Tourism for Development: The Philippines Framework

Knowledge Exchange Forum 2015
May 14, Crowne Plaza Hotel, Ortigas, Metro Manila
Tourism Awards and Citations

PHILIPPINES

2013 RISING STAR IN TOURISM
- WORLD ECONOMIC FORUM

HOTTEST TRAVEL DESTINATIONS OF 2013
- TRAVEL AND LEISURE

TOP 10 HOTTEST NEW TRAVEL DESTINATIONS FOR 2013
- CONDE NAST TRAVELLER

TOP 20 DESTINATIONS FOR 2014
- THE TELEGRAPH

MOST ROMANTIC DESTINATION
- SHANGHAI MORNING POST

MOST TOURIST-FRIENDLY COUNTRY
- TOP 10 OF ASIA

10 MOST GOOGLED DESTINATIONS
- CNN
Tourism Awards and Citations

PALAWAN
- World's Best Island for 2013
  - Travel and Leisure
- 10 Best Regions to Travel in 2013
  - Lonely Planet
- Top 10 Best Value Travel Destinations for 2014
  - Lonely Planet
- Fourth-Best Holiday Destination
  - Smart Travel Asia

BORACAY
- Top Destination for Relaxation 2013
  - Agoda.com
- Best Beach in Asia 2013
  - TripAdvisor.com

TUBBATAHA
- Eighth-Best Dive Site in the World
  - CNN Go.com

SIARGAO
- Ninth-Best Surf Spot in the World
  - CNN Travel
International Visitor Receipts

Visitor Receipts (in US$ Million)
- CAGR = 6.85%
- CAGR = 25.09%

Average Visitor Expenditure (in US$)
- 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
- 2013: 9.60
International Visitor Arrivals, 2014

5-Year Arrivals

- 2008: 3.1 M
- 2009: 3.0 M
- 2010: 3.5 M
- 2011: 3.9 M
- 2012: 4.3 M
- 2013: 4.3 M
- 2014: 4.8 M

CAGR = 6.7%

Projected Arrivals

- 2013: 5.5 M
- 2014: 6.8 M
- 2015: 8.2 M
- 2016: 10.0 M

CAGR = 23.5%
### International Arrivals (January-December 2014)

<table>
<thead>
<tr>
<th>RANK</th>
<th>COUNTRY</th>
<th>JAN – DEC 2014</th>
<th>JAN-DEC 2013</th>
<th>GROWTH RATE</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>KOREA</td>
<td>1,175,472</td>
<td>1,165,789</td>
<td>0.83</td>
</tr>
<tr>
<td>2</td>
<td>USA</td>
<td>722,750</td>
<td>674,564</td>
<td>7.14</td>
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<tr>
<td>3</td>
<td>JAPAN</td>
<td>463,744</td>
<td>433,705</td>
<td>6.93</td>
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<tr>
<td>4</td>
<td>CHINA</td>
<td>394,951</td>
<td>426,352</td>
<td>-7.37</td>
</tr>
<tr>
<td>5</td>
<td>AUSTRALIA</td>
<td>224,784</td>
<td>213,023</td>
<td>5.52</td>
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<tr>
<td>6</td>
<td>SINGAPORE</td>
<td>179,099</td>
<td>175,034</td>
<td>2.32</td>
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<tr>
<td>7</td>
<td>CANADA</td>
<td>143,899</td>
<td>131,381</td>
<td>9.53</td>
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<td>TAIWAN</td>
<td>142,973</td>
<td>139,099</td>
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<td>9</td>
<td>MALAYSIA</td>
<td>139,245</td>
<td>109,437</td>
<td>27.24</td>
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<tr>
<td>10</td>
<td>UNITED KINGDOM</td>
<td>133,665</td>
<td>122,759</td>
<td>8.88</td>
</tr>
<tr>
<td>11</td>
<td>HONGKONG</td>
<td>114,100</td>
<td>126,008</td>
<td>-9.45</td>
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<tr>
<td>12</td>
<td>GERMANY</td>
<td>72,801</td>
<td>70,949</td>
<td>2.61</td>
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<tr>
<td></td>
<td>OTHERS</td>
<td>3,907,483</td>
<td>3,788,100</td>
<td>3.15</td>
</tr>
<tr>
<td></td>
<td><strong>GRAND TOTAL (INCLUDING OTHERS)</strong></td>
<td><strong>4,833,368</strong></td>
<td><strong>4,681,307</strong></td>
<td><strong>3.25</strong></td>
</tr>
</tbody>
</table>
“To develop a highly competitive and environmentally and socially responsible tourism that delivers more widely distributed income and employment opportunities”

