

THE KINGDOM OF THAILAND
THE TOURISM AUTHORITY OF THAILAND

The Study on Potential Tourism Development
for the Southern Region of Thailand

Southern Thailand

FINAL REPORT, March 1989

Volume 1:

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THE KINGDOM OF THAILAND
THE TOURISM AUTHORITY OF THAILAND

**The Study on Potential Tourism Development
for the Southern Region of Thailand**

Southern Thailand

FINAL REPORT, March 1989

Volume 1:

JAPAN INTERNATIONAL COOPERATION AGENCY

国際協力事業団
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PREFACE

In response to a request from the Government of the Kingdom of Thailand, the Government of Japan decided to conduct a study on Potential Tourism Area Development for the Southern Region in Thailand and entrusted the study to the Japan International Cooperation Agency (JICA).

JICA sent to Thailand a study team headed by Mr. Sohiko Yamada, comprising experts from JCP Inc. and Pacific Consultants International, on four occasions during the period from November 1987 to December 1988.

The team held discussion with the officials concerned of the Government of the Kingdom of Thailand and conducted field surveys.

After the team returned to Japan, further studies were made and the present report has been prepared.

I hope that this report will serve for the development of the project and contribute to the promotion of friendly relations between our two countries.

I wish to express my sincerest appreciation to the officials concerned of the Government of the Kingdom of Thailand and for their close cooperation extended to the team.

March 1989



Kensuke Yanagiya
President
Japan International Cooperation Agency

SUMMARY

GENERAL

The study objective of this section is to prepare guidelines for tourism development in Southern Region as a whole, based on an assessment of tourism resources in each region which takes into account existing plans which have individually prepared. This study, started in November, 1987, focuses on presenting a number of key issues to be tackled by the public and private sectors in a properly coordinated manner.

STUDY OF SOUTHERN REGION

1. POLICY FOR TOURISM AND REGIONAL DEVELOPMENT

The Sixth National Plan has placed special emphasis on international tourism promotion with the expectation that the tourism industry will contribute greatly to boosting the national economy and balancing the trade and current account deficits. The tourism sector had a 6.9 percent annual growth rate on the average in terms of international arrivals during the Fifth National Plan period. Based on this performance, the Sixth National Plan has set an average annual growth target of 7.5 percent. In line with this national context, growth in international tourism is a key issue in Southern Region as well. However, this can be realized only by undertaking a dual policy: facilitating strategic growth in selected areas with tourist potential as tourism growth poles, and stimulating local tourism activities to ensure dispersed development by a bottom-up approach in the long-run.

●Refer to Chapter 2, p.9-

2. TOURIST ATTRACTIONS

The major tourist attractions in Southern Region are beaches and island resorts, especially in Phuket and Ko Samui, which offer a tropical atmosphere along the coast. These natural attractions have already been developed to some extent, especially in the islands of Phuket and Samui. Cultural and historical attractions which vary in different localities are valuable for tourism development in Southern Region. It is important to maintain and facilitate both natural and cultural/historical attractions in the context of the ASEAN resort tourism structure.

●Refer to Chapter 3.2, p.9-

3. SOCIO-CULTURAL CONSIDERATION

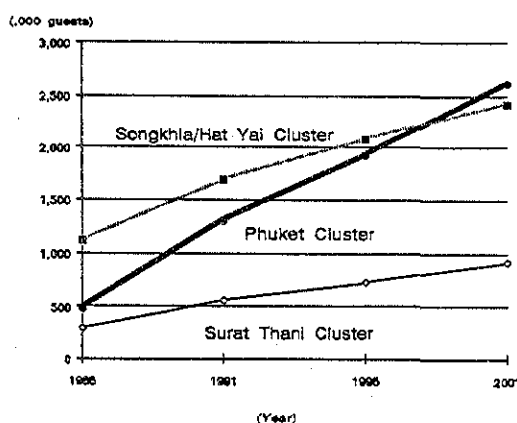
The socio-cultural aspect can be interpreted in two ways: one is that the socio-cultural assets/ characteristics are invaluable tourism assets, therefore, should be fully utilized for this purpose; and the other is that the socio-cultural endowments are so vulnerable to new socio-economic influences like tourism development, therefore, they need to be protected from such influences. Tourism development always faces this contradictory problem. Most important is the policy that the local people should always take part in tourism development and that it should be directed in their favor. It is recommended that a monitoring system be developed and applied in this regard.

●Refer to Chapter 3.2.3, p.9-

4. TOURISM MARKET AND DEMAND FORECAST

The number of foreign tourists who will visit Thailand in 1991 is estimated at 5,700,000 by this study. This estimate is larger by 23% than that in the 6th National Plan. As for the long-term estimates in 1996 and 2001, a macro frame was assumed by assuming fixed average growth rates. The results of the distribution forecast in terms of the number of foreign and domestic hotel guests visiting the three clusters in Southern Region are shown as follows.

●Refer to Chapter 3.3, p.17-



PROJECTED HOTEL GUESTS BY THREE CLUSTERS, 1986-2001

Year	PHUKET CLUSTER			SURAT THANI CLUSTER			SONGKHLA-HAT YAI CLUSTER		
	Foreign	Domestic	Total	Foreign	Domestic	Total	Foreign	Domestic	Total
1986	254.0	223.0	477.0	86.3	205.6	291.9	445.5	681.3	1,126.0
1991	856.0	448.0	1,304.0	300.0	260.0	560.0	820.0	870.0	1,690.0
1996	1,201.0	772.0	1,923.0	420.0	310.0	730.0	1,030.0	1,050.0	2,080.0
2001	1,607.0	1,013.0	2,620.0	560.0	360.0	920.0	1,220.0	1,210.0	2,430.0

Note : Unit ,000 Guests

5. HOTEL REQUIREMENTS

As a result of forecasting the number of hotel rooms required in the future, taking into account the number of hotel rooms currently available in Southern Region and a strategy of dispersed development, the overall number of hotel rooms required will be as follows.

The numbers of rooms required in 1991 and 2001 are estimated to be: 16,600 and 32,100 in the Phuket cluster; 12,200 and 20,700 in the Surat Thani cluster; and 14,100 and 24,000 in the Songkhla/Hat Yai cluster respectively.

