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NATIONAL ECONOMIC AND
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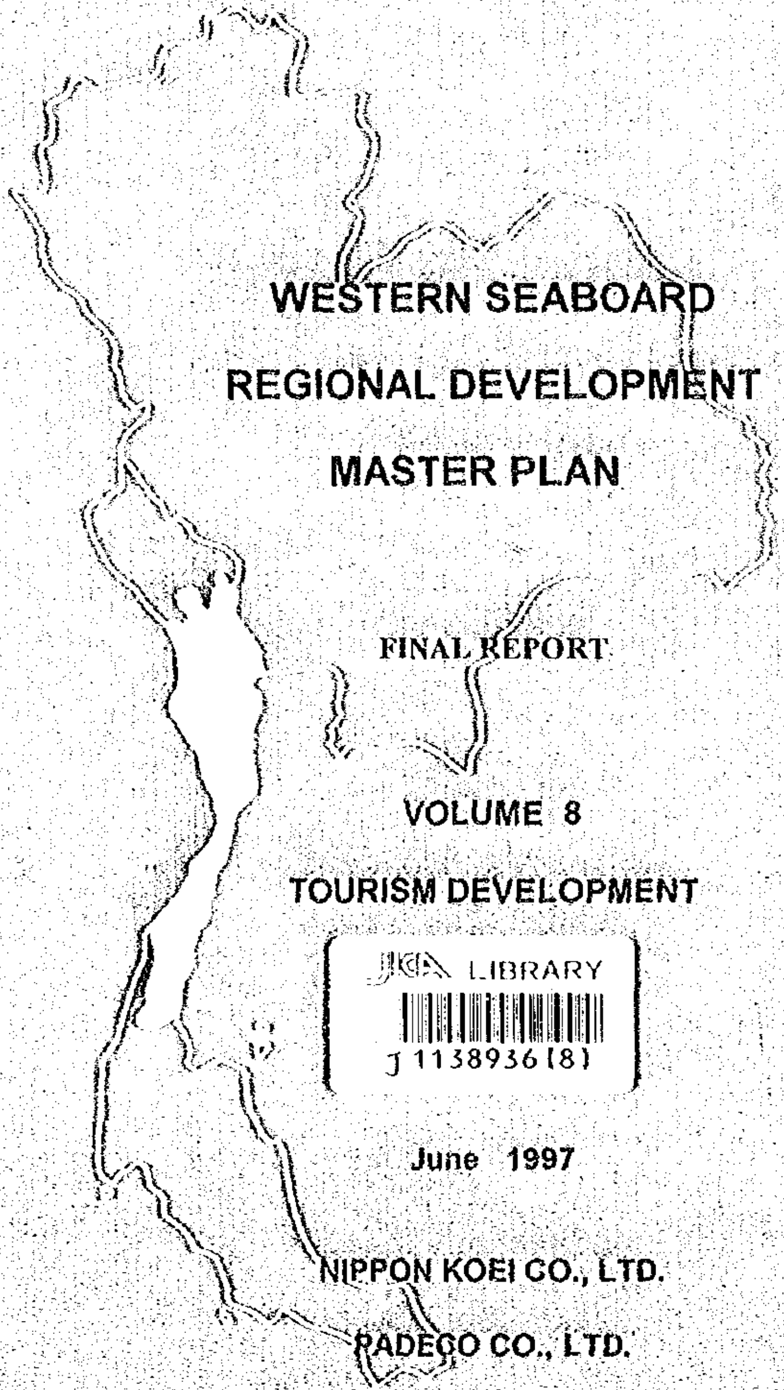
OF THE KINGDOM OF THAILAND



WESTERN SEABOARD
REGIONAL DEVELOPMENT
MASTER PLAN

FINAL REPORT

VOLUME 8

TOURISM DEVELOPMENT

June 1997

NIPPON KOEI CO., LTD.

PADECO CO., LTD.

