THE ROYAL THAI GOVERNMENT

NATIONAL ECONOMIC AND SOCIAL DEVELOPMENT BOARD

THE SUB-REGIONAL DEVELOPMENT STUDY OF THE UPPER-SOUTHERN PART OF THAILAND

FINAL REPORT

March 1985

VOLUME 7

surat thani·phuket zone

TOURISM

JAPAN INTERNATIONAL COOPERATION AGENCY

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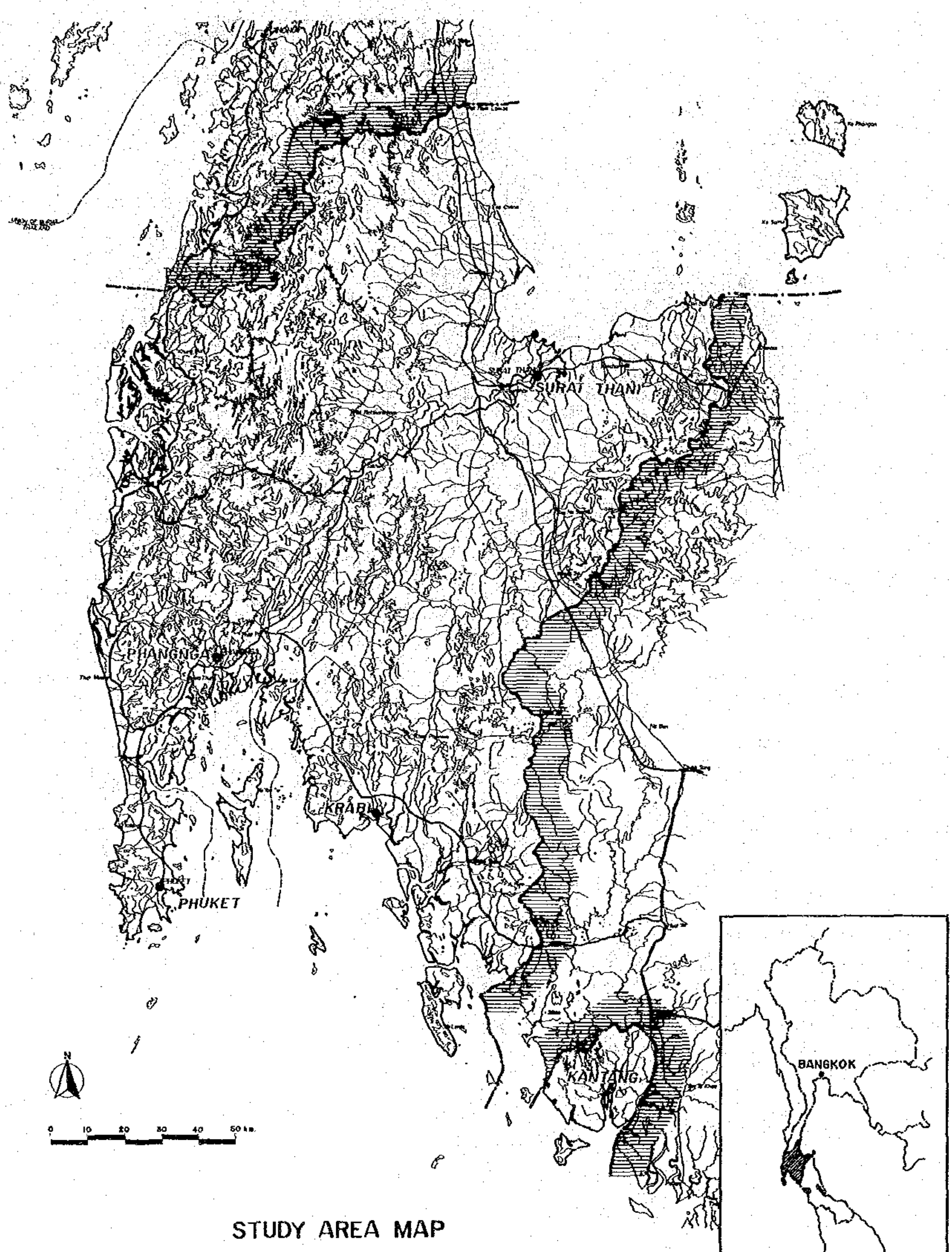
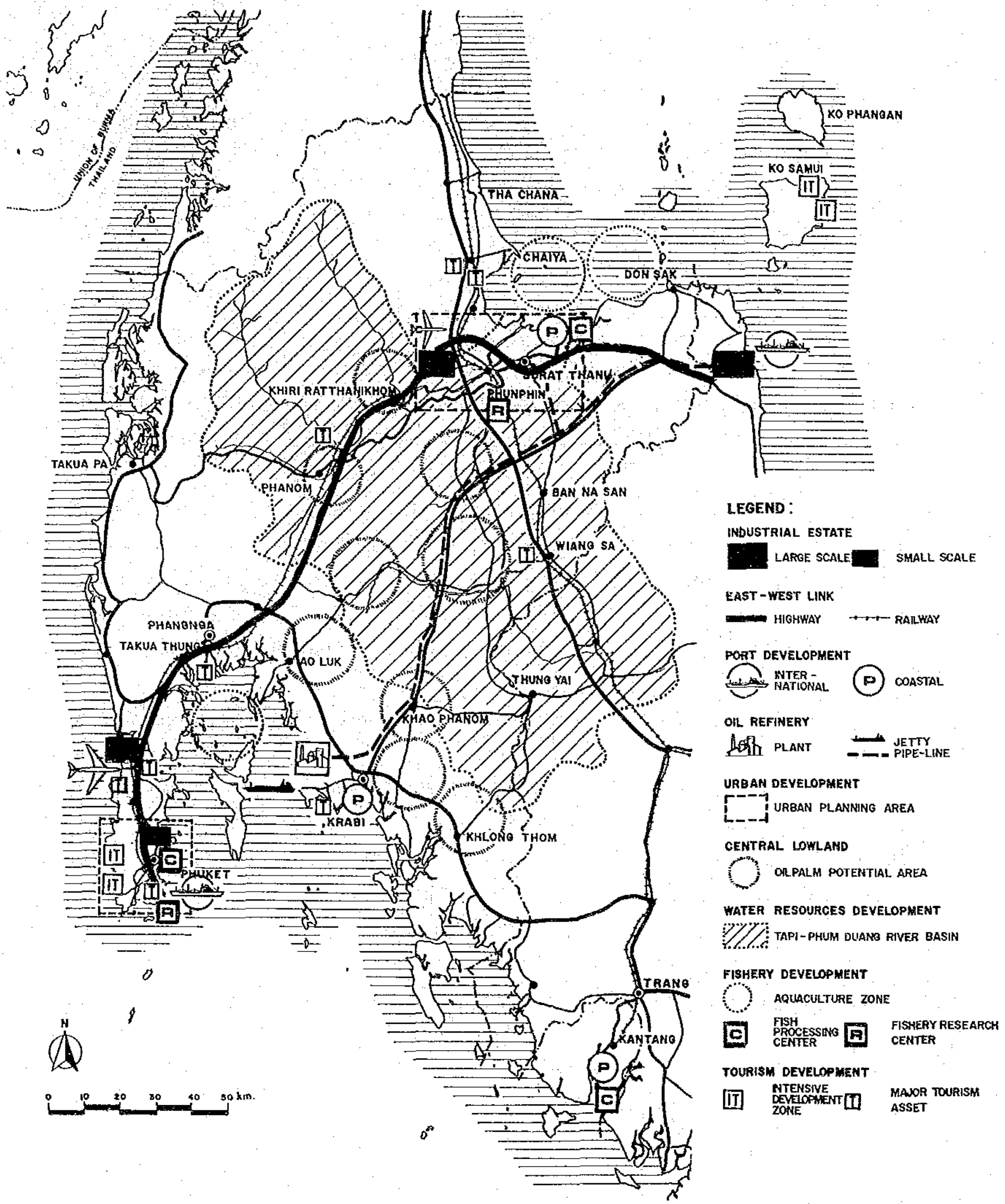


STUDY AREA MAP



PROJECT LOCATION MAP FOR PRE-FEASIBILITY STUDY

LETTER OF TRANSMITTAL

March 20, 1985

His Excellency Mr. Keisuke Arita
President
The Japan International Cooperation Agency
Shinjuku Mitsui Building
Nishi Shinjuku 2-1
Shinjuku-ku, Tokyo
Japan

Dear Mr. President:

We have honor to submit to you our final report on the Subregional Study of the Upper Southern Part of Thailand. It is our great pleasure to note that this assignment has been completed through the close cooperation between two governments of Japan and Thailand.

The report was prepared during the past two years by the study team organized by the consortium of the International Development Center of Japan and the Pacific Consultants International Co. Ltd., and headed by Dr. Masahiko Honjo, the Team Leader. It comprises seven volumes, i.e. Vol.1 Master Plan; Vol.2 Transportation; Vol.3 Urban Development; Vol.4 Industry; Vol.5 Energy; Vol.6 Primary Resources ; and Vol.7 Tourism.

In preparing this report, our team benefited a great deal from cooperation extended by officials and experts of JICA and other authorities concerned of the government of Japan. Equally important, our team was supported by the staff from NESDB and other ministries of the Royal Thai Government throughout the stay of our team in Thailand for nearly 17 months. We also wish to put on record our sincere gratitude to the wide ranging discussions over the proposals contained in the draft final report at the National Seminar of the Upper South Development Policies and Programs held in Thailand on January 25 and 26, 1985.

We wish to add that we sincerely hope this report will provide an important basis for planning and implementing the development of the Upper Southern Part of Thailand.

Yours truly,

Saburo Kawai

Saburo Kawai
President
International Development Center of Japan

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1. SUMMARY

Tourism is a growing industry in Thailand. The country has been attracting tourists increasingly from the surrounding countries in addition to those from European countries to which Thailand has better access than other parts of the Southeast Asia. Domestic tourists have also been increasing in response to urbanization. The Upper South has been attracting 8.1 percent of foreign and 6.8 percent of domestic tourists mainly for its coastal tourism resources and air transport access to three major tourism markets of Bangkok, Kuala Lumpur and Singapore. The relative magnitude of the Upper South in the Thai tourism will be greater as the tourists from the surrounding countries will increase.

Number of tourists, in terms of hotel guests, to the Upper south is expected to increase at an annual rate of 8.7 percent to reach 1.8 million persons per year in the year 2000, comprising 0.4 million foreign and 1.4 million domestic tourists. This increase in the Upper South is expected to be faster than the national tourist increase which we forecast a little greater increase than TAT projection, in consideration of a long-term consumption increase in the surrounding countries and the general propensity of tourists to extend their destination to those places which they have not visited. In consequence, the tourists expenditure in the Upper South will amount to 3.1 billion baht or six percent of the service sector GDP in the year 2000.

The Upper South is endowed with a variety of existing and potential tourism resources, including the beaches coexisting with a good urban amenity in Phuket, super coastal views of Phangnga and Krabi with possibly better access from Phuket, the Beaches of Ko Samui, resort of long-term potential in the eastern coast and other inland tourism resources such as historical and cultural assets in Chaiya and Wiang Sa, and Chiew Larn Dam as a man-made tourism resource in the natural environment. There are, however, several problems in making use of these resources. First, the resources are scattered in a considerably wide area without good transport to connect them each other preventing the economy of scale in tourism-related industries from being formed and the tourism resources of different types from being combined to strengthen their competitiveness over tourism spots in other regions or countries. This is related with the second problem of monsoon which causes seasonal fluctuation of tourism demand. The hotel occupancy rate fluctuates between 25 percent during offseason and some 70 percent during onseason in Phuket. Third, urban services and utilities are still poor to satisfy tourists and increase the capacity of tourism spots to accommodate more tourists. Water supply is a critical issue in Phuket. Fourth, the lack of a definite system of administrative responsibilities and the shortage of budget for tourism development are serious constraint to coordinate private and public investments and harmonize environmental control and tourism promotion. Another related problem is the lack of some major capitals to enable top class accommodations to be established as a trigger of development in both Phuket and Surat Thani.

Tourism development in the Upper South needs to address itself to (1) attract as many tourists as possible in the expected tourism market, (2) maintain perpetually the high quality of resort spots by controlling the pattern of tourism investments to meet with a capacity of tourism resources and (3) make tourism sector contribute to regional development by enhancing the region's reputation for industrial and other investors and creating a part of the demand necessary to support various infrastructure development.

These tasks are to be accomplished in a phased manner; (1) the formation of major tourism centers, i.e., Phuket and Surat Thani, to be followed by integration of peripheral tourism spots in the major centers, (2) the development for the "resort-oriented tourists" to be followed by that for the "city-oriented tourists in response to the changing segmentation in the future tourism market and (3) the investment in consideration of the interactions between tourism development and progress in other sector, transportation and urban development in particular.

The following projects are thus recommended for the each tourism zone we identified:

Zone		Proposed Projects 1987-91	Proposed Projects 1992-2000
	Phuket	• Intensive development of Patong, Karong and Kata Beaches • Yacht harbor and marine park development • Free trade zone development for tourism	• Bridge park development coordinated with New Phuket Bridge construction
Phuket/Phangnga Krabi Zone and Trang Zone	Phangnga/ Krabi/ Trang		• Improvement/development of sightseeing boat network in Phangnga Bay, including Phuket-Krabi Ferry Line. • National ~~parks~~ improvement in Khao Sak, Nai Ham and Pi Pi Island. • Forest parks improvement
Surat Thani-Ko Samui Zone		• Relocation of tourism boat terminal from Ban Don to Tha Thong (Surat Thani)	• Development of Bo-Phut and Chaweng Beaches (Ko Samui) • Overall beautification (Ko Samui) • Improvement of water supply system (Ko Samui)
Chaiya-Surat Thani-Wiang Sa Zone		• Chaiya Historical Park Development • Research/excavation of Wiang Sa Ancient City • Traditional industrial center development in Phum Rieng	• Forest parks improvement
Chiew Larn Dam Zone		• Visitors center development at Chiew Larn Dam	

A balance between tourism promotion and environmental control is particularly important in Phuket. We propose to identify the beaches to be developed intensively, those to be developed in a limited way and those to be preserved. It is virtually possible for Phuket to accommodate the 764,000 hotel guests expected for the year 2000 by limiting an average room-beach ratio of 140 rooms per kilometer within the two-thirds of the total beach, the ratio being a little lower than the one in the present Patong Beach.

To this end, it is needed to prepare the authorized criteria and standards for buildings at beach areas, to authorize and enforce the beach zoning system and to link the beach zoning with tax incentive and private-public coat sharing in the infrastructure and utility development.

Despite that Tourism Authority of Thailand (TAT) is the only public body to plan and implement tourism development, its financial capability is so limited that it cannot execute projects on a certain scale on top of the administrative and study works as carried out at present. For the sake of ensuring effective implementation within a limited budget, it is recommended for TAT (1) to prepare a long-term tourism development program to identify the special development zones like Industrial Promotion Zone of Board of Investments (BOI), the investment framework for such zones and the tax and other incentives for the zones, (2) to enlarge its financial sources by any means of allocating specific budget from the central government and to collect/share contributions and tax revenues from the private sector, and (3) to work out a comprehensive and clear division of works among government agencies, local governments and the private sector. Among others, establishment of zoning system and its enforcement are urgent to be planned by TAT and enforced by a government agency with possible authorization power.

2. TOURISM MARKET AND UPPER SOUTH

2.1 THAILAND IN INTERNATIONAL MARKET

Among Southeast Asian countries, Thailand is ranked at number three in terms of number of foreign tourists being attracted following after Hong Kong and Singapore, as shown below :

1. Hong Kong: 2.1 million persons per year
2. Singapore: 2.0
3. Thailand: 1.5
4. Malaysia: 1.1
5. Philippines: 0.8
6. Indonesia: 0.5

Source: World Tourism Organization 1980

The origin-mix of the tourists to the Southeast Asian countries shown in Table 2.1 suggests that Thailand attracts tourists from various countries. The share of European tourists is especially high in Thailand compared with that in other countries, except for Indonesia.

