boost awareness among potential international visitors about the subregion. These include:

- A “Charm of Southeast Asia Triangle” brochure containing information of tourist destinations and visa formalities as well as details of recommended tour itineraries;
- Updating and re-printing the IMT-GT Road Map covering highway networks in the 14 provinces of Malaysia, Singapore and Thailand; and
- Developing IMT-GT tourism web pages made available through www.tat.or.th/imt-gt containing necessary information helpful to visitors such as lists of hotels, tour operators, attractions, places of interest, and suggested integrated IMT-GT package tours.

Organisation of and Participation in Trade shows-- In the spirit of IMT-GT, the three countries have participated in recent sales promotion events like the ASEAN Tourism Forum 2002 in Yogyakarta in January 2002 and the PATA Travel Mart in Singapore in April 2002. Upcoming events to be participated in include the ATF 2003 in Cambodia, the MATTA Travel Fair in Malaysia, PATA Travel Mart 2003 and ITE 2003 in Hong Kong.

Member countries have frequently organised fam trips for travel agents and media to the IMT-GT area. Upcoming AET/METs include 1) travel writers from Netherlands (hosted by Indonesia), 2) Taiwanese travel agents (by Malaysia), and 3) Japanese media (by Thailand).

Other upcoming activities will include golf tournaments, travel marts and auto-adventure tours to be organised on a rotation basis in the three member countries. The IMT-GT Sumatera Golf tournaments will be organised to coincide with specific local sports tournaments like Pencak Silat, Kite Festival, Boat Race and Sepak Takraw in Indonesia. The 1st IMT-GT Auto-Venture Tour between Hat Yai-Penang-Medan will be organised in 2003. The tour will be expanded to cover West Sumatera and Riau in 2003 and Bengkulu and Jambi in 2004.

CONCLUSION

Ladies and gentlemen,

The IMT-GT region is a very important component of our overall cooperation plans within the framework of ASEAN tourism. We play a critical role in promoting intra-ASEAN tourism. It is clear that there is no shortage of tourism demand for the IMT-GT region. The IMT-GT countries are on the right track and have to make the required adjustments in line with the political, economic and

social changes taking place in our countries. A lot more improvements can still be made through stronger co-operation but I am sure all IMT-GT countries are keen to develop tourism with a long-term and sustainable future.

Once more, allow me to thank the North Sumatera Tourism Board and the Government of North Sumatera Province for hosting this forum and for allowing me to address you today. I hope this presentation has given you a better understanding of the IMT-GT tourism promotion. I will be happy to take any questions.

Thank you for your time. Sawasdee-khrap.

HELPING MONGOLIA BENEFIT FROM THE THAI TOURISM EXPERIENCE



Mr. Pradech Phayakvichien

Advisor

WTO SEMINAR ON “PUBLIC & PRIVATE PARTNERSHIP” 4-5 NOVEMBER 2002 ULAANBAATAR, MONGOLIA

Öglouny mend, Sawasdee-khrap and good morning, ladies and gentlemen.

It is a great honour and pleasure for me to address the delegates of the World Tourism Organisation (WTO) Seminar on “Public and Private Partnership” in Mongolia. I would like to express my appreciation to the government and people of Mongolia for the efficient organisation of the seminar and the warm and cordial welcome extended to us. Let me also express my thanks to the WTO for its initiative in organising this regional event.

It is very interesting to see Mongolia taking its place on the global tourism stage. The country has great potential as a wonderful tourism destination. I’m sure this seminar will help facilitate Mongolia’s emergence as a destination by providing a forum for valuable exchange of information, ideas and experiences related to public-private partnership. It will be one more step towards building strong and sustainable development bonds within this region. Partnership involves some give and take but mostly involves win-win situations in which both sides genuinely work together for the larger good.



The TAT is basically a marketing agency and can do nothing without the co-operation of everyone in the industry. We create the image, brand and positioning but we need everyone's help to deliver on that promise.



IMPORTANCE OF PUBLIC & PRIVATE PARTNERSHIP

The Tourism Authority of Thailand (TAT) believes that all government and public agencies play a vital role in spreading the benefits of travel and tourism down to the grassroots of society. Active involvement of respective state agencies in creating a positive impression for visitors in areas such as safety, security, comfort and affordability determines the likelihood of repeat visits to Thailand. This also generates more first time visitors to Thailand through word-of-mouth marketing by family members and friends.

The TAT is basically a marketing agency and can do nothing without the co-operation of everyone in the industry. We create the image, brand and positioning but we need everyone's help to deliver on that promise. Thus, partnerships between TAT and public and private sectors are critical for developing sustainable tourism in Thailand. They help us save costs, generate ideas, oversee the implementation process and ensure that we serve the needs of the visitors.

AREAS OF PUBLIC & PRIVATE PARTNERSHIP

We encourage the private sector to participate in the three major processes of running a successful tourism industry, including 1) planning, 2) marketing and 3) development.

