

POTENTIAL TOURISM AREA DEVELOPMENT FOR THE SOUTHERN REGION

1. Background of the Study

The tourism industry of Thailand has grown to be one of the country's top foreign exchange earners. In 1985, total exports of the country amounted to 191.7 billion baht, while the revenue generated by the tourism industry alone was estimated at 31.8 billion baht which is equivalent to 17 percent of the total exports. In view of the sluggish market situations of agricultural products which are the major exports of the country, it is vital for Thailand to further promote the development of tourism and its related industries for attaining more foreign exchange through more foreign tourists.

The Royal Thai Government has gone to great lengths to support and boost the tourism industry in the coming National Economic and Social Development Plan. Particular emphasis will be placed on more active promotional campaigns in overseas markets, development of infrastructures, facilities and tourism-related industries, and efficiency and performance improvements.

Thailand is endowed with a variety of tourism resources all over the country. These resources should be integrated to enhance the country's attractiveness to potential foreign tourists. Some of the resources have been developed in line with this requirement as can be seen in Bangkok, Pattaya, Phuket and Chiang Mai.

In 1985, the Tourism Authority of Thailand has designated Chulalongkorn University to undertake the study on the suitability of the tourism development plans of various areas for which the Tourism Authority of Thailand has set up nine master plans in total. Three master plans of the Southern Region, Phuket, SongKla/Hat Yai and Samui-Surat Thani were reviewed and studied in details. The main objective was to study the suitability and feasibility of the Tourism Development Plan to be implemented during the Sixth National Economic and Social Development Plan (1987-1991). The result of the study would be used for making the most appropriate plans for implementation and investment for public sector. There was no detail studied on implementation and investment for private sector.

However, from the above study, some of the potential tourism areas in the Southern Region has been left undeveloped though the Region has outstanding natural and cultural tourism resources. It is necessary to develop these areas with the collaboration of public and private sectors.

Tourism development of the Southern Region has another implication, that is, supporting and encouraging the activities of the Region. The development of tourism industry is expected to provide increased job opportunities to the people who otherwise are forced to migrate to Bangkok. The government has been trying to introduce every kind of schemes for poverty eradication of the Region. Tourism development is expected to support a part of the government schemes.

In the context, it is required to integrate two major factors into the study ; how to develop potential tourism areas endowed to the Southern Region to attract more foreign tourists to the country, and in what way the tourism industries be developed to ensure increase of job oppottunities to the people without any disturbance to the former factor.

2. Details of the Project

2.1 Program Goal

To serve as a framework and guideline for the potential tourism development of the South. If successfully implemented, it would solve the economic problems of the country, in particular, to draw in foreign exchange so as to reduce the deficit in the current balance. It would also help to stimulate the service sector of the economy, the construction business as well as agricultural products, which in turn would contribute to greater employment and distribution of income to the rural areas, thus responding to one of the government's major policies in attempting to hold back migration to the capital.

2.2 Objectives of the Consultants Assignment

2.2.1 General objective

The basic objective of the Consultants' assignment is to provide technical assistance through the Tourism Authority of Thailand to establish a comprehensive overall Feasibility Study for tourism areas development (including detail design on selected potential tourism areas) in the Southern Region of Thailand. It is stipulated that the study should include the feasibility of implementation and investment programs of both public and private sectors which concentrate on private sector investment within the study area. Each finding solutions should avoid or minimize, as far as practical, negative environmental effects in the nearby areas.

2.2.2 Specific objectives

The objectives of the Consulting services are:

- 1) to review all the existing information and reports on tourism development in the Southern Region;
- 2) to describe the present situation of tourism development in Thailand and in the study area for domestic as well as international tourism demands;
- 3) to describe existing tourism development facilities and infrastructures within the study area;
- 4) to evaluate the effectiveness of the present tourism development as organized by public and private sectors;
- 5) to evaluate the demand and supply of the tourism development in the study area;
- 6) to recommend the framework for tourism development in the Southern Region;
- 7) to identify the potential tourism development areas for further development;
- 8) to make recommendations on tourism development for each potential development areas;
- 9) to identify priority programs and plans within the context of the above prepared plan and schemes;

- 10) to prepare development schemes of tourism related industries for ensuring increased job opportunities to local people;
- 11) to describe environmental impact caused by each tourism development plans;
- 12) to prepare potential tourism areas development plan and detail design for each selected areas;
- 13) to successfully achieve the technical transfer to the Thai counterparts throughout the study period.

2.3 Conditions expected on completion of project :

A properly coordinated on framework, guideline and steps in tourism development would have been created for both the government and privated sectors to rely on until 2001.

2.4 Recommended sources :

- 1) Master Plan and Feasibility Study Tourism Development of Phuket
- 2) Tourism Development Master Plan for Samui / Surat Thani
- 3) Tourism Development Master Plan for Songkla / Hat Yai
- 4) Master Plan for Tourism Development of Hua Hin
- 5) Feasibility Study for Tourism Development for Songkla/Hat Yai and the Upper South
- 6) Feasibility Study for Tourism Development for Chiang Mai and the North

2.5 Duration of the Project :

The study period will be 18 months from January 1987 to June 1988.

