Developing Tourism in the Greater Mekong Subregion Economic Corridors

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Abstract

Economic corridors are growing in importance as solutions to common regional problems around the globe. In the Greater Mekong Subregion (GMS), the identified economic corridors cross transnational areas with potential for natural or cultural heritage-based tourism activity. In this paper, we describe an approach to the development of community-based tourism attractions based on the concepts of transport-based economic corridors. Using one segment of the GMS North–South Economic Corridor as a case study, we contrast this new approach with tourism corridor strategies in other parts of the world. While the development model emphasizes a holistic approach to the development of attractions at the country level, it also identifies opportunities for continued subregional cooperation to support the newly developed sites.

Introduction

Economic corridors have emerged as key manifestations of regionalism around the world. Trade corridors have been, or are being, established across national borders as solutions to common regional problems.

In the Greater Mekong Subregion (GMS), the economic corridor approach has been adopted as one of the main platforms for subregional development. The 8th GMS Ministerial Meeting in Manila in 1998 agreed to expand transport corridors in order to enhance economic activities and benefits in the subregion. The nodal points of these corridors would serve as centers of enterprise development, and the corridors themselves would link the GMS to major markets (GMS 1998). The economic corridor strategy also seeks to create new zones of economic activity between these urban nodes.

Where such transport corridors traverse geographic areas with natural and cultural heritage resources, they may present opportunities for developing tourism activities in these areas. In the process, tourism may contribute to economic, resource conservation, and other development objectives in the area.

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This paper proposes an experimental approach to tourism development based on the concept of economic corridors. Using one segment of the GMS North–South Economic Corridor as a case study, it contrasts this new approach with regional corridor strategies for tourism development in other parts of the world.

**Conceptual Framework**

**Corridors as Development Strategies**

Corridors, as planning and development concepts, have generally been defined as “bundles of infrastructure that link two or more urban areas” (Priemus and Zonnefeld 2003). The areas may be connected using different modes (e.g., car, rail, ship, or air) for transporting both passengers and freight. Initially, corridors simply represented the shortest, most direct, and therefore, fastest transport link between two or more cities. From a planning perspective, transport corridors could be viewed as linear extensions of large cities—exemplified by the Ciudad Lineal model proposed by Spanish urbanist Soria y Mata (Priemus and Zonnefeld 2003). In this view, a transport corridor would serve as a high-speed medium to funnel social and economic activity between the two terminal cities.

In the 1990s, the popular concept of corridors began to be expanded to reflect broader concerns of different sectors. For public infrastructure agencies, the term continued to refer to an infrastructure axis. Spatial planners tended to use corridors as frameworks for urban planning. Finally, development agencies saw corridors as economic development axes where the infrastructure network strongly determined the economic activities of a particular zone (Priemus and Zonnefeld 2003). Attention also began to be given to the communities that formed nodes along the connecting transport infrastructure. Thus, the corridor concept evolved to describe not only a link between cities but also an economic development zone built on the backbone of that same transport infrastructure.

The geographic units or communities along these corridors perform one or more of three basic functions: production, transformation, or access (Bender 2001). As shown in Figure 1, communities along the corridor can have supply- or value-chain relationships with each other, as well as with the urban nodes at the ends of the corridor. Thus, producer and transformer communities can gain access to national and international markets through the corridor. At the same time, the corridor allows quicker access to production inputs for communities and urban centers that perform transformational or access functions.

The literature agrees that infrastructure is necessary but not sufficient for economic development along a corridor (Zonnefeld and Trip 2003). Each community—not just the end cities—becomes a potential focal point for transport exchange and economic activity. Improved transport and communications infrastructure ensure that these exchanges take place at high speed. However, the nodes along the corridors must be able to provide enough economic friction to slow down the corridor traffic. Only then will exchange activities occur in these intermediate nodes. Otherwise, the regional traffic—and the economic benefits from them—will simply ignore these transit points.
Corridor Development and Tourism

As a transport-based concept, corridors fit well with tourism. Tourism planning is often undertaken using a framework of tourism circuits and routes. Thus, a tourism corridor would be a linear resource—such as a scenic route or trail—channeling visitors to different attractions or destinations along a specified path (Wall 1997). Despite this, most of the ongoing tourism corridor programs are, in effect, cooperative regional marketing initiatives rather than infrastructure-based programs (Figure 2).