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LIST OF REPORTS

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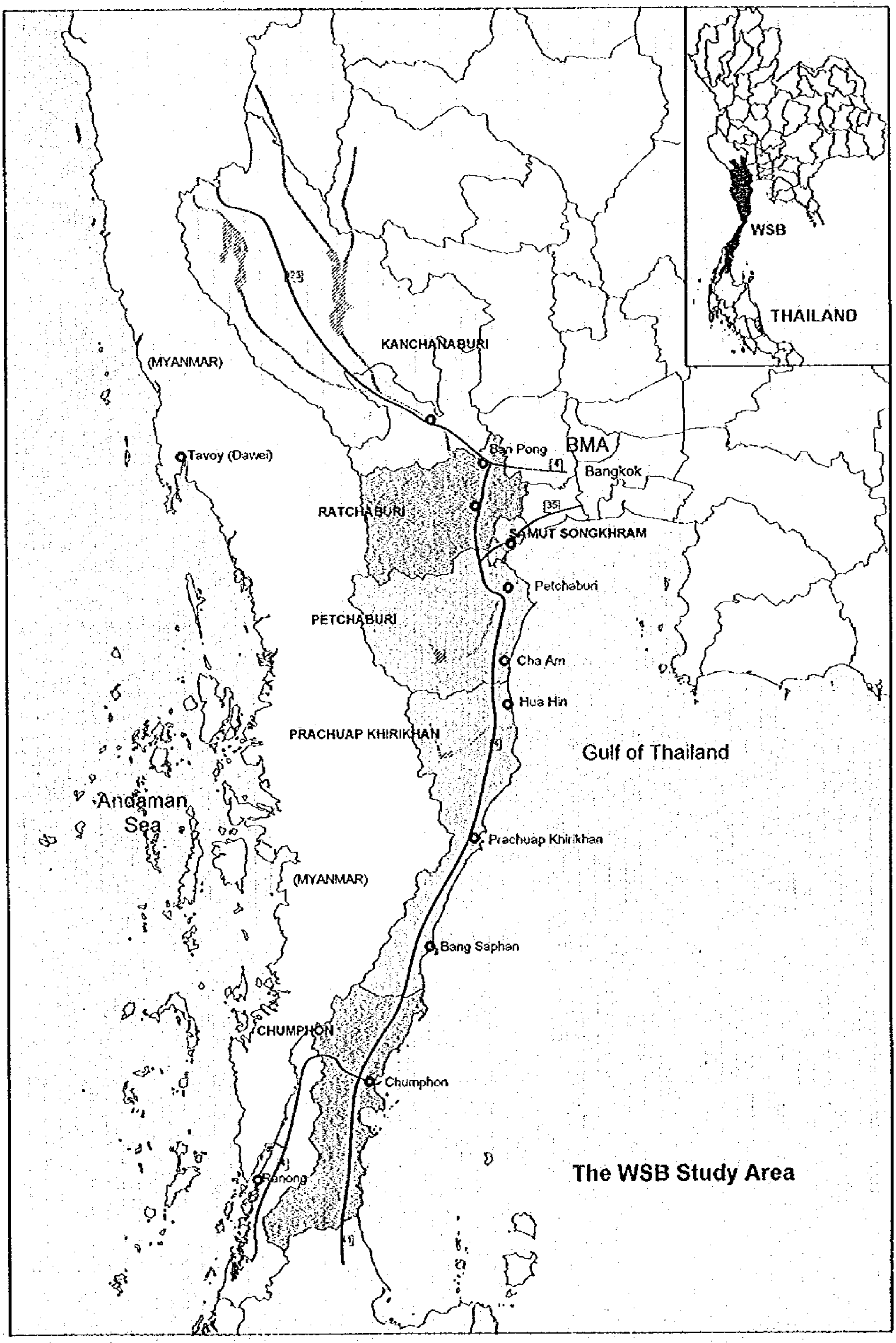
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VOLUME 8 TOURISM DEVELOPMENT

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Chapter 1 Tourism Demand

1.1 *Past Trends in World Tourism*

World tourism demand, as estimated by the World Tourism Organization, reached over 520 million in 1994, representing an increase of 5.7 per cent over 1993 and exceeding the year-on-year increase of 3.9 per cent between 1992 and 1993. The most popular tourist destinations in 1993 were France (63 million), Spain (43 million), and Italy (29 million). Most tourists came from Germany (65 million), the United States (47 million), the United Kingdom (34 million), Canada (21 million), Italy (17 million), France (17 million), and Japan (13 million).

World tourist arrivals increased at an annual average rate of 4.8 per cent between 1980 and 1990. However, average annual growth rates have been decreasing since 1950, from 10.6 per cent in the 1950s, to 9.1 per cent in the 1960s, to 5.7 per cent in the 1970s, and to 4.8 per cent in the 1980s. Between 1990 to 1994, the annual average growth rate decreased to 3.6 per cent.

Table 8.1.1 Arrivals of Tourists from Abroad by Region

Region (%)	Arrivals (units: thousands) Share of World Total (%)			Average Annual Rate of Increase	
	1980	1990	1994	'80-'90	'90-'94
1.Europe	189,830 (66.0)	286,651 (62.5)	315,054 (59.6)	4.2	2.4
2.Americas	61,387 (21.3)	93,845 (20.5)	108,485 (20.5)	4.3	3.7
3.East Asia Pacific	20,961 (7.3)	52,263 (11.4)	74,741 (14.2)	9.6	9.4
4.Africa	7,337 (2.6)	14,975 (3.3)	18,577 (3.5)	7.4	5.5
5.Middle East	5,992 (2.1)	7,444 (1.6)	7,895 (1.5)	2.2	1.5
6.South Asia	2,290 (0.8)	3,179 (0.7)	3,709 (0.7)	3.3	3.9
World Total	287,787 (100.0)	458,357 (100.0)	528,461 (100.0)	4.8	3.6