2.6 Study Area

The study area, for the first year will be a Surat thani Province.

The second phase of the study are Prachuab Kiri Khan, Klabi, Chumporn, Trang, Nakorn Srithammarat, Narathivat, Pattani, Pang-Nga, Pattalung, Phuket, Yala, Ranong and Songkla.

2.7 Scope of the Study

The study intends to prepare a potential tourism area development plan and the detail design on each selected potential tourism areas within the study area. The emphasis should be placed on the establishment of realistic as well as practical development plan and schemes. It is required to evaluate the analysis and comparative advantage of the resources and to include not only physical planning but also proposals for realistic implementation.

The target year of the study is the year 2001 (the end of the Eight National Economic and Social Development Plan). However, it is required to phase out every study item in 5-year interval responding to the country's five-year plan period.

Existing and available information, data and other relevant materials will be utilized for the timely completion of the study.

The study will primarily concentrate on matters in the study area, but more extensive reference to the entire country and international tourism market will be necessary.

The major items of the study can be enumerated as follows :

1) analysis of the present situation for tourism development

The present situation of the study area will be analyzed for the purpose of identifying the existing problems and constraints for future development. Though the particular emphasis will be placed on tourism and its related industries, over-all analysis will be carried out including natural conditions, demographic as well as cultural characteristics, economic activities, social infrastructures and institutional arrangements.

2) marketing analysis of domestic as well as foreign tourists

Interview survey will be conducted to understand the characteristic of domestic tourists visiting the study area and foreign tourists visiting Thailand after the careful examination of the available data and information. Future tourism demand will be forecast in two ways ; a trend type and a promotional type. It is required to reflect the survey results to the demand forecast particularly in terms of tourists characteristics.

3) identification of tourism development potentials

Potential tourism resources will be classified into categories such as natural, historical and cultural resources. The combination of different kind of tourism resources will form a sub-regional tourism zone. Tourism development potentials are required to be identified individually as well as sub-regionally, taking full account of particularity of each resource, transportation and communication network, and characteristics of tourism demand.

4) preparation of potential tourism area development plan

Based on the study items 1) , 2) and 3) , some alternatives for tourism development plan will be prepared. These alternatives are required to be evaluated particularly from the view point of contribution to foreign exchange earnings, possible activation of tourism related industries, realistic implementation. The development plan will also cover impact study on valuable traditional heritages and the way of living of the local people. The recommended development plan will include implementation programs and marketing strategies for each 5 year period up to the year 2001.

5) preparation of development schemes of tourism related industries

Development schemes of tourism related industries will be prepared through the further elaboration of the recommended tourism development plan. It is required to estimate the number of possible job opportunities by type and sub-region and to identify the necessity of vocational training to the local people. Labour requirements for agricultural production and tourism related industries are subject to seasonal fluctuations. It is required to find out some mechanism to minimize the fluctuations. Public and private cooperation schemes will also be prepared.

6) identification of priority programs and projects

In view of the tourism area development plan and the development schemes of tourism related industries, priority programs and projects will be carefully identified and examined.

7) detail design

Each priority programs and projects will be prepared in form of detail design for immediate implementation and investment by both public and private sectors.

3. Details of The Implementing Agency :

3.1 Institutional Framework :

Tourism Authority of Thailand will be in charge of the project by inviting representatives from Authorities concerned-namely Department of Public Works, Department of Town and Country Planning, Office of The National Environment Board, The Royal Forest Department, The Fine Arts Department, Office of The National Economic and Social Development Board and Provincial Administrations of the Southern Region-to contribute their advice and counterpart work.

3.2 Staff Participating in Project Implementing

The Tourism Authority of Thailand Staff participating in the project as counterpart are 2 tourism planners, 1 town planner, 1 economist and 1 architect.

4. Assistance Requested

The project study team shall consist of expatriate Consultants and local Thai Consultants. The Thai Key staff will be supplied by Thai Consultants of the Foreign Consultants' choice with whom the Foreign Consultants shall associate for the purpose of the study.

5. Future work plan

The Tourism Authority of Thailand will coordinate and carry out where possible all the stipulated projects and activities according to the recommendations in the study in order to stimulate and development tourism industry of the Southern Region.

An example of the study

the case, of

SURAT THANI AREA TOURISM DEVELOPMENT

1. INTRODUCTION

This project has taken into consideration the Surat Thani area as the next point of development for tourism. Surat Thani is located half-way between Bangkok and Songkhla in the Upper South of Thailand. It is located at the entrance of Southern Thai, and is ideal in its location to develop the tourist network formed by Songkhla and Phuket, both of which are well developed as tourist meccas. Development of the Surat Thani area will meet the needs of the recent increase of the tourists from the neighbouring countries of Malaysia and Singapore, and it is proposed to study this matter for tourism development.