●Refer to Chapter 3.3.5, p.21-

SPECIFIC MARKETING TARGETS DISTRIBUTION OF ROOM REQUIREMENTS

YEAR OF 1991

	NUMBER OF ROOMS (unit: Rooms)								
	Required			Available in 1986			Additional (1986-1991)		
	High	Low	Total	High	Low	Total	High	Low	Total
PHUKET CLUSTER	10,234	6,402	16,636	4,978	4,515	9,493	5,256	1,935	7,191
-Phuket Island	9,257	5,077	14,335	4,722	3,217	7,939	4,535	1,860	6,396
SURAT THANI CLUSTER	2,447	9,790	12,237	551	8,383	8,934	1,896	1,407	3,303
-Samui Island	1,836	3,552	5,388	404	2,757	3,161	1,432	795	2,227
SONGKHLA-HATYAI CLUSTER	3,571	10,539	14,110	2,393	7,466	9,859	1,178	3,073	4,251
-Songkhla and Hat Yai cities	3,571	4,531	8,102	2,393	3,193	5,586	1,178	1,338	2,516

YEAR OF 2001

	NUMBER OF ROOMS (unit: Rooms)								
	Required			Available in 1986			Additional (1986-2001)		
	High	Low	Total	High	Low	Total	High	Low	Total
PHUKET CLUSTER	21,889	10,236	32,125	4,978	4,515	9,493	16,911	5,721	22,632
-Phuket Island	14,624	6,142	20,766	4,722	3,217	7,939	9,902	2,925	12,826
SURAT THANI CLUSTER	7,492	13,230	20,722	551	8,383	8,934	6,941	4,847	11,788
-Samui Island	4,420	6,432	10,852	404	2,757	3,161	4,016	3,675	7,691
SONGKHLA-HATYAI CLUSTER	7,219	16,845	24,064	2,393	7,466	9,859	4,826	9,379	14,205
-Songkhla and Hat Yai cities	5,236	6,867	12,103	2,393	3,193	5,586	2,843	3,674	6,517

Note: H = HIGH : International Class Accommodation
L = LOW : Economy Class Accommodation

6. REGIONAL TOURISM STRUCTURE

As a result of the assessment of tourism resources, a hierarchical structure of tourism in Southern Region can be delineated into three levels. The primary order areas, which are endowed with invaluable resources and have the greatest potential for further development are: Phuket; Songkhla/Hat Yai; and Ko Samui. The second level areas, which are capable of supporting or supplementing the primary centers with particular attractiveness are Surat Thani, Phang Nga and Krabi in the upper-southern region, and Satun, Yala and Narathiwat in the lower southern region. All other areas with small and the medium-scale attractions are classified as third level areas. This structure implies that a spatial guideline should be followed for strategic tourism development in Southern Region.

●Refer to Chapter 3.4, p.23-

7. TRANSPORT NETWORK

Three major high priority issues to be tackled are identified in terms of transport networks development as follows: 1) respond to the current international mass-tourism demand, 2) structure a more effective inter-regional transport system, and 3) integrate dispersed tourism assets/places located around tourism areas. The development of a comprehensive transport network system, integrating air, sea, and land transportation, should be initiated in a planned manner. It is recommended that particular emphasis be placed on projects/programs to meet and facilitate international mass-tourism demand such as:

- Measures to expand and improve Phuket International Airport, especially with regard to upgrading the aviation safety level;
- Sea excursion development with appropriate port facilities;
- Arrangements regarding the integration of the Trans-Asia Highway and road networks to each region; and
- Arrangements of the Singapore-Malaysia-Thailand railway, and promotion of an Orient Express Asia operation.

●Refer to Chapter 3.5, p.29-

8. ENVIRONMENTAL CONSIDERATIONS ON BEACH RESORT DEVELOPMENT

Coordination among governmental agencies and the private sector is needed to promote sound development and conservation of natural assets. "Marine and Shoreline Conservation Areas" should definitely be designated in the areas where conservation is strongly desired, such as the areas along the west coast of the Phuket, Samui and Pha-ngan islands. Environmental considerations should be given high priority when developing tourism in these areas.

●Refer to Chapter 3.6, p.35-

9. INTERNATIONAL TOURIST DESTINATIONS

The international tourism resources of the three clusters in Southern Region vary in their development stages and each cluster has its own characteristics in terms of tourists market as well as its inherent attractiveness. The Phuket cluster is a full-fledged and self-sustaining tourist destination for all market segments which will stand competition from other types of destinations in the ASEAN region. On the other hand, Samui and Songkhla/Hat Yai are identified to being distinct tourist destinations for some limited segments of the tourist market.

● Refer to Chapter 3.7.1, p.37

10. TOUR PACKAGE AND ROUTE

A proposal is made on package tour patterns and tour routes to integrate selected major spots into a comprehensive tourism area/cluster in order to attract more international tourists to the area. Existing tour packages are developed basically around the three major tourism clusters, namely, Phuket, Surat Thani/Ko Samui and Songkhla/Hat Yai, without having an organic inter-linkage. There is an urgent need to establish well-organized model tour routes covering all three clusters in Southern Region.

● Refer to Chapter 3.7.2, p.37

11. TOURISM PROMOTION

"A Unique Selling Message/Proposition" should be set up for Southern Region so that a clear and unified regional tourist image/product can be created. The attractiveness of its natural, peaceful, tropical atmosphere, with mixture of the tradition and modern, and the possibility of a wide variety of marine resort life provides an effective image, especially for the Japanese market. TAT's promotional efforts should be directed more to the travel-trade (tour wholesalers, operators, agencies and the travel media) than to individual consumers. The travel-trade has more direct access /influence to high-yield consumers who will be good potential generators of tourist revenue in Thailand. Promotional activities with emphasis on the travel trade must bring about more cost-effective results.

● Refer to Chapter 3.7.5, p.41

REVIEW AND ASSESSMENT OF THE THREE PRIORITY AREAS

12. PHUKET CLUSTER

In a broad meaning, tourism development in the Phuket cluster is thought to consist of two types: beach resorts and town tourism. Regarding the beach resort development, it is important to maintain the resorts so as to be compatible with international tourist requirements and avoid a disorderly development pattern. Although it is a fact that Phuket is endowed with enough potential to become an outstanding, highly competitive, quality international beach resort in a relatively short period, a significant problem remains in delayed development of the infrastructure sufficient to support tourism activities/industry. Much more effort should be made to solve this problem, in association with a long-term environment management policy. For further tourism expansion, the vicinities of Phuket such as Phang Nga and Krabi, should be incorporated into the overall Phuket tourism area by providing proper sea, air and land transportation systems. On the other hand, it is recommended that town tourism be encouraged by revitalizing the existing historical/traditional districts, as well as by providing more convenient tourist services. Town tourism would be important in order to make Phuket tourism more varied and attractive.

