A Perspective of Sustainable Tourism Development In the Philippine

Tehran, Islamic Republic of Iran
14-16 October 2014
The Philippines

• It lies in the heart of Southeast Asia and is readily accessible to the different capitals of the world

• Comprised of 7,107 islands

• It is divided into three main geographical divisions namely: Luzon, Visayas, and Mindanao

• Manila is its Capital City

• It is the third largest English speaking country in the world

• It has a rich history combining Asian, European, and American influences.
Tourism Assets

- The Philippines is endowed with diverse tangible and intangible cultural and natural heritage assets.
- The natural and cultural heritage tourism assets of the country support an extensive range of tourism activities including:
  - beach and island resort experiences;
  - cultural sightseeing, participation in cultural festivals and events; and
  - nature-based sightseeing, adventure activities such as trekking and climbing, and marine activities such as scuba diving.
Visitor Arrivals from...

East Asia and the Pacific:

- Korea (ROK): 1,031,155
- Japan: 412,474
- China: 250,583
- Australia: 191,150
- Hong Kong: 118,666
- Malaysia: 114,513
- Thailand: 40,987
- Indonesia: 36,627
- Vietnam: 20,817

Southeast Asia:

- Vietnam: 20,817
- Thailand: 40,987
- Singapore: 148,215
- Malaysia: 114,513
- Indonesia: 36,527

375,190 visitors from Southeast Asia in 2012, for 8.78% share to total inbound

2.24 million Visitors from East Asia and the Pacific in 2012, for 10.5% growth
International Visitor Receipts

Visitor Receipts
In US$ Million

- CAGR = 5.2%
- CAGR = 29.6%

Average Visitor Expenditure
In US$

- 2008: 74.9
- 2009: 75.8
- 2010: 83.9
- 2011: 91.9
- 2012: 93.0

- 2008: 629.4
- 2009: 668.9
- 2010: 672.3
- 2011: 738.7
- 2012: 893.6

Average Daily Expenditure
Tourist Per Capita

Average Length of Stay
In Nights

- 2008: 9.40
- 2009: 8.83
- 2010: 8.01
- 2011: 8.04
- 2012: 9.61
Overnight visitors in top destinations totalled to 13.9 million, for 50% of domestic visitors.

### Domestic Travelers by Year

<table>
<thead>
<tr>
<th>Year</th>
<th>Domestic Travelers</th>
<th>CAGR</th>
</tr>
</thead>
<tbody>
<tr>
<td>2008</td>
<td>24.4 M</td>
<td></td>
</tr>
<tr>
<td>2009</td>
<td>25.0 M</td>
<td></td>
</tr>
<tr>
<td>2010</td>
<td>30.3 M</td>
<td></td>
</tr>
<tr>
<td>2011</td>
<td>37.5 M</td>
<td></td>
</tr>
<tr>
<td>2012</td>
<td>40.7 M*</td>
<td></td>
</tr>
</tbody>
</table>

* Estimate

### Projected Domestic Travelers

<table>
<thead>
<tr>
<th>Year</th>
<th>Domestic Travelers</th>
<th>CAGR</th>
</tr>
</thead>
<tbody>
<tr>
<td>2012</td>
<td>40.7 M</td>
<td>7.7%</td>
</tr>
<tr>
<td>2013</td>
<td>44.7 M</td>
<td>6.1%</td>
</tr>
<tr>
<td>2014</td>
<td>47.0 M</td>
<td>5.6%</td>
</tr>
<tr>
<td>2015</td>
<td>51.7 M</td>
<td>5.2%</td>
</tr>
<tr>
<td>2016</td>
<td>56.0 M</td>
<td>4.8%</td>
</tr>
</tbody>
</table>