Source: Yearbook of Tourism Statistics, Vol. 1, 46 ed., World Tourism Organization (WTO)

Table 8.1.2 Tourism Receipts by Region

Region (%)	Receipts (million US dollars) Share of World Total (%)			Average Annual Rate of Increase	
	1980	1990	1994	'80-'90	'90-'94
1.Europe	61,654 (59.5)	139,693 (53.7)	153,295 (47.6)	8.5	2.4
2.Americas	25,503 (24.6)	69,439 (26.7)	97,405 (30.3)	10.5	8.8
3.East Asia/Pacific	8,648 (8.4)	38,617 (14.8)	58,988 (18.4)	16.1	11.2
4.Africa	2,711 (2.6)	5,238 (2.0)	5,675 (1.8)	6.8	2.0
5.Middle East	3,470 (3.4)	5,127 (2.0)	3,672 (1.1)	4.0	- 8.0
6.South Asia	1,549 (1.5)	2,000 (0.8)	2,431 (0.8)	2.6	5.0
World Total	103,535 (100.0)	260,114 (100.0)	321,466 (100.0)	9.6	5.4

Source: Yearbook of Tourism Statistics, Vol. 1, 46 ed., World Tourism Organization (WTO)

Table 8.1.3 Number of Hotel Rooms by Year and Region

Region	1989	1990	1991	1992	1993	1993/1989 (Avg. Annual Growth Rate)
Europe	4,990,538 45.87%	4,938,275 44.59%	4,991,656 44.21%	5,208,065 44.74%	5,283,483 44.59%	5.87%
Americas	4,177,232 38.39%	4,310,331 38.92%	4,373,083 38.74%	4,407,256 37.86%	4,440,629 37.48%	6.31%
East Asia/ Pacific	1,125,973 10.35%	1,214,905 10.97%	1,302,698 11.54%	1,371,152 11.78%	1,455,775 12.29%	29.29%
Africa	311,083 2.86%	332,121 3.00%	343,996 3.05%	364,173 3.13%	374,644 3.16%	20.43%
Middle East	167,898 1.54%	168,154 1.52%	164,272 1.46%	168,666 1.45%	168,428 1.42%	0.32%
South Asia	107,808 0.99%	111,439 1.01%	113,853 1.01%	120,507 1.04%	124,927 1.05%	15.88%
World	10,880,532 100.00%	11,075,225 100.00%	11,289,558 100.00%	11,639,819 100.00%	11,847,886 100.00%	8.89%

Source: World Tourism Organization

The East Asia/Pacific region (WTO definition) gained an increasing share of world tourist arrivals during the 1980s and 1990s, moving from 7.3 per cent of world tourism demand in 1980 to over 11.4 per cent in 1990 and reaching 14.2 per cent in 1994.

Tourist arrivals in the East Asia/Pacific region in 1994 totaled 74 million, a 43.0 per cent increase compared with 1990. From 1980 to 1990, East Asia/Pacific region arrivals increased by an average of 9.6 per cent annually, which makes its the highest growth region in the world, ahead of the Americas region (4.3 per cent), the Europe region (4.2 per cent), the Africa region (7.4 per cent), and the world average (4.8 per cent). However, the average annual growth rate from 1990 to 1994 in the East Asia/Pacific region decreased slightly to

9.4 per cent but still was the highest in the world, ahead of the Americas region (3.7 per cent), Europe region (2.4 per cent), the Africa region (5.5 per cent), and the world (3.6 per cent) in the same period.

From 1990 to 1994, there was a decline of 1.2 per cent per annum in the world tourism market. This decline reflects the decrease in tourist arrivals in the Europe region, from 4.2 per cent annual growth between 1980 and 1990 to 2.4 per cent annual growth between 1990 and 1994.

The level of tourism in the East Asia/Pacific region has increased with the increase in political stability and economic activities in the region. The level of tourism in other regions, such as the Americas, Europe, the Middle East, and South Asia, increased less rapidly in the period from 1980 to 1994. The East Asia/Pacific region has been playing a leading role in world tourism since the 1980s as the focus of the world economy has turned to this area since then.

1.2 Past Trends in ASEAN and Indochina

Tourist arrivals in ASEAN in 1994 totaled 25.7 million, a 9.3 per cent increase compared with 1993; in Indochina (broadly defined here to include Myanmar as well as Cambodia, Lao PDR, and Vietnam) in the same year, tourist arrivals totaled 1.0 million, a 15.9 per cent increase compared with the prior year. Tourist arrivals in the ASEAN region increased by an average of 9.4 per cent annually from 1991 to 1994 and by 40.7 per cent annually in Indochina during the same period, mainly because of an aggressive market opening policy in Vietnam and an increase in political stability in Cambodia during the period. The average annual growth rate in tourist arrivals in these regions was 10.2 per cent during this three-year period.