● Refer to Chapter 4.1, p.4ⁿ

13. SURAT THANI CLUSTER

The tourism assets in this cluster vary: beach resorts in Samui; marine and natural attractions/scenery in the Pha-ngan and Ang Thong National Parks; and historical/religious attractions in Chaiya. The cultural assets in Nakhon Si Thammarat are also involved in this cluster. These attractions are located in a dispersed manner, hence, need to be integrated with a well-developed transport network. As for the beach resorts, Samui, in fact, is already an international tourism destination, but it is limited in its spatial capacity to respond to increasing international mass-tourism. Seasonal fluctuations is another constraint in the same sense. Samui is quite popular among tourists who prefer staying for a long term at less expensive accommodations, however, it is noted that a number of shanty bungalows have been converted into hotels, of which large-scale investment has been injected to develop luxurious hotels. This indicates that Samui tourism has just entered a new phase of development. However, for further tourism promotion, development of basic infrastructure such as water supply, electricity distribution and sanitary facilities is indispensable. Generally, tourism development in this cluster should be performed step by step so as to make full use of the tourism assets for both domestic and foreign tourists with no no environmental deterioration.

● Refer to Chapter 4.2, p.59

14. SONGKHLA/HAT YAI CLUSTER

Hat Yai has attracted a tremendous number of tourists internationally, mainly from Malaysia, and domestic tourists from Bangkok. However, the potential for beach resorts in Songkhla is assessed to be comparatively low from an international tourism development point of view. Accordingly, this cluster is based mainly on town tourism supported by the neighboring countries and this characteristic should be further promoted in the future as well. Also, because the city is promising enough to grow up as the second largest business center with commercial, trading, financial and industrial functions in Southern Region, it is important to improve the urban facilities so as to meet the requirements of business people as well as tourists. The beaches stretching over the eastern area of Songkhla city should also be developed and maintained in good condition as a recreational park mainly for domestic tourists and local people. The Tarutao National Park, a beautiful archipelago in the Andaman Sea, has a lot of potential for ocean resorts or recreational places, and needs an easily accessible transportation system from the major tourism centers such as Phuket and Hat Yai. Development should be carefully done on a long-term perspective linked to natural conservation/management policy.

● Refer to Chapter 4.3, p.67

15. REGIONAL INCOME

Tourism development can generate substantial benefits for employment, personal and regional income, government revenue, and provide a stimulus to the other economic sectors. Total receipts from both foreign and domestic tourists in the three clusters, Phuket, Surat Thani and Songkhla/Hat Yai, is projected to be about 49.0 billion baht in 1996 and about 70.0 billion baht in 2001. A large amount of tourism income will be generated in the Phuket and Songkhla/Hat Yai clusters: about 34.5 billion baht in Phuket; and about 23.9 billion baht in Songkhla/Hat Yai in 2001.

● Refer to Chapter 3.3, p.43-

16. EMPLOYMENT PROJECTION

Tourism development has considerable potential to create additional employment opportunities both directly and indirectly. The direct impact, defined as the increase in employment of the hotel industry, is estimated to be 15,700 in Phuket, 9,300 in Surat Thani and 16,600 in Hat Yai/Songkhla in 2001. The indirect impact will take place in the relevant industrial sectors. Based on an analysis of the structure of tourists' expenditure, the indirect impact on employment is supposed to be approximately 3.5 times as much as the above defined direct impact. Consequently, total increases in both direct and indirect employment account for about 216,200 in Phuket, 89,300 in Songkhla/Hat Yai, 86,600 in Surat Thani in 2001, compared with those in 1987.

● Refer to Chapter 3.8, p.45-

17. EDUCATION AND TRAINING

Shortages of trained service personnel and training opportunities will become a critical problem. It is estimated that in Phuket, about 7,500 more people will be required additionally for the middle and the upper technical staff positions in the hotel service sector by 2001. This means that an average of about 580 persons annually should be trained from now till the year 2001. In order to cover the three clusters, an average of about 1,350 persons should be trained annually for higher technical positions. Based on this projection, it is strongly recommended that a large scale institute exclusively for training tourism service personnel be established in Southern Region under TAT's initiative.

● Refer to Chapter 3.8, p.45-

18. TOURISM RELATED INDUSTRIES

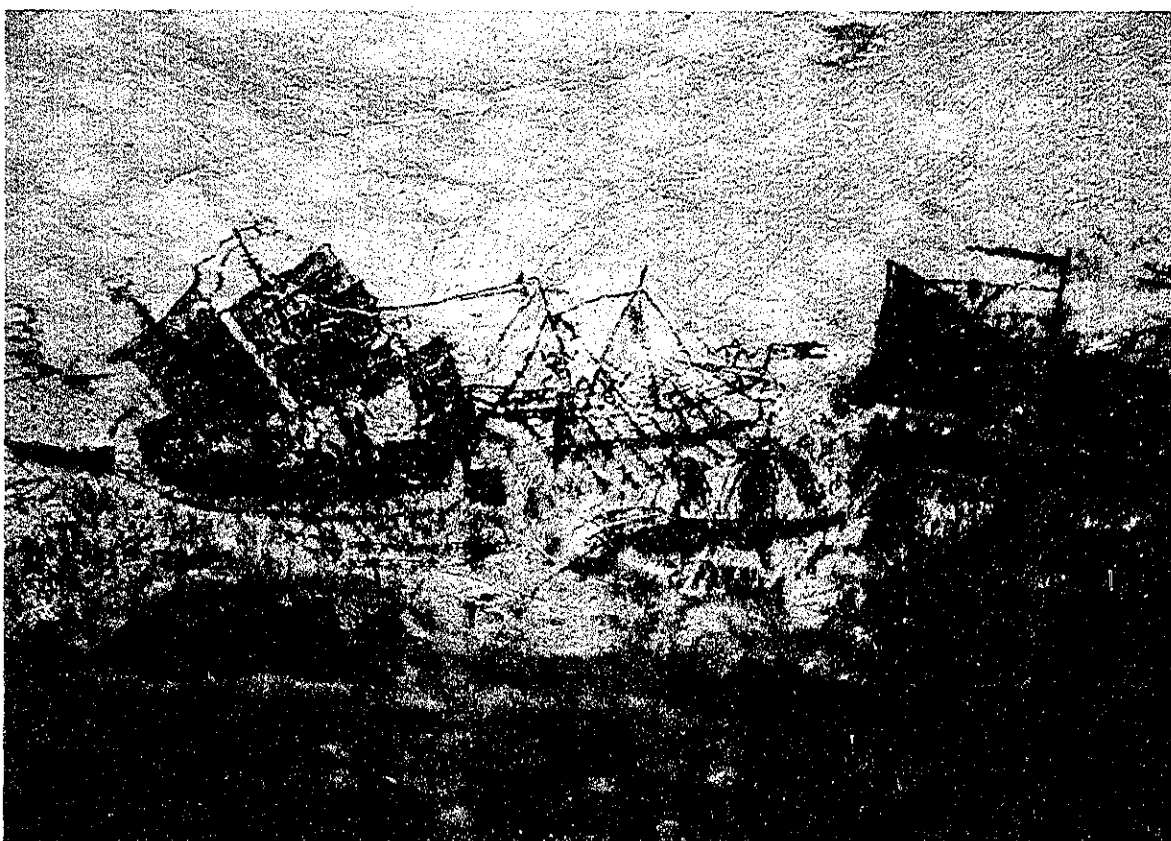
Through linkages in the economy, tourists' expenditure yields a multiplier economic effect on other sectors in the region. The transport, commercial, restaurant/food supply, personal services, and the other services sectors are influenced directly. By encouraging tourists' purchases of domestic/local products, the manufacturing sector will considerably benefit from tourism. The additional benefits taking place in this sector will, in turn, affect the commercial and service sectors through the market mechanism, thereby, creating a regional growth system. A policy for stimulating the economy is strongly required at the local level. For this purpose, it is recommended that a "Tourist Shopping Center" functioning for promoting the local industry as well as selling its products be established by the public sector in Phuket and Hat Yai.