The tourist resources in the Surat Thani area has as a representative example the Samui Island which has undeveloped beaches which is recognized as a vacation hideaway, and there are other sites with similar tourist potentials. Due to its location on the east side of the Malay Peninsula it is visited by tourists from May through October when Phuket is adversely affected by the southeast monsoon and acts as a supplement to the Phuket area and serves the tourist needs in the Upper South of Thailand throughout the year. In addition to the coastal attractions, the inland areas are rich in cultural objects, and together with the Nakhon Sithammarat Province can form a comprehensive tourist vacationland.

In the performance of this study the following points must be investigated:

- 1) Take into consideration the differences in the demand characteristics of international tourists and the tourists from the neighbouring countries and domestic tourists.
- 2) With due consideration made for the tourist attractions of Bangkok, Songkhla and Phuket, plan the best strategy for the development of the Surat Thani area.
- 3) Evaluate the coastal and inland tourist attractions of the Surat Thani area, and after selecting the target tourist attractions, determine the methods for development of tourism in this area.

- 4) Prepare short, medium and long term plans for tourism development, and prepare a Feasibility Study for the short and medium term plan.
- 5) Prepare a market study for the tourist development plan, and make recommendations for public and commercial entities to cooperate with the project development.

2. STUDY AREA

This study is proposed for the development of tourism for the Surat Thani area, and although the focal point of the study is Surat Thani area, it will cover the broadscope of the Upper Southern part of Thailand.

The Study Area will encompass the following:

- 1) Consider the entire are of Thailand as the base, especially the Upper Southern Part of Thailand, and determine the method for developing tourism in the Surat Thani area. In the preparation of the Master Plan, the study should center on the Surat Thani area while keeping in mind the entire Upper Southern part of Thailand.
- 2) After the direction of the tourism study for the Surat Thani area has been analyzed, actual points of tourist development in the Surat Thani area will be identified as the Study Area.
- 3) In addition to the above items of study, a Feasibility Study shall be prepared for the short and medium terms for tourism development, and tourist facilities shall be included in the analysis for the Study Area.

3. OBJECTIVES

In this part of the study, the establishment of the tourism development in the Surat Thani area will be established. There will be international tourists in addition to local tourists and those from neighbouring countries, and their demands could be identical for some items and entirely different for others. In the short and

medium term scheme improvements in the International Balance of Payments will have to be realized together with the promotion of international tourism, and in the long term scheme improve the GNP.

The investigation will be divided into the following studies:

1) Master Plan Review

The direction of tourism development for the Surat Thani area will be determined by keeping in mind the relation of tourism with the entire Upper Southern Thai area, especially Phuket and Songkhla. Based on this make the evaluation of the various tourist resources in the Surat Thani area, and prepare the Master Plan for the Tourism Development. The study shall consider the trends in international tourism, the characteristics of the tourists coming to Thailand, and identify the main tourist attractions of the foreign tourists.

2) Feasibility Study

In order to develop international tourism for the short and medium term, especially the important areas, a Feasibility Study shall be prepared. After analyzing the forecast of foreign tourists, land use plan, and tourist facilities, and economic and financial analysis shall be made so that the optimum development plan can be made. The development plan will include recommendations to propose the development plan, together with the basic plan for the personnel and agencies to be engaged in the tourism development project.

4. SCOPE OF WORK

The Scope of Work for the Master Plan Review and the Feasibility Study will be as follows:

- 1) The Present Conditions and Evaluation of Tourism Resources in the Upper Southern Thai Area

- 2) Evaluation of the Tourism Resources of Surat Thani Area and Analysis of Existing Development Projects
- 3) The Analysis of Constraints on Development
- 4) The Analysis of the Tourist Characteristics to Southern Thai
- 5) Investigation of the Tourist Market and Future Forecasts
- 6) Establishment of Tourism Resources Development Plan

4.2 Feasibility Study

1) Objectives

The second stage of work in Surat Thani Province shall result in detailed physical plans for the further development of Surat Thani including a detailed land use plan and an advanced engineering study of the infrastructures required for the first phase development recommended, together with investment estimates of costs and an analysis of the economic and financial viability of the proposed first-phase development. It is essential that infrastructure and any facilities for common use and recreation be developed on the basis of using "least economic cost" methods of achieving the objectives sought. Where appropriate, the costs of alternate technical solutions should be estimated and the alternatives evaluated. Where not provided by the Government. The Consultant shall arrange for necessary test drilling, soil tests and analysis shall be arranged.

2) Required Studies and Documentation

a) Detailed Development Plan

Based on the overall land use plan developed in the first stage, a more detailed plan for the areas already built up and the first phase development of Surat Thani Province shall be provided at the scale of 1:2,000 showing:

- exact property lines and land uses;
- traffic network, access roads, street systems and pedestrian paths;
- public parking areas;
- on a per site basis, densities, height limitations, number of rooms, apartments or homes, and parking requirements;
- setbacks, easements and right-of-ways;
- contour lines at intervals of 2 m;
- coordinates; and
- exact boundaries of the proposed first-phase development.

b) First-phase Development Plan

Plans for the first-phase development (scale 1:2,000 with contour at intervals of 2 m) shall include:

(1) Landscape Master Plan

The landscape master plan shall show:

- existing vegetation zones;
- proposed common landscaped areas, indicating plant materials, footpaths, major environmental elements and recreational facilities, such as tennis centers, golf courses, etc.;
- reserved and preserved areas;
- location and size of plant nursery, if provided; and
- coordinates.