The transport corridor facilitates value-chain transactions between communities that (i) produce basic goods, (ii) transform the basic products into higher-value products, or (iii) provide national and international access to these products.

Source: Authors.

Figure 1: Transport Corridors and Economic Development

![Diagram of transport corridors](image1)

Tourism corridor programs tend to focus on marketing and communications rather than infrastructure. Travelers are encouraged to visit a series of tourist destinations. The individual destinations can then be marketed collectively as a regional destination. Established or developed tourist destinations are emphasized. Small, undeveloped sites along the route are not given high marketing priority.

Source: Authors.

These tourism corridors often represent attempts to provide a regional marketing theme for the collection of attractions and destinations in a defined zone. Through this strategy, the individual member sites can be promoted as a unified tourism region or route. One example of this is the Saskatchewan–Manitoba Tourism Corridor in Canada (Saskatchewan! 2008). With funding from the Government of Canada, the program will develop marketing initiatives to attract year-round visitation to 31 municipalities and indigenous First Nations communities located around the Assiniboine River and its tributaries. Ultimately, the aim is to develop the corridor into a year-round recreational, tourism, economic, and conservation area.
Tourism corridors may also be defined according to heritage themes. Heritage-based corridors are particularly appropriate where a natural ecosystem or cultural influence spreads across a definable linear space or region. Box 1 provides some details about two notable transnational tourism corridors, the European Route of Brick Gothic (EuRoB) and the Great Silk Road.

Box 1: Current Examples of Transnational Tourism Corridors

**European Route of Brick Gothic (EuRoB).** Begun in 2002 with funding from the European Union, the corridor focuses on the brick Gothic heritage of the Baltic Sea region. The overall objective is to establish a sustainable and successful tourism route. Similar to most other heritage route and corridor initiatives, the EuRoB’s main priorities cover research and documentation of the relevant cultural resources and development of a strategic marketing framework for the route. As the route becomes more institutionalized, it is expected that the brick Gothic identity will become more visible and more conspicuously incorporated into the tourism product of each particular point on the EuRoB. Thus, the strategy builds on the regional cultural heritage for stronger economic development through an intensified tourism industry.

The **Great Silk Road Initiative**, now involving 24 countries in Europe, Central Asia, and East Asia, is supported by the United Nations World Tourism Organization (UNWTO). The main activities of the Silk Road Tourism Project are regional cooperation, research, and tourism promotion. The project, as initially conceptualized by UNWTO, has been mainly oriented toward marketing and promotions. However, there are other initiatives for specific sections of the road that deal with more concrete development issues.

- **The Silk Road Initiative (SRI)** is a regional program, administered by the United Nations Development Programme, involving five countries: the People’s Republic of China (PRC), Kazakhstan, Kyrgyz Republic, Tajikistan, and Uzbekistan. The SRI focuses on three main areas of regional cooperation and development: trade, investment, and tourism (in collaboration with UNWTO). On the tourism component, the SRI seeks to encourage the development of value-added tourism and ecotourism. For example, the United Nations Silk Road City Award encourages participating countries to fulfill criteria for sustainable development and cultural preservation. The SRI has also been promoting a “Silk Road visa” to make the movement of tourists into and within the region easier.

- **The Europe–Caucasus–Asia (TRASECA) project** is an independent but related project of the European Union in the Great Silk Road region. In contrast to the tourism-focused UNWTO and United Nations Development Programme projects, TRASECA is an infrastructure project, emphasizing traffic and communication between Europe and Asia.

Sources: EuRoB and UNWTO.
The most notable feature of transnational corridor development in the tourism industry has been the emphasis on cooperative marketing promotions. Tourism corridors like those mentioned above are used primarily as vehicles for regional cooperation in destination marketing. The corridors provide unifying themes, images, and symbols that the individual destinations can use to enhance their own marketing campaigns. In the cases of the EuRoB and the Great Silk Road, these unifying themes are based on shared cultural heritage. Thus, the regional initiative also performs a conservation function by protecting (or enhancing) cultural heritage resources and by educating stakeholders about the need for heritage conservation.