CAGR = 10.6%
## Room Capacity, 2012

<table>
<thead>
<tr>
<th>Destinations</th>
<th>Available Room</th>
<th>Number of Establishments</th>
</tr>
</thead>
<tbody>
<tr>
<td>Northern PH</td>
<td>71,804</td>
<td>2,248</td>
</tr>
<tr>
<td>Metro Manila</td>
<td>31,790</td>
<td>320</td>
</tr>
<tr>
<td>Central Luzon</td>
<td>15,024</td>
<td>489</td>
</tr>
<tr>
<td>Other Regions</td>
<td>24,990</td>
<td>1,439</td>
</tr>
<tr>
<td>Central PH</td>
<td>61,978</td>
<td>3,220</td>
</tr>
<tr>
<td>Western Visayas</td>
<td>15,200</td>
<td>635</td>
</tr>
<tr>
<td>Central Visayas</td>
<td>27,447</td>
<td>1,306</td>
</tr>
<tr>
<td>Other Regions</td>
<td>19,331</td>
<td>1,279</td>
</tr>
<tr>
<td>Southern PH</td>
<td>28,922</td>
<td>1,405</td>
</tr>
<tr>
<td>Northern Mindanao</td>
<td>8,113</td>
<td>380</td>
</tr>
<tr>
<td>Southern Mindanao</td>
<td>9,613</td>
<td>404</td>
</tr>
<tr>
<td>Other Regions</td>
<td>11,196</td>
<td>621</td>
</tr>
<tr>
<td>Total PH</td>
<td>162,704</td>
<td>6,873</td>
</tr>
</tbody>
</table>

### Hotel Expansion Program in Select Destinations

<table>
<thead>
<tr>
<th>Name</th>
<th>Additional Rooms</th>
</tr>
</thead>
<tbody>
<tr>
<td>Aklan (Boracay Island)</td>
<td>1,599</td>
</tr>
<tr>
<td>Bohol (Panglao Island)</td>
<td>1,250</td>
</tr>
<tr>
<td>Metro Manila</td>
<td>1,123</td>
</tr>
<tr>
<td>Cebu/ Lapu Lapu/ Mandaue</td>
<td>646</td>
</tr>
</tbody>
</table>
Existing rooms will soon be filled up … but ongoing constructions are expected to increase accommodation capacities.

**Projected Accommodation to 2014**

- **Total:** 16,271
- **Southern Philippines:** 536, 10,001, 9,465
- **Central Philippines:** 6,856, 50,172
- **Northern Philippines:** 8,877, 38,912

**Projected Share of Hotel, Resort and Other Accommodations by 2014**

- **Total:**
  - Hotel: 59%
  - Resort: 28%
  - Other: 13%
- **Southern Philippines:**
  - Hotel: 17%
  - Resort: 25%
  - Other: 22%
- **Central Philippines:**
  - Hotel: 28%
  - Resort: 45%
  - Other: 33%
- **Northern Philippines:**
  - Hotel: 90%
  - Resort: 8%
  - Other: 2%

**Additional Points**

- **Existing:** 98,052 rooms
- **In Pipeline to 2016:** 16,654 rooms
- **Total Units by 2016:** 169,624 rooms:
  - Hotel: 59% of capacity
  - Resorts: 28% of capacity
  - Other: 13% of capacity
- **Central Philippines has highest volume of resort units**
- **Northern Philippines has highest number of hotel units**
Summary of issues and constraints

- **Infrastructure**
  - Aged and heavy congested international airport infrastructure
  - Inadequate air, sea and road infrastructure connectivity
  - Absence of last mile access to tourism sites

- **Transportation**
  - Inability to develop and expand air access from key growth markets
  - Limited transport connectivity from gateways to tourism development areas

- **Product Development**
  - Limited number of integrated destinations offering variety of things to see and things to do
  - Inadequate concern for environment, support infrastructure, and safety and security
  - Non-compliance to standards for facilities and services
Summary of issues and constraints

➢ Travel and Investment Facilitation
  • Outdated visa entry policy and procedures
  • Unfriendly business environment (e.g. CCT and CIQ)
  • Conflicting national and local laws

➢ Institutional
  • Low budget for marketing and promotion
  • Mismatch in education curriculum and required industry skills
  • Uncoordinated institutional support for environmental and cultural conservation
  • Limited access for vulnerable groups (e.g. Women, IPs)
National Tourism Development Plan

**Goal:**
Develop a highly competitive and environmentally and socially responsible tourism that delivers more widely distributed income and employment opportunities.