Table 2.1 ORIGIN-MIX OF TOURISTS TO SOUTHEAST ASIA, 1978

Unit: %

Destination / Origin	Hong Kong	Singapore	Thailand	Malaysia	Philippines	Indonesia
North America	16.1	15.7	10.2		15.7	13.8
Asia and Pacific	64.6	62.5	49.3	N/A	62.5	49.7
Europe	13.7	18.4	30.7		18.4	32.8
West/South Asia	2.9	1.0	7.6		1.0	1.4
Others	2.7	2.4	2.2		2.4	2.3
Total	100.0	100.0	100.0		100.0	100.0

Source: World Tourism Statistics 1978

Next, in an effort to determine the relative position of Thailand in the world tourism, an origin-destination table of the tourists has been prepared based on the data of World Tourism Statistics, 1978 as shown in Figure 2.1. The tourist flows among European countries and among the Atlantic Ocean countries are enormous compared with those between Asian countries and the Pacific Ocean countries. The former tourists' flow amounts to millions to ten millions people, while the volume of the latter amounts only to 100,000.

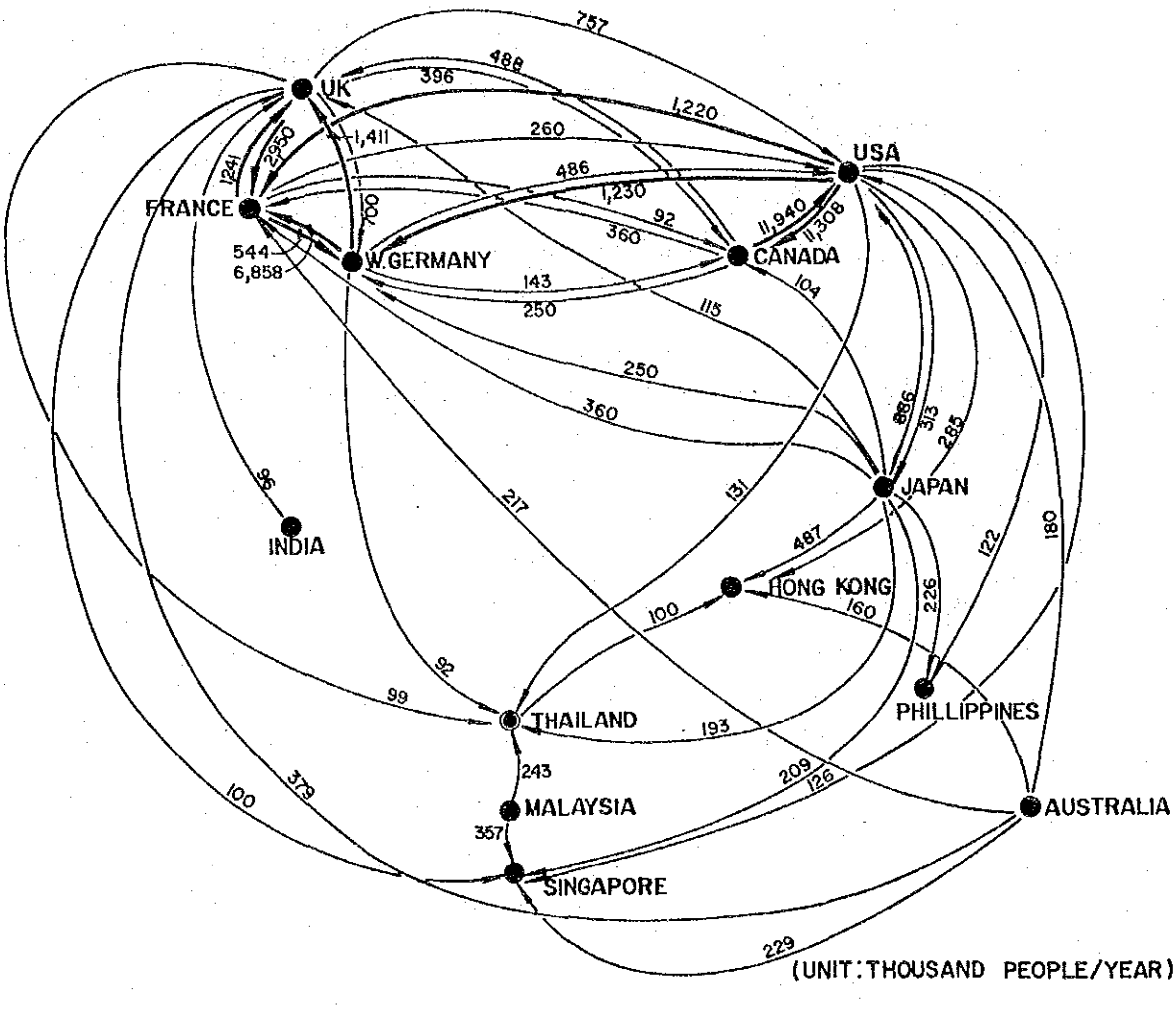


Fig. 2.1 INTERNATIONAL TOURISTS FLOWS BETWEEN MAJOR COUNTRIES, 1978

Remarkable tourist flows among Asian countries are listed up as follows :

- Japan to Hong Kong: 490,000 persons per year (1978)
- Malaysia to Singapore: 360,000
- Malaysia to Thailand: 240,000
- Japan to the Philippines: 230,000
- Australia to Singapore: 230,000
- Japan to Singapore: 210,000
- Japan to Thailand: 190,000

Table 2.2 compares the top-ranking destination country and Thailand in tourism movements among from major tourist originating countries for Thailand.

This table apparently shows that, for Thai tourism, the relative magnitude of European and North American countries is remarkably lower than that of the neighbouring countries, including Malaysia and Singapore. Particularly, tourist inflow has been increasing rapidly from Malaysia to Thailand (see Figure 2.2).

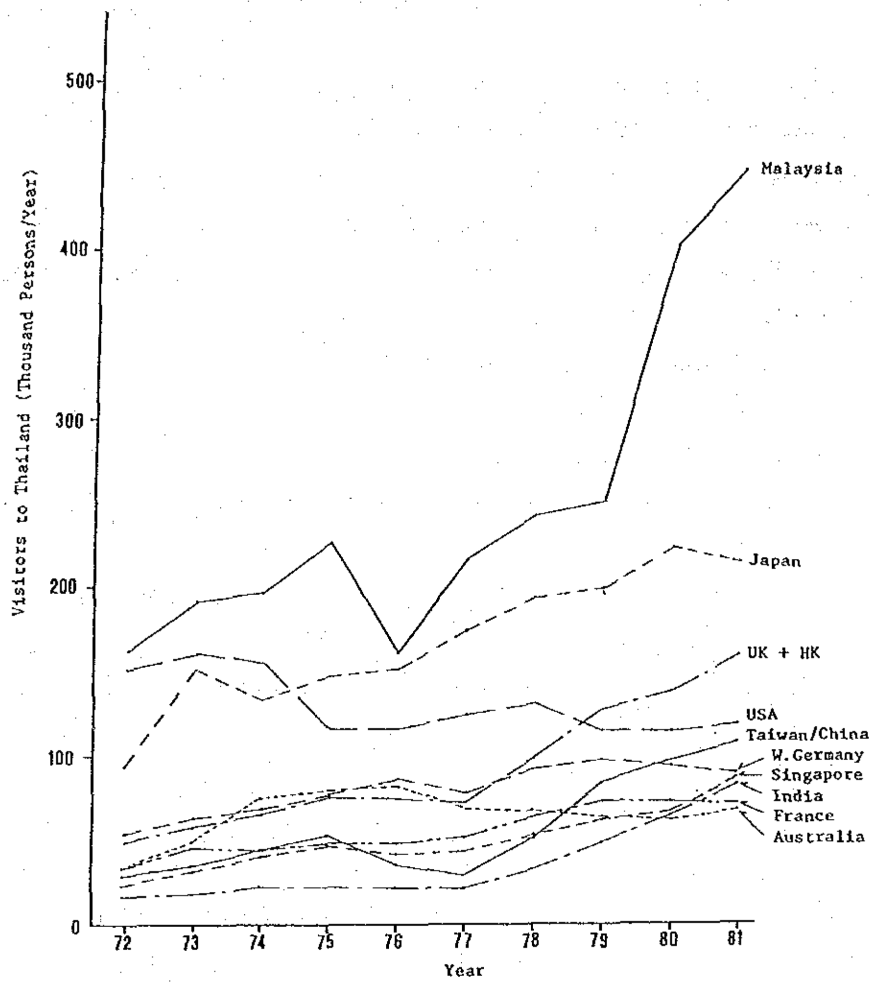
In sum, Thailand is a major tourist attracting country in Southeast Asia. Magnitude of tourists from neighbouring countries is large and increasing. Compared with neighbouring countries Thailand attracts significant number of European tourists while the tourist flow from Europe to Southeast Asia is only marginal in the world tourist flows.

Table 2.2 RELATIVE GRAVITATION OF FOREIGN TOURISTS TO THAILAND

Unit: 1,000 persons

Country of Tourist Origin		A. Country of Number One Destination and Attracted Tourists		B. Tourists Attracted to Thailand	B/A
Japan	:	USA	(886)	194	0.22
USA	:	Canada	(11,308)	131	0.01
UK	:	France	(2,950)	99	0.03
WG	:	France	(6,685)	92	0.01
Malaysia	:	Singapore	(357)	243	0.68
Singapore	:	Hong Kong	(67)	51	0.76
The Philippines	:	Hong Kong	(86)	17	0.20

Source: World Tourism Organization, 1978



Source : TAT

Fig. 2.2 CHANGE IN THE VISTORS FROM THE MAJOR COUNTRIES

2.2 DOMESTIC MARKET

In general, demand for travel increases as one's income level increases and when he or she has more spare time to spend for leisure. The educated people tend to travel more to see historical and cultural assets. A study on the potential of tourism development in Thailand shows that the people living in the urban areas travel almost four times more than those living in the rural areas. These indicate that as the level of income and education is enhanced, and as the people are concentrated in urban areas, demand for tourism will increase. We estimate that the number of domestic tourists is 15.5 million in 1980.

2.3 TOURISM IN THAI ECONOMY

International tourism is an effective way to deepen international understanding of different countries through communication of the people. It is also an important measure of earning foreign currency. According to the data published by Tourism Authority of Thailand (TAT), there were more than two million visitors to Thailand in 1981, and the revenue from tourism amounted to about 21,455 million baht (Figure. 2.3), which corresponds to average per capita revenue of around 480 baht and accounts for three percent of GDP and six percent of service sector's GDP. Among export items, tourism ranked the second in 1981 next to the rice export of 26,360 million baht (Figure. 2.4). It is expected that the tourism will be the top export earning sector of 49,500 million baht by the end of the Fifth Five-Year Development Plan. In addition to the tourism contribution to earning foreign currency, increase of tourism creates more job opportunities directly or indirectly. Direct effect is a demand for more employment such as hotel personnel, tour guides and drivers. Indirect effect includes a demand for economic activity and employment in a large variety of related sectors such as transport, building, food processing, agriculture and services. According to the data of TAT, the number of employees engaged in tourism industry is estimated at 1.7 million in 1982, which is equivalent to the number of employees in the service sector and eight percent of the total economic active population.

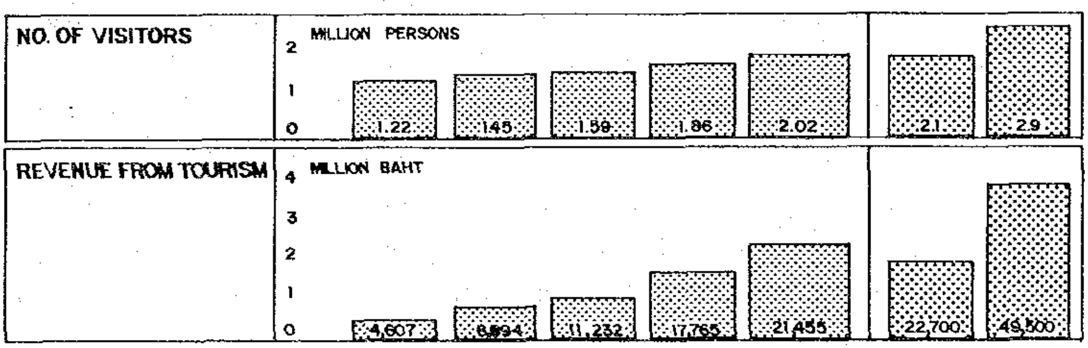
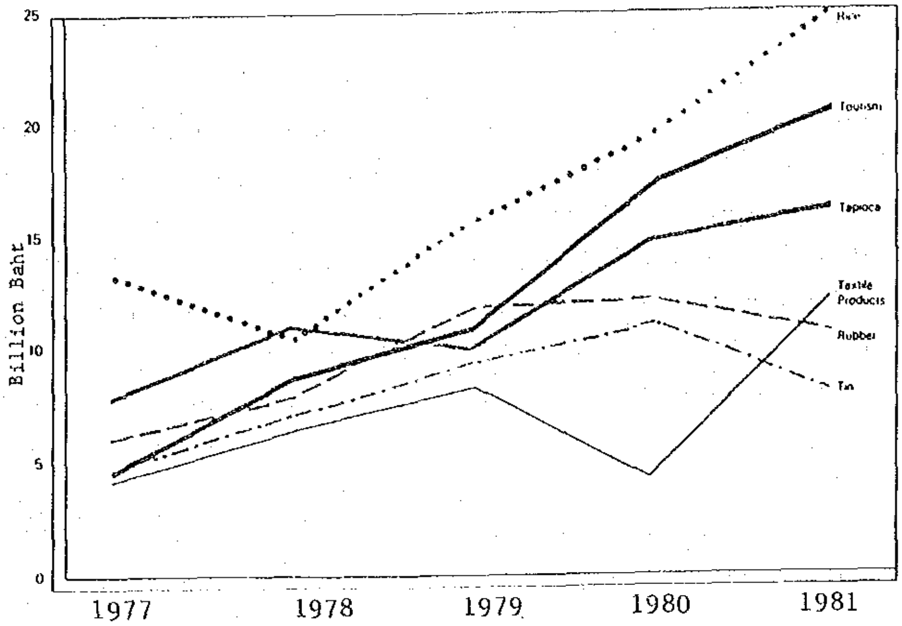


Fig. 2.3 NUMBER OF VISTORS TO THAILAND AND REVENUE FROM TOURISM



Source : TAT

Fig. 2.4 REVENUE FROM TOURISM AND MAJOR EXPORTS COMPARED

2.4 UPPER SOUTH IN THAI TOURISM DEVELOPMENT

In Thai tourism, the Upper South has been attracting visitors for its coastal tourism resources in contrast to many other tourism spots of which attractivenesses are historical, cultural and inland natural assets. With this coastal tourism resources, the Upper South has been attracting 6.8 percent of domestic and 8.1 percent of foreign tourists except those to Bangkok (TAT, Study on the Potential of Tourism Development in Thailand, 1982). Beach alone would have many competitors, both in and around the country, such as Pattaya and Penang. However, the Upper South has a potential to be an integrated tourism zone to combine different tourism resources, including beaches with urban amenity of Phuket, superb view of coastal areas in Phangnga and Krabi and virgin island of Samui. Combination of these different tourism assets are little found elsewhere.

The Upper South is situated among the three large tourism markets of Bangkok, Kuala Lumpur and Singapore (see Figure. 2.5). The number of tourists to Thailand, Malaysia and Singapore in 1978 were 1.5 million, 1.4 million and 2.0 million, respectively. The existing major tourism resources between Bangkok and Malaysia are Penang and Songkhla/Hat Yai. The percentage of the international tourists to

Songkhla/Hat Yai in 1981 was 10.4, which was the second biggest in Thailand following Bangkok, whereas Phuket was visited only by 1.8 percent of them. The international tourism route map shows that Songkhla is linked with Kuala Lumpur, Penang, Surat Thani and Phuket. The large number of tourists to this city seems to be supported not only by its attractiveness, but also by its excellent accessibility. However, the direct flight between Singapore, Phuket and Bangkok which just entered service at the end of 1983 will accelerate the increase of tourist flows to the Upper South not only from neighbouring countries but other countries since Phuket is put right on the international tourism route by this flight. Relative importance of Phuket and its surroundings in the national tourism development will be greater because number of tourists from the countries nearby the South such as Malaysia and Singapore has been increasing rapidly. Malaysian and Singaporian tourists increased from 24 to 29 percent of total international tourists to Thailand during the period 1977-81.

There is a general tendency that tourist flows divert from convenient and well developed spots to inconvenient and less developed ones as tourism demand increases. It is, therefore, a question of time that tourists advance to the Upper South from/through Bangkok, Kuala Lumpur, Singapore and their surrounding tourism spots.