● Refer to Chapter 3.8, p.45-

19. PROPOSED PLANS/PROJECTS TO BE IMPLEMENTED

It is proposed that a number of projects/programs be implemented in a phased manner, based first on the regional development strategies underlying the existing plans/studies, and second on the desired direction of tourism development in each cluster so that they may make full use of its endowments and potentials. Particular attention has been paid to the projects in the short and medium-term which may urgently resolve critical problems and development bottle-necks. Since tourism development cannot exist alone, it should be implemented in relation to the regional development as a whole.

● Refer to Chapter 4, p.49-



Rock Painting at Prayanaga(Viking)Cave, PhiPhi Island, KRABI

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ABBREVIATIONS

AAT	Airport Authority of Thailand
BOI	Board of Investment
CAT	Communications Authority of Thailand
CIPO	Center for Integrated Plan of Operation
DMR	Department of Mineral Resources
DOA	Department of Aviation
DOF	Department of Fisheries
DOH	Department of Highways
DOLA	Department of Land Acquisition
DTCP	Department of Town and Country Planning
DTEC	Department of Technical and Economic Cooperation
EGAT	Electricity Generating Authority of Thailand
ESCAP	United Nations Economic and Social Commission for Asia and the Pacific
ETA	Expressway and Rapid Transit Authority of Thailand
FAD	The Fine Arts Department
HD	Harbor Department
IEAT	Industrial Estate Authority of Thailand
JICA	Japan International Cooperation Agency
JNTO	Japan National Tourism Organization
LDD	Land Development Department
LG	Local Government
LTD	Land Transport Department
MCOT	The Mass Communication Organization of Thailand
MOAC	Ministry of Agriculture and Cooperatives
MOTC	Ministry of Transport and Communications
MOE	Ministry of Education
MOF	Ministry of Finance
MOI	Ministry of Industry
MOIN	Ministry of Interior
MP	Municipality
MUN	Municipality
NEB	National Environmental Board
NESDB	National Economic and Social Development Board
NHA	National Housing Authority
NSO	National Statistical Office
PAT	Port Authority of Thailand
PEA	Provincial Electricity Authority
PWA	Provincial Waterworks Authority
PWD	Public Works Department
RFD	Royal Forestry Department
RID	Royal Irrigation Department
SD	Sanitary District
SRT	State Railways of Thailand
TAI	Thai Airways International Ltd.
TAC	Thai Airways Co., Ltd.
TAT	Tourism Authority of Thailand
TCL	The Transport Company Ltd.
TDRI	Thailand Development Research Institute
TISTR	Thailand Institute of Scientific and Technological Research
TOT	Telephone Organization of Thailand

Exchange Rate (As of April 1988) Adopted in This Report;

- Japanese Yen	: US\$1=Y 124.93
- US Dollar	: US\$1=B 24.146

CHAPTER 1 INTRODUCTION

- 1.1 BACKGROUND OF THE STUDY**
- 1.2 STUDY OBJECTIVES**
- 1.3 SCOPE OF THE STUDY**
- 1.4 STUDY AREA**
- 1.5 THE STUDY REPORT**

1.1 BACKGROUND OF THE STUDY

Tourism-related industries in Thailand have come to play an increasingly important role since the first National Economic and Social Development Plan started in 1960. Economic cooperation from developed countries and the World Bank have supported improve airports and roads, producing multiplied effects on tourism and other related industries. In 1977, the Japanese Government extended technical cooperation for the formulation of a tourism development project in Pattaya, a coastal resort area neighboring Bangkok, as part of Japan's international cooperation for tourism development. Pattaya is now one of Thailand's major international resort areas with more than one million visitors in 1986.

During the 6th National Economic and Social Development Plan (hereinafter referred to as the 6th National Plan), Thailand plans to carry out a tourism infrastructure improvement project with the financial cooperation from the Japanese Government under the regional master plans worked out by the Tourism Authority of Thailand (hereinafter referred to as "TAT"), with a view to developing high-standard resort areas. Also, 1987, the first year of the 6th National Plan, is designated as "Visit Thailand Year" to commemorate the 60th birthday of the King. Thailand pins high expectations on tourism for its social and economic development. In particular, it hopes that tourism, through the multiplies effect, will contribute to overall economic development with relatively small capital, increase employment opportunities, create the distribution of income, promote modernization in local areas and earn foreign currency.

Thailand has been making an all-out efforts to develop its tourism resources. And in March, 1987, Thailand asked the Japanese Government to provide cooperation for the development of the southern region's tourism potential. Upon receiving the request, Japanese Government decided to implement the "The Study on Potential Tourism Area Development for the Southern Region in Thailand" (hereinafter referred to as "the Study"). Based on the decision, Japan International Cooperation Agency (hereinafter referred to as "JICA"), agency responsible for the implementation of the technical cooperation programs of Japanese Government, has been entrusted to carry out the Study and concluded a technical cooperation agreement with Thailand in June, 1987.