The most popular tourist destinations in ASEAN in 1994 were Malaysia (7.2 million), Singapore (6.3 million), and Thailand (6.2 million), while the most popular in Indochina were Vietnam (0.75 million) and Cambodia (0.17 million). Thailand captured 24 per cent of all tourist arrivals in the ASEAN region in 1994. The Indochina region gained an increasing *proportion (although still a small absolute number) of tourist arrivals relative to those of* ASEAN, from 1.9 per cent in 1991 to 3.9 per cent in 1994. Table 8.1.4 shows the changes in international tourist arrivals in ASEAN and Indochina (including Myanmar) from 1991 to 1994.

Thailand as a whole constitutes an integral part of the Indochina tourism corridor, and it is still featured as a single destination in the tour packages of the major tourist-generating markets. In the future, Thailand is likely to become a strong regional tourism gateway of the Indochina region and serve as the base for various tours of the surrounding countries. Bangkok itself will also serve as a center for urban tourism in ASEAN and Indochina.

Table 8.1.4 International Tourist Arrivals in ASEAN and Indochina

Units: 1,000s

Nation	1991	1992	1993	1994
Brunei	344	412	590	636
Indonesia	2,570	3,064	3,403	4,006
Malaysia	5,847	6,016	6,504	7,197
Philippines	849	1,043	1,246	1,414
Singapore	4,913	5,446	5,804	6,268
Thailand	5,087	5,136	5,761	6,166
Sub-total	19,610	21,117	23,308	25,687
Vietnam	300	440	670	750
Lao PDR	25	25	25	25
Cambodia	25	88	118	176
Myanmar	23	27	61	88
Sub-total	373	580	874	1,039
Grand Total	19,983	21,679	24,182	26,726

Source: World Tourism Organization

1.3 Tourism in Thailand

(1) Market Characteristics

International tourist arrivals in Thailand in 1994 totaled 6.2 million, a 7.1 per cent increase over 1993. Tourist arrivals from East Asia (e.g., Malaysia, Japan, Taiwan, Singapore) accounted for the largest portion (59.4 per cent), totaling 3.5 million, a 8.0 per cent increase over the previous year. Visitors from Europe and the Americas accounted for 1.6 million (24.5 per cent) and 0.4 million (6.1 per cent), an increase of 8.1 per cent and 7.2 per cent, respectively. Thailand saw a decrease of 2.6 per cent and 2.0 per cent in tourists from South Asia and Oceania with a total of 254,593 (3.9 per cent) and 228,865 (3.7 per cent) arrivals, respectively. A total of 87,413 tourists came from the Middle East (1.7 per cent), which represented an increase of 12.1 per cent, while 49,882 visitors came from Africa (0.8 per cent), a decrease of 2.6 per cent.

Tourists come to Thailand to see attractions, such as the temples, ancient cities, religious sites, jungles, and to enjoy the country's beach resorts. In addition, there are six hill tribes in the country, each with their own culture, which can be visited by tourists. The number of tourist arrivals to Thailand by air totaled 5.1 million, an increase of 6.8 per cent. Tourists arriving by land and sea numbered 944,844 and 129,582, a 10.1 per cent increase and 2.6 per cent decrease, respectively.

Table 8.1.5 International Tourists by Nationality and Mode of Transport, 1994

Nationality	International Tourists 1994			Transport Mode			
	Arrivals*1	% change 94/93	% share'94	By Air	By Land	By Sea	% Share by Air
Malaysia	907,245	+ 9.05	14.71	191,871	685,507	29,867	21.1
Japan	694,649	+19.88	11.26	685,367	7,413	1,869	98.7
Taiwan	434,540	-14.89	7.05	431,737	2,185	618	99.6
Korea	363,655	+35.64	5.90	359,236	3,877	542	98.8
Germany	355,477	+11.00	5.76	341,402	10,314	3,761	96.0
U.K.	334,037	+11.06	5.42	310,762	20,282	2,993	93.0
U.S.A.	317,646	+ 9.90	5.15	298,545	10,698	8,403	94.0
Singapore	317,097	+ 2.62	5.14	254,057	61,565	1,475	80.1
P.R. China	258,567	- 1.02	4.19	256,841	562	1,164	99.3
Hong Kong	225,836	+12.07	3.66	224,720	944	175	99.5
Total	6,166,496	+7.05	100.00	5,092,070	944,844	129,582	82.6

Note: *1: Excluding transit passengers
Source: "Thailand Tourism Statistical Report 1994", Tourism Authority of Thailand

The months of April, May, and June are the slowest months for visitors. In 1994, the greatest number of arrivals were attracted in December (643,327) followed by November (585,008), while the lowest number of arrivals came in May (413,179).

The average length of stay of international tourists in Thailand in 1994 was 6.98 days. Tourists from Europe topped the list with the longest average length of stay (11.03 days), followed by the Middle East (10.65 days), while the shortest (4.92 days) stay was the group from East Asia. Tourists from South Asia, the Americas, and Oceania had approximately the same average length of stay, or 7.56, 7.51, and 7.34 days, respectively. Table 8.1.6 below shows the average length of stay by nationality.