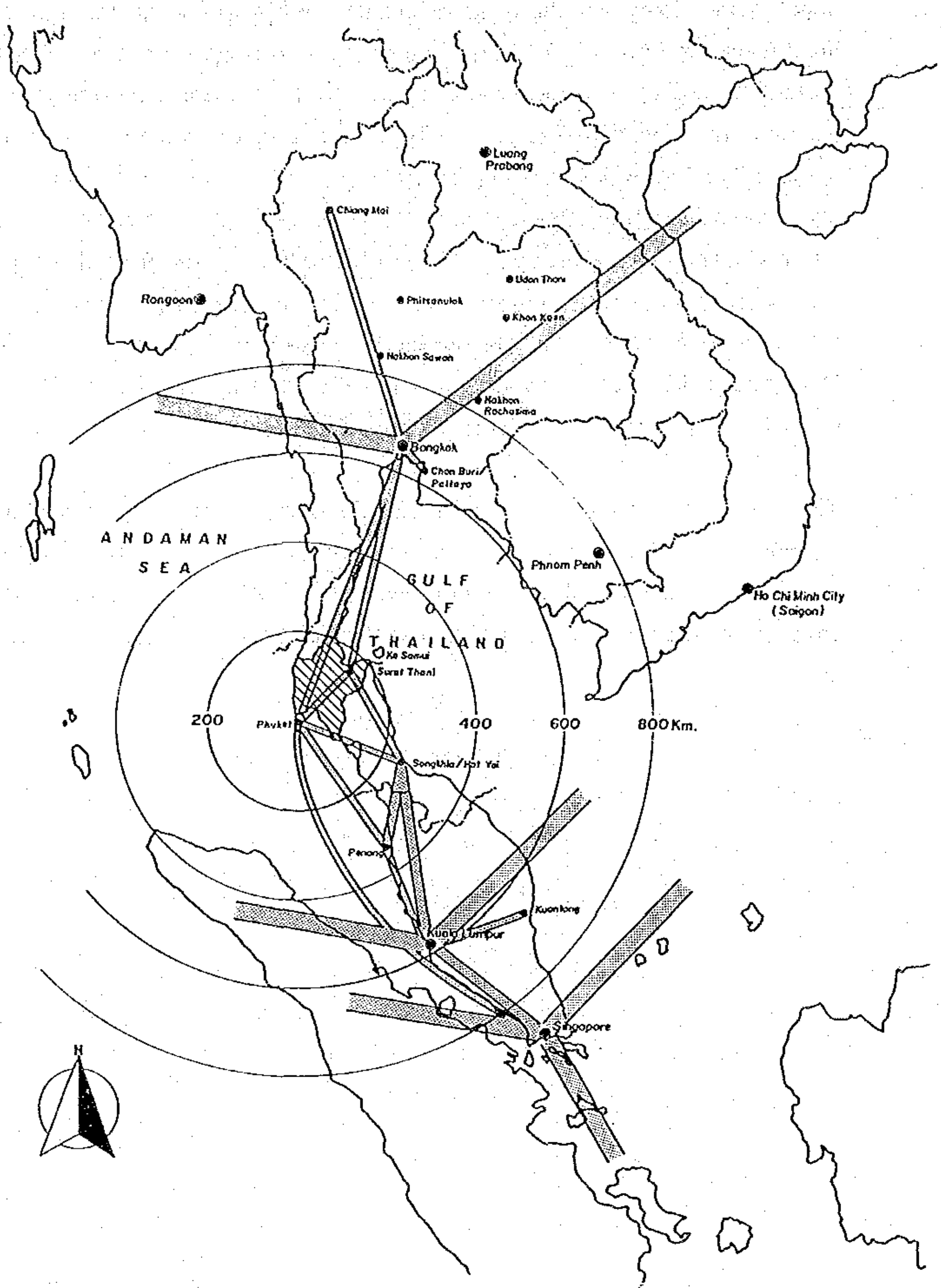


Fig. 2.5 INTERNATIONAL TOURISM ROUTE MAP

3. DEMAND OUTLOOK

3.1 INTERNATIONAL TOURISTS TO THAILAND

The Thai Government has aggressively promoted the tourism development as one of important sources to acquire foreign currency. The Tourism Authority of Thailand (TAT) estimated the number of foreign tourists at about 5.6 million in 2001 which is 2.8 times as much as that in 1981. According to our projection which is made based on a relation- ship between the growth rate of per capita GDP and that of private consumption in major tourism market countries for Thailand, the number of foreign tourists will reach 6.5 million persons in the year 2000 being higher than the projection by TAT. The difference is attributed mainly to a remarkable increase of tourists from neighbouring countries (see Table 3.1).

Table 3.1 PROJECTION OF FOREIGN TOURISTS TO THAILAND

Unit: 1,000 persons, %

		Projection			Annual Growth Rate	
		1980	1990	2000	1980-1990	1990-2000
(I)	Europe North America and Japan	935.5 (50.3)	1,345 (37.1)	1,879 (28.9)	3.7	3.4
(II)	Neighbouring Countries	509.9 (27.4)	1,448 (39.9)	3,126 (48.2)	11.1	8.0
(III)	Pacific & Asia	326.1 (17.5)	666 (18.3)	1,182 (18.2)	7.4	5.9
(IV)	Other Countries	87.3 (4.7)	171 (4.7)	305 (4.7)	7.0	6.0
		1,858.8 (100.0)	3,630 (100.0)	6,490 (100.0)	6.9	6.0

Source: The Team

Notes: 1) Proportion of tourists from "Other Countries" is assumed to be constant up to 2000.

2) Existing Projection

A : TAT Target: 4,000 thousand in 1991
5,640 thousand in 2001

B : Fifth National Economic and Social Development Plan (NESDB):
2,950 thousand in 1986

Past trend shows that the higher the growth rate of private consumption in a country, the higher the growth rate of the country's tourists to Thailand. The elasticity of private consumption to per capita GDP is below one in the developed countries and above one in the neighbouring countries. The growth rate of tourists to Thailand is estimated on the assumptions that the annual growth rates of per capita GNP will be three (1980-1990) and 2.8 percent (1990-2000) for the developed countries and four (1980-1990) and three percent (1990-2000) for the neighbouring countries. The growth rate of tourists to Thailand from the other countries in Pacific & Asian will be the average of those of the developed and neighbouring countries. As for the remaining countries, the growth rate is assumed to be the average of the above three.

3.2 DOMESTIC TOURISTS IN THAILAND

Study on the Potential of Tourism Development in Thailand describes that the number of domestic tourists in Thailand is 15.5 million in 1980, and is distributed to the major tourism areas. The Study shows a steady increase of the domestic tourists, and estimates that the number of 20 million people will travel in 1986, and increase to 34 million in 2001.

3.3 TOURISTS TO UPPER SOUTH

Based on the TAT Data regarding the number of visitors to the major areas in the Upper South, the number of hotel guests are estimated, and forecast for 1990 and 2000 is made (Table 3.2 and Figure. 3.1). The total number of hotel guests in the Upper South is 343,300 in 1980, and will increase up to 786,000 and 1,803,000 in 1990 and in 2000, respectively.

The growth rate of the number of hotel guests in the Upper South is assumed to be 8.7 percent per annum, compared with 6.4 percent per annum in the area of foreign tourists and with 3.8 percent in the area of domestic tourists in the country during the period between 1980 and 2000. This means that the Upper South will accommodate tourists at a higher rate than that of average of the whole country.

Several points are necessary to be noted regarding this future tourism growth as follows :

(1) The current world tourists market especially in the developed countries is not so bright because of international economic stagnation. However, the demand in ASEAN countries or NICs are still increasing along with their high growth of private

Table 3.2 FORECAST OF THE HOTEL GUESTS IN UPPER SOUTH

Unit: 1,000 persons/year

		1980	1990	2000	Average Growth Rate (%) 1980-2000
Phuket	Foreigner	52.9	120	273	
	Thai	92.8	213	491	
	Total	145.7	333	764	8.6
Surat Thani	Foreigner	22.7	52	119	
	Thai	121.1	278	637	
	Total	143.8	330	756	8.7
Krabi	Foreigner	0.3	1	2	
	Thai	28.3	65	151	
	Total	28.6	66	153	8.8
Phangnga	Foreigner	5.0	11	26	
	Thai	20.2	46	104	
	Total	25.2	57	130	8.6
Upper South	Foreigner	80.9	184	420	
	Thai	262.4	602	1,383	
	Total	343.3	786	1,803	8.7

Source: The Team

consumption at 5.8 percent per annum during the last decade between 1970 and 1981, compared with three percent in the developed countries. These increasing markets should be intentionally targeted for the Thai tourism development.

(2) The existing outstanding tourism spots such as Bangkok, Pattaya, Chiengmai are already too popular to induce additional demands. Especially Pattaya which is competitive to the Upper South, in terms of marine tourism attractiveness, has been developed up to its full capacity and might loose overriding attractiveness without appropriate control policy. In order to meet with the expanding marine tourism demand, some promising and virgin spots are necessary to be developed strategically.

(3) Generally tourists can be classified into two groups : one is the group of so called "resort-oriented tourists" who prefer comfortable and luxurious travels and another is the group of "city-oriented tourists" who prefer rather itinerated travels on a relatively tight schedule. European and American peoples generally belong to the former, while Asian people including Japanese and neighbouring countries people to the latter. Penang and Kuantang in Malaysia are strong competitors to accommodate the former group, but it should be taken note that the latter group will form an increasingly large market.

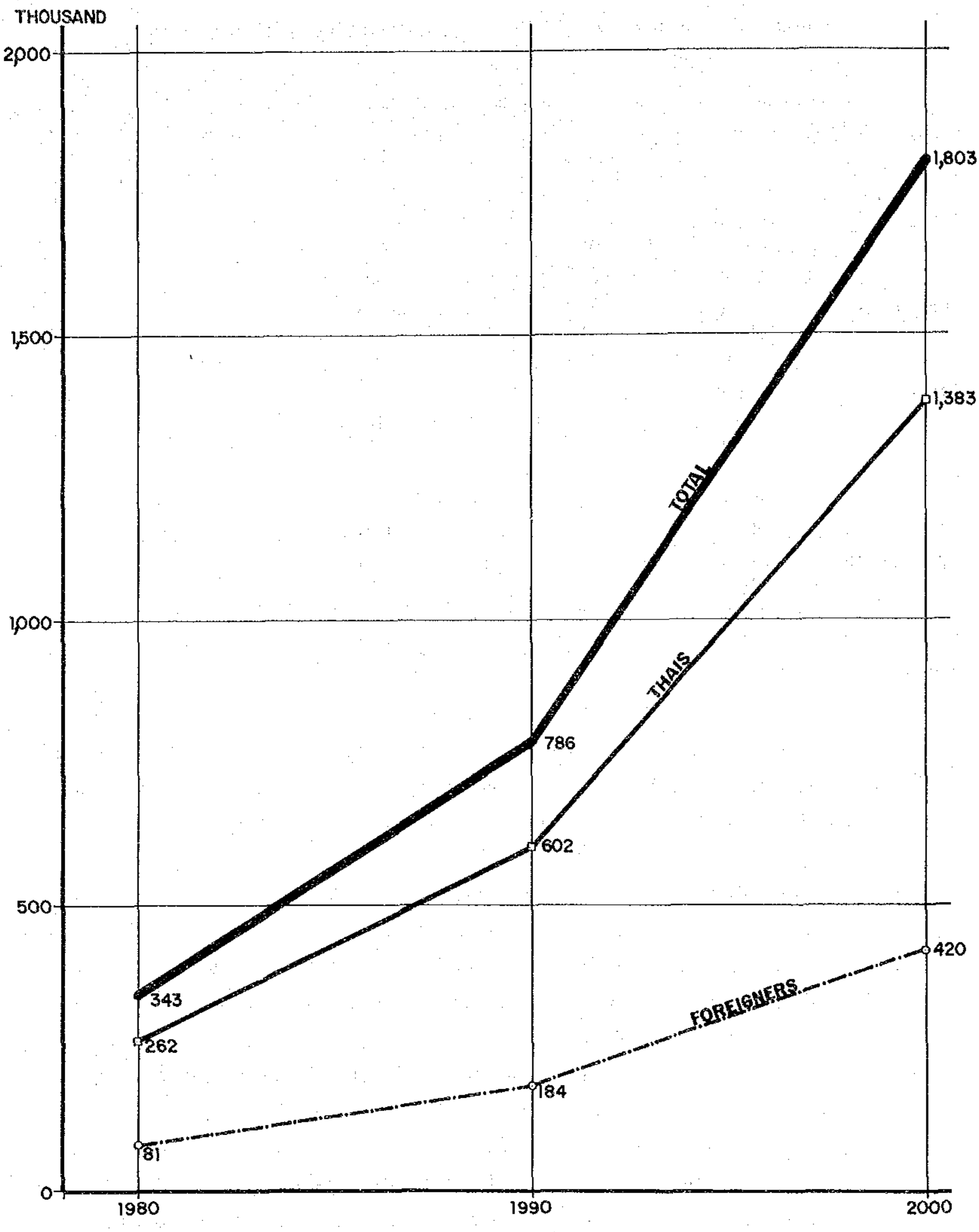


Fig. 3.1 FORECAST OF HOTEL GUESTS IN UPPER SOUTH

Based on the above considerations, we think that the Upper South integrated with Hat Yai/Songkhla is a promising and potential tourism development area in the future if an emphasis of development is placed on this subregion.

3.4 TOURISM IN UPPER SOUTH ECONOMY

Expenditure of tourists will affect the economic revenue of an area. According to the data of Tourism Authority of Thailand (TAT), the average per capita expenditure of foreigner is about 98.4 US dollars and the average length of stay is 4.96 days in 1981. Based on these data and the framework of the Fifth National Plan, the average per capita expenditure in the Upper South can be assumed at around 1,440 baht by foreign and 290 baht by Thai tourists at 1980 price.

The average length of stay is assumed at 3.5 days for foreign and 2.5 days for Thai tourists. Accordingly, amount of the tourist expenditure (only hotel guests) in the Upper South is estimated at about 3.1 billion baht in the year 2000 at 1980 price, compared with about 2.1 billion baht in the case of an alternative projection, which is made based on the assumption that the share of tourists visiting the Upper South to that of the whole country is constant during the period up to 2000 (see Table 3.3).

This amount of 3.1 billion baht is equivalent to 2.6 percent of the whole GDP and 6.0 percent of the service sector GDP of the Upper South.

Table 3.3 ESTIMATE OF TOURIST EXPENDITURE IN UPPER SOUTH IN 2000

Unit: million baht at 1980 prices

	No. of Tourists (Hotel Guests)	Amount of Expenditure	Trend Projection	
			No. of Tourists (Hotel Guests)	Amount of Expenditure
Thais	1,383	1,003	927	762
Foreigners	520	2,117	281	1,418
Total	1,803	3,120	1,208	2,090

Source: The Team

4. RESOURCE POTENTIAL AND DEVELOPMENT ISSUES

4.1 RESOURCE POTENTIAL

4.1.1 Tourism Assets

Tourism resources of abundant characteristics are spread in the Upper South including the natural attractions, historic and religious assets, and human activities.

Phuket

The Phuket Island has been attracting a large number of both foreign and domestic tourists with a reputation of the well preserved natural attractiveness and human activities. Excellent and fresh seafood can be served on the beach front and in downtown. Western cuisines are available in the leading hotels, and night clubs and discos are found in the city. The most popular beach is the Patong Beach which provides the tourists with a number of modern bungalows and restaurants, but about a half of the beach is not yet developed and the beaches such as Karon and Kata are still left for future use. The Phuket Island has potentials for further development not only as an ocean resort spot, but also as an attractive entertainment city.

Phangnga Bay

The Bay is located at about 100 kilometers from Phuket, and is visited by many tourists staying in Phuket. The number of tourists are relatively less during the hot season, from January to April, and more people visit there during the cool rainy season from May to November, when the wave is high on the beaches of the west coast of Phuket.

The Phangnga Bay National Park is composed of many unique shaped islands including Panyi Island which is famous for the sea village of Muslims, and Phingkan Island which is sometimes called the James Bond Island.

The rocky islands standing upright in the water, and the caves with hanging limestone and stalagmite of these islands are creating dreamy scenes, which are believed to have a big potential to attract more people from Phuket and other cities in the future.

Krabi

The Pi Pi National Park is composed of a number of islands including the Pi Pi Island, and the national forests on the main land. A boat can be chartered at both Krabi and Phuket to enjoy magnificent sceneries and to visit the islands.

A resort area with bungalows is found on a beach facing the Nang Bay which is protected from wind by small peninsulas located on both sides of the beach. This area is quite remote from the city, and its nature is preserved in an ideal way. The Pi Pi Island is well known among the scuba divers for its unspoiled coral reeves. The area has a big potential for future development to attract more tourists by its natural beauty.