Overall, the implied economic impacts of these corridors will be to stimulate the existing tourism sector by enhancing the attractiveness and marketability of their respective destinations. The regional strategy is based on the principle of cumulative attraction, which says that “a given number of tourist attractions will do more business if they are located en route, in proximity, or in a logical sequence to each other, than if they are widely scattered” (Lue et al. 1993). Originally developed for the retail sector, cumulative attraction can also be defined in terms of a critical mass. Individual attractions may not provide enough reason for tourists to make a dedicated trip to visit them. However, a cluster or series of attractions that can be conveniently visited in sequence may generate enough pull (or attraction) to stimulate a regular flow of traffic to their region.

The tourist corridors cited so far share another common feature. In promoting themselves as regional destinations, they basically promote a spatial pattern of visitation described by Lue et al. (1993) as a regional tour. Tourists are encouraged to visit each destination on the route so that the complete regional experience can be appreciated. This is also the underlying principle for the United Nations World Tourism Organization’s (UNWTO’s) proposal to promote and develop a “heritage necklace”, built around the world heritage sites of the subregion (UNWTO 2006).

For these kinds of corridors or circuits, the most relevant access is that related to information. Tourism to the attractions is already in place. Transport access, if not superior, is at least adequate for the meantime. The immediate concern is ensuring that prospective tourists and travel agents gain access to information about the destinations so that they can be encouraged to come. Thus, marketing and promotions are given higher priority.

However, in GMS economic corridors, the spatial pattern is more likely to be what Lue et al. (1993) described as “en route” rather than that of the regional tour. Tourist interest will generally be focused on large population centers. Small attractions will be more likely visited only as side trips relative to the main urban destinations. Physical access is just as important as market access for these smaller attractions. Thus, transport infrastructure—in keeping with the general concept of economic trade corridors—must also be given priority. In addition, tourism product development will be necessary to ensure that the attractions offer enough experiences to warrant a detour from the main corridor.

The literature on this kind of tourism corridor, where tourism is but one component of an economic corridor, is still limited. Cases where a transport backbone allows previously undeveloped tourism sites to connect with national and international markets have not been fully researched. One such case could be the World Bank-funded Gansu Cultural and Natural Heritage Protection and Development Project in the Great Silk Road section of the People’s

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3 Lue et al. (1993) developed a typology of multidestination travel to describe trips that involved visits to multiple destinations. In addition to single-destination trips, they identified four types of multidestination trips: (i) en route, (ii) radial, (iii) regional tour, and (iv) trip chaining.
Republic of China (PRC) (Box 2). However, the project has just commenced, and long-term impacts are unknown.

The GMS North–South Economic Corridor tourism strategy provides an opportunity to understand the opportunities and limitations of tourism in the framework of an infrastructure-based economic corridor.

Box 2: Gansu Cultural and Natural Heritage Protection and Development Project

This project seeks to generate benefits for local communities through the development of sustainable cultural tourism along the Great Silk Road in Gansu Province, People’s Republic of China (PRC). The project involves nine key cultural and natural heritage sites in the province’s six municipalities, including an institutional strengthening and capacity building component. Part of a $38.4 million World Bank loan will finance conservation work on the cultural heritage resources of the area, which include one of the PRC’s four largest Buddhist cave complexes. The loan will also go toward paving roads inside the scenic area. This improved infrastructure will not only create new sightseeing routes, but also allow village residents to gain better access to markets and jobs. Although the project only started in 2008, the increased awareness of and interest in small-scale tourism to the area has already been credited with some incremental impacts. About 40 households in Houchan Village now offer homestay services. Since their opening—and with a new bus service to Tianshu, the closest city—per capita income in the village has risen from CNY600 ($84) to about CNY2,400 ($336).


Strategies for Tourism Sector Development in the Greater Mekong Subregion Economic Corridors

Economic Corridors in the Greater Mekong Subregion

The economic corridor strategy for the GMS was first emphasized at the 8th GMS Ministerial Meeting in 1998. The strategy focused on an integrated approach within corridors to encourage effective private investment in trade, agricultural and industrial production, tourism, and other services. Economic corridors offer prospects for finding tangible solutions to local poverty and environmental management problems, as well as opportunities for building closer socioeconomic relations among the people of the subregion (Masviriylakul 2004).