**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
NTDP primarily contributes to meeting the Administration’s Social Contract Priorities on:

- Rapid, inclusive, and sustained economic growth

The Department is also contributing in the fulfilment of:

- Poverty Reduction
- Integrity of Environment
- Good Governance
Competitive Products and Destinations

Tourism Destination Framework and Selection Criteria

- market responsive
- inclusive
- consistent with existing Regional/LGU boundaries
- investment responsive
- measurable
- prioritizable

“To become the must experience and more FUN destination in Asia”
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
### Competitive Products and Destinations

<table>
<thead>
<tr>
<th>Product Portfolio and Quality Tourism</th>
<th>Investments</th>
</tr>
</thead>
<tbody>
<tr>
<td>Mandatory Accreditation</td>
<td>Lower Business Cost</td>
</tr>
<tr>
<td>Skills Development</td>
<td>Public-Private Partnership</td>
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</table>

### Marketing and Promotions

<table>
<thead>
<tr>
<th>Branding</th>
<th>Market Diversification</th>
<th>Advertising</th>
<th>Travel Fairs</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>It’s more fun in the Philippines</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>
Access, Connectivity and Infrastructure

**Premier Gateway**
- Congestion
- Safety
- Taxes & Fees

**Secondary Gateways**
- New Terminal
- Budget Terminal
- Modular Terminal

**Modular Capacity Airport Terminal.ppt**
DOT-DPWH Convergence Program

TOURISM ACT OF 2009 RA 9593

Section 34. Tourism Infrastructure Program. – The Department (DOT), in accordance with the National Tourism Development Plan (NTDP) and local government initiatives, shall coordinate with the Department of Public Works and Highways (DPWH) and the Department of Transportation and Communications in the establishment of a tourism infrastructure program in the respective work programs of said agencies, identifying therein vital access roads, airports, seaports and other infrastructure requirement in identified tourism areas. The said agencies and the DBM shall accord priority status to the funding of this tourism infrastructure program.
Note: For 2014 and 2015, budget includes attributions on Access roads to Airports and Seaports.
## 8 Gateway Tourism Development Areas (TDAs)

---|---|---
Manila | 13.6 | 3.4 | 6.1
Clark | 1.015 | 0.16 | 1.5
Cebu | 1.8 | 0.4 | 0.75
Davao | 1.6 | 0.045 | 0.3
Iloilo | 0.06 | 0.006 | 0.5
Kalibo | 0.716 | 0.28 | 0.6
Palawan | 0 | 0 | 0.3

* in Millions

Source of data: CAAP, CAB
Contribution of Targets: Estimates
Access, Connectivity and Infrastructure

Domestic Gateways
- Night Landing
- Terminal Upgrade
- Navigational Aid

Market Access
- Air Seats
- Travel Formalities
### Access, Connectivity and Infrastructure

<table>
<thead>
<tr>
<th>Road Access</th>
<th>Seaports</th>
</tr>
</thead>
<tbody>
<tr>
<td>Airports</td>
<td>Inter-Island</td>
</tr>
<tr>
<td>Tourist Centres</td>
<td>International Cruise (Manila, Cebu, P. Princesa)</td>
</tr>
<tr>
<td>Attractions/Tourist Sites</td>
<td></td>
</tr>
</tbody>
</table>

### Land Transport

<table>
<thead>
<tr>
<th>Central Terminals</th>
<th>Destination Infrastructure</th>
</tr>
</thead>
<tbody>
<tr>
<td>Franchises</td>
<td>Waste Management</td>
</tr>
<tr>
<td></td>
<td>Water Supply</td>
</tr>
<tr>
<td></td>
<td>Power &amp; Others</td>
</tr>
</tbody>
</table>
Governance and Human Resources

Local Governance

Planning
Product Dev
Licensing

Safety & Security
Cleanliness
Local Promotion

Human Resources

Skills Training
Secondary and Higher Education

Recruitment
Labour Practices

DEPARTMENT OF TOURISM
NTDP Major Accomplishments

➢ Strategic Direction 1: Improve market access, connectivity and destination infrastructure

1. Extended visa-free stay of foreign visitors from 21 to 30 days

2. Increased flight and seat entitlements thru bilateral air talks

3. Strengthened partnership with airlines, charter operators, and travel agents in promoting more flights into the country and in opening new services

4. Intensified marketing and promotions by participating in international route events such as Routes Asia and World Routes