Samui and Pa Ngan Islands, and Ang Thong Marine National Park

West side of Samui Island is already developed and its down town is a commercial area. Main beaches are spread on the east coast of the island, and bungalows in the coconuts trees on the beach attract young western people who used to be the pioneer of the resort spots. Chaweng Beach, for example, has been developed rapidly in the past few years, and the modern bungalows and western style restaurants have been provided. The sea around the island is clam and safe during the dry season, from February to September, when the southwest monsoon blows from the Andaman Sea, in the meantime the waves are high in Phuket.

The island has a large potential for further development to attract domestic as well as international tourists as an ocean resort to substitute Phuket especially during the monsoon season. Besides the attractive white sand and clear water of Samui and Pa Ngan Islands, the Ang Thong Marine National Park has a potential to be visited by a lot of tourists for its well preserved natural beauty made by numerous islands of peculiar shapes.

Cultural Assets in Chaiya and the Chiew Larn Dam

On the east coast of the Upper South, Chaiya has been attracting people from all over Thailand by its cultural feature. Especially, Wat Suan Mokapalaram has been visited by Thai people for many years. Chiew Larn Dam, situated at the center of the Upper South, is under construction and scheduled to be completed by 1987. This dam and the huge lake will be a new tourism spot together with the Kao Sok National Park, and are expected to attract tourists by their specific characteristics.

The tourists usually select the destination by its attractiveness, cost and time to get there, and the accommodation facilities to be provided. Here the resort spots are assessed from the viewpoint of accessibility and accommodation facilities.

4.1.2 Accessibility

Phuket

Phuket was visited by bus (80.9 percent), airplane (18.6 percent) and ship (0.5 percent) in 1981. Many of the bus passengers, 80,443 (31.0 percent), came from Bangkok, and the others came from the cities in the South such as Takua Pa (14.7 percent), and Surat Thani (11.3 percent). The Thai Airways provides 48 flights weekly between Phuket and Bangkok, and other cities including those in Malaysia. Bangkok-Phuket-Singapore route was just opened recently.

Phuket is connected with five cities by a number of flights weekly, and the passengers flown to Phuket increased from 53,794 in 1979 to 78,578 in 1981. The capacity of the flights is becoming relatively small compared to tourists demand and getting a ticket is becoming harder and harder especially on weekends. Thus, the access by air would become a serious constraint unless its capacity is expanded to meet the future demand.

The number of hotel rooms and bungalows increased from 2,520 in 1981 to 2,827 in 1982. The rate of increase was the biggest, 25.5 percent, at Patong Beach, followed by downtown, 11.0 percent, and no increase is made on Karon, Nai Han and Kamala Beaches. The number of hotel rooms was estimated at 1,370 in 1977, and forecast to be 3,260 in 1987 in the TAT's Master Plan. The number of hotel rooms for 1982 is estimated at 2,315 by supplementary calculation. Thus the present hotel rooms are more than expected to be supplied by 1982.

The trend of decreasing number of tourists from the Western countries implies more serious competition of tourism among the similar tourism spots. For example, Penang has been attracting a large number of tourists from all over the world. A famous Rasa Sayang Hotel offers the first class standard of accommodation, cuisine and services. The Club Mediterranean Hotel opened at Kuantang in Malaysia is also becoming more competitive with its luxurious facilities. Punta Barute near Manila is becoming popular among the tourists who are ready to pay more for higher level of standard.

Therefore, a challenge for Phuket does not seem a number of hotel rooms, but improvement of quality of the facilities and integration of the tourism assets found in neighbouring changwat but not found in other competitive resort tourism spots such as Penang and Kuantang. This is increasingly important for Phuket, as one of the international competitors.

Phangnga Bay

Phangnga Bay is located eight kilometers from the town of Phangnga. The main access is from Phuket, 94 kilometers by the Highways Route 402 and Route 4. There are many air conditioned buses, ordinary route buses and taxis to Phangnga. Phangnga Bay is also accessible from Phuket directly by boat.

An air-conditioned bus is also available from Hat Yai by the Highway Route 4 through Phatthalung, Trang and Krabi, 393 kilometers in total. It is about 854 kilometers from Bangkok by the Highway Route 35 and Route 4. There are scheduled buses and air-conditioned coaches provided by tour companies.

About a half of the bus passengers were from Phuket in 1981, and 25,213 visitors stayed in Muang District of Phangnga. There were five hotels with 191 rooms in Muang District in 1982.

Phangnga Bay is located not far from Phuket, and is a suitable spot for a day trip from Phuket either by land or by sea. While special effort for provision of accommodation or improvement of access does not seem to be needed at present, increasing number of tourists to Phuket against its environmental capacity will spill over the tourists also to Phangnga in the long-run. In view of this Phangnga will need to strengthen tourism infrastructures such as accommodation, and coastal roads, and sea communication system.

Krabi

Access to the proposed Pi Pi Island National Park would be either by land or by sea. The Pi Pi Island can be visited by boat from Krabi, and also from Phuket. A resort area on Nang Beach is located about 16 kilometers from Krabi and 90 kilometers from Phangnga. Improvement of roads from the town is now being implemented.

An aircraft is available every day to Trang from Phuket and Hat Yai. Provision of a new airfield in the south of Krabi will be a big advantage for the future development of tourism in this area.

More than 60 bungalows are available on the beach which is facing the Nang Bay. The newly constructed bungalows and a modern restaurant on the beach are quite attractive.

This area has a large potential as an ocean type resort spot without further investment of large scale.

Samui Island and Ang Thong Marine National Park

There are some access routes to Samui Island as shown in Table 4.1.

Table 4.1 ACCESS TO SAMUI ISLAND

Transportation	Distance	Time	Fare	Trips/Day
Ferry from Khanom	27 km	1.5-2 hrs	฿ 180/ Mini bus & driver, ฿ 30/Person	2
Speed boat from Surat Thani	80 km	3 hrs	฿ 50	3
Regular boat from Surat Thani	80 km	7 hrs	฿ 50 (2nd Flr)	1
Boat from Bangkok	Round Trip	4 days	฿3,500 (Regular)	1 *1
Flight from Bangkok to Surat Thani	600 km	1 hr	฿1,190 (฿ 737)	1

Source: The Team

Note: *1 Once a month, started 23 June, 1983.

To visit Ang Thong Marine National Park is also time consuming because a tourist must ride a boat again possibly from Nathawin Pier. It takes about three hours to get to the islands.

Compared to the other destinations of ocean resort, this accessibility would become a heavy constraint. While it has been working as an effective measure to preserve the nature of the area.

There were 95 hotel rooms and 769 bungalows on Samui Island in 1982. Many bungalows do not have the private bathroom inside, and cost from 30 to 60 baht per night.

They offer accommodation of low quality for low cost, thus provide adequate place for young people, especially young western travellers who stay long and spend less. The number of visitors to the Island was 33,154 in 1981; 2.2 times larger than that of the previous year. The visitors were composed of 63 percent of foreigners and 37 percent of Thais.

It is clear that if the number of visitors continues to increase at the same rate, the existing number of accommodation will not be able to satisfy the demand in a few years. The class in tourists tends to become higher when time passes, and they will desire for accommodations of better quality.

4.2 CONSTRAINTS

There are several constraints/problems to be solved in order to achieve an effective tourism development in the Upper South as follows :

Transportation : In the international transportation network, Phuket gains a promising condition with the opening of an international aviation route linking it with Bangkok, Singapore and possibly other ASEAN countries. The improvement of the Phuket International Port including enlargement of transportation capacity and development of modern aviation equipment will facilitate further internationalization for Phuket tourism. However, in the domestic transportation network, the Upper South is situated far from Bangkok with a large market. And a poor public transportation system such as taxi services in the area seems to be one of the constraints.

Natural condition : Monsoon is the natural constraint especially in the areas facing the Andaman Sea. Hotel occupancy rate fluctuates between 25 percent during off-season and some 70 percent during onseason in Phuket. This constraint has to be overcome by diversifying attractivenesses other than seabathing and connecting tourism resources in different places.

Urban services : Poor telecommunication system, water shortage and floodings are large constraints. Applicants for telephone instal- lation double the available line capacity and Telephone Organization of Thailand's expansion plan has to be implemented at least on schedule. Especially in Phuket, new telecommunication devices such as automatic telex exchange, the international telephone services to tourist, phototelegram and public telephax will have to be strengthened not only for tourism but other business investors.

Piped water is an important problem especially in Phuket with respect to both quantity and quality. Being an island, it will be an increasingly serious issue to supply water systematically to various demands, including tourism, urban and industrial activities. Even with the completion of water supply system based on the Ban Wat Dam, piped water is available only in the city area while tourism areas along beaches have to acquire water on individual basis. Water quality is particularly important for tourism. At present, some business establishments have to spend as much as 37 baht for one cubic meter of portable water.

Capital accumulations : Some major capitals to enable first class accommodations to be established are necessary as a trigger of development in both Phuket and Surat Thani. Large-scale private investment, however, needs the firm government policy to enforce various rules and regulations on equal basis and to strengthen public infrastructure services.

Administrations : The lack of a definite system of administrative responsibilities and the shortage of budget for tourism development are serious constraint to coordinate private and public investments and harmonize environmental control and tourism promotion. In Phuket Island where government administration is relatively strong, it is possible to incorporate investment incentives, land use control and public service provision into a package of tourism development program to be monitored and implemented at the local level. In Ko Samui, another tourism island, however, the government machinery is still too weak to monitor tourism activities and to provide necessary public services. In such situation, strengthening of general government administration at the local level is a prerequisite to both tourism promotion and environmental maintenance.

Tourism assets : Piecemeal location without linkage each other is a constraint to creating a large mass of tourism attractiveness. Particularly needed are transport links among different beaches and different coastal tourism spots and those between Andaman Sea Coast and Siam Bay Coast.

5. STRATEGIES AND PROJECTS

5.1 ISSUES AND STRATEGIES

The first issue for tourism development strategies is how the Upper South can attract as many tourists as possible in the expected tourism market, both international and domestic. In view of this, we propose to group scattered tourism spots in the Upper South into the following five zones with different characteristics (see Figure 5.1):

(1) Phuket-Phangnga-Krabi Zone with natural and miracle sceneries including so called "Jamesbond" Island;

(2) Surat Thani-Ko Samui Zone with natural and indigenous attractiveness including Ang Thong Marine National Park;

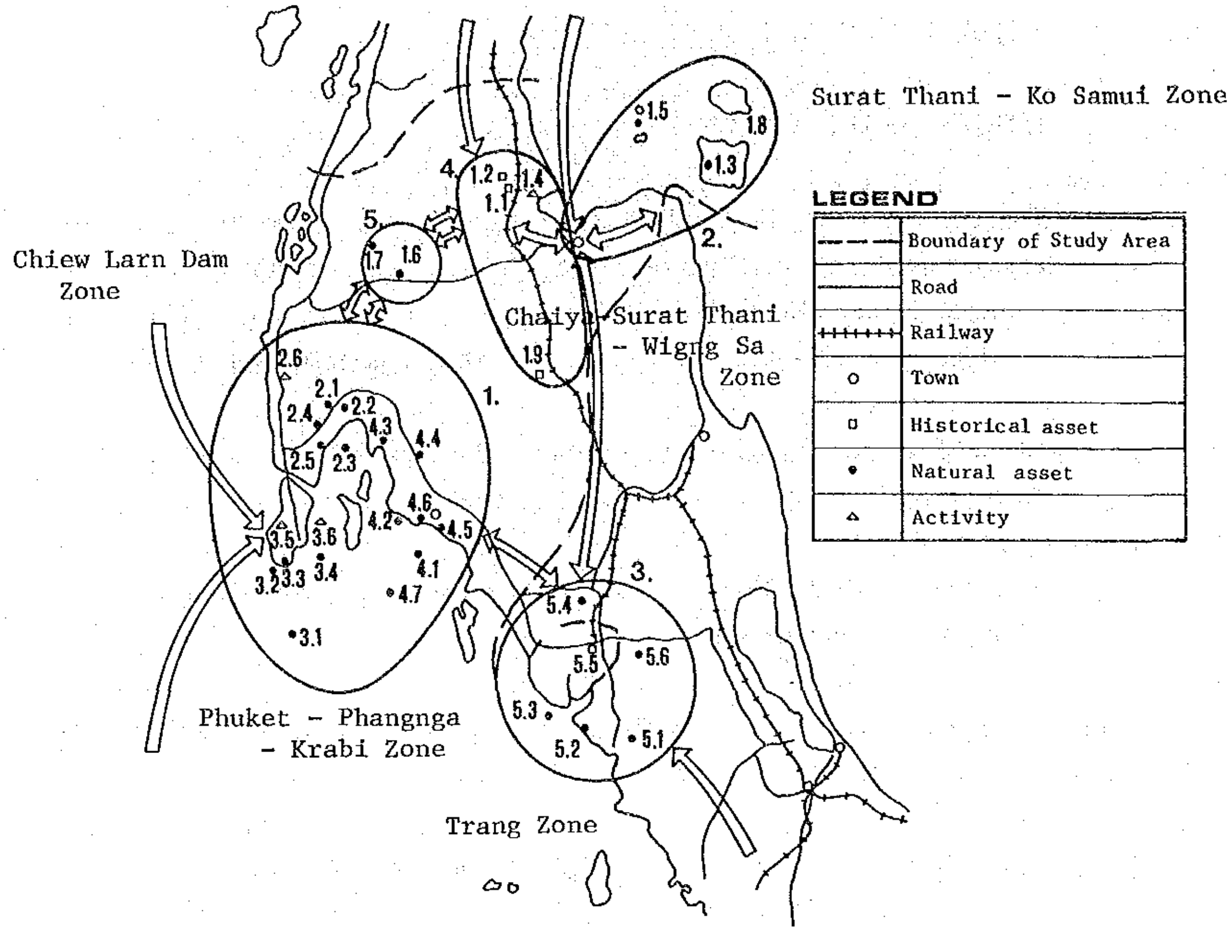
(3) Trang Zone with several kinds of natural assets such as Phrava-Rajada-Nu-Pradit Monument, Pakmeng Beach and Chao Mai Island;

(4) Chaiya-Surat Thani-Wiang Sa Zone with cultural, religious and traditional tourism assets centering on "Wat Suan Mokapularam"; and

(5) Chiew Larn Dam Zone with a new man-made tourism resource of Chiew Larn Dam combined with Khao Sok National Park.

Transportation links within and between these zones need to be strengthened to facilitate agglomeration of tourists and tourism activities in key nodal points for tourism such as Phuket and Surat Thani. Links between these zones are more or less in line with those to be strengthened from the view point of overall regional and urban hierarchy development.

Another important strategy to attract tourists is to develop tourism facilities, services and zoning in accordance with the segmentation of tourism market. The tourists tend to select their destination by their attractiveness, cost and time to get there, and the accommodation facilities to be provided. In the case of tourism in the Upper South, they can be classified roughly into two groups by their characteristics of touring behavior. A group of the international deluxe tourists prefer comfortable travel and a luxurious accommodation located at a quiet place which offers a good scenery. On the contrary, a group of domestic and the Southeast Asian tourists tend to travel by a rather tight schedule and accommodation at a convenient place. The former could be



1	Surat Thani	2.3	Phang-Nga Bay	4.2	Hard Nopharat Thara (beach)
1.1	Phra Barom Dhat Chaiya	2.4	Wat Suwannakuha (cave)	4.3	Torn Boke Khoranee (water fall)
1.2	Wat Suan Mokapalaram	2.5	Phang-nga (water fall)	4.4	Sadet (cave)
1.3	Samui Islands	2.6	Khao Lak (foreat park)	4.5	Kao Khanab Nam
1.4	Ban Phumrieng (silk village)	3	Phuket	4.6	Million-year-old shell reef
1.5	Ang-Thong Marine National Park	3.1	Ko Kaeo Pisadarn	4.7	KO Pee Pee (Island)
1.6	Chiew Larn Dam	3.2	Laem Ka (cape)	5	Trang
1.7	Khao Sok National Park	3.3	Laem Singha (cape)	5.1	Palien waterfall
1.8	Pka-Ngan Island	3.4	Ko Mai-Tone	5.2	Pakmeng (beach)
1.9	Wiang Sa	3.5	Tin Mine	5.3	Chao Mai (Island)
2	Phang-Nga	3.6	Pearl Farm	5.4	Kao Pina (cave)
2.1	Phung Chang (cave)	4	Krabi	5.5	Pkraya-Rajada-Nu-Phradit Monument
2.2	Rue-See Savan (cave)	4.1	Phra Nang Gulf	5.6	Kao Chong National Park

Fig. 5.1 FIVE INTEGRATED ZONES AND THEIR ATTRACTIVE ASSETS

called the "resort oriented tourists", and the latter as the "city oriented tourists".