Table 8.1.6 Average Length of Stay by Nationality in 1990 and 1994

Nationality	% Share	Average Length of Stay		
		1990	1994	Difference
Malaysia	14.71	4.40	3.46	(0.94)
Japan	11.26	4.67	5.17	0.50
Taiwan	7.05	6.62	6.18	(0.44)
Korea	5.90	3.66	3.77	0.11
Germany	5.76	13.69	13.38	(0.31)
U.K.	5.42	9.31	9.93	(0.62)
U.S.A.	5.15	7.47	7.48	0.01
Singapore	5.14	5.49	4.47	(1.02)
China	4.19	12.14	7.46	(4.68)
Hong Kong	3.66	5.88	5.28	(0.60)
All Countries	100.00	7.06	6.98	(0.08)

Note: Above parentheses indicate decrease in length of stay
Source: "Thailand Tourism Statistical Report 1994",
Tourism Authority of Thailand

(2) Tourist Profile

A general tourist profile is summarized by the Tourism Authority of Thailand (TAT) statistics (1994) as follows:

- First-time tourists made up 52.8 per cent of the total, while the other 47.2 per cent were repeat visitors to Thailand.
- 57.0 per cent of all tourists came to Thailand independently, while 43.0 per cent came on a group tour.
- Male tourists accounted for 62.2 per cent of the total.
- 86.9 per cent came for tourism purposes.
- 28.0 per cent of the total were in the 25-34 year-old age bracket.
- 20.2 per cent of all "tourists" were traveling on business while 17.5 per cent were laborers or service workers.
- 96.6 per cent stayed in a hotel.

In 1994, Thailand earned 145,211 million Baht or US$5,762 million from tourists, with the average tourist expenditure 3,373 Baht or US$133 per day per person.

Table 8.1.7 Revenue from International Tourists, 1994

Nationality	International Tourists 1994		
	Length of Stay	Average Expenditure (person/day) (US $)	Revenue (million US dollars)
Malaysia	3.32	147.03	438.74
Japan	5.18	193.85	694.56
Taiwan	5.89	184.71	487.57
Korea	3.97	181.86	265.96
Germany	13.11	81.74	378.55
U.K.	12.03	87.51	282.19
U.S.A.	7.81	139.89	319.39
Singapore	4.78	151.68	280.48
P.R. China	7.23	160.45	298.66
Hong Kong	5.34	123.32	204.48
Region			
East Asia	4.83	165.72	2,933.07
Europe	11.27	98.70	1,679.03
Americas	7.76	136.77	396.53
South Asia	7.43	182.96	322.44
Oceania	7.46	111.33	190.53
Middle East	10.38	180.00	191.00
Africa	5.97	165.92	49.75
Grand Total	6.98	133.88	5,762.34

Source: "Thailand Tourism Statistical Report 1994," Tourism Authority of Thailand

Table 8.1.8 **Balance of International Tourist Trade, 1990-1994**

Units: Millions of US dollars

	1990	1992	1994
Tourism Revenues	4,326	4,829	5,762
Tourism Expenditures	854	1,590	2,906
Balance	3,472	3,238	2,856

Source: "Thailand Tourism Statistical Report 1994," Tourism Authority of Thailand

(3) Tourism in the WSB Region

The biggest growth in tourism in Thailand since 1990 has been from domestic (i.e., Thai) tourists. With strong and steady economic growth in the country, more than 38 million Thais per year are now taking domestic leisure trips. Ten years ago, international tourists outnumbered Thais at some of the nation's most popular tourist attractions; however, at present, the opposite is true, except at major international destinations such as Phuket, Pattaya, and Chiang Mai. Currently, Thai tourists tend to outnumber international tourists in most tourist destinations in the country.

International tourist arrivals in Thailand in 1994 totaled 6.2 million, while tourist arrivals in the WSB region totaled 0.47 million, or 7.6 per cent of total number of foreign tourists in Thailand. The number of Thai and foreign guest arrivals in major cities in 1994 is shown in Table 8.1.9 and Figures 8.1.1 and 8.1.2. Bangkok was the main gateway for international tourists visiting Thailand and was the leading destination for Thai visitors as well. The most popular tourist destinations for international tourists in 1994 were Bangkok (5.1 million), Phuket (1.5 million), Pattaya (1.5 million), Chiang Mai (0.76 million), Hat Yai (0.54 million), Sungai Kolok (0.23 million), Hua Hin (0.15 million), Cha Am (0.13 million), Kanchanaburi (0.09 million), and Nakhon Ratchasima (0.03 million). While Bangkok was also the most popular tourist destination for Thais (1.2 million) in 1994, Pattaya (0.74 million) and Hat Yai (0.66 million) ranked as the second and third most popular destination for domestic tourists. Chiang Mai (0.53 million), Nakhon Ratchasima (0.46 million), Kanchanaburi (0.33 million), Phuket (0.32 million), Cha Am (0.29 million), Hua Hin (0.13 million), and Sungai Kolok (0.05 million) followed in popularity among this group. Table 8.1.9 summarizes these data.