Three priority projects have been identified under the GMS economic corridor strategy: (i) the East–West Economic Corridor from Yangon, Myanmar to Da Nang, Viet Nam, cutting through Thailand; (ii) the Southern Economic Corridor from Bangkok, Thailand to Ho Chi Minh City, Viet Nam, passing through southern Cambodia (including Phnom Penh); and (iii) the two-pronged North–South Economic Corridor. The first prong stretches from Yunnan Province in the PRC to Bangkok in Thailand, passing through Myanmar and the Lao People’s Democratic Republic (Lao PDR), while the second links Yunnan Province with Ha Noi, Viet Nam via the Red River Valley (Figure 3).
The initial projects for each of these corridors have mainly involved the establishment of operational transport corridors. These have included the installation of infrastructure, as well as policy initiatives to facilitate the movement of goods, people, and vehicles along the new or improved physical connections.

Although the scope of economic development in GMS economic corridors is broadly inclusive, tourism has been identified as a flagship program offering significant opportunities for priming economic growth in the corridors. GMS economic corridors pass through highly scenic landscapes that contain a variety of natural, cultural, and historic tourism resources that, up to recently, have not been accessible to most tourist markets. Among the natural tourism resources in the corridors are several national protected areas\(^4\) hosting a diversity of endemic plants and animals in a variety of ecosystems. These include upland and lowland rain forests (tropical and subtropical), coastal mangrove forests, seagrass beds, and coral reefs.

\* Figure 3: Economic Corridors in the Greater Mekong Subregion

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\(^4\) These include the Nam Ha national protected area (Lao PDR) and the Mengla protected area and tropical botanical gardens (Yunnan Province) in the North–South Economic Corridor; the Nakai–Nam Thuen national protected area (Viet Nam) and the Phu Hin Bun national protected area (Lao PDR) in the East–West Corridor; and the Cardamom Mountains Rain Forests (Cambodia) and the coastal areas around Trat (Thailand) in the Southern Economic Corridor.
Among the cultural tourism resources of GMS economic corridors are various ethnic cultures, such as the Hani in Northeast Thailand and Lao PDR; the Karen of southeastern Myanmar; the Dai, Lahu, and Wa peoples of Yunnan Province; and the Hmong people of central Viet Nam. The unique customs and traditions of these cultures are represented in their arts and crafts, the architecture of their houses and villages, dance, musical instruments, songs, poems, and legends. In addition, there are many historic sites located in each of the economic corridors. Some examples are the war relics and battlefields along the historic demilitarized zone in Cambodia and the Imperial Palace in Hue, Viet Nam, which is listed as a world heritage site by the United Nations Educational, Scientific and Cultural Organization (UNESCO).

Tourism Development Initiatives for Greater Mekong Subregion Economic Corridors

Several recent initiatives have explored tourism development opportunities in GMS economic corridors. Some initial studies on the East–West Economic Corridor (ADB 2001; ECFA 2001) focused mainly on meeting the specific tourism service needs of future traffic moving along the corridor. However, they did not provide a strategic framework for transforming what is, in effect, a transport corridor into a transnational tourism zone.

The Asian Development Bank (ADB) sponsored the GMS Tourism Sector Strategy (2005), which identified GMS economic corridors as among the 29 priority tourism zones in the subregion and recommended the formulation of comprehensive tourism development programs for them. Subsequently, the 2006 ADB GMS Sustainable Tourism Development Project called for comprehensive, country-level frameworks to develop attraction points along the corridor segments in each country.5

To date, tourism development in GMS economic corridors has been limited to relatively established tourism destinations, such as Chiang Rai and Sukhothai in Thailand, Luang Namtha and Savannakhet in Lao PDR, Xishuangbanna Prefecture in Yunnan Province, and Hue City in Viet Nam. However, with the completion of road transport works, opportunities for developing the tourism potential of the corridors can be identified.