The essential factors to attract the resort oriented tourists are comfortable hotels and attractive facilities of high standard and good accessibility. The trend of decreasing number of tourists from the Western countries implies more serious competition of tourism among the similar tourism spots.

Supply of the convenient accommodation near the city center with a reasonable price is essential to attract the city oriented tourists. The accommodation should be located near downtown and the entertainment facilities are required to be provided. How to maintain perpetually the high quality of a resort tourism spot should be the second issue. The amount of investment for tourism development should meet with a capacity of tourism resources so as not to deteriorate the environment quality. For this purpose some regulations and inhibitions against excessive investment are indispensable. It is a fact that the inducement of enormous foreign tourists can contribute to the balance of payments, but we have to recognize another fact that the existing beautiful resources will have to be retained for the Thai people's recreational requirement which is anticipated to be larger and larger in response to the increasing level of income. It is very costly to restore the environment once devastated by disorderly tourism development. This second issue is, therefore, significant in order not only to maintain the environmental quality but also to envisage a long-term policy for the Thai people's recreation needs. This is a pressing issue particularly in Phuket and thus further discussion is given in the next section regarding Phuket development.

The third issue is that we have to take note of some remarkable effects of tourism promotion on regional development. One of the effects is that tourism often stimulates the inducement of some industrial investments and associated personnels through upgrading of regional image as a comfortable area with a variety of amenities. The other is to promote the infrastructures and urban services development. Tourism development should, therefore, be incorporated in a regional/urban development program. Unlike Eastern Seaboard which has limited elements to generate substantial benefits during gestation periods of heavy new investments, the Upper South must make use of its resources to bridge present underdevelopment and the new industrial/international-based development. It is in this context also that effects of tourism promotion on regional development are stressed. Tourism development will let the Upper South to earn in part the financial resources to return the new investments into other sectors, encourage urbanization and distribution activities necessary for the expected industrialization in this remote area and enable gradual improvement of infrastructures to be partly supported by the demand from expansion of existing activities, including tourism and partly prepared for newly induced activities. An example is the case that the airport improvement for immediate tourism needs would contribute to the development of air-transportation-based business and industrial activities.

5.2 DEVELOPMENT PHASING AND PROJECTS

Phasing of tourism development is important especially in the case of the Upper South for its tourism resources are scattered and their integration is a crucial saling point for tourism promotion and for making use of agglomeration economy in tourism activities. We propose four criteria for the phasing, including (1) the formation of major tourism centers to be followed by integration of peripheral tourism spots in the major tourism centers, (2) the development for resort-oriented tourists to be followed by that for city-oriented tourists in response to the changing segmentation in the future tourism market and (3) interactions between tourism development and progress in other sectors, transportation and urban development in particular.

On these criteria, priority is recommended to be given on (1) intensive development of Phüket and (2) Surat Thani with surrounding tourism resources during the period of Sixth Five-Year Plan and on (1) extensive development of Phuket-Phangnga-Krabi Zone with continuous tourism promotion in Phuket, (2) development of Ko Samui, and (3) development of other tourism zones such as Chiew Larn and Trang.

Accordingly, projects proposed for the period of Sixth Five-Year Plan include:

In Phuket:

1) Intensive development of Patong, Karong and Kata Beaches, as outstanding tourism spots of Phuket Island, including improvement and beautification of streets, public utilities, parks and rest places.

2) Yacht harbour development as a logistic base for ocean cruising possibly at the site near the Phuket Aquarium. It is recommended that the area covering the yacht harbour and the aquarium be developed as a marine park.

3) "Free Trade Zone" for tourist shopping as being considered by the central government at present. Shopping itself is one of the tourism activities and FTZ will be attractive to foreign tourists if it is planned as something more sophisticated than those in Penang or Singapore while its scale may be smaller in view of the volume of tourist flows.

In Surat Thani and Its Vicinity:

1) Relocation of tourism boat terminal from Ban Don to Tha Thong for efficient operation of speed boat between Surat Thani and Ko Samui. This action should be coordinated with the renewal of Ban Don Port and its surroundings for urban development purpose and the Tha Thon Port Area Development for fishery activities.

2) Chaiya Historical Park development centering on Wat Suan Mokapalaram and Phra Barom Dhat as one of urban development projects.

3) Promotion of ongoing research and excavation of the Wiang Sa Ancient City.

4) Traditional Industrial Center Development in Phum Rieng not only as tourist attractiveness but also as a vocational center.

5) A "Visitors Center" of Chiew Larn Dam to be developed upon the dam completion in cooperation with Electricity Generating Authority of Thailnd, with restaurants, exhibition and seminar rooms.

Projects proposed for the period after the Sixth Five-Year Plan include:

In Phuket-Phangnga-Krabi Zone:

1) New Phuket Bridge linking Phuket Island with the main land will appear as a large tourism spot with sophisticated design after completion of the East-West Link. A "bridge park" is recommended to be developed with the facilities of restaurant, observatory, sightseeing boat terminal and parks. The preparation of land and necessary infrastructure of this park is desired to be undertaken by the executor of the bridge as an associated component of bridge construction project.

2) Improvement/development of sightseeing boat terminals to form a network of coastal tourism transport in the Phangnga Bay as shown in Figure 5.2. Phuket-Krabi Ferry Line proposed in our transportation development plan will form a part of this network.

3) Maintenance of natural environment and improvement of tourist facilities in the designated national parks such as Khao Sok, Nai Han and Pi Pi Islands.

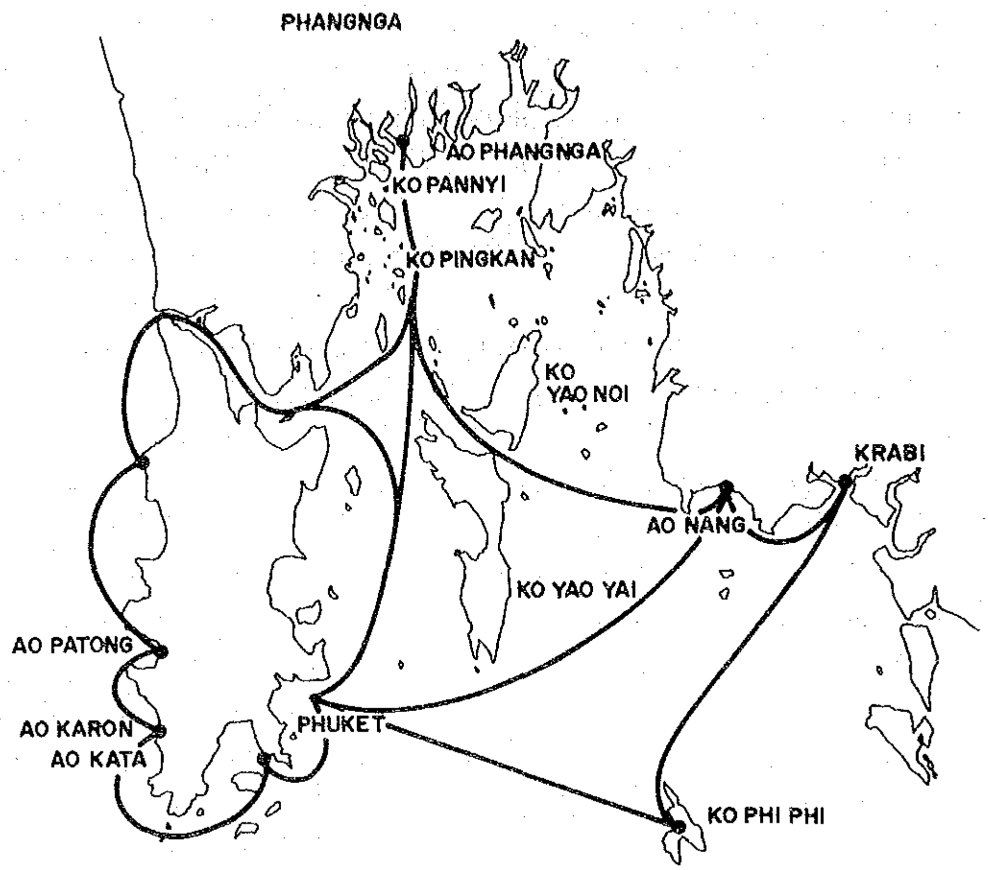


Fig. 5.2 PROPOSED TOURISM NETWORK OF PHUKET-PHANGNGA-KRABI

In Surat Thani-Ko Samui Zone:

1) Development of Bo-Phut and Chaweng Beaches, including utility services, park, rest places and amusement facilities.

2) Beautification of overall Samui Island.

3) Improvement of water supply system for tourism as well as local people's need.

In the Upper South as a whole:

1) Improvement of forest parks scattered over the Upper South to create rural recreational space.

2) Intentional use of economic projects such as fish farm, oilpalm plantation and rubber processing as tourism attractivenesses. Tourism for educating school children could be encouraged in this connection.

5.3 PHUKET TOURISM DEVELOPMENT

5.3.1 General Concept

The following measures should be taken into account for the tourism development in harmony with nature attraction, seaside beauty in particular:

- A countermeasure against excessive concentration of investments to cause the environmental deterioration;

- Prohibition of building any hotels without proper treatment facilities for rubbish and sewerage; and

- Restriction on the inducing of too many tourists so as not to cause environmental pollution.

It is not recommended that Phuket be developed as "the second Pattaya", because:

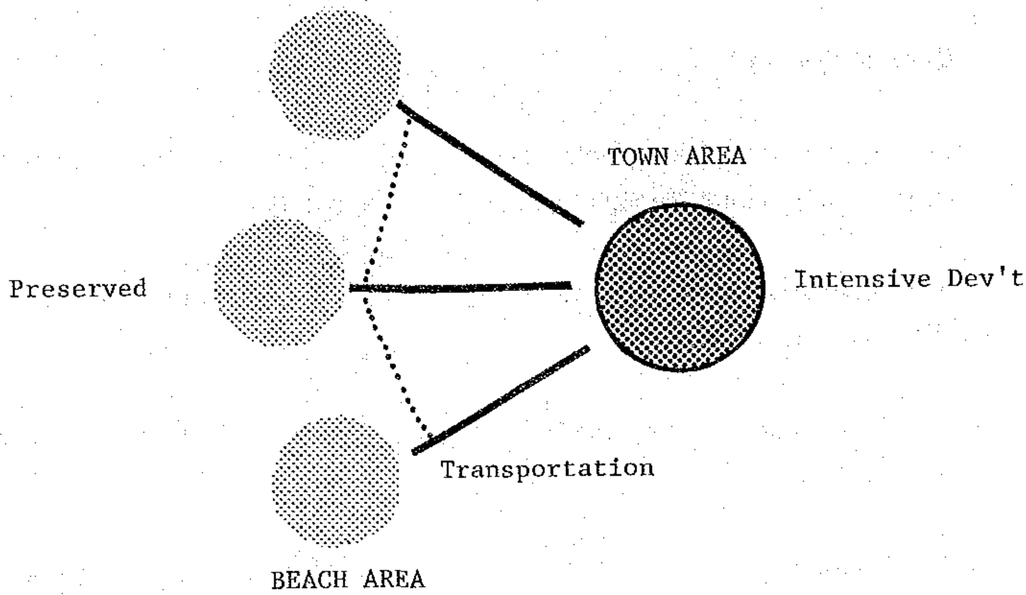
- Phuket would not be Phuket, if Phuket loses its own nature. It is necessary to stress the importance of preserving natural resources to the maximum extent possible;

- In order to be a competitive resort against Pattaya in spite of the disadvantage of long distance from Bangkok, it is definitely necessary for Phuket to keep and strengthen the attractivenesses.

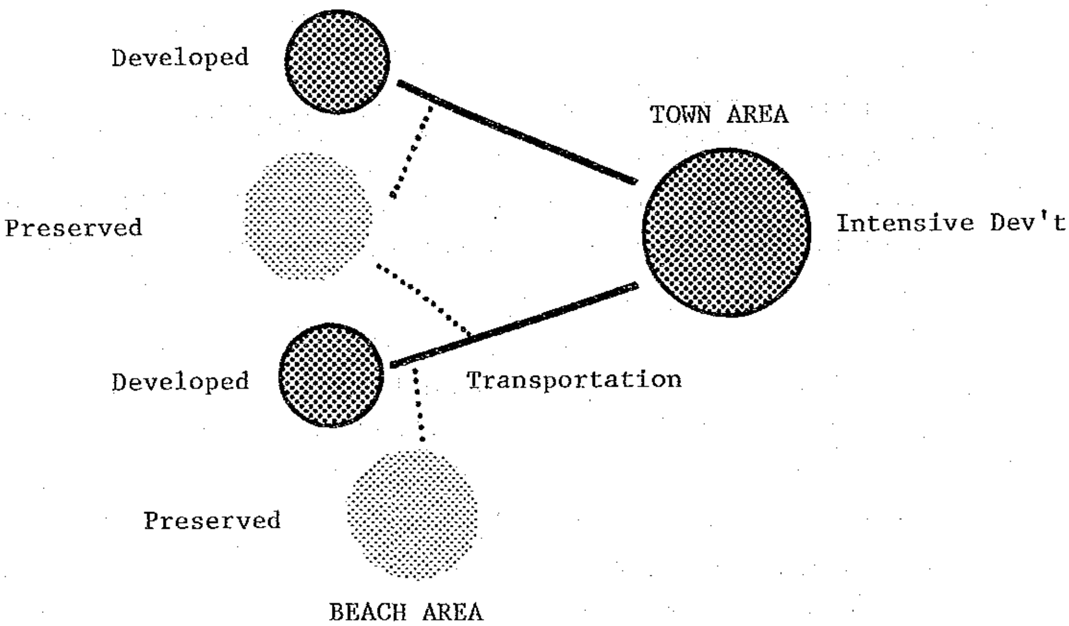
Nevertheless, an essential factor to form an international resort is comfortable hotels and attractive facilities of high standard and good accessibility.

Regarding the spatial structure, two broad alternatives are conceivable as shown in Figure. 5.3: Under the Alternative A, all of the anticipated investments for tourism development are to be concentrated within the town area and that any developments at the beach areas are to be prohibited at the same time. Under the Alternative B, a certain type and magnitude of developments are allowed only at the limited beach areas to attain a balanced distribution of tourism activities between the town area and beach areas.

The Alternative A should be adopted from the viewpoint of environmental protection only, but we recommend the Alternative B in consideration of the actual development pressure and potential demand expansion. If the Alternative B is to be adopted, more



ALTERNATIVE : A



ALTERNATIVE : B

Fig. 5.3 ALTERNATIVES OF TOURISM DEVELOPMENT STRATEGY coordinated and realistic regulations and standards for building and other physical developments must be prepared by the government, and an administrative management system should be established for their enforcement.

5.3.2 Zoning System in Phuket

Phuket Island has a number of beaches with different characteristics in a scattered fashion. The western coastal area is suitable for tourism encouragement, while the eastern coastal area is recommended to be preserved.

Regarding the western coastal area, we would like to recommend to establish a zoning as shown in Table 5.1 and Figure. 5.4.

Table 5.1 ZONING FOR BEACH DEVELOPMENT IN PHUKET

Unit: Km

Zone A (Intensive Development)		Zone B (Limited Development)		Zone C (Preservation)	
Beach	Beach Length	Beach	Beach Length	Beach	Beach Length
Patong	3.0	Nai Yang	1	Mai Khao	10
Karong	3.0	Surin	0.8	Nai Harn	0.6
Kata	2.0	Kamala	1.6		
		Bang Tao	5.0		
		Rawai	3.0		
Total	8.2	Total	11.4	Total	10.6

Source: The Team

Notes: This zoning is worked out based on the following criteria:
- Existing accumulation of facilities;
- Accessibility;
- Short beaches to be preserved as much as possible; and
- National park to be preserved.

5.3.3 Beach Capacity for Tourism Development

As an indicator to measure the intensity of development, the density in terms of number of rooms per one kilometer beach length (referred to as "room-beach ratio" hereinafter) has been calculated.