- **Planning**

Proper planning is one of the most important steps for tourism development. We ensure that the private sector is represented at all our various committees. These include the TAT's own Board of Directors, the National Committee on Tourism Promotion and Development, and a number of other special sub-committees and working groups. Some planning partnerships which see the private sector's involvement include:

Thailand Tourism Council-- The Thai government has recently approved the establishment of a Thailand Tourism Council to encourage the public and private sectors to work more closely together. The Council comprises of representatives from various tourism-related businesses including travel associations, hotels, aviation, tour guides, etc, at both regional and national levels and in all regions nation-wide.

Crisis Management Centre (CMC) -- A Crisis Management Centre is to be established to coordinate activities and information among related public and private agencies to facilitate tourists and disseminate accurate information during times of crisis. This is aimed at upholding Thailand's long-standing reputation as a quality and safe destination.

Focus Group Meetings -- TAT is drafting the annual Tourism Master Plan by convening a series of consultative and focus group meetings in which the private sector plays a lead role. This is designed to ensure that the Master Plan properly reflects the views of both the private and public sectors, thus helping boost the practical elements of the plan and making it more achievable. After finalisation, the draft Master Plan will be submitted to the cabinet for approval, allocation of budgets and support from related government and public agencies.

“

TAT is drafting the annual Tourism Master Plan by convening a series of consultative and focus group meetings in which the private sector plays a lead role.

”

- Marketing

We have jointly implemented a number of tourism promotional and marketing activities. These include the organisation of annual domestic travel tradeshow and promotional events as well as participation in international tradeshow. All these involve a significant level of partnership between the TAT and the private sector.

In addition, a number of road shows have been organised in potential visitor-generating markets like the Middle East, Europe, East Asian countries like Japan, Singapore, Malaysia and Vietnam. These have helped us forge new forms of partnership with Thai restaurant-owners abroad, golf courses, spas and sports authorities. Indeed there is no end to the potential for such partnerships which we intend to pursue strongly in future. These include:

TTM Plus -- Thailand Travel Mart Plus Amazing Gateway to Mekong Region or TTM Plus, the kingdom's annual trade show to be held annually around September, will provide a major opportunity for small- and medium-sized enterprises (SMEs) to showcase their products and services to a broad range of international buyers. While globalisation is very much in vogue, the TAT is using the TTM Plus to ensure that Thai SMEs as well as the neighbouring Mekong countries maintain adequate exposure to international buyers. The promotion of the SMEs is a very important part of the TTM Plus. Many SMEs in Thailand and the Mekong region cannot afford to market abroad so this is a very cost-effective forum for them to get some business.



Tourism Consortium -- To lessen the national payments deficit caused by overseas travel by Thais, one of the TAT's major policies is to encourage Thai people to travel within the country. Designed to enhance co-operation among domestic tour operators and strengthen their negotiating power with related businesses including airlines and hotel establishments, the TAT has established the Tourism Consortium which will help these tour operators to produce relatively lower price tour packages at international standards. The TAT has also received extensive cooperation from the private sector to promote the 'Thailand Grand Festival' campaign to promote the many cultural festivals and activities that visitors can enjoy all year-round.

E-commerce Website -- A special website www.tourismmarketplace.com has been developed to help SMEs bring in more bookings, strengthen their marketing efforts and increase their competitiveness by expanding their distribution channels both within Thailand and abroad. A series of nation-wide seminars have been organised to encourage SMEs to sign up for its e-commerce website and learn how to use it to grow their businesses.

One of the biggest issues facing the Thai tourism industry today is how to help SMEs compete with the major companies in an age of globalisation. Most Thai tourism-related SMEs have limited budget and lack of IT knowledge and thus find it difficult to develop their own websites. The development of this website will help them overcome these problems. It will also open up vast opportunities for Thai sellers to promote their products without necessarily incurring the high costs of visiting trade shows. It is important for us to use the Internet in order to expand our business more effectively and efficiently at minimal time and cost.

- Development

Special Loans for SMEs -- The Thai government via the Small Industrial Finance Corporation has set aside a total of two billion baht to be loaned specifically for new projects that promote Thai national identity and cultural heritage. To be managed in co-operation with the TAT, the loan is designed to motivate SME businesses to think more creatively about factoring the promotion of

Thai national identity and cultural heritage into their business plans. Included in the plans are projects that promote Thai cuisine, Thai-style architecture in their buildings and pavilions or the manufacture of products rooted in folk wisdom.

This is one way of encouraging and motivating tourism-related SMEs to develop their businesses in a way that will both help promote tourism and also promote culture and heritage. It was especially gratifying to see funding institutions like the SIFC collaborate in the effort. This strong support from such public and private sector agencies is a clear indication of the growing realisation that tourism can contribute positively to Thai economy as well as culture and heritage.

“ We are working hard to attract more foreign investment, and tourism clearly holds great potential, especially accommodation, golf courses and convention centres. ”

Investment Promotion -- We are working hard to attract more foreign investment, and tourism clearly holds great potential, especially accommodation, golf courses and convention centres. Other good industry sectors are the meetings, incentives, conventions and exhibitions sector, health and spa, diving and marine tourism, eco-tourism and adventure travel, and travel & tourism training institutes.