Table 8.1.9 Number of Guest Arrivals in Major Cities, 1994

Major Cities	Total	Thais	Foreigners
Bangkok	6,278,007	1,224,261	5,053,746
Chiang Mai	1,286,520	530,095	756,425
Kanchanaburi	415,020	329,252	85,768
Pattaya	2,257,634	740,430	1,517,204
Phuket	1,836,335	316,991	1,519,344
Hat Yai	1,197,619	659,328	538,291
Sungai Kolok	271,913	45,899	226,014
Nakhon Ratchasima	492,558	462,904	29,654
Cha Am	422,702	394,048	128,654
Hua Hin	282,623	132,313	150,310

Source: Tourism Authority of Thailand

Tourist demand (Thai and international tourists) is not evenly distributed among the WSB's tourist resources. The region's major tourist attractions/areas are in Kanchanaburi, Hua Hin, and Cha Am. Kanchanaburi is the site of the world-famous "March of the River Kwai" during World War II as well as of mountains and river valleys with dams/reservoirs that provide natural scenic beauty. Hua Hin is distinguished as Thailand's oldest beach resort, dating back to the 1920s when King Rama VII built a summer palace there; the area is endowed with a quiet, relaxed atmosphere and a long curving beach as well as famous international-class golf courses. The Hua Hin resort is now becoming popular with international tourists as well as with Thais. Cha Am is also known for its long, arc-lined white sand beach, providing an excellent site for family vacations for Thais. These three areas (Kanchanaburi, Hua Hin, and Cha Am) are located within 2 to 4 hours of Bangkok's international gateway, now at Don Muang.

In 1994, about 38 million Thais traveled as tourists within the country, half of whom visited tourist attractions in the Central and Eastern regions. TAT statistics shown in Table 8.1.10 indicate that total visitor arrivals to Kanchanaburi, Hua Hin, and Cha Am tourist attractions in 1994 numbered 3.46 million, of which 1.91 million went to Kanchanaburi, 1.02 million to Cha Am, and 0.52 million to Hua Hin, i.e., 55.3 per cent, 29.7 per cent, and 15.0 per cent of the total number of visitors to the WSB, respectively. Of this total, 2.78 million (80.2 per cent) were Thais and 0.69 million (19.8 per cent) were foreign visitors. Tourist attractions in the WSB region seem to have found more favor with Thai tourists than with foreigners.

Table 8.1.10 Number of Visitor Arrivals at the Three Main Tourism Areas in the WSB Region, 1994

Tourism Areas	Arrival	Total	Thais	Foreigners
Kanchanaburi (Kanchanaburi Prov.)	Tourists	810,638	696,570	114,068
	Excursionists	1,105,829	1,004,643	101,186
	Visitors (total)	1,916,467	1,701,213	215,254
		<55.3%>	<61.3%>	<31.4%>
Cha Am (Phetchaburi Prov.)	Tourists	489,094	357,640	131,454
	Excursionists	538,458	387,020	151,438
	Visitors (total)	1,027,552	744,660	282,892
		<29.7%>	<26.8%>	<41.3%>
Hua Hin (Prachuap Khirikhan Prov.)	Tourists	361,545	201,633	159,912
	Excursionists	157,830	130,101	27,729
	Visitors (total)	519,375	331,734	187,641
		<15.0%>	<11.9%>	<27.4%>
Total	Tourists	1,661,277	1,255,843	405,434
			<75.6%>	<24.4%>
		<100.0%>		
	Excursionists	1,802,117	1,521,764	280,353
			<84.4%>	<15.6%>
		<100.0%>		
	Visitors (total)	3,463,394	2,777,607	685,787
		<100.0%>	<80.2%>	<19.8%>
		<100.0%>	<100.0%>	<100.0%>

Source : Tourism Authority of Thailand
Tourists Arrivals: stay over night or more
Excursionist Arrivals : do not stay over night
Visitors Arrivals: Tourists + Excursionists

By tourist attraction, 61.3 per cent of Thai visitors visited the Kanchanaburi area, 29.7 per cent went to Cha Am, and a 11.9 per cent visited Hua Hin in 1994, while 41.3 per cent of foreigners visited the Cha Am area, 31.4 per cent went to Kanchanaburi, and 27.4 per cent visited Hua Hin.