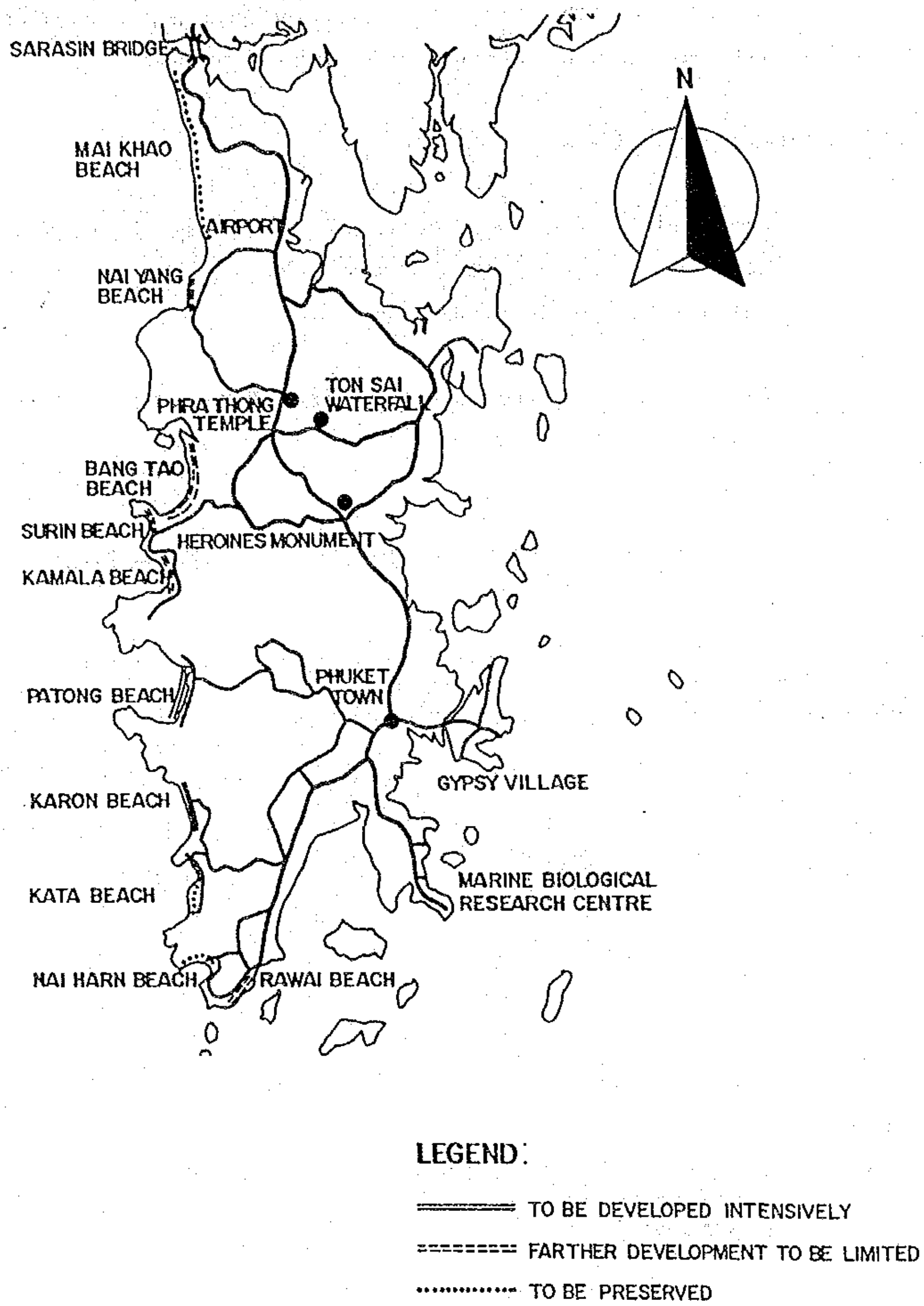


Fig. 5.4 ZONING FOR BEACH DEVELOPMENT IN PHUKET

At present, the average room-beach ratio is only 4.4 rooms per kilometer which is very low compared with 1,097 rooms per kilometer in Pattaya.

Table 5.2 BEACH LENGTH AND ROOM-BEACH RATIO BY ZONE IN PHUKET

Zone	Beach Length (L)	Route of Existing Rooms (R)	Room-Beach Ratio Density (L/R)
A. Intensive Development	8.2 Km	457	56 rooms/Km
B. Limited Development	11.4	801	70
C. Preservation	10.6	74	7
TOTAL	30.2	1,332	4.4

Source: The Team

For reference: Pattaya : 1,097 rooms/Km
Patong Beach : 150 rooms/Km

A proper density not to lose the attractiveness of Phuket is proposed as follows:

Zone A: 200 rooms/Km (one-fourth of the ratio in Pattaya.)
Zone B: 100 rooms/Km (two-thirds of the existing highest ratio in Phuket.)

According to these ratios, the number of rooms allowed at beaches is estimated at 2,800 rooms with a result that the possible increase is about 1,500 rooms (see Table 5.3).

Table 5.3 NUMBER OF HOTEL ROOMS TO BE ALLOCATED TO BEACHES

Zone A	Intensive Development 200 rooms/Km × 8.2 Km	: 1,640 rooms
Zone B	Limited Development 100 rooms/Km × 11.4 Km	: 1,140 rooms
Total Existing		: 2,780 rooms 1,258 rooms
Possible Increase		: About 1,500 rooms

The overall capacity of Phuket to accommodate tourists can be calculated based on the following assumptions:

- Allocation of hotel rooms between the town area and the beach areas is fixed at two to one in proportion to the present distribution.

- Share of foreigners is assumed to be 17 and 80 percent in the town and beach areas, respectively. The share is set also in proportion to the present pattern.

- Average length of stay is assumed as follows:

	Town Areas	Beach Areas
Foreigner	3 nights	4 nights
Thai People	2 nights	2 nights

- Average number of tourists staying in one room is assumed to be 1.8 persons.

- The annual average occupancy rate of the existing hotel rooms is estimated at around 30 percent at present. The rate will be improved to be 50 percent in future to attain a level desired for management.

The computed results suggest that about 250,000 hotel guests at maximum can be accommodated at the beach areas, but the guests in excess of this number are desirable to be accommodated in the town area. As an optimum capacity, the number of the total hotel guests in both the beach and the town areas is assumed to be about 750,000 to 800,000 until at least in the year 2000.

5.3.4 Recommendations for Phuket Tourism Development

From the regional planning point of view, the following recommendations can be made specifically for Phuket tourism development in addition to the projects identified earlier.

For Aggressive Promotion of Phuket Tourism

(1) The betterment of Phuket International Airport as the main entrance to this international resort area, including the improvement of terminal and aviation facilities, and the development of vicinity of the airport. The opening of a new international aviation route to Singapore in December, 1983 will gradually increase the need of these

betterment.

(2) Active tourism promotion and advertisement in the major market countries including neighbouring countries and Japan.

(3) Positive inducement of some entertaining events such as fairs, international conventions and religious celebrations to attract tourists also in monsoon season which is completely a slack season at present.

(4) Enlargement of incentives such as tax exemptions for tourism investors.

For Countermeasures against Disorderly Development

(5) Preparation of authorized criteria and standards for buildings at beach site such as:

- Limit in the height of building i.e., less than four stories;

- Building coverage i.e., less than 10 percent of the property land;

- Standard of waste water discharge; and

- Obligation for investors to equip the rubbish and sewage treatment plant.

(6) Authorizing and enforcing the zoning system, such as those we are proposing.

(7) Inducing hotel investments from both domestic and foreign within a recommended capacity at maximum 2,800 rooms in the beach areas towards the year 2000, and a government screening system to maintain the balance between investment inducement and maximum carrying capacity.

(8) Regulating definitely the areas where mining activities are prohibited and or restricted by the administrative government ordinance.

(9) Establishment of a Committee for Phuket Tourism Development Planning and Management Committee to plan, promote monitor and coordinate the development of tourism in Phuket. This committee is recommended to consist of representatives from the central and local governments concerned including Phangnga and Krabi, those from private business sectors, tourism development specialists and regional planners.

6. CONDITIONS FOR IMPLEMENTATION

In the field of tourism development, private sector has been playing an important role because tourism development itself is a good business opportunity especially in the area of excellent natural environment. However, in the course of further development, tourism development confronts with a variety of problems such as deterioration of excellent natural environment, lack of fundamental infrastructures, conflicts with the local residents, stagnation of tourist increase and so forth. Tourism development goes far beyond the control of private sector, which in turn suffers serious competition, internally and externally. The role of public sector in tourism development, in this regard, becomes very important.

After all, administrative instruments to promote as well as to control the developments can be consolidated into two: one is to regulate a definite zoning system with administrative enforcement and to monitor private activities under its regulation in order to control in a proper manner, and another is to prepare some tax incentives to promote to induce necessary private investments.

In this regard, needless to say, a zoning system should be planned so as to finely adjust with other sectors' developments. Preparation of tax incentives should be related with a policy of BOI and a taxation system.

Tourism Authority of Thailand (TAT) is the only public body to undertake public tourism investments at the national level. However, the financial capability of TAT is so limited that it cannot execute projects on a certain scale on top of the administrative and study works as carried out at present. For the sake of ensuring effective implementation within a limited budget, the following institutional and financial arrangements are recommended:

(1) A long term tourism development plan/program at the national level should be established, based on the existing researches and studies, by TAT in coordination with the authorities concerned. This plan/program is important especially to establish the following basic framework:

- Designation of specific development zones/areas in the long/medium as well as the short run, just like designation of the industrial promotion zones by Board of Investments (BOI);

- Special investment framework to support the developments of those zones/areas; and
- Definition of development guideline and tax incentives to private activities in the designated zones/areas.

(2) Enlargement of financial sources should be achieved by allocating some specific budget from the central government and by acquiring some foreign loans with low interest. As a new financial source, it is recommended to explore the possibility to establish a "Tourism Development Fund" capitalized by contributions of private sector and the Government and financed by a wide variety of loans and the revenue from the tax to impose on the tourism related business, and managed by a "Tourism Development Finance Committee". A portion of tax revenue levied in the name of business tax in tourism sector is considered to be transferred to the financial source of this fund.

(3) A series of administrative arrangements are necessary to carry out various kinds of projects in an appropriate manner through mobilizing the private sector and the local governments. Table 6.1 shows recommended administrative measures for tourism development.

Table 6.1 IMPLEMENTING MEASURES FOR TOURISM DEVELOPMENT

No. Recommended Meausres	Responsible Sector				Short Term	Long Term	Integrated Zone				
	TAT	Central Gov't	Local Gov't	Private			1	2	3	4	5
1. Establishment of Basic Policies											
1) Keep the balance between tourism development and preservation of natural resources	X	XX	X			X	X	X	X	X	X
2) Establish zoning system	X	X	XX			X	X	X	X	X	X
3) Coordinate related sectors	X	XX	X	X		X	X	X	X	X	X
2. Reinforcement of Administrative measures											
1) Strengthen financial power of TAT	XX	XX	X			X					
2) Strategic use of taxation system											
(1) Certain amount of tourism tax revenue to be shared by		XX	X			X	X	X	X	X	X
Lower tax rate to be applied to investors in intensive development zone	X	XX	X	X		X	X	X			
3) Promote investment on decent tourism facilities by effective use of BOI incentives	X	XX	X	X		X	X	X			
4) Systematize consulting services for tourism industries	XX		X	X		X	X	X			
5) Promote studies on status and tendency of tourism	XX	X	XX	X		X	X	X	X	X	X
6) Designate natural preservation areas	X	XX	X			X	X	X			X
7) Subsidize for improvement of utility system for tourism spots	XX	XX	XX			X	X	X			
8) Subsidize for preservation of cultural assets	XX	XX	XX			X	X	X		X	
3. Promotion of Public Relations Activities											
1) Supply right information to the public as much as possible on; (1) characteristics of tourism sports, (2) transportation, (3) accommodation, etc.	XX		X	X	X		X	X	X	X	X
2) Set up a TAT regional office	XX	X				X		X			
4. Enhancement of Amenity											
1) Keep security		XX	XX		X			X		X	
2) Keep cleanliness of area and facility	X		XX	XX	X		X	X	X	X	X
3) Create pleasant environment	X		X	XX	X		X	X	X	X	X
4) Prepare decent recreational area and facility	X		XX	X		X	X	X	X	X	X
5) Provide a safe place for visitors	X		X	XX	X		X	X	X	X	X
6) Build information centers and guide signs	XX		X		X		X	X	X	X	X

No. Recommended Measures	Responsible Sector				Short Term	Long Term	Integrated Zone				
	TAT	Central Gov't	Local Gov't	Private			1	2	3	4	5
5. Enhancement of Atractiveness											
1) Promote atractive events	X		X	XX	X		X	X		X	
2) Provide a wide range of fine cuisin				XX	X		X	X			
3) Provide opportunities to stimulate visitor's intelligent curiosity	XX		X	X	X		X	X		X	X
4) Prepare attractive souvenirs	X		X	XX	X		X	X		X	X
6. Promotion of Bottom-Up Development											
1) Obtain consensus of the local people on tourism development of area	XX	X	XX	X	X		X	X	X	X	X
2) Maximize employment of the local people	X		X	XX		X	X	X	X	X	X
3) Promote participation of local enterprises	X	X	X	XX		X	X	X	X	X	X
4) Utilize local products as much as possible	X		X	XX		X	X	X	X	X	X
5) Respect local cultures and activities	XX		X	X		X	X	X	X	X	X
6) Use effectively existing network of temples and their committees	XX		XX			X	X	X	X	X	X
7) Educate and train local workers	XX		X	XX		X	X	X			
8) Produce a specific product of local flavor	X		XX	XX		X	X	X	X	X	X
7. Development of Infrastructures											
1) Provide suitable means of transportation to ease the tourist's mobility		XX	X	X	X		X	X		X	X
2) Develop necessary infrastructures, (1) access roads, (2) water supply, (3) sewerage system, (4) electricity, (5) gas, (6) telecommunication system, (7) solid waste management system, etc.	XX	XX	XX			X	X	X			
3) Conduct feasibility and detail design studies based on master tourism development plan of region	XX	X	X		X		X	X		X	

No.	Recommended Measures	Responsible Sector				Short Term	Long Term	Integrated Zone				
		TAT	Central Gov't	Local Gov't	Private			1	2	3	4	5
8.	Increase of Capacity to Accomodate Tourists in a Proper Way											
	1) Some part of beach to be developed mainly international tourists	XX	X	X	XX		X	X	X			
	2) Some part of beach to be developed for general public	XX	X	X	XX		X	X	X			
	3) City type accommodations to be developed for city-oriented tourists	XX		X	XX		X	X	X			
	4) Transportation network to link the cultural assets and other tourism spots to be developed for cultural-oriented tourists	XX	X	XX			X	X	X		X	X
9.	Implementation of Proposed Projects											
	1) Patong, Karon and Kata beach area development in Phuket	XX	X	XX	X		X	X				
	2) Sightseeing boat terminals development	X		X	XX	X		X				
	3) Yocht harbour development	XX	XX		XX		X	X				
	4) Speed-Boat terminal relocation and development in Surat Thani	X		XX	XX	X			X			
	5) Bo Phut and Chaweng Beach area development	XX	X	XX	X		X		X			
	6) Chaiya historical park development	XX	X	XX	X		X				X	
	7) Research and excavation of Wiang Sa Ancient City	XX	X	X		X					X	
	8) Traditional Industry Center in Phum Rieng	XX	X	XX	XX	X					X	
	9) National parks improvement/maintenance	X	XX	X		X	X	X	X			X
	10) Forest parks improvement	X	XX	X		X		X	X	X		X
	11) Chiew Larn Dam tourism spot development	XX	X			X						X
	12) Phuket bridge park development	XX	XX	XX			X	X				
	13) Free trade zone development	XX	XX				X	X				
	14) Promotion of educational tourism	XX	XX	XX	X	X		X			X	X

Note : Integrated Zones
1. Phuket-Phangnga-Krabi
2. Surat Thani-Ko Samui
3. Trang
4. Chiya-Surat Thani-Wiang Sa
5. Chiew Larn Dam

Legend : XX Important Item
X Ordinary Item

ANNEX

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TABLES

FIGURES

ANNEX I TECHNICAL PAPER

1. TOURISTS TO UPPER SOUTH

Among 71 attractive cities and towns listed in Table 5.6, only 5 cities are located within the Study Area : Phuket, Surat Thani, Phang Nga, Krabi and Trang. Most dominant attraction of these cities is natural assets spread along the scenic ocean. Among the 5 cities, Phuket is already enjoying popularity, and attracting both international and domestic visitors.