**Vision:**
Become the must experience and more FUN destination in Asia.

**Strategic Direction 1:**
Develop and market competitive tourist products and destinations.

**Strategic Direction 2:**
Improve market access, connectivity and destination infrastructure.

**Strategic Direction 3:**
Improve tourism institutional governance and human resources.
National Tourism Development Plan

2016 TARGET
10 million international visitors
56 million domestic travellers

STRATEGIC DIRECTION 1
Develop and market competitive tourism products and destinations

STRATEGIC DIRECTION 2
Improve market access, connectivity and destination infrastructure

STRATEGIC DIRECTION 3
Improve tourism institutional, governance and human resources

IMPLEMENTATION ARRANGEMENT
Clustering and Convergence Program
Competitive Products and Destinations

Tourism Destination Framework and Selection Criteria

- market responsive
- inclusive
- consistent with existing Regional/LGU boundaries
- investment responsive
- measurable
- prioritizable
20 strategic thematic tourism destination clusters covering 78 Tourism Development Areas

- 7 strategic clusters in Northern Philippines (North Luzon, CAR, CALABARZON, NCR) covering 27 tourism development areas
- 6 strategic clusters in Central Philippines (MIMAROPA, Bicol, The Visayas) covering 25 tourism development areas
- 7 strategic clusters in the Southern Philippines (Mindanao) covering 26 tourism development areas.

LEGEND:
- International Airport
- Principal Airport - Class 1
- Principal Airport – Class 2
- Community Airport - Sea Port
- EXISTING Tourist Development Areas
- EMERGING Tourist Development Areas
- Tourism Cluster
- International Gateway
- Strategic Destination Clusters
- Pipeline Greenfield
- International Airports

DEPARTMENT OF TOURISM
Competitive Products and Destinations

Tourism Cluster Strategy

- Diversify the tourism products
- Improve access
- Improve visitor facilities, maintenance and operation, and safety and security
- Restoration
- Raise product standards
- **Adopt more environmentally and socially approaches**
- Strengthen community participation
Competitive Products and Destinations

Product Portfolio

- Nature Tourism
- Cultural Tourism
- Sun and Beach Tourism
- Leisure & Entertainment Tourism
- MICE & Events Tourism
- Health, Wellness, and Retirement Tourism
- Cruise & Nautical
- Diving & Marine Sports Tourism
- Education Tourism
LGU and Cluster Development

Develop and market competitive tourist products and destinations

- Prepare and integrate the Bohol Cluster Development Plan in the CDC and CLUP
- Conduct assessment and prepare inventory of product offering
- Adopt national standards for tourism facilities and services
- Facilitate private sector investment (e.g. BPLS)
- Adopt green practices in the development of tourism sites
- Promote environmentally and socially responsible tourism development
- Develop programs to link local communities to the supply chain
- Encourage private sector to adopt communities as part of CSR
- Work with private sector to sell packages in international and domestic travel fairs and investment forum
Formulation of a Local Planning Guide Book

- is aimed at assisting the LGUs develop their capabilities to formulate local tourism development plans

- envisioned to be a relevant tool that will enhance the capacity of the various planning agencies, organizations and individuals in assisting local government units in formulating their local sustainable tourism development plans

- ensures that LGU tourism personnel, development planners, policy makers, and other stakeholders have access to a user-friendly tool to aid the formulation of their respective local sustainable tourism development plans
Amarela Resort a model of sustainable resort development

The resort is located in Bohol province, one of the ecotourism destination in the country

- A recipient of ASEAN Green Hotel Award, our eco boutique resort
- An eco-friendly boutique resort offers a distinct hospitality that complements the beauty of Island
- It offers Filipino dishes made with vegetables and herbs organically grown in the resort
Amarela Resort a model of sustainable development

➢ The resorts efforts towards sustainable development:

* Environment
  Energy, Water Conservation
  Waste Management

* Community
  Community Projects

* Culture
  Local Style, Encourage Local Artists and Art Forms, Heritage
Solar Panels
Green Shade
Dispensers
Recycling of Old Wood
Reed Bed
Local Artists
In conclusion:

- Good policy framework on sustainable tourism development from national down to the local level
- Sustainable tourism development framework should be embedded in all planning process
- Sustainable tourism resort development covers 3 major areas:
  - Environment;
  - Community and culture; and
  - Good business model
Thank you for your attention!