The situation in the Lao PDR segment of the North–South Economic Corridor illustrates the tourism development challenges for various country segments of GMS economic corridors. Between 2002 and 2007, visitor arrivals to the provinces in the Lao PDR portion rose from 120,364 to 277,554 (Figure 4). This translated to an annual average rate of growth of 18.2% in 2002–2007, albeit from a relatively low base. These significant increases reflect the growing travel to the area from Thailand resulting from the completion of the road works in the corridor, as well as the increasing popularity of Luang Namtha for ecotourism.

However, few tourists stop to visit sites of interest along the corridor because basic access infrastructure and facilities are not in place. Thus, there are few opportunities for local communities to participate in and capture economic benefits from corridor tourism. In addition, there is a risk that unmanaged exploitation of the tourism assets will lead to economic opportunities being captured by outsiders while local communities continue to be marginalized, remain poor, and lose stewardship over natural resources and cultural values at the sites.

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5 There are a total of 15 country segments for the three GMS economic corridors.
Thus, there was a need for a tourism development framework to address the lack of “friction” along the corridor segments. Due to the absence of tourist facilities and support services at the attraction sites, prospective tourists would not have any reason to stop or slow down as they traveled along the economic corridors. The tourism development framework developed for GMS economic corridors involves a strategy that focuses first on developing tourist facilities for attractions on the corridor segment, beginning with sites that are relatively easy to access from the main road corridor—and where the benefits of tourism can be quickly developed for local communities. Once the initial phase of development has been completed and become operationally stable, development can be extended to sites further away from the main road.

However, to ensure the sustainability of the attraction points, a more holistic approach to tourism development was needed. The general approach adopted for the development of tourism attractions along GMS economic corridors involves four main areas of intervention: (i) tourism product development, (ii) capacity building, (iii) institutional support, and (iv) facilitation of traffic in the corridor segments involving international border crossings.

Tourism product development along GMS economic corridors mainly revolves around the provision of facilities and services at identified attraction sites in the various country segments. These include tourism site infrastructure, such as parking and landscaping, trails, viewing points, picnic areas, public amenities, tourist information centers, and sanitation and attraction access facilities. In addition, most of the identified attractions require “last-mile” road access to link them to the main center on the corridors, as well as roadside signage and kiosks to provide directions and basic information to tourists.

Capacity building is needed on several levels. First, the communities need to be prepared through tourism awareness seminars and formation of tourism stakeholders’ associations. At the same time, awareness raising to discourage trade in wildlife and rare plants will also be
needed. Training on hospitality service, site-specific tour guiding, food and beverage production, handicraft production and marketing, and other tourism value-chain activities must be provided so that residents can take advantage of the employment and entrepreneurship opportunities afforded by tourism. Finally, managers of tourism sites will need training to increase their skills and ability to manage their respective sites properly.

The product development and capacity-building initiatives will be implemented on a country-by-country basis. However, individual attractions will still require institutional support on a regionally cooperative basis. Although each site will need to develop self-contained marketing and promotions plans, these will have to be integrated into broader corridor-wide tourism marketing and promotions programs. Similarly, it will be necessary to establish a partnership-based institutional framework that can coordinate the planning, development, and implementation of the tourism plans with the other country segments in the corridor. The corridor-wide management group would be comprised of key public sector, community, and private sector representatives.

Finally, border facilities along the identified tourism segments must be upgraded and regulatory practices updated in order to make the movement of people and tourist vehicles easier across the borders on GMS economic corridors.

Two country segments, the Lao PDR portion of the North–South Economic Corridor and the Viet Nam segment of the East–West Economic Corridor, have been identified as the pilot areas for implementing this tourism development approach. The following section presents the Lao PDR segment of the North–South Economic Corridor as an example of the general strategy for developing tourism along GMS economic corridors.

Tourism Development on the Lao People’s Democratic Republic Segment of the North–South Economic Corridor

Under ADB’s Sustainable Tourism Development Project, initial design work has already been undertaken for the Lao PDR segment of the North–South Economic Corridor. It is intended to serve as a pilot case from which other corridor segments in the GMS can learn. However, more than being a pilot project site, this area is typical of GMS priority areas for progress toward achieving Millennium Development Goals. Compared to the country as a whole, the area is characterized by higher rural populations and poverty incidence, as well as much lower literacy rates. Significant levels of under- and unemployment exist in the area as a result of the lack of additional economic opportunities caused by the area’s relative inaccessibility in the past. Thus, the Lao PDR segment of the North–South Economic Corridor provides a good opportunity to demonstrate the overall approach to tourism development along GMS economic corridors within the framework of Millennium Development Goals.