Table 1.1 shows difference of visitors' characteristics of 3 cities. Surat Thani has attracted the largest number of tourists among these cities, Krabi has attracted only 28,557 hotel guests in 1981. The most outstanding characteristic is the large composition of foreigners to visit Phuket. About 32% of the visitors are foreigners, on the contrary, only about 1% of the visitors to Surat Thani and Krabi are from foreign countries.

Preference of the tourists is revealed from Table 1.2 that the Thai tourists prefer staying downtown to beaches, while a large percentage of Western tourists, 67.9%, stayed on the beach. The Asians tend to stay downtown, probably because they like to enjoy tours around the area and city life instead of having fun on the beach which they may have in their own countries. For example, the Malaysians, who hold the share of 22% in 1981 and has been the leading group, tend to stay downtown; 83.9% in Phuket in 1981.

TABLE 1.1 NATIONALITY OF VISITORS TO MAIN CITIES (1981)

	Nationality		Total
	Thai	Foreigner	
Surat Thani	254,064	2,115(0.8%)	256,179 *1
Phuket	89,809	41,893(31.8%)	131,702 *2
Krabi	28,277	280(1.0%)	28,557 *3

Source : TUSP, derived from Reference 1

Note : *1 Tourists in Muang District.

*2 Hotel guests in down town, Patong Beach and Rawai Beach.

*3 Hotel guests in Muang District.

TABLE 1.2 PREFERENCE OF LOCATION TO STAY (PHUKET, 1981)

		Location		Total	
		Down town	Beach	Number	%
Thai	Number	83,078	6,731	89,809	68.2
	%	92.5	7.5	100.0	
Foreigner	Number	17,385	24,508	41,893	31.8
	%	41.5	58.5	100.0	
Asian	Number	7,638	3,911	11,549	(8.8)
	%	66.1	33.9	100.0	
Western	Number	9,747	20,597	30,344	(23.0)
	%	32.1	67.9	100.0	
Total	Number	100,463	31,239	131,702	100.0
	%	76.3	23.7	100.0	

Source : TUSP, derived from Reference 1 (Table 2.21)

Note : Asian countries are Hong Kong, Japan, Taiwan, Malaysia, Singapore and others, and the Western countries are Australia, Austria, Belgium, Canada, Denmark, France, Gemany, Italy, Netherland, New Zealand, Sweden, Switzerland, United Kingkom, USA and Middle East.

Surat Thani

Number of visitors to Surat Thani in 1981 was 1,778,010 and showed a slight increase (0.7%) over 1979. Table 1.3 shows that the visitors by bus, both by the route bus and tour bus, decreased by 13%, on the contrary, train users increased by 24%. Flight started in April 1981, and by the end of the year 5,698 passengers visited Surat Thani by airplane, whereas 79.6% were from Bangkok (Ref. Table 1.5). About a half of the visitors use the route bus. Table 1.6 shows that 33.5 % of them are from Nakhon Si Thammarat, and only 13.4% are from Bangkok. Monthly hotel guests are constantly distributed through the year, totaling 110,583 in Amphoe Muang in 1981 (Ref. Table 1.7). In Muang District, 15 hotels having 815 rooms were recorded (Ref. Table 1.8). The number of rooms increased to 1,240 in 1982, 52% increase over 1981 in Muang, and the total room number in Surat Thani increased by 30% to 1,870.

TABLE 1.3 VISITORS TO SURAT THANI BY TRAVEL MODE IN 1979 AND 1981

Travel Mode	1979	1981
Airplane	-	5,698
Train	645,884	802,262(+24%)
Bus	1,119,820	970,050(-13%)
Route bus	1,003,750	857,630
Tour bus	116,070	112,420
Total	1,765,704	1,778,010(+0.7%)

Source : Reference 1.

TABLE 1.4 NUMBER OF TOURISTS VISITED SURAT THANI IN 1981

Place of Stay	Nationality		Total
	Thai	Foreigner	
Hotel	108,714	1,869	110,583
Relative/Friend	122,611	-	122,611
Guest House	18,953	-	18,953
Others	3,786	246	4,032
Total	254,064	2,115	256,179
One-day Trip	72,035	3,066	75,101
Grand Total	326,099	5,181	331,280

Source : Reference 1.

Note : Only in Amphoe Muang.

TABLE 1.5 MONTHLY VISITORS TO SURAT THANI BY AIRPLANE IN 1981

Month	Origin			Total
	Bangkok	Phuket	Hat Yai	
Apr	247	23	11	281
May	496	70	41	607
Jun	509	98	40	647
Jul	496	138	42	676
Aug	525	103	54	682
Sep	532	77	27	636
Oct	583	132	44	759
Nov	586	73	51	710
Dec	562	84	54	700
Total	4,536 (79.6)	798 (14.0)	364 (6.4)	5,698 (100.0%)

Source : Reference 1.

Note : Flight started in April 1981

TABLE 1.6 VISITORS TO SURAT THANI BY ROUTE BUS IN 1981

Origin	Visitor
Bangkok	114,975 (13.4)
Nakhon Si Thammarat	287,400 (33.5)
Krabi	136,050 (15.9)
Pattalung	3,650
Trang	7,300
Satun	5,475
Hat Yai	21,800
Yala	5,475
Su-Ngai-Ko-Lok	9,125
Ranong	70,800
Chumpon	14,400
Thung-Song	137,280 (16.0)
Phuket	43,800
Total	857,630 (100.0)

Source : Reference 1.

TABLE 1.7 MONTHLY HOTEL GUESTS IN SURAT THANI

Month	Year	
	1979	1981
Jan	6,628	8,891
Feb	7,769	8,686
Mar	6,768	8,964
Apr	7,909	9,681
May	7,368	9,952
Jun	8,640	9,265
Jul	9,142	8,981
Aug	7,919	9,005
Sep	11,333	9,113
Oct	9,621	9,762
Nov	8,800	9,095
Dec	8,219	9,208
Total	100,116	110,583

Source : Reference 1.

Note : Survey was made only in Amphoe Muang(Urban Area).

TABLE 1.8 HOTEL/NUMBER OF ROOMS IN SURAT THANI IN 1981 AND 1982

Area	Hotel		Room	
	1981	1982	1981	1982
Muang	15	18	815	1,240 (+52%)
Pun Pin	15	15	246	237
Samui	24	23	378	393
Total	54	56	1,439	1,870 (+30%)

Source : Reference 1

Note : For detail, see Appendix c.

The number of the visitors to Samui Island has increased very rapidly since 1979 as shown in Table 1.9 . The outstanding characteristics of the visitors is a large proportion of the foreigners who composed 63% of all the visitors in 1981. Total number of the visitors to the island in 1981 exceeded the total number of guests in Patong and Rawai Beach in Phuket of the same year.

TABLE 1.9 VISITORS TO SAMUI ISLAND

	1979	1980	1981
Thai	-	7,518	12,396 (37%)
Foreigner	1,144	7,350	20,758 (63%)
Total	1,144	14,868	33,154 (100%)
Index	1.0	13.0	29.0

Source : Thailand Institute of Scientific and Technological Research, Environmental & Resource Research Division, July 1983

The visitors to Ang-Thong Marine National Park were 12,124 in 1981, and 10,484 in 1982 (Ref. Table 1.10). About 80% of them are Thai, 15% are European and the rest are Japanese, Chinese and others. About 20% of them stay overnight in the Park and remaining 80% enjoy one day trip.

TABLE 1.10 MONTHLY VISITORS TO ANG-THONG MARINE NATIONAL PARK

Month	1981	1982
Jan	-	1,123
Feb	1,092	753
Mar	1,891	1,503
Apr	3,183	1,299
May	565	1,267
Jun	1,336	948
Jul	893	559
Aug	961	1,133
Sep	615	-
Oct	922	718
Nov	298	420
Dec	368	761
Total	12,124	10,484

Source : Office of the Ang-Thong Marine National Park, July 1983

Phang-Nga

Number of visitors to Phang-Nga in 1981 was 185,604 excluding the private cars and tour bus (Ref. Table 1.11). More than a half of the bus passengers (52.9%) came from Phuket, and 18.6% were from Bangkok (Ref. Table 1.12). Table 1.13 shows that 37,254 people visited Phang-Nga Bay from April to September in 1981, and 11,839 visited Khao-Lak Beach from May to September in the same year. The largest number of monthly hotel guest was 3,433 in December, and the least number (1,321) was recorded in April showing a fluctuation through the year (Ref. Table 1.14). Total number of hotels was 22 having 562 rooms in 1982, where 5 hotels and 191 rooms were found in Muang District (ref. Table 1.15).

TABLE 1.11 NUMBER OF PASSENGERS VISITING PHANG-NGA IN 1981

Transportation	Passengers
Bus	179,370
Air conditioned bus	6,234
Total	185,604

Source : Reference 1

Note : Excluded the private cars and tour bus.

TABLE 1.12 ORIGIN OF THE BUS PASSENGERS TO PHANG-NGA IN 1981

Origin	Passengers	
Bangkok	33,370	(18.6%)
Phuket	94,900	(52.9%)
Trang	29,200	(16.3%)
Hat Yai	21,900	(12.2%)
Total	179,370	(100.0%)

Source : Reference 1

TABLE1.13MONTHLY VISITORS TO PHANG-NGA BAY AND KHAO-LAK BEACH IN 1981

Month	Phang-Nga Bay	Khao-Lak Beach
Apr	7,975	-
May	5,399	2,552
Jun	3,933	1,346
Jul	6,149	1,012
Aug	8,142	3,452
Sep	5,656	3,477
Total	37,254	11,839

Source : Reference 1

Note : Data collection started in April for Phang-Nga Bay, and in May for Khao-Lak Beach.

TABLE 1.14 MONTHLY HOTEL GUESTS IN PHANG-NGA, 1981

Month	Guests
Jan	1,396
Feb	1,714
Mar	1,765
Apr	1,321
May	1,831
Jun	2,210
Jul	2,542
Aug	2,449
Sep	2,207
Oct	2,299
Nov	2,046
Dec	3,433
Total	25,213

Source : Reference 1

Note : Muang District only.

TABLE 1.15 NUMBER OF HOTELS AND ROOMS IN PHANG-NGA IN 1981 AND 1982

District	Hotel		Room	
	1981	1982	1981	1982
Muang	5	5	191	191
Ta Kua Pa	12	11	271	256
Tai Muang	4	4	78	78
Ta Kua Thung	2	2	37	37
Total	23	22	577	562

Source : Reference 1

Note : For detail, see Appendix

Phuket

A number of survey have been conducted regarding the visitors' characteristics in Phuket by TAT.

Total number of the visitors was 736,374 in 1979 and dropped to 422,322 in 1981 (Ref. Table1.16). A large propotion of them visited Phuket by bus, 61.4% by route bus and 19.5% by tour bus in 1981.

The visitors by airplane increased from 53,794 in 1979 to 78,578 in 1981, showing fluctuation through the year (Ref. Table 1.17 and 1.18).
The visitors to Phuket by route bus from Bangkok were 80,443 composing 31.0% of their origins (Ref. Table1.19).

Many of the hotel guests (69.0%) stay down town, whereas 11.6% stay at Patong Beach and 9.9% at Rawai Beach and Laem Ka (Ref. Table1.20). The Western people tend to stay on the beach, besides the Asian people tend to stay downtown (Ref. Table1.21).

Business trip composes 35.6% of the visit purpose of Thai people. On the contrary, 89.9% of the foreigners visit Phuket for tour purpose (Ref. Table1.22).

There were 86 hotels and 2,827 rooms in 1982 showing an increase of 307 rooms over 1981 (Ref. Table1.23).

TABLE 1.16 VISITORS TO PHUKET BY TRAVEL MODE IN 1979 AND 1981

Travel mode	1979	1981
Airplane	53,794 (7.3%)	78,578 (18.6%)
Domestic	50,846 (6.9%)	72,424 (17.1%)
International	2,948 (0.3%)	6,154 (1.5%)
Ship	1,747 (0.2%)	2,092 (0.5%)
Bus	680,833 (92.5%)	341,652 (80.9%)
Route bus	616,957 (83.8%)	259,239 (61.4%)
Tour bus	63,876 (8.7%)	82,413 (19.5%)
Total	736,374(100.0%)	422,322(100.0%)

Source : Reference 1.

TABLE 1.17 MONTHLY VISITORS TO PHUKET BY DOMESTIC AIRPLANE

Month	1979	1981
Jan	4,383 (8.6)	7,111 (9.8)
Feb	4,065 (8.0)	1. 8,064 (11.1)
Mar	4,195 (8.3)	7,432 (10.3)
Apr	3. 4,522 (8.9)	2. 7,966 (11.0)
May	4,004 (7.9)	5,856 (8.1)
Jun	3,376 (6.6)	3,839 (5.3)
Jul	3,691 (7.3)	4,787 (6.6)
Aug	3,894 (7.7)	5,007 (6.9)
Sep	* 3,202 (6.3)	* 3,733 (5.2)
Oct	3,916 (7.7)	5,361 (7.4)
Nov	2. 4,918 (9.7)	5,677 (7.8)
Dec	1. 6,339 (12.5)	3. 7,591 (10.5)
Total	50,846(100.0)	72,424(100.0)

Source : Reference 1.

TABLE 1.18 MONTHLY VISITORS TO PHUKET BY INTERNATIONAL AIRPLANE AND SHIP

Month	1979	1980	1981
Jan	459 (9.8)	524 (8.9)	752 (9.1)
Feb	228 (4.9)	411 (7.0)	391 (4.7)
Mar	261 (5.6)	398 (6.8)	3. 833 (10.1)
Apr	368 (7.8)	404 (6.9)	615 (7.5)
May	258 (5.5)	2. 573 (9.8)	601 (7.3)
Jun	3. 507 (10.8)	* 380 (6.5)	569 (6.9)
Jul	373 (7.9)	472 (8.0)	700 (8.5)
Aug	1. 805 (17.1)	3. 554 (9.4)	897 (10.9)
Sep	368 (7.8)	447 (7.6)	* 376 (4.6)
Oct	* 113 (2.4)	416 (7.1)	485 (5.9)
Nov	281 (6.0)	1. 764 (13.0)	2. 978 (11.9)
Dec	2. 674 (14.4)	525 (8.9)	1. 1,049 (12.7)
Total	4,695(100.0)	5,868(100.0)	8,246(100.0)

Source : Reference 1.

TABLE1.19 VISITORS TO PHUKET BY ROUTE BUS IN 1981

Origin	Visitor
Bangkok	80,443 (31.0%)
Trang	34,994 (13.5%)
Nakhon Si Thammarat	24,123 (9.3%)
Surat Thani	29,221 (11.3%)
Hat Yai	25,986 (10.0%)
Takua Pa	38,052 (14.7%)
Krabi & Phang-nga	26,388 (10.2%)
Total	259,207 (100.0%)

Source : Reference 1.

TABLE1.20 HOTEL GUESTS IN PHUKET BY PLACES, 1981

Place	Guest
Down town	100,463 (69.0%)
class 3	23,831
class 4	40,755
class 5 & 6	35,877
Patong Beach	16,832 (11.6%)
Rawai Beach & Laem Ka	14,407 (9.9%)
Kota Beach	8,115
Karon Beach	3,252
Nai Han, Kamala & Ko Lon Beach	2,636
Total	145,705 (100.0%)

Source : Reference 1.

TABLE 1.21 HOTEL GUESTS IN PHUKET BY PLACES AND NATIONALITY, 1981

Nationality	Down town	Patong Beach	Rawai Beach
Foreigners			
USA	875	861	838
Canada	263	336	195
Austria	166	736	69
Belgium	201	437	312
Denmark	243	179	107
France	665	3,021	1,647
Germany	2,406	2,270	1,746
Italy	1,674	286	1,350
Netherland	456	478	214
Sweden	217	493	165
Switzerland	451	669	434
United Kingdom	1,122	1,169	1,583
Middle-east	162	-	65
Australia	666	321	476
Hong Kong	455	92	223
Japan	2,033	82	846
New Zealand	150	41	99
Taiwan	80	-	34
Malaysia	2,654	352	158
Singapore	1,887	239	156
Others	529	1,370	359
Total	17,385	13,432	11,076
Thai	83,078	3,400	3,331
Grand Total	100,463	16,832	14,407

Source : Reference 1.

TABLE1.22RATIO OF PURPOSE TO VISIT PHUKET, 1982

Purpose	Thai	Foreigners
Tour	30.7 %	89.8 %
Official	6.1 %	0.5 %
Business	35.6 %	6.7 %
Visit Relatives	24.9 %	1.1 %
Others	2.7 %	1.9 %
Total	100.0 %	100.0 %

Source : Reference 1.