1.2 STUDY OBJECTIVES

The objectives of the Study are classified into two subjects to be studied in the fiscal year of 1987 (Part I) and the fiscal year of 1988 (Part II). The study objective of the Part I is;

- 1) Preparation of Tourism Development Guidelines for Southern Region (hereinafter referred to "the Guidelines"), and
- 2) Selection of a Potential Area for Tourism Development Planning (hereinafter referred to "Selection of a Potential Area")

For the preparation of the Guidelines and the Selection of a Potential Area, due consideration will be given to analysis of areas with great potentials as a tourist report for the Japanese and the exploration of the Japanese market tours in Thailand.

The primary objective of the Part II study is;

- 1) To identify and assess the potential of tourist assets in the Phuket cluster, taking into consideration natural, cultural and historic conservation, and to formulate a tourism development plan for the selected area along with implementation programs and recommendations.
- 2) To assist the national and provincial governments in formulating systems of regional integrated development in conjunction with the above mentioned tourism development.
- 3) To illustrate possible tourism development projects with the pre-feasibility study and a recommended implementation program.

1.3 SCOPE OF THE STUDY

The scope of the Study is broadly defined in the "Scope of Work" agreed upon between the Thailand and JICA. The following are the major items to be studied in Part I.

- a. Review of the policy for tourism development and regional development,
- b. Review of existing studies,
- c. Assessment of current tourism resources and facilities,
- d. Examination of potentiality of tourism development,
- e. Demand forecasting,
- f. Examination of tourism development possibility and identification of present constraints,
- g. Preparation of tourism development guidelines,
- h. Selection of a potential area for tourism development planning.

The followings are the major items to be studied in Part II.

- a. Formulation of policies and strategies for tourism development,
- b. Examination of the present states of the infrastructure,
- c. Assessment of tourism resources and facilities,
- d. Demand forecasting and market research,
- e. Assessment of the tourism promotion (system),
- f. Identification of current constraints and anticipated problems,
- g. Establishment of alternative conceptual tourism development plans,
- h. Evaluation of conceptual tourism development plans, and
- i. Preparation of an implementation program with recommendations.

● Tourism Development Guidelines for Southern Region

● Selection of a Potential Area for Tourism Development Planning

1.4 STUDY AREA

The Study Part I covers the whole southern region with emphasis on the following three clusters, where TAT considers significant as future tourism areas.

- 1) EAST COAST UPPER SOUTHERN REGION.... Surat Thani, Nakhon Si Thammarat, and Chumphon Provinces
- 2) WEST COAST UPPER SOUTHERN REGION.... Phuket, Phang Nga, Krabi, and Ranong Provinces
- 3) LOWER SOUTHERN REGION..... Satun and Songkhla Provinces

The Study Part II covers the tourism potential in Phuket, Phang Nga and Krabi which are considered significant as future tourism areas. This area is called "Greater Phuket".

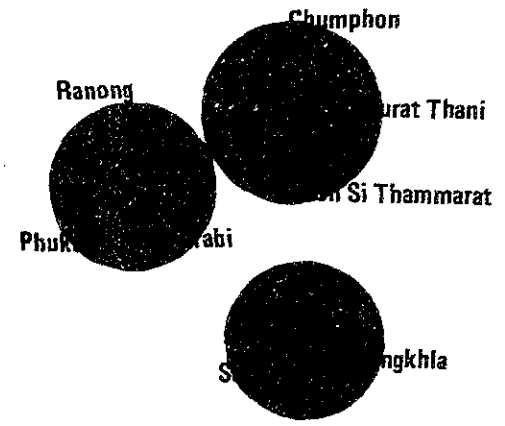
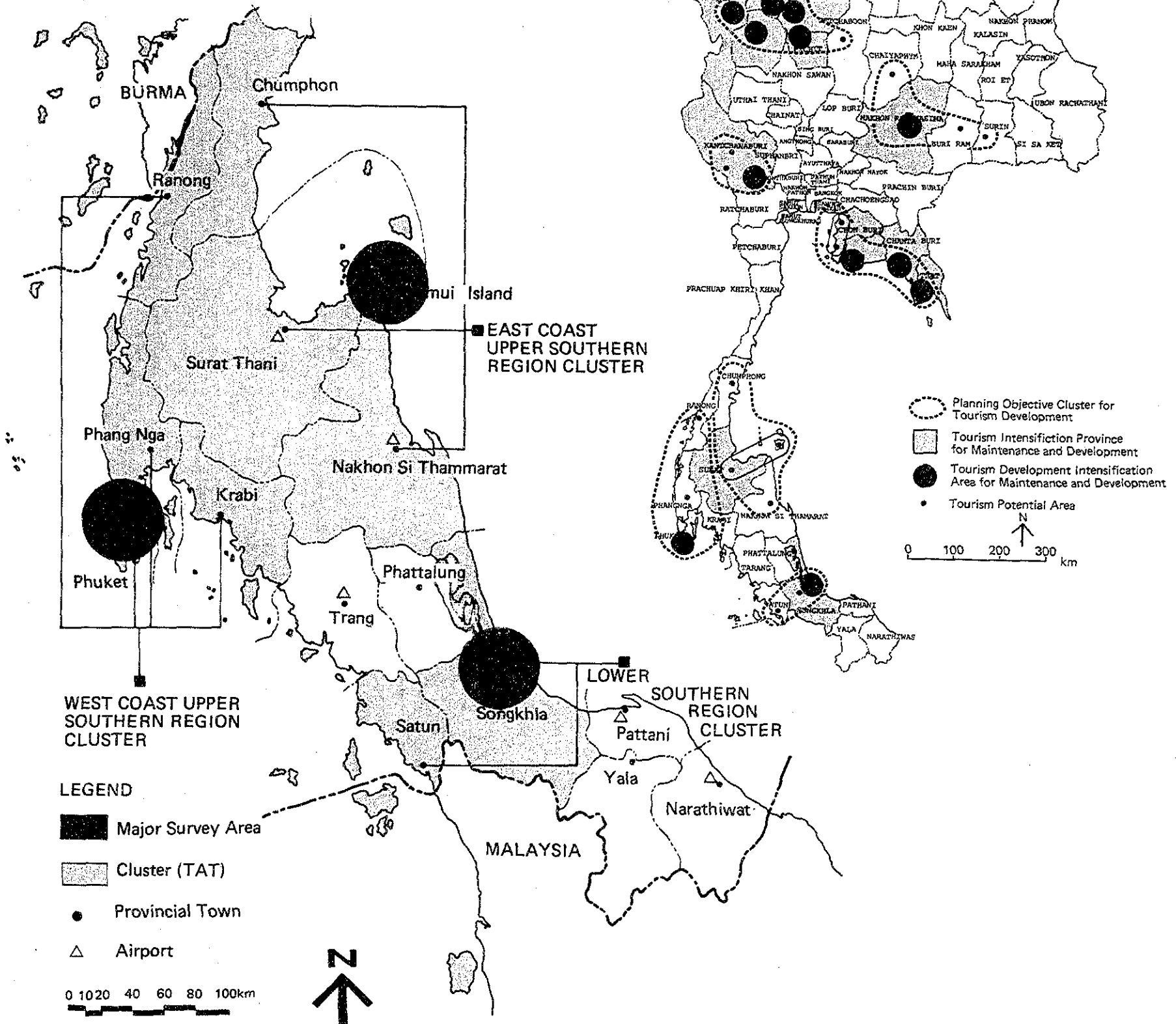