5. Entered into convergence program with infrastructure agencies for the upgrading of airports and seaports
Tourism Road Infrastructure Project Prioritization Criteria (TRIPPC)
Three-stage Evaluation and Prioritization Process

1. **PRE-QUALIFICATION**
   - Automatic disqualification if road proposal fails to meet ANY of 5 Requirements
   - MUST PASS ALL:
     1. Maps
     2. < 60 kms from gateway or service center
     3. Existing Road/With Existing ROWA
     4. Concept Study & Consulted
     5. RDC-endorsed

2. **PRIORITIZATION**
   - more tourism-oriented CUT-OFF = 60 POINTS
   - CRITERIA | POINTS
   - Arrivals   | 50
   - Accommodation | 25
   - Facilities  | 25

3. **READINESS**
   - roads with more technical documents and have undergone more consultations shall receive priority in funding
Annual Tourism Infrastructure Program

Note: For 2014 and 2015, budget includes attributions on Access roads to Airports and Seaports.
Signages

- Along TRIP roads
- Standard specifications based from Highway Safety Designs Standards (HSDS)

Street lighting Project

- MOA with DPWH-Road Board and LGU (for electricity)
- DPWH-Road Board and DSWD for protection of facilities by communities
- Funding allocation will be sourced out from TIEZA and to implemented by DPWH
# DOT-DOTC Convergence Program

<table>
<thead>
<tr>
<th>Airport</th>
<th>Scope of Work</th>
<th>Amount</th>
</tr>
</thead>
</table>
| Kalibo International Airport | • Advance Engineering  
                               | • Detailed Engineering Design (DED)  
                               | • Environmental Impact Assessment Study (EIA) | P25 Million |
| Busuanga International Airport | Airport Development (including EIA) | P295 Million |
| Bantayan, Cebu               | Feasibility Study                                                 | P5 Million (initial budget) |
| Basco, Batanes               | Feasibility Study                                                 | P5 Million (initial budget) |
| Masbate                      | Feasibility Study                                                 | P5 Million (initial budget) |
# 2015 DOT-DPWH-TIEZA Convergence Program

<table>
<thead>
<tr>
<th>GREEN RESTROOMS</th>
<th>TOURISM CENTRES</th>
</tr>
</thead>
<tbody>
<tr>
<td>28</td>
<td>20</td>
</tr>
<tr>
<td>40 x PhP. 1,500,000.00 /unit</td>
<td>20 x PhP. 2,500,000.00 /unit</td>
</tr>
<tr>
<td>PhP. 42,000,000.00</td>
<td>PhP. 50,000,000.00</td>
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</tbody>
</table>

**TOTAL**

PhP 92,000,000.00
NTDP Major Accomplishments

- Strategic Direction 2: Develop and market competitive products and destinations

1. Developed NEW geographic markets (Russia, India, Middle East, Thailand, Indonesia, and Vietnam) and niche markets (Cruise, Dive, Medical, and Learn English)
2. Increased awareness on Philippine tourism thru conduct of familiarization tours for media, sales missions, product presentations, tactical ads, joint promotions, international travel and reality shows, and use of social media
3. Developed networks with travel trade and generated businesses and business leads for the Philippine private sector thru participation in travel fairs
One-Step Banner Communities:

- Intramuros
  - Programs
    - Street food culinary and food handling
    - E-tricycle
  - Beneficiaries
    - Street food vendors (SANAMAI)
    - Pedicab drivers

- Daraga
  - ShellMed will be the private sector partner
  - Abaca handicraft products

- Northern Panay
  - Still in the process of site validation for destination and supplier communities

- Ubay, Bohol
  - Carabao Milk products produced in Ubay, and nearby municipalities in partnership with Philippine Carabo Center (PCC)

- Davao City and Environs
  - Social preparations for the communities within the vicinity of Sasa Wharf
  - Development of Sasa Wharf
NTDP Major Accomplishments

➢ Strategic Direction 3: Governance and Human Resources

1. Conducted 476 training programs for local government units in the areas of planning, product development, statistics, policy, and governance, as well as for industry workers to enhance skills and competencies.

2. Accredited 2,393 tourism enterprises that include accommodation facilities, travel and tour companies, tour guides, tourist transport and tourism-related establishments.