Overview of the Corridor Segment

The Lao PDR segment of the North–South Economic Corridor comprises a 200-kilometer (km) stretch, encompassing the three northern provinces of Luang Namtha, Bokeo, and Oudomxay. The segment connects Yunnan Province to Thailand at two immigration checkpoints: Botan, opposite Mohan in Yunnan Province; and Huay Xai, opposite Chiang Rai in Thailand. In addition
to road access, the segment is serviced by small airports in each of the three provinces. As of 2006, it was estimated that there were roughly 555,000 people living in the area, a large majority of whom (87%) lived in rural areas. The per capita gross domestic product in the area is roughly $300, about half the national average, with a poverty rate of almost 60% for the entire zone.

The main tourist assets in the corridor segment include such natural attractions as the Nam Ha national protected area, the Nam Eng karst cave complex, and the Bor Kung Nature Park; and cultural and historic features, such as ethnic minority cultures, Vat Mahaphot, and ancient historic landscapes. Five sites have been prioritized as part of the initial phase of the master plan. These sites were identified as being highly attractive to the market and require minimal access and support infrastructure. Moreover, the sites have the potential to provide significant benefits to local communities and could support private sector investment.

The five sites encompass four villages (Chalensouk, Nam Eng, Dong Vieng, Tieow, and Nam Pae), with a combined population of approximately 1,600, plus one scenic viewpoint. Four of the proposed sites are located in one of the country’s 72 poorest districts. The main tourism

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**Figure 5: Proposed Development of the Nam Eng Cave Complex**

![Diagram showing proposed development of the Nam Eng Cave Complex]

**LEGEND**
1. Retail/food stands
2. Amenities block
3. Foot bridge over stream – for rebuilding
4. Guard post/ticket booth
5. Foot bridge over stream – new
6. Walking track

**INFRASTRUCTURE**
- Water supply gravity fed (~15,000 liters)
- Steel mesh to cave walkway (75–100 meters)
- Lighting 100 meters into cave
- Road & trail signage

Source: Authors.

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6 In this paper, “$” refers to US dollars.
assets are generally located within 1–2 km of the road, requiring modest investments in access and site infrastructure. However, other, more attractive sites are further away. These other sites may require larger investments in access and small-scale tourism infrastructure in the future. Figure 5 illustrates the proposed development plan for one specific attraction on the corridor segment: the Nam Eng cave complex.

Developing Tourist Attractions on the Corridor

The cave complex (locally known as the Kao Rao Cave) is situated 48 km south of Luang Namtha in Vieng Phoukha District; approximately 2 km from the complex is an ethnic Khmu village that has 75 households with a population of 442. There are three caves at the site, two of which are accessible to tourists. The caves are set in a pleasant forested environment at the base of a large limestone massif 300 meters from the main roadway. The caves (one dry, the other wet) are each about 3 km long. Both are in good condition with a number of interesting features. Through the European Union’s community-based ecotourism program, the villagers have already began to organize guided tours into the dry cave, but receive only about 50 visitors per year because access to the site is currently very difficult.

The main elements of the plan for the Nam Eng cave complex will be installed in the other attractions on the segment as well. At the entrance to each site, parking areas will be constructed to allow for both individual self-driven vehicles as well as tourist coaches. The parking areas will include concession areas where villagers can sell food, beverages, and local handicrafts to tourists. These areas will also provide basic tourist amenities such as toilets, water supply, and sanitation. Basic infrastructure to provide access to the attractions, such as footbridges and walking trails or tracks, will be constructed. In addition, the development plan calls for small-scale infrastructure (e.g., water supply and steel mesh) for the protection of the heritage resources, as well as their proper interpretation (e.g., lighting inside the caves, and road and trail signage).