(2) Access Roads and Street Plan

The road and street plan shall show:

- existing and proposed circulation patterns and volumes of traffic;
- location and types of structures; and
- sections and gradients.

(3) Stormwater Drainage and Grading Plan

The stormwater drainage and grading plan shall show:

- all natural and artificial drainage ways;
- location and type of existing and proposed stormwater drainage structures;
- natural and adjusted grades, indicated in 2 m contour lines; and
- coordinates.

(4) Water Supply and Sewerage System

The plan shall show:

- existing and proposed water sources, treatment, storage and distribution systems; and
- existing and proposed sewage collection, treatment and disposal systems.

(5) Electrical Facilities

The plan shall show:

- the layout of existing and proposed transmission lines and distribution networks; and
- the location of existing and proposed substations, manholes and connection points for private developments.

(6) Telecommunication

The plan shall show the layout of existing and proposed telephone, telegraph, telex and underground television lines.

(7) Other Plans

In the case that architectural projects such as marinas, commercial facilities, staff housing, etc., are included in the study, plans shall be drawn at a scale of 1:200. Plans for recreational facilities such as tennis centers, golf courses, etc. shall be at a scale of 1:500.

c) Specifications

Outline specification shall be provided for the construction of first-phase facilities as follows:

- (1) Access roads and streets;
- (2) Water supply and sewerage systems;
- (3) Stormwater drainage system;
- (4) Grading;
- (5) Electrical system including street lighting;
- (6) Telecommunication systems;
- (7) Architectural and recreational projects; and
- (8) Solid waste disposal system including specifications for collecting vehicles, volume projections, collection frequency, routes and alternate disposal systems.

General specifications shall be prepared for the landscaping project component, indicating:

- (1) Plant materials;
- (2) Plant material requirements;
- (3) Nursery equipment and building requirements;
- (4) Sprinkler systems;
- (5) Area lighting systems; and
- (6) Pathway treatment.

d) Cost Estimates

The estimated investment costs of the infrastructure and common facilities (if any) to be included in the first-phase development and their operating costs should be provided and should provide a breakdown between foreign exchange costs (direct and indirect) and local currency costs. Adequate contingency allowances should be made for physical and price increase in investment costs. Detailed investment cost estimates should be provided on a year-by-year basis and should be within at $\pm 15\%$ level of accuracy.

e) Other Investment Requirements

Based on their own further review of present development and market prospects, and taking into account the market parameters developed in consultation with the Government, estimates of the investments required in hotels and related tourism facilities, staff housing, community and training facilities for the proposed first-phase development referred to above shall be refined. These cost estimates will be broken down by year and by domestic and foreign (import) components.

f) Financial Evaluation

The financial evaluation will show where appropriate financial returns to:

- (1) Hotel and other investors;
- (2) The Surat Thani Municipality;
- (3) Utilities; and
- (4) The Government.

Such evaluation shall consider:

- (i) Investment costs as developed above, likely average occupancies, estimates of revenues and operating costs, including the charges and taxes for infrastructure services developed in items 2(f)(ii) below, and hence the overall financial returns on representative hotels or different categories, and a representative number of retail establishments. A distinction will be made in the analysis between existing and new hotels.

- (ii) On the basis of the estimated costs of investments in infrastructures and common facilities required to further develop Surat Thani in the first-phase, and the estimated annual operating and maintenances costs of all these services and facilities, the charges to be made or taxes to be levied by the Surat Thani Municipality on hotels, condiminia, commercial centers (shops), residential developments, etc., shall be proposed, taking into account the charges that hotel, other investors and the general public can afford to pay, and the need to assure an adequate financial return on the municipality's investments (after operating and maintenance costs as well as depreciation are covered). Attempts shall be made to develop differential pricing, with a view to minimizing the charges to the poorest sections of the local population.
- (iii) Forecasts of financial results of utility entities which are to provide services to the tourism area, should be prepared on the basis of reasonable estimates of consumption of electricity, water and related services (sewerage, waste disposal, telecommunications). The financial rate of return to the utility entities should be adequate to enable coverage of operating costs including adequate depreciation and maintenance and to provide a surplus to finance replacements. At the same time adequate debt service coverage should be maintained. To meet this objective appropriate utility service charges should be calculated and proposals should be made to meet expected shortfalls in revenue resulting from initially direct service charges to the hotels and other beneficiaries during the gradual build-up of the Surat Thani Area. The ultimate objective

should be to recover these shortfalls during the period of full operation from the ultimate beneficiaries and to avoid any outright subsidies for utility services. A clear distinction should be made in the financial projections between entities which nearly extend their normal services to the tourism area and entities which need to make substantial new investments for service in the tourism area. As the case may be appropriate, allocation of investment costs to the beneficiaries and arrangements for financing (including proposals) for coverage of the related debt service) will be proposed.