TABLE 1.23 NUMBER OF HOTELS AND ROOMS IN PHUKET IN 1981, 1982 AND 1983

Area	Hotel			Room		
	1981	1982	1983	1981	1982	1983
Down Town	23	25	23	1,338	1,485	1,414
Patong Beach	19	25	NC	364	457	NC
Kata Beach	10	13	NC	231	256	NC
Rawai Beach and Ka Cape	10	10	NC	398	440	NC
Karon Beach	6	6	NC	99	99	NC
Nai Han Beach	5	5	NC	74	74	NC
Ko Lone	1	1	1	10	10	18
Kamala Beach	1	1	NC	6	6	NC
Total	75	86	NC	2,520	2,827	NC

Source : Reference 1

Note (1) NC : Data not complete

(2) For detail, see Appendix

Krabi

Many people visit Krabi from Surat Thani, Trang and other cities totaling 472,695 in 1981 (Ref. Table 1.24).

Number of the visitors to Krabi Muang District in 1981 was 28,557, most of them (99.0%) were Thai people distributed evenly through the year (Ref. Table 1.26).

There were 9 hotels with 279 rooms in Krabi in 1982 (Ref. Table 1.25).

TABLE 1.24 ORIGIN OF THE VISITORS TO KRABI IN 1981

Origin	Visitors
Bangkok	51,100
Bus	36,500
Air conditioned bus	14,600
Surat Thani	175,200
Trang	127,750
Phang-Nga	16,425
Phuket	77,755
Hat Yai	9,125
Nakon Si Thammarat	15,340
Total	472,695

Source : Reference 1

Note : Excluded the visitors by private car and tour bus

TABLE 1.25 NUMBER OF HOTELS AND ROOMS IN KRABI IN 1981 AND 1982

District	Hotel		Room	
	1981	1982	1981	1982
Muang	7	8	207	253
Ao Luk	1	1	26	26
Total	8	9	233	279

Source : Reference 1

TABLE1.26MONTHLY VISITORS TO KRABI IN 1981

Month	Visitor
Jan	2,302
Feb	2,291
Mar	2,571
Apr	2,856
May	2,486
Jun	2,409
Jul	2,523
Aug	2,233
Sep	2,193
Oct	2,195
Nov	2,168
Dec	2,230
Total	28,557
Thai	28,277(99.0%)
Foreigners	280(1.0%)

Source : Reference 1

Note : Muang District only

2. CHARACTERISTICS OF TOURISM RESOURCE

The attractive assets of these 5 cities are classified into 3 categories as shown in Table 2.1 (Ref. Fig.2.1).

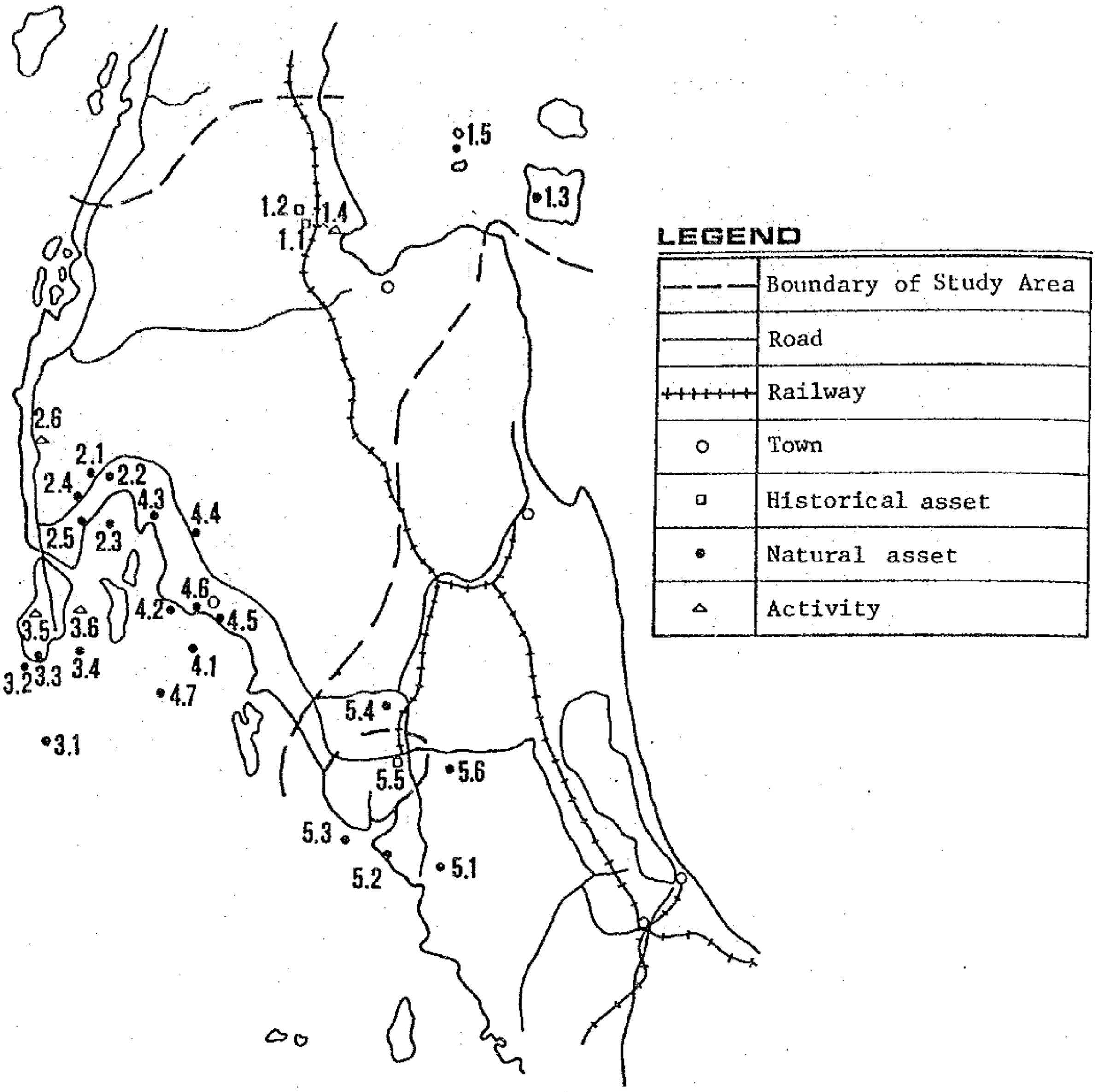
TABLE 2.1 ATTRACTIVE ASSETS AND THEIR CATEGORIES

Attractive Asset	Categories		
	Historical	Natural	Activity
1 Surat Thani			
1.1 Phra Barom Dhat Chaiya	●		
1.2 Wat Suan Mokapalaram	●		
1.3 Samui islands		●	
1.4 Ban Pumrieng (silk village)			●
1.5 Anton Marine National Park		●	
2 Phang Nga			
2.1 Pung Chang (cave)		●	
2.2 Rue-see Sawan (cave)		●	
2.3 Phang-Nga Bay		●	
2.4 Wat Suwannakuha (cave)		●	
2.5 Phang Nga (waterfall)		●	
2.6 Nao Luk (botanical garden)			●

Attractive Asset	Categories		
	Historical	Natural	Activity
3 Phuket			
3.1 Ko Kaeo Pisadarn		●	
3.2 Laem Ka (cape)		●	
3.3 Laem Singha (cape)		●	
3.4 Ko Mai-Tone		●	
3.5 Tin mine			●
3.6 Pearl farm			●
4 Krabi			
4.1 Phra Nang Gulf		●	
4.2 Hard Nopharat Thara(beach)		●	
4.3 Tarn Boke Khoranee (waterfall)		●	
4.4 Sadet (cave)		●	
4.5 Kao Khanab Nam		●	
4.6 Million-year-old shell reef		●	
4.7 Ko Pee Pee (island)		●	
5 Trang			
5.1 Palien Waterfall		●	
5.2 Pakmeng (beach)		●	
5.3 Chao Mai (island)		●	
5.4 Kao Pina (cave)		●	
5.5 Phraya-Rajada-Nu Phradit Monument	●		
5.6 Kao Chong National Park		●	

Source : National Plan on Tourism Development, May 1976, TOT (Reference 4)

FIGURE 2.1 LOCATION MAP OF ATTRACTIVE ASSETS



1	Surat Thani	2.6	Nao Luk(botanical garden)	4.4	Sadet(cave)
1.1	Phra Barom Dhat Chaiya	3	Phuket	4.5	Kao Khanab Nam
1.2	Wat Suan Mokapalaram	3.1	Ko Kaeo Pisadarn	4.6	Million-year-old shell reef
1.3	Samui Islands	3.2	Laem Ka (cape)	4.7	Ko Pee Pee (island)
1.4	Ban Pumrieng (silk village)	3.3	Laem Singha(cape)	5	Trang
1.5	Ang-Thong Marine National Park	3.4	Ko Mai-Tone	5.1	Palien waterfall
2	Phang-Nga	3.5	Tin mine	5.2	Pakmeng(beach)
2.1	Pung Chang(cave)	3.6	Pearl farm	5.3	Chao Mai (island)
2.2	Rue-See Savan(cave)	4	Krabi	5.4	Kao Pina (cave)
2.3	Phang-Nga Bay	4.1	Phra Nang Gulf	5.5	Phraya-Rajada-Nu-Phradit Monument
2.4	Wat Suwannakuha(cave)	4.2	Hard Nopharat Thara (beach)	5.6	Kao Chong National Park
2.5	Phang-Nga(waterfall)	4.3	Torn Boke Khoranee (waterfall)		

Source : Reference 4 Note : Asset No. 1.5 is added in this Study.

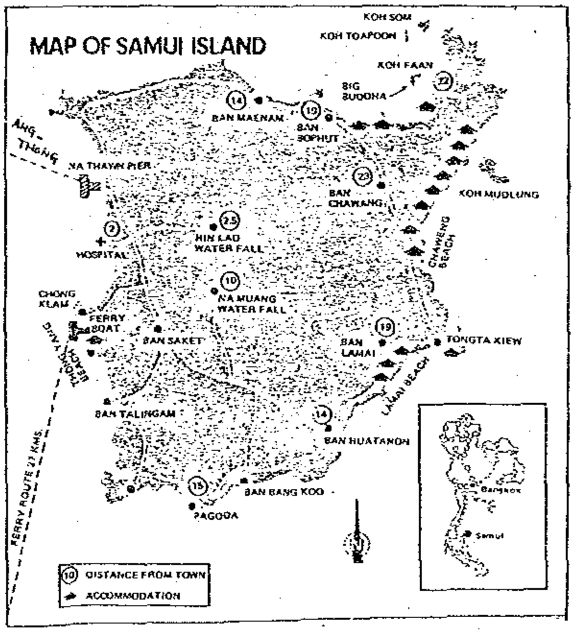
This classification shows that most of the attractive assets are nature oriented and related to ocean. Main attractive assets are discussed here.

Samui Islands

Samui Island and Anton Marine National Park are visited by domestic and a number of international tourists. Regular access is by boat from Khanom, which takes about 1.5 hours under the normal weather condition. The main industry of the island is used to be the coconuts farming and fishery, however, as the palmtrees grow too old, tourism tends to be the main economic activity instead.

The island is about 21 km wide and 25 km long, and its total land area is 247 km^2. Another way to visit the islans is by a speed boat form Ban Don, a small fishing village 20km, form Surat Thani. It takes 3 hours to cover 80 km to reach the island. A number of mini buses are available to go around 50 km of concrete ring road. Small fidhing boats can be rented for trips to nearby islands. To visit the Ang Thong Marine National Park, the boat ride takes about 3 to 4 hours (Ref. Fig. 2.2 and 2.3).

FIGURE 2.2 MAP OF SAMUI ISLAND



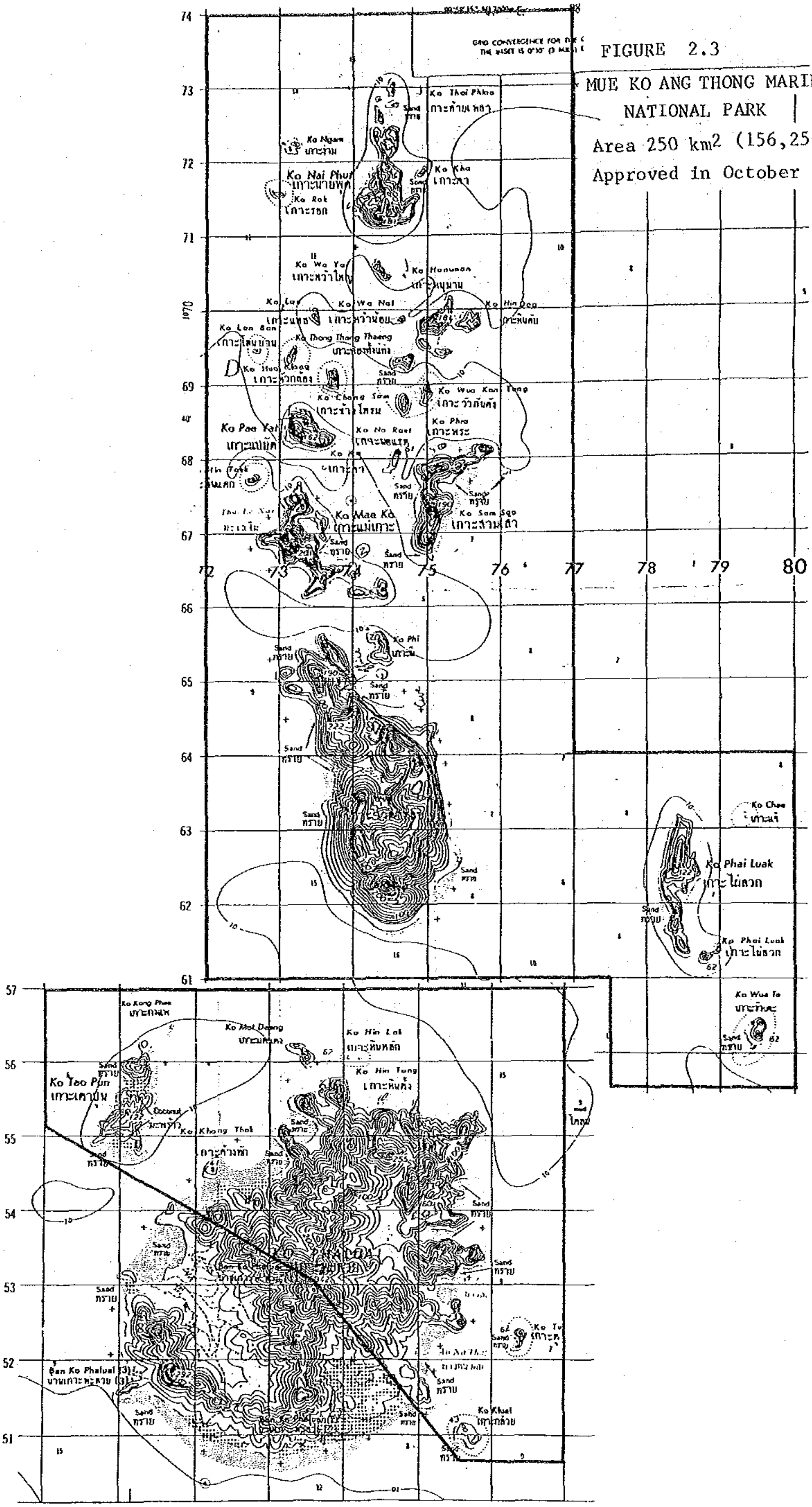
Source : Travel Guide, Your Guide to Happy Holidays, 1983

FIGURE 2.3

MUE KO ANG THONG MARINE NATIONAL PARK

Area 250 km^2 (156,250 Rai)

Approved in October 1980



Phang-Nga Bay

The Phang-Nga Bay National Park was approved in April 1981, and it covers about 400 km^2. The bay offers an enchanting scenery including Pan Yi Island where the people are living just behind a rocky island, and Pingkan Island which is sometimes called a James Bond Island (Ref. Fig. 2.5).

Mue Ko Pi Pi National Park

The Pi Pi Islands and Ao Nang areas are requested to be approved as a national park to preserve the natural beauty of the areas. Especially the Pi Pi Island is famous for its aquatic scenery, and provides an ideal spot for scubadiving (Ref. Fig. 2.6).

FIGURE 2.4 MAP OF PHUKET - PHANGNGA - KRABI