FIG. 1-4-1 TOURISM DEVELOPMENT AREAS IN THAILAND

FIG. 1-4-2 THE STUDY REGION



1.5 THE STUDY REPORTS

In accordance with the technical cooperation for the Potential Tourism Area Development Planning Study for Southern Region between JICA and TAT, the JICA study team (hereinafter referred to as The Study Team) commenced the required work on 17th November, 1987.

1) INCEPTION REPORT

Inception Report was submitted to TAT on 20 November, 1987. Presentation and explanation of Inception Report was made by the Study Team at the meeting with TAT staff held from 20th to 22nd November, 1987 which was attended by the Deputy Governor of TAT and counter parts staff concerned with the project.

2) INTERIM REPORT I

The Study Team submitted 30 copies of the Interim Report I in English comprising Summary-Key Issues, Main Report, and Appendices, to TAT on March 18, 1988, prior to having the Steering Committee meeting.

The Steering Committee chaired by the Governor of TAT, Mr. Dharmnoon Prachuabmoh was held at TAT on March 23, 1988 with attendance of the Steering Committee members, the JICA Advisory Committee members, the Study Team members and the relevant members.

The overall direction of the Interim Report I, which is in conformity with the Scope of Work, was accepted by the Steering Committee of the Thai Government. The Guidelines and the various recommendations for tourism development in Southern Region as a whole presented by the Study Team were principally accepted with several comments and suggestions by the Steering Committee as well.

It was agreed that the Phuket cluster was assessed to be the priority area where the government strategic intervention is required, and that the Phuket cluster, as an international tourism center/gateway of Southern Region, is to be taken up for further detailed studies in Part II of the Study, based on the concept of tourism development explained by the Study Team.

3) INTERIM REPORT II

The Study Team submitted 30 copies of the Interim Report II in English comprised of Summary Key Issues, Main Report, Graphic Issue and Appendices to TAT on September 7, 1988.

The Steering Committee meeting chaired by the Governor of TAT, Mr. Dharmnoon Prachuabmoh was held at TAT on September 12, 1988 with attendance of the Steering Committee members, the JICA Advisory Committee members, officials from the relevant agencies and the Study Team.

The overall direction explored in the Interim Report II which is in conformity with the Scope of Work, was accepted by the Steering Committee of the Thai Government.

4) DRAFT FINAL REPORT

The Study Team submitted 30 copies of the Draft Final Report to TAT on 1988, consists of the following three volumes:

VOLUME I : Southern Thailand
VOLUME II : Greater Phuket
VOLUME III : Appendices

The Steering Committee Meeting chaired by the Governor of TAT, Mr. Dharmnoon Prachuabmoh was held at TAT on December 15, 1988 with Attendance of the Steering Committee members, the JICA Advisory Committee members, officials from the relevant agencies and the Study Team. The overall direction explored in the Draft Final Report which is conformity with the Scope of Work, was accepted by the Steering Committee of the Thai Government.

Under the acceptance of the Steering Committee, TAT held a seminar on December 16, 1988 at President Melidien Hotel with attendance of the Steering Committee members, the JICA Advisory members, officials from the relevant agencies, the Study Team and representative Private sector concerned.