- (iv) On the basis of the calculations developed in 2(f)(ii) above, and of the projected revenues from incremental taxes due to the projects, including direct and indirect taxes, the financial return to the Government on its investment in the proposed project shall be calculated. (In this context the "Government" shall include provincial agencies responsible for providing services related to the project). Since much of the land is not owned by the Government and in the absence of capital gains taxes, the recommending of ways in which the Government could share in the appreciated land values due to the implementation of an infrastructure project will be recommended. The financial projections will be shown by year over the economic life of the principal investments. All benefit and cost streams will be broken down by domestic and foreign (import) components.

g) Economic Evaluation

On the basis of the investment costs and the financial projections developed in Part II and 2 (f) above, the incremental economic rate of return on the proposed first-phase development at Surat Thani shall be calculated. The Surat Thani assumptions about the present prospects of Surat Thani without the proposed tourist development against which the incremental returns are to be measured shall be stated. All investments, both public and private, shall be taken into account. Projected total incremental revenues shall cover the revenues of hotels, restaurants and other tourism-related facilities in the project area. Costs shall include those relating to investment in and operation of all facilities. Taxes, duties and subsidies shall be excluded from both investment and operating costs. Subsidies if any, shall be excluded from the calculation of benefits. The estimates of costs and revenues for each year starting from the inception of construction work and covering the economic life of the investments shall be stated. Benefits and costs will be broken down by domestic and foreign (import) components. The costs and benefits to reflect their true value to the economy will be given. The economic analysis shall include calculation of the internal rate of return and net present value. Sensitivity tests shall be applied as appropriate to reflect, inter alia, variations in investment costs, variations in tourist spending, delays in opening of hotels, variations in hotel occupancy levels, and variations in operating costs.

h) Organization for Execution and Operation

The administrative, institutional and financial arrangements necessary for the proper implementation of the project and the operation of its various components should be treated in detail. The entities likely to be involved and the agency or agencies coordinating their efforts should be described. In particular consideration should be given to the organizational structure best suited for further developing Surat Thani Province and to the organizational requirements of the operational phase. The possible functions and structure of the existing or proposed entity, its powers and its relationship to other government agencies, both central and local, and its staffing needs should be carefully examined.

i) Training

Estimates of the requirements of different categories of trained manpower should be made, and proposals for training programs and facilities be included in the final report, bearing in mind that a supply of adequately trained staff for the hotels to be built in Surat Thani Province will be important to the sector and success of the tourism development program.

j) Zoning Regulations and Development Controls

The existing zoning and subdivision regulations shall be analyzed, where necessary, alterations or additions shall be recommended. Where non-existent, such regulations shall be proposed, including:

- the height and bulk of buildings and other structures;
- lot sizes;
- the area of the lot which may be occupied and the size of required open spaces;
- the density of population, hotel rooms, apartments, single family homes, shops, etc.; and
- the use of buildings and land.

5. TIME SCHEDULE AND REPORTS

All studies and reports shall be completed within a period of 11 months. The following reports shall be prepared and submitted within the period indicated.

- 1) Progress Reports, at one-month interval, giving a statement of all work performed during the reporting period and the work program for the next two reporting period (40 copies to the Government, in English).
- 2) An Interim Report, within three months after the commencement of the work, summarizing the initial findings on Part I of the study, and providing sufficient information and detailed to constitute a basis to Notification to Proceed with Part I of the study as well as a basis to review the bar chart for the remainder of the work (40 copies to the Government, in English).
- 3) A Feasibility Report on the development potential of the selected high priority areas, including all relevant maps, drawings and calculations as needed for presentation to international financing institution, within 9 months after starting date (40 copies to the Government, in English).

- 4) A Draft Final Report of Part I of the study, within 12 months after the starting date, summarizing all work performed, the findings and recommendations giving maps and plans of the proposed general land use patterns and of the proposed infrastructural works, together with administrative and financial recommendations concerning the implementation of first-phase development program (40 copies to the Government, in English).
- 5) A Final Report of Part I of the study in incorporating all revisions deemed appropriate one month after the receipt of comments on the draft of the Government which have not resulted in revisions of the reports. (100 copies to the Government, in English).

6. DATA, DOCUMENTS AND SERVICES TO BE PROVIDED BY THE THAI GOVERNMENT

1) Physical Inventory

The Government will make available all existing information on the following items:

- Inventory of natural and scenic attractions
- Geomorphological and geological data
- Description of natural hazards
- Data on water and hydrology
- Data on beaches and oceanography
- Climatological information
- Information on flora

2) Socio-Economic Information

All available data on the population and the economic resources of Surat Thani area shall be made available.

3) Infrastructure Inventory

All available information on existing and planned infrastructure shall be made available including:

- Water source, treatment and distribution systems;
- Sewage collection, treatment and disposal systems;
- Power plants and distribution networks;
- Communication systems including radio, telegraph and television services;
- Refuse collection and disposal systems;
- Road networks;
- Airport facilities and airstrips;
- Railways; and
- Harbor facilities.

4) Market Data

The Government shall furnish all available data on:

- Existing and potential markets;
- Past existing and projected visitor flows;
- Visitor characteristics, such as age, sex, income-level, length of stay, purpose of visit, etc.
- Present capacities and future intentions of the various international air carriers, including charter operations; and
- Present and projected supply of first-class hotel accommodation in Thailand.