By type of visitor, 54.8 per cent (1.52 million) of Thai visitor arrivals in the WSB region were excursionists, i.e., visitors who did not stay overnight. The high percentage of Thais in the number of excursionists to this region reflects the recent motorization of Thai society and the improvement of accessibility to the WSB region from Bangkok, particularly with the recent upgrading of Route 4. In the Hua Hin area, excursionists increased by 44.2 per cent in 1994 over the prior year. On the other hand, more than half of all foreign visitors (59.1 per cent, 0.41 million) were still tourists in this region (i.e., they stayed at least one night). However, the number of foreigners who do not stay the night (and thus could be termed "excursionists") is also increasing in the region

Table 8.1.11 shows past trends of visitor arrivals to the Kanchanaburi, Cha Am, and Hua Hin areas from 1992 to 1994. In Kanchanaburi during this period, the number of Thai tourists decreased in 1994 while the number of foreigners increased; the reverse was true of excursionists, i.e., those making day trips. The past trend of visitors to Kanchanaburi has been unstable and has been stagnant in the past two years. In Cha Am, the number of foreign excursionists in 1994 increased by 279 per cent (27,729 arrivals) over 1993 (7,318 arrivals), but the number of foreign tourists decreased by 8.6 per cent in 1994. In the Hua Hin area, the number of foreign excursionists in 1994 increased by 290 per cent (151,438 arrivals) over 1993 (38,898 arrivals), while the number of Thai tourists decreased by 9.3 per cent compared over 1993. Even though the total number of visitors to these three tourist WSB sites, both Thai and foreigner, has been increasing steadily in absolute terms, the number of visitors by trip type and by area in each year has been somewhat stagnant. The level of tourism in this region is still low and unstable relative to other Thai tourist destinations.

Table 8.1.11 Changes in Visitor Arrivals at the Three Main Tourism Areas in the WSB Region between 1992 and 1994

(1) Kanchanaburi Tourism Area

Item	1992	(%)	1993	(%)	1994	(%)
Visitors	1,328,766	-30.91	1,916,652	44.24	1,916,467	-0.01
Thais	1,100,761	-36.40	1,629,154	48.00	1,701,213	4.42
Foreigners	228,005	18.33	287,498	26.09	215,254	-25.13
Tourists	617,558	-30.22	888,369	43.85	810,638	-8.75
Thais	528,712	-35.65	794,213	50.22	696,570	-12.29
Foreigners	88,846	40.19	94,156	5.98	114,068	21.15
Excursionists	711,208	-31.51	1,028,283	44.58	1,105,829	7.54
Thais	572,049	-37.07	834,941	45.96	1,004,643	20.33
Foreigners	139,159	7.62	193,342	38.94	101,186	-47.66

(2) Cha Am Tourism Area

Item	1992	(%)	1993	(%)	1994	(%)
Visitors	353,905	-14.66	458,109	29.44	519,375	13.37
Thais	246,367	-4.47	275,829	11.96	331,734	20.27
Foreigners	107,538	-31.41	182,280	69.50	187,641	2.94
Tourists	278,388	-1.13	360,547	29.51	361,545	0.28
Thais	177,819	28.69	185,585	4.37	201,633	8.65
Foreigners	100,569	-29.86	174,962	73.97	159,912	-8.6
Excursionists	75,517	-43.27	97,562	29.19	157,830	61.77
Thais	68,548	-42.74	90,244	31.65	130,101	44.17
Foreigners	6,969	-48.00	7,318	5.01	27,729	278.92

(3) Hua Hin Tourism Area

Item	1992	(%)	1993	(%)	1994	(%)
Visitors	773,325	17.98	806,824	4.33	1,027,552	27.36
Thais	713,775	30.19	694,251	-2.74	744,660	7.26
Foreigners	59,550	-44.44	112,573	89.04	282,892	151.3
Tourists	421,314	17.84	467,866	11.05	489,094	4.54
Thais	364,681	38.42	394,191	8.09	357,640	-9.27
Foreigners	56,633	-39.78	73,675	30.09	131,454	78.42
Excursionists	352,011	18.15	338,958	-3.71	538,458	58.86
Thais	349,094	22.57	300,060	-14.05	387,020	28.98
Foreigners	2,917	-77.78	38,898	1,233.49	151,438	289.32

Source: Tourism Authority of Thailand

The number of visitor arrivals to the WSB region in 1994 by province was estimated based on the number of hotel accommodations and is shown in Table 8.1.12. Tourist arrivals in 1994 were thereby estimated to reach 4.47 million in the WSB region as a whole, of which there were 2.16 million arrivals in Kanchanaburi province, 48.4 per cent of the WSB total, while Samut Songkhram province was estimated to receive about 17,000 tourist arrivals, only 0.8 per cent of the total for Kanchanaburi province. However, with easy access from the Bangkok area, nearly 100,000 day visitors come for a few hours to visit the Samut Songkhram area to see the Coconut Sugar Factories and salt farms in the area. There are only 176,800 tourist arrivals in Ratchaburi Province due to the closeness to the BMA and relatively small number of hotel accommodations located there. The "floating market," one of the internationally popular tourist attractions of Thailand, attracts large numbers of visitors to Ratchaburi (an estimated 250,000+ short-term visitors).