Building Local Capacity to Manage the Attractions

The overall strategy for the tourism corridor is based on the principle that local communities must be given opportunities for entrepreneurship and employment, yet retain stewardship and a voice in how the sites are managed. This will happen only if the communities are empowered with the skills and competencies needed to sustain the operation and management of the various sites.

The plans call for site managers to receive tourism management training to increase their skills and ability to manage the sites properly as well as to supervise the sites’ tour guides, tour operators, and vendors. In addition, site-specific tour guide training (including a foreign language component) will be offered to members of local communities in order to provide them with higher-earning on-site employment opportunities.

In addition, community preparation and livelihood support programs will be implemented in the areas surrounding each attraction site. These will focus on enhancing value-chain opportunities for local farmers and producers, as well as raise local awareness on issues related to the sustainable development of the attractions.
Managing the Attractions

The tourist facilities developed under this project will be managed by a North–South Economic Corridor management committee consisting of representatives from the provincial and district tourism offices, the management unit of the Nam Ha national protected area, and community leaders from the involved villages.

Cost-recovery mechanisms will be installed in each site. In general, these will be in the form of entrance or admission fees with differential rates for international and domestic tourists (about $1.00 for foreign visitors; $0.50 for domestic visitors per day). Other revenue sources include parking fees (scaled for buses, vans and cars, and motorbikes), concession fees for market stalls or gift shops, concession fees for pay toilets, and optional tours and guide fees. Revenue from the set of attractions on the corridor will then be divided between the North–South Economic Corridor management committee (to cover operations and maintenance of the sites), a village development fund for the involved villages, and the provincial or district treasury.

Tourist Demand Forecasts for Attractions in the Corridor Segment

The volume of international and domestic tourism that the attractions along the North–South Economic Corridor could expect to draw will be a function of (i) the expected volume of growth in the international and domestic tourists explicitly destined for the sites in the corridor, (ii) the expected volume of transit tourists from the PRC and Thailand upon completion of the current road works, (iii) the relative interest of the markets for the attractions, and (iv) the way the attractions are marketed and promoted to the tourist markets. Based on a review of these factors, Table 1 gives the forecast of the total potential markets for corridor tourism in the Lao PDR segment.

Table 1: Total Estimated Demand for Tourist Attractions on the Corridor Segment

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<tbody>
<tr>
<td>International</td>
<td>249,799</td>
<td>413,452</td>
<td>446,532</td>
<td>482,254</td>
<td>520,836</td>
<td>562,501</td>
<td>607,503</td>
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<td>Domestic</td>
<td>27,755</td>
<td>48,284</td>
<td>51,180</td>
<td>54,252</td>
<td>57,505</td>
<td>60,957</td>
<td>64,616</td>
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<td>Subtotal</td>
<td>277,554</td>
<td>461,736</td>
<td>497,712</td>
<td>536,506</td>
<td>578,341</td>
<td>623,458</td>
<td>672,119</td>
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<td>0</td>
<td>60,607</td>
<td>70,600</td>
<td>82,241</td>
<td>95,802</td>
<td>111,600</td>
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<td>Scheduled Bus Passengers</td>
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<td>10,949</td>
<td>12,441</td>
<td>14,135</td>
<td>16,061</td>
<td>18,249</td>
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<tr>
<td>Subtotal</td>
<td>0</td>
<td>70,244</td>
<td>81,549</td>
<td>94,682</td>
<td>109,937</td>
<td>127,661</td>
<td>148,251</td>
</tr>
</tbody>
</table>

| Total Tourist Market    | 277,554 | 531,980 | 579,261 | 631,188 | 688,278 | 751,119 | 820,370 |

Marketing and promotions of the corridor segment and especially the tourism sites will be essential in order to achieve substantial market penetration of the destination-based and transit tourism markets potentially available. This will need to be coordinated across the tourist attractions and facilities along the corridor segment by the proposed tourism marketing and promotions association. It will entail the provision of information at the two border points (with the PRC and Thailand, respectively), road signage, outdoor advertising signs, and inclusion in guidebooks and publications on things to see and do in the area. In the main source markets, it will involve working with tour operators and the travel trade to include the sites in their tour programs when passing through the area, and publicity in the travel media. Tour operator and travel agency familiarizations will need to be organized on an annual basis.