5) Financial Data

As far as possible, the Government shall assist in obtaining the following:

- Current and projected land prices in the potential project areas;
- Operational statements from representative hotels in Thailand;
- Current and projected construction costs for infrastructures and hotels in Thailand and if possible, detailed price lists for major building materials;

- Investment requirements or restrictions in the case of foreign investments in Thailand;
- Incentives for the tourism industry;
- Financing facilities available for hotel and other investors;
- Information on property, sales, and corporate taxes; and
- Information on import duties on equipment, building material, food, liquor and other goods.

6) Legal Information

The Government shall provide the following legal information:

- Land ownership in Surat Thani;
- Laws relating to land use and estate in Thailand;
- The recent legislation and regulations on town and country planning;
- Public utility operations;
- Local Governments-their establishment and operations thereof; and
- Other areas of law relevant to the studies.

7) Institutional Information

The Consultants shall be provided with all information related to the present and future organization of Government agencies involved in the tourist industry in Thailand.

8) Labor Cost

Current and projected information on wage levels in the building and tourism industries shall be provided.

9) Guidance for Economic Analysis

The Government shall provide guidance on questions of national and regional economic policy relevant to the proposed developments. They shall inform the current practices governing the evaluation of projects, including, for example, the treatment of shadow prices for land, labor, foreign exchange or any other resource whose market price may be considered not to reflect its economic value. They will inform of any authoritative estimates of the appropriate discount rates to be used in present value calculations, and of the opportunity cost of capital.

10) Cooperation of Government Agencies

To the extent that the cooperation of public agencies, local or national are needed, the Government is to provide liaison through the Tourist Organization of Thailand, NESDB, and the Ministry of Interior. An individual within shall be appointed as being responsible for such liaison, a deputy being named in the event of such individual's absence.

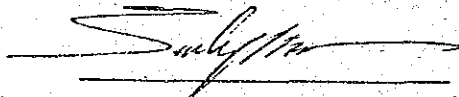
11) Administration of Contract

The Government shall designate a person (herein referred to as the Nominated Person) to act as its representative in all matters arising under the contract, and shall empower the Nominated Person to sign all certificated of performance of work under the said contract, and to approve the vouchers submitted by them. A deputy shall be designated by the Government to perform functions of the Nominated Person set forth above whenever the Nominated Person shall be absent from office.

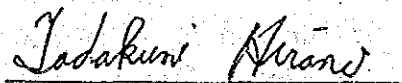
付録-5 SCOPE OF WORK

SCOPE OF WORK
FOR
THE STUDY
ON
POTENTIAL TOURISM AREA DEVELOPMENT
FOR
SOUTHERN REGION
IN
THAILAND
AGREED UPON BETWEEN
TOURISM AUTHORITY OF THAILAND
AND
JAPAN INTERNATIONAL COOPERATION AGENCY

BANGKOK, JULY 3, 1987



Serée Wangpaichitr
Deputy Governor
Planning and Development
Department
Tourism Authority of
Thailand



Tadakuni Hirano
Leader, Japanese Preliminary
Study Team, JICA

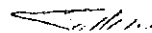
I. INTRODUCTION

In response to the request of the Government of the Kingdom of Thailand, the Government of Japan decided to conduct the Study on Potential Tourism Area Development for Southern Region (hereinafter referred to as "the Study"), within the general frame-work of technical cooperation between Japan and Thailand, which is set forth in the Agreement of Technical Cooperation between the Government of Japan and the Government of the Kingdom of Thailand signed on November 5, 1981.

Accordingly, Japan International Cooperation Agency (hereinafter referred to as "JICA"), the official agency responsible for the implementation of the technical cooperation programs of the Government of Japan, will undertake the Study, in accordance with the relevant laws and regulations in force in Japan and in close cooperation with the authorities of the Kingdom of Thailand.

Tourism Authority of Thailand (hereinafter referred to as "TAT") shall act as counterpart agency to the Japanese study team and also as coordinating body in relation with other relevant organizations for the smooth implementation of the Study.

The present document sets forth the Scope of Work for the Study.



II. OBJECTIVE OF THE STUDY

The Study aims at preparation of tourism development guidelines for southern region in Thailand and formulation of tourism development plan on a selected area.

III. OUTLINE OF THE STUDY

In order to achieve the objective mentioned above, the Study shall cover the following :

1. PART I STUDY

Preparation of tourism development guidelines

- (1) review of the policy for tourism development and regional development,
- (2) review of existing studies,
- (3) assessment of current tourism resources and facilities,
- (4) examination of potentiality of tourism development,
- (5) demand forecasting,
- (6) examination of tourism development possibility and identification of present constraints,
- (7) preparation of tourism development guidelines,
- (8) selection of a potential area for tourism development planning.