Thailand is working with regional and international forums like the Asia-Pacific Economic Co-operation (APEC) group, Association of Southeast Asian Nations (ASEAN) and the World Trade Organisation (WTO) to liberalise the various sectors of the economy, including tourism, and ensure that appropriate incentives are offered to investors in a coordinated manner.

The normal Thai laws that apply to investment in regular businesses and commercial enterprises also apply to travel & tourism. Foreign investors are allowed to hold up to 49% shares in Thai-registered companies, though many of these laws are being liberalised to increase this percentage. Meanwhile, the Board of Investment (BOI) is encouraging more investments to Thailand by offering special privileges and incentives to foreign investors.

Training and Seminars for the Private Sector -- The TAT with support from industry associations like Thai Hotels Association (THA), Association of Thai Travel Agents (ATTA) and many more, regularly organises seminars, training courses and workshops. These are designed to encourage tourism-related businesses to provide high-standard products and services and to promote Thailand as a quality and value-for-money destination.

To name only a few, some recent seminars and training courses covered subjects like Halal Food for Tourists, Standardisation System of Hotels in Thailand, Euro and Thai Tourism Industry and

many more. In addition, many workshops focusing on marketing and promotion have been organised alongside domestic travel shows and international conventions.

HIGHLIGHTS OF PAST SUCCESSFUL PARTNERSHIP PROJECTS

The success of our tourism industry would not have been possible without a strong public-private partnership. Indeed, our entire tourism industry is founded on partnerships. Here are some examples of successful projects:

- **Amazing Thailand 1998-1999 campaign**

The Amazing Thailand 1998-1999 campaign was launched just as the 1997 economic crisis struck Thailand and much of Asia. The widespread economic slump raised concerns that visitor arrivals would decline and revenue targets would not be met.

But strong cooperation and excellent support from THAI Airways International and public and private offices played a critical role in raising the profile of the Amazing Thailand campaign. Throughout 1998 and 1999, hundreds of companies and organisations helped organise supplementary activities alongside many festivals held by the TAT and local administration agencies nation-wide.

The results speak for themselves. Thailand received 7.84 million visitors in 1998 (an increase of 7.53% over 1997) and 8.65 million in 1999 (up 10.50% over 1998). This generated a total of US\$5.93 billion tourism foreign exchange revenue in 1998 and US\$6.70 billion in 1999 to the Thai economy.

- **Crisis Management Centre after 9/11 incident**

After the September 11 attacks in the US, a special Crisis Management Centre was established to monitor the situation, analyse marketing plans of



competing destinations and changes in consumer travel patterns. Overseas offices of TAT and Thai Airways International worked closely with tour operators in their respective areas to monitor the situation and regularly report back to their head offices.

Senior officials of TAT and Thai tour companies met regularly to assess the situation, find ways to tap whatever business still existed and adjust operation plans accordingly. We worked closely with the private sector to help reinstate the confidence of visitors to travel to Thailand by positioning our country as a safe and peaceful destination with friendly and hospitable people.

- **Joint promotion with airlines e.g. Bangkok Airways**

One of the most updated and successful efforts, which help position Thailand as a gateway to the Mekong region in line with the TAT's efforts, is the Bangkok Airways' Mekong World Heritage Tour. Bangkok Airways is a domestic/regional airline which has developed a unique Mekong heritage tour that links the World Heritage cities of Sukhothai, Luang Prabang, Hue and Siem Reap. These flights began with thrice weekly services and are to be raised to five weekly due to popular demand. Bangkok Airways is also developing its own 300-million-baht airport in Trat province to provide access to the upcoming Chang Island as well as neighbouring Cambodia.

CONCLUSION

A strong public-private partnership is critical to the overall sustainability of tourism, especially, when governments face resource constraints in addressing urgent problems. The public and private partnership creates win-win-win solutions for all: governments, travel-related businesses as well as the most important segment, our visitors.

It is not necessary for contributions to be always financial. A lot can be done by contributions in kind, which allows the cooperating partners to use whatever resources they can spare. In other words, a budget is not the main contributing factor. For example, during the Amazing Thailand 1998-1999 when we faced the economic crisis and budget constraints, related public and private agencies were able to successfully pool their existing resources. The growth in visitor arrivals and tourism receipts will in turn benefit all tourism-related businesses and the country as a whole.

However, public and private partnerships must be considered as part of the national agenda

which requires political will or support from governmental agencies at all levels. In order to overcome resource constraints and ensure the cooperation with all, the establishment of a national focal point or coordinating agency is also important towards attaining success.

I would like to conclude on that note. Once more, thank you for giving me the opportunity to address you today. I will be happy to answer any questions.

Sawasdee-khrap.

THAILAND
THE GREATEST
STORY IN GLOBAL
TOURISM HISTORY

A 60TH ANNIVERSARY TRIBUTE TO
THE TOURISM AUTHORITY OF THAILAND