3. Signed a Memorandum of Understanding with DSWD and USAID for the “One Step Project” to improve the lives of the poor with more direct interventions through tourism. (Five priority sites identified: Ubay, Bohol; Intramuros, Manila; Daraga, Albay; Davao City and its environs; and Northern Panay Island.)
## Tourism Industry Skills Development Program

<table>
<thead>
<tr>
<th>AREA</th>
<th>APPLICANTS</th>
<th>No. of Trainee</th>
<th>AMOUNT (in USD)</th>
</tr>
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<tbody>
<tr>
<td>Bohol</td>
<td>Bohol Bellevue Resort</td>
<td>70</td>
<td>12,000.00</td>
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<tr>
<td></td>
<td>Amarela Resort Corporation</td>
<td>65</td>
<td>16,036.00</td>
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<tr>
<td></td>
<td>South Palms Resort Panglao</td>
<td>200</td>
<td>50,000.00</td>
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<tr>
<td></td>
<td>Metro Centre Hotel and Convention Center</td>
<td>210</td>
<td>40,000.00</td>
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<tr>
<td></td>
<td>Bohol Association of Hotel, Resorts and Restaurants</td>
<td>370</td>
<td>50,000.00</td>
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<tr>
<td></td>
<td><strong>Sub-total</strong></td>
<td>915</td>
<td><strong>168,036.00</strong></td>
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<tr>
<td>Cebu</td>
<td>Parklane Hotel</td>
<td>165</td>
<td>43,130.23</td>
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<tr>
<td></td>
<td>Cebu Association of Tour Operators</td>
<td>120</td>
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<tr>
<td></td>
<td>Olango Island EcoTour Association Inc.</td>
<td>20</td>
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<tr>
<td></td>
<td>Waterfront Cebu City Hotel</td>
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<td>17,714.73</td>
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<tr>
<td></td>
<td>Marco Polo Plaza Cebu</td>
<td>90</td>
<td>10,096.00</td>
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<tr>
<td></td>
<td>Alegre Beach Resort and Spa</td>
<td>95</td>
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<tr>
<td></td>
<td>Alpha Hotel Management and Services</td>
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<td>Cebu White Sands Resort and Spa</td>
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<td>15,116.28</td>
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<td><strong>Sub-total</strong></td>
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<td><strong>210,308.45</strong></td>
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<tr>
<td>Davao</td>
<td>Damosa Land Inc. (Microtel Davao)</td>
<td>130</td>
<td>21,003.86</td>
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<tr>
<td></td>
<td>Villa Margarita</td>
<td>200</td>
<td>35,000.00</td>
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<tr>
<td></td>
<td>Pinnacle Hotel and Suites</td>
<td>104</td>
<td>18,360.95</td>
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<td>Guide Union for Inbound Destinations and Eco-Tours Inc.</td>
<td>118</td>
<td>52,306.22</td>
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<td></td>
<td>Samal City Resort Owners Association</td>
<td>450</td>
<td>61,163.26</td>
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<td></td>
<td>Grand Menseng Hotel</td>
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<tr>
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<td>Philippine Eagle Foundation Inc.</td>
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<td>168,036.00</td>
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<td>Eden Mountain Resort Inc.</td>
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<td>43,130.23</td>
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<td></td>
<td>Davao Insular Hotel Company Inc. (Waterfront Insular)</td>
<td>175</td>
<td>35,152.37</td>
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<td></td>
<td>Aquagem Travel and Tours</td>
<td>160</td>
<td>20,348.84</td>
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<td></td>
<td><strong>Sub-total</strong></td>
<td>2002</td>
<td><strong>364,489.22</strong></td>
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<tr>
<td>Palawan</td>
<td>Aziza Paradise Hotel</td>
<td>78</td>
<td>20,285.00</td>
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<td>Calamianes Association of Tourism Establishments Inc.</td>
<td>400</td>
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<td>Puerto Princesa Palawan Tour Guides Association Inc.</td>
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<tr>
<td></td>
<td><strong>Sub-total</strong></td>
<td>628</td>
<td><strong>108,175.00</strong></td>
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<td><strong>GRAND TOTAL</strong></td>
<td><strong>4225</strong></td>
<td><strong>851,008.67</strong></td>
</tr>
</tbody>
</table>
NTDP Targets and Impacts by 2016

Tourist Arrivals
- 10 million Int’l Tourist Arrivals
- 56.1 Million Domestic Travelers

Tourism Receipts
- 2,313.2 Billion

Tourism GVA
- P1,148 Billion

Tourism Employment
- 7.4 Million
NTDP Targets and Impacts by 2016

9 %
Tourism’s share in 2016 GDP

19 %
Tourism’s share in 2016 total employment
Thank you!