2. PART II STUDY

Formulation of tourism development plan on ^a selected area

- (1) formulation of policy and strategy for tourism development,
- (2) examination of present state of infrastructure,

- (3) assessment of tourism resources and facilities,
- (4) demand forecasting and market research,
- (5) assessment of tourism promotion system,
- (6) identification of present constraints,
- (7) establishment of alternative conceptual tourism development plans,
 - a. land use plan,
 - b. infrastructure improvement plan,
 - c. tourism facilities plan,
 - d. tourism promotion system,
 - e. cost estimate
- (8) evaluation of conceptual tourism development plans,
- (9) preparation of implementation program and recommendation.

IV. STUDY SCHEDULE


The Study shall be performed in accordance with the attached tentative schedule.

V. REPORTS

JICA shall prepare the following reports in English and submit them to the Government of Thailand.

1. Inception Report (30 copies)

This report is to describe the overall approach and implementation program of the Study and to be submitted within one (1) month from the commencement of the Study.



2. Interim Report I (30 copies)

This report is to describe the result of the Part I study and to be submitted within six (6) months from the commencement of the Study.

3. Interim Report II (30 copies)

This report is to describe alternatives for tourism development and to be submitted within four (4) months from the commencement of the Part II study.

4. Draft Final Report (30 copies)

This report is to describe all the results of the Study and to be submitted within seven (7) months from the commencement of the Part II study.

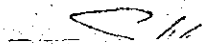
TAT shall provide JICA with its comments within one (1) month after the submission of the Draft Final Report.

5. Final Report (50 copies)

This report is to be finalized taking into consideration the above mentioned comments on the Draft Final Report and to be submitted within two (2) months after receipt of the comments.

VI. UNDERTAKING OF THE GOVERNMENT OF THE KINGDOM OF THAILAND

1. In accordance with the Agreement on Technical Cooperation between the Government of Japan and the Government of the Kingdom of Thailand dated November 5, 1981, the Government



of the Kingdom of Thailand shall accord benefits to the Japanese study team as follows;

(1) to permit the members of the Japanese study team to enter leave and sojourn in Thailand for the duration of their assignment therein and exempt them from alien registration requirements and consular fees,

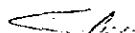
(2) to exempt the members of the Japanese study team from taxes, duties and any other charges on equipment, machinery and other materials brought into Thailand for the conduct of the Study,

(3) to exempt the members of the Japanese study team from income taxes and charges of any kind imposed on or in connection with any emolument or allowance paid to the members of the Japanese study team for their services in connection with the implementation of the Study,

(4) to bear claims, if any arises against the members of the Japanese study team resulting from, occurring in the course of, or otherwise connected with the discharge of their duties in the implementation of the Study, except when such claims arise from gross negligence or willful misconduct on the part of the members of Japanese study team.

2. To facilitate smooth conduct of the Study, TAT shall take necessary measures in cooperation with other relevant organizations;

(1) to secure permission for entry into private properties or restricted areas for the conduct of the study,



(2) to secure permission for the study team to take all data and documents related to the Study out of Thailand to Japan

(3) to provide the medical services as needed (Its expenses will be chargeable on member of the Japanese study team.),

(4) to ensure the safety of the members of the Japanese study team when and as it is required in the course of the Study.

3. TAT shall, at its own expense, provide the Japanese study team with the followings;

(1) available data and informations related to the Study,

(2) counterpart personnel,

(3) suitable office space with necessary equipment,

(4) credentials or identification cards.

VII. UNDERTAKING OF JICA

For the implementation of the Study, JICA shall take the following measures;

1. to dispatch, at its own expense, study teams to Thailand.

2. to pursue technology transfer to the Thai counterpart personnel in the course of the Study.

VIII. OTHERS

JICA and TAT shall consult with each other in respect of any matter that may arise from or in connection with the Study.

(H)

Sudin



TENTATIVE SCHEDULE OF THE STUDY

MONTH	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18	19	
REPORTS		Ic/R ▼					It/RI ▼					It/RII ▼			DF/R ▼				F/R ▼	
PART I STUDY																				
PART II STUDY																				

Work in Thailand

Work in Japan

Ic/R : Inception Report

It/RI : Interim Report I

It/RII : Interim Report II

DF/R : Draft Final Report

F/R : Final Report

付録-6 MINUTES OF MEETING

MINUTES OF MEETING
ON
THE SCOPE OF WORK
FOR THE STUDY
ON
POTENTIAL TOURISM AREA DEVELOPMENT
FOR
SOUTHERN REGION
IN
THAILAND

The Japan International Cooperation Agency (JICA) dispatched the preliminary study team for the Study on Potential Tourism Area Development for Southern Region (the Team) headed by Mr. Tadakuni HIRANO from 24 June to 4 July 1987. The Team had a series of discussion with the officials of Tourism Authority of Thailand (TAT) and authorities concerned.

The field surveys in Surat Thani, Ko Samui and Phuket also were conducted with the arrangements and cooperation of TAT.

This document sets forth the main issues discussed during the above period.

1. In the light of findings of the Team and the request from TAT, the Scope of Work for the study was discussed and agreed upon between the Team and TAT.

2. The Team explained the Study is aiming at the promotion of tourism focusing on potential markets. In this connection, the Study will put the stress on analysis on Japanese tourist activities and behaviors and their requirements.