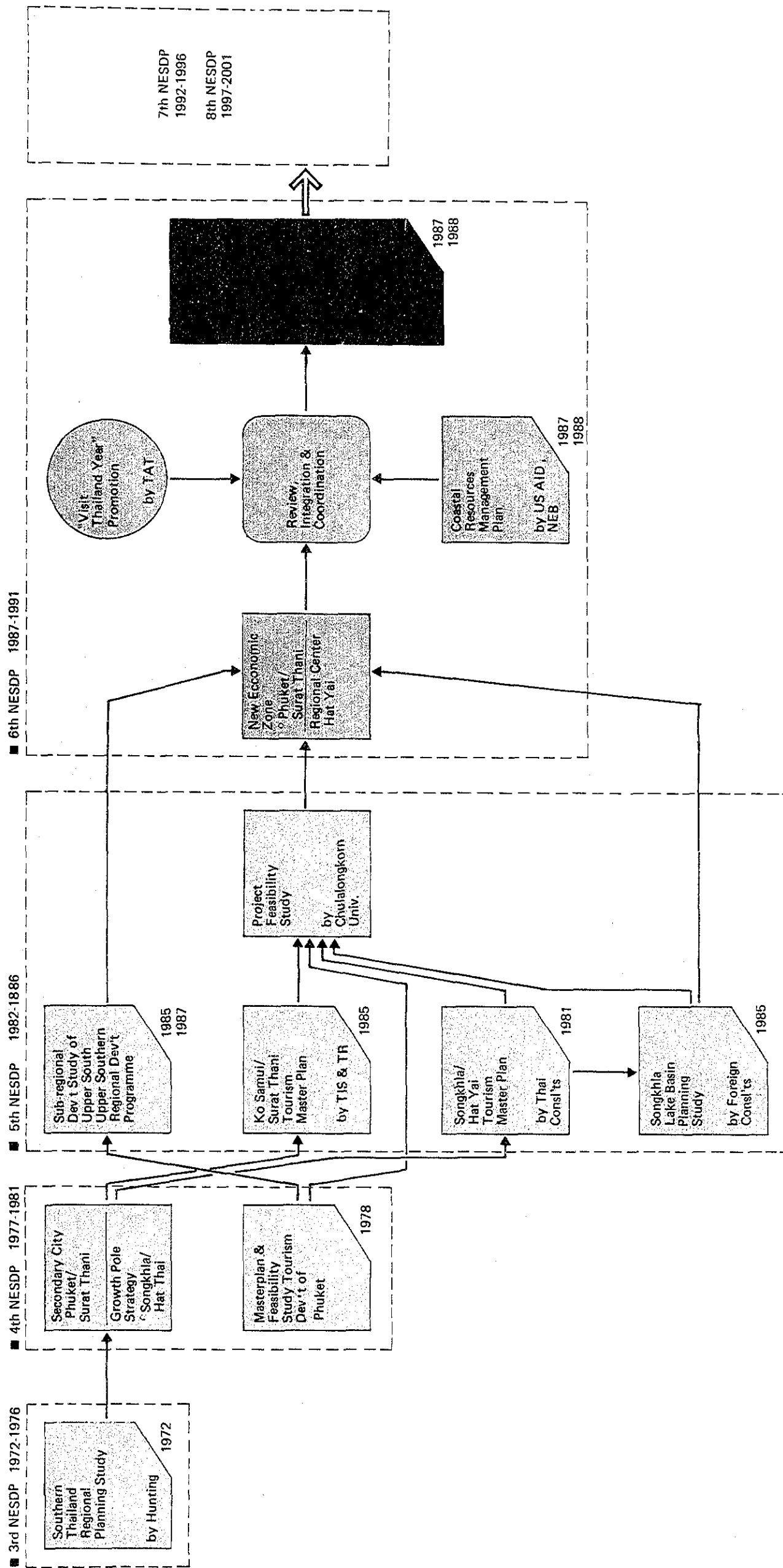
5) FINAL REPORT

The Final Report is compiled to reflect the comments of the Steering Committee and consists of the following four volumes.

Summary
VOLUME I : Southern Thailand
VOLUME II : Greater Phuket/Phuket, Phang Nga, Krabi
VOLUME III : Appendices

- a. The Volume I is updated of the Draft Final Report Volume I, and contains the results of the macro-scale study on tourism development strategies in the whole southern region. It also shows the Guidelines for each province in Phuket, Surat Thani and Songkhla/Hat Yai clusters from the viewpoint of tourism development.

FIG. 1-5-1 INTEGRATION OF DEVELOPMENT PLANNING OF SOUTHERN REGION



- b. The Volume II is updated of the Draft Final Report Volume II and contains conclusions and recommendations of formulating tourism development for each sector in the Greater Phuket area after in-depth study of the Phuket cluster.
- c. The Study has dealt with an airport, water and environment as critical issues for the Greater Phuket area. Apart from local roads, a road network also should be developed under a national project shown Chapter 2. In this respect, the implementation program is separated projects from general tourism-related development projects.
- d. For the Thai Muang Resort Development Project and the Phuket Marine Center Project are selected for pre-feasibility study, detailed plans and programs are proposed with an financial analysis, shown in Chapter 3 and 4. The implementation of management organizations for the projects are shown in the Chapter 3. After all, however, it is necessary for the Thai Government to conduct detail study on practical organizations and management.
- e. Economic evaluation of project menu which was carried out comprehensively with economic assessment is shown in the Chapter 4.
- f. The Volume III provides the reference materials and data to justify the Volume I and II. This volume consists of two chapters. The Chapter 1 contains supporting materials for the Volume I and the Chapter 2 includes supporting materials for the Volume II.

FIG. 1-5-2 WORK FLOW CHART PART 1 STUDY

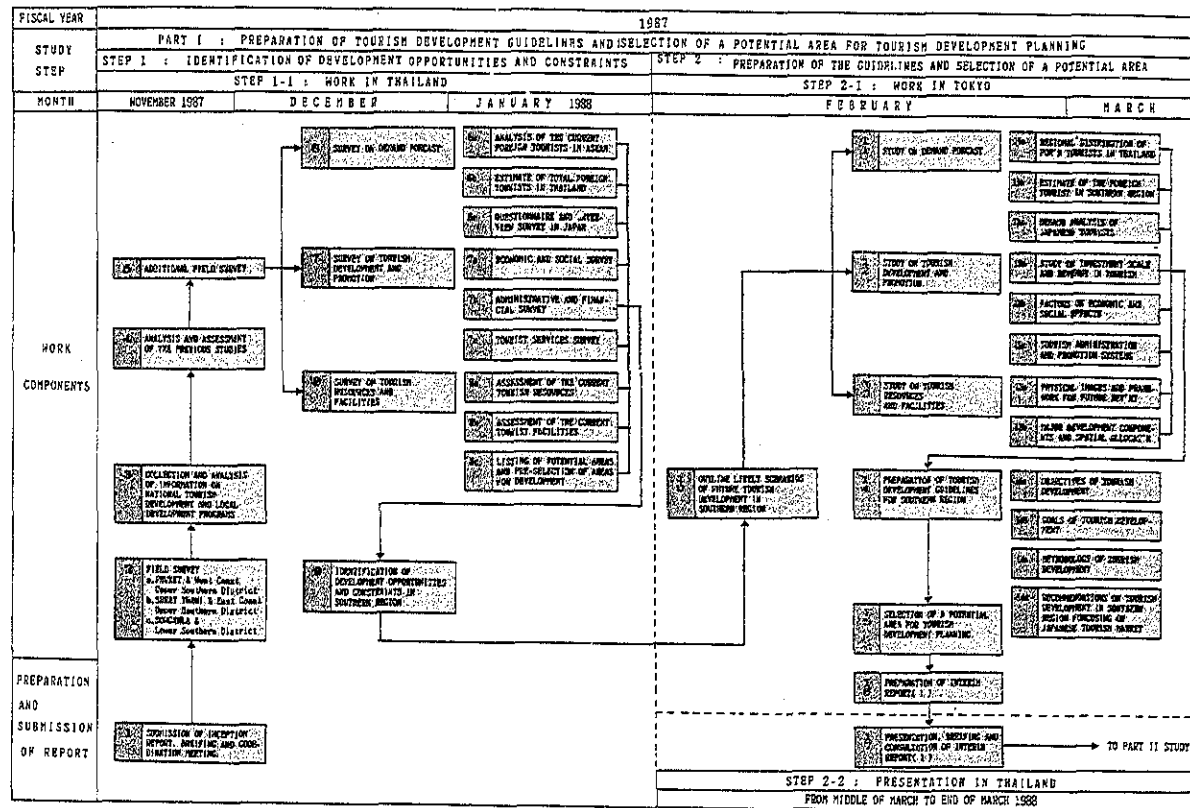
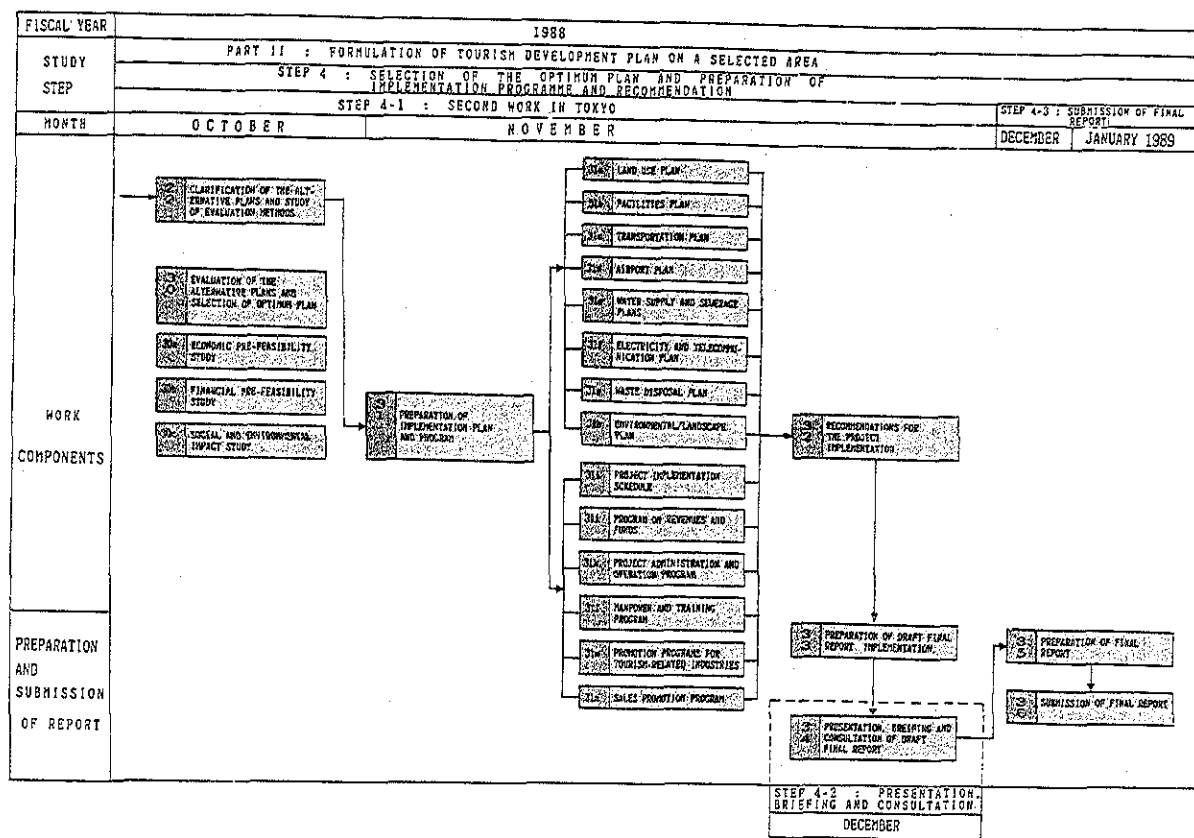