Taken together, the attractions could attract a reasonable share of the destination and transit international markets moving along the corridor (ADB 2007b) as shown in Table 2. Table 3 shows the projected distribution of visitors to each site on the corridor segment.

<table>
<thead>
<tr>
<th>Year</th>
<th>2011</th>
<th>2012</th>
<th>2013</th>
<th>2014</th>
<th>2015</th>
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<tbody>
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<td></td>
<td>International</td>
<td>64,449</td>
<td>72,116</td>
<td>80,804</td>
<td>90,661</td>
</tr>
<tr>
<td></td>
<td>Domestic</td>
<td>4,360</td>
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Conclusions

This paper describes an approach to tourism development along economic corridors using the Lao PDR segment of the GMS North–South Economic Corridor as a model. Although the regional economic corridors open up market access opportunities along the transport route, the tourism opportunities will not be maximized unless the attractions are built up to draw and
receive tourists. Greater emphasis on infrastructure and product development is needed in the GMS setting where a regional tour model may not be appropriate. Given the relative lack of development among attractions in the corridor, the model seeks to create attractions that will also pull transit tourists traveling to and from the end poles of the corridor.

The tourism development framework developed for the GMS economic corridors seeks to develop tourist facilities for attractions on the corridor segment, and give travelers reasons to stop and stay. However, the GMS economic corridor strategy acknowledges that infrastructure and product development will not be sufficient to ensure the sustainability of the program. Thus, capacity-building and institutional support mechanisms are also built into the strategy.

**Constraints and Challenges**

Tourism attraction developments are local concerns in that they most directly involve the provinces or districts where the specific attractions are located. Unless the attraction covers a large area and is shared by two or more countries, the development of tourist facilities does not typically require a regional initiative. For GMS economic corridors, the development of tourist attractions and sites is undertaken by the respective country.

However, just as the attractions seek to take advantage of the regional transport infrastructure, so too will there be a need for cooperative regional programs to provide marketing and other support over the long term. Because the tourist markets (as well as the tour operators who service them) originate from the corridor nodes in the PRC and Thailand, it will be necessary to direct the marketing and promotion efforts in these countries. Information about the attractions in the Lao PDR segment of the North–South Economic Corridor must be available at distribution points all along the corridor—especially in those sections in the PRC and Thailand. Similarly, when the other country segments are developed for tourism, they will also benefit from the ability to use the Lao PDR sites as potential marketing and distribution points.

The tourism marketing plan for the Lao PDR segment of the North–South Economic Corridor will be self-contained. However, as the other country segments are developed, a transnational tourism corridor approach can help synthesize the individual programs into a broader marketing package for the subregion as a whole. Similar to the EuRoB and the Great Silk Road, this will be a program to market the North–South Economic Corridor as a single tourism destination. More significantly, it will require a regional cooperative effort to unify the individual GMS attractions under a single marketing theme. Whether this will be done on a GMS-wide level or simply across the economic corridor, will require the building of a transnational, partnership-based institution to coordinate the individual and collective marketing efforts.

Transregional cooperation between and among the linked GMS countries will also be required in order to facilitate tourist movement across borders from one country segment of the North–South Economic Corridor to another. As the tourism corridor becomes more established in the marketplace, subregional cooperation may again be employed to develop corridorwide standards that can ensure consistency of facility and service quality among the various attractions.

In summary, the tourism model intended for the Lao PDR segment demonstrates a nontraditional tourism development approach wherein economic growth through tourism is not the primary objective. Rather, growth is viewed as an opportunity for making progress toward sustainable development, equity, and other Millennium Development Goals. In order to realize
these, a holistic approach that addresses hard (product and infrastructure) and soft (institutional strengths and human resource capacity) components must be adopted.

From the perspective of regional cooperation and the GMS, the model highlights the opportunities that regional projects, such as transport corridors, can open up for individual members in terms of developing the attractions in their respective territories. At the same time, the model also highlights venues for new levels of regional cooperation from the development of country-based tourism attractions and sites.

Finally, the successes and problems of the GMS economic corridor tourism strategy in the Lao PDR segment, as well as its subsequent implementation in the other GMS countries, will need to be monitored so that the lessons learned can be used in future tourism projects.
References