(12)

128
51

3. The Team requested TAT to set up a steering committee consisting of representatives from related organizations such as NESDB, DTCP and RFD, and TAT accepted it.


4. In respect of Part II Study, the Team explained the Study will be at the level of pre-feasibility study and TAT agreed.

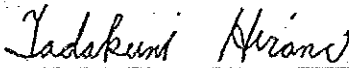
5. In respect of Part II Study, item 8, evaluation of plans will be conducted considering social and economic impact as well as financial and environmental aspects.

6. The area selected for Part II Study will be decided in the discussion between JICA and TAT based on the result of Part I Study.

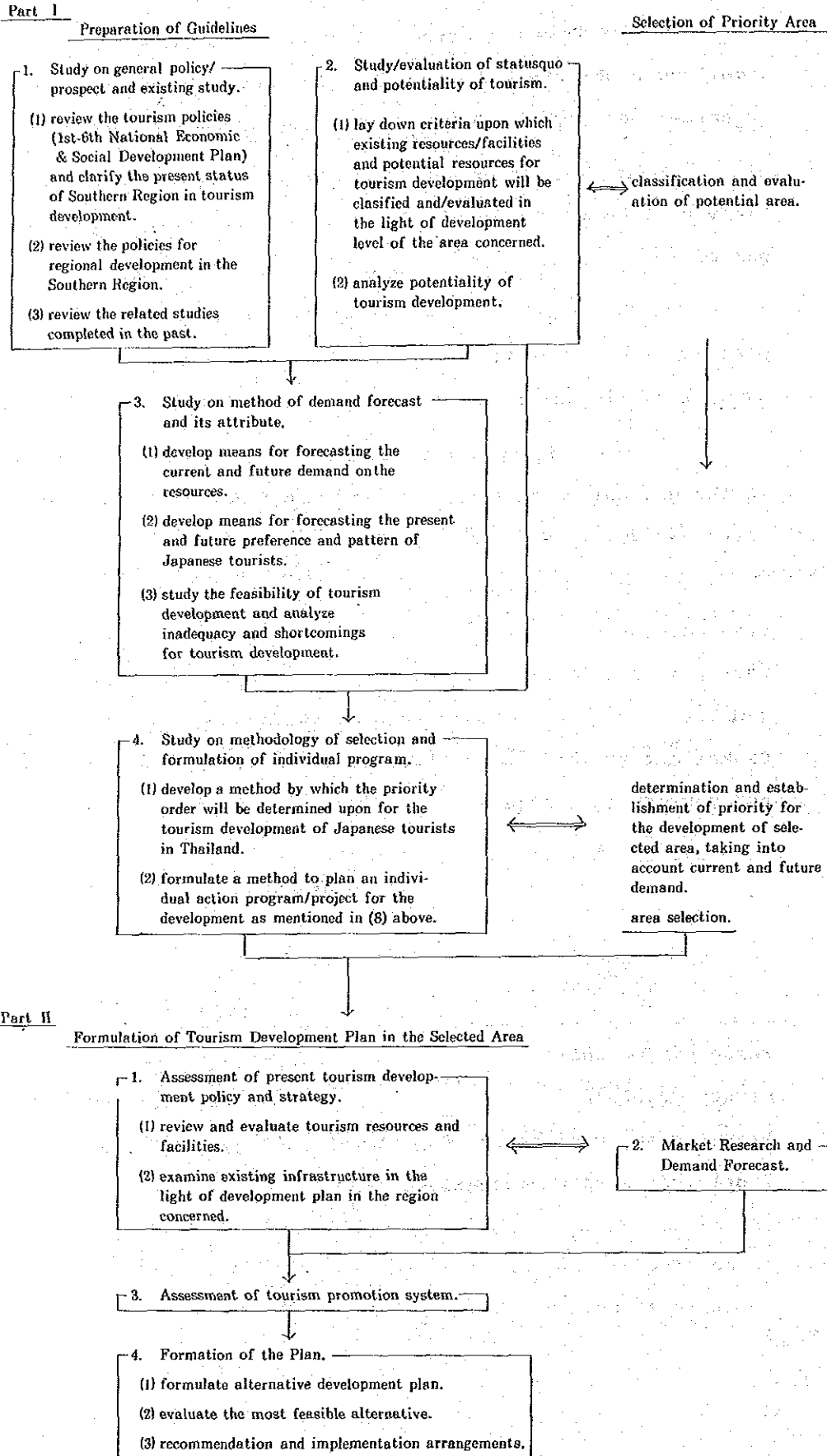
7. The Team also expressed its impression on the field reconnaissance survey and noted that the present condition of Phuket is not satisfactory to meet the Japanese tourism demand, but that there is the advantage of tourism development for Phuket due to the accumulation of investment of infrastructure and tourism facilities.

BANGKOK, JULY 3, 1987


Seree Wangpaichitr
Deputy Governor
Planning and Development Department
Tourism Authority of Thailand


Tadakuni Hirano
Leader, Japanese Preliminary
Study Team, JICA

付録-7 調査フローチャート (英文)



JICA