FIG. 1-5-3 WORK FLOW CHART PART 2 STUDY



**CHAPTER 2 OBJECTIVES OF THE TOURISM
DEVELOPMENT**

OBJECTIVES OF THE TOURISM DEVELOPMENT

Listed below are the major objectives of developing tourism in Southern Region. These reflect the adopted 6th National Plan's Tourism Objectives as well as regional tourism policy.

- **Foreign Exchange Income**
 - 1) Encourage foreign tourism in order to increase the country's foreign exchange income, improve regional economic development and expand international understanding of Thailand and Southern Region, by promoting selected markets which will provide optimum benefits without creating social, economic and environmental problems.
- **Additional Employment Opportunities**
 - 2) Provide additional employment opportunities for people in Southern Region by developing all aspects of tourism and related activities with an emphasis on the employment, to the extent possible, of persons from within Southern Region and from the local areas where tourism is developed.
- **Domestic Tourism**
 - 3) Encourage domestic tourism, including both budget and youth tourism and the affluent domestic market in order to help redistribute income within Thailand and, through increasing the understanding of Thailand's different cultures and environments, contribute to socio-cultural integration of the country and the development of a sense of national unity.
- **Regional Development Policies**
 - 4) Integrate tourism development into comprehensive local, regional and national development patterns and programs include in the 6th National Plan, without placing undue burden on the government's development resources and encourage private sector investment in tourism facilities.
- **Socio-economic Development**
 - 5) Improve the general income level and economic and social welfare of the people in Southern Region and encourage the distribution of economic benefits of tourism as widely as possible throughout society, by including development of activities related to tourism such as handicraft production, agriculture and industry.
- **Cultural Development**
 - 6) Promote the conservation of traditional cultural patterns and their artistic expressions, along with places of specific historic and cultural importance which represent the heritage of Southern Region and minimize the adverse impact of tourism on traditional cultures and society in general through carefully controlled development.
- **Natural Environmental Conservation**
 - 7) Promote conservation of the natural environment, especially the resources of natural landscape beauty, flora and fauna, and the marine environment of beaches, sea life, and specific outstanding natural features, and minimize any adverse environmental impact of tourism, particularly in the form of air, water, visual and noise pollution and the pre-emption of public use areas, through carefully controlled development.
- **Tourist Attractions, Facilities and Services**
 - 8) Provide tourist attractions, facilities and services which can be used by both domestic and foreign tourists and by business and government travelers, with these attractions, facilities and services also being available for use by local residents.
- **Tourism Infrastructure**
 - 9) Utilize, to the extent possible, existing and already programmed infrastructure, especially the expensive components of land, air and sea communications, and integrate new tourism infrastructure needed into total development programming so that the infrastructure requirements for tourism is multi-purpose and serves general needs as well as tourism requirements. In this way, tourism can help justify and pay for development of a multi-purpose infrastructure.
- **People's Hospitality**
 - 10) Develop the attitudes, managerial and technical skills of local people to effectively participate in tourism and provide efficient tourism services, while still maintaining the natural friendliness of local people towards tourists.
- **Development Patterns and Programs**
 - 11) Establish tourism development patterns and programs which provide logical and phased development now and on through the 6th, 7th, and 8th National Plan's 10 and 15 periods in consonance with the national, regional and local areas capacities to socially absorb the impact of tourism, of economically providing the necessary infrastructure, facilities and services, and of training local people to work in tourism.



Stone Relif at Chaiya, SURAT THANI