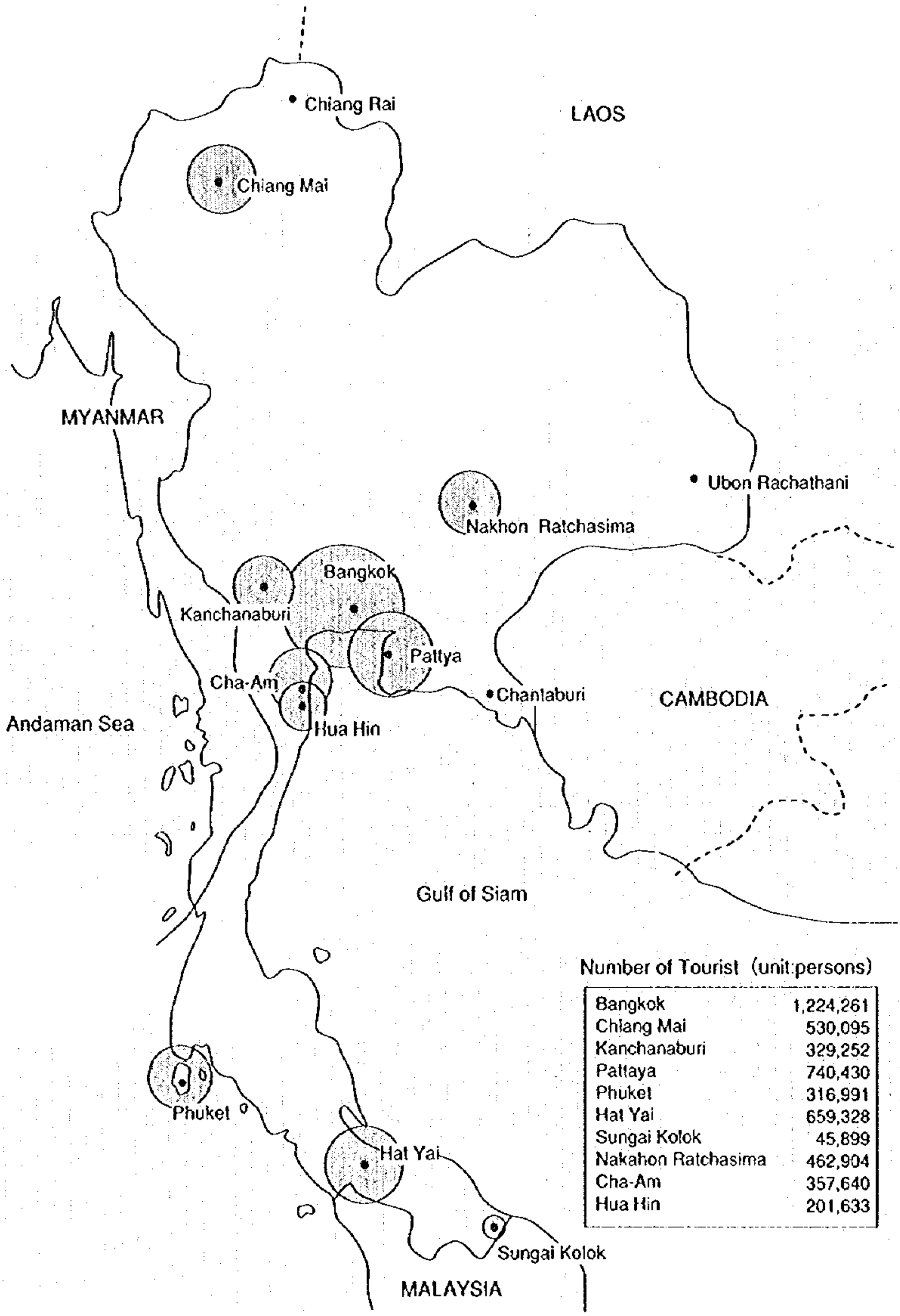
Table 8.1.12 Number of Visitor Arrivals by Province in the WSB Region (1994)

	Kanchanaburi	Ratchaburi	Phetchaburi	Samut Songkhram	Prachuap Khirikhan	Chumphon	Total
Visitor	2,159,320	176,843	1,177,978	16,972	736,733	198,414	4,466,260
Thai	1,931,923	175,075	893,582	16,972	527,357	168,652	3,713,561
Foreigner	227,397	1,768	284,396	0	209,376	29,762	752,699
Tourist	1,053,491	176,843	640,320	16,972	578,903	198,414	2,664,143
Thai	927,280	175,095	506,562	16,972	397,256	168,652	2,191,797
Foreigner	126,211	1,768	132,958	0	181,647	29,762	472,346
Excursionist	1,105,829		538,458		157,830		1,802,117
Thai	1,004,643		387,020		130,101		1,521,764
Foreigner	101,186	<252,700>	151,438	<101,000>	27,729		280,353

<> Stay only few hours for sightseeing i.e., floating market, coconut sugar factory.

Source: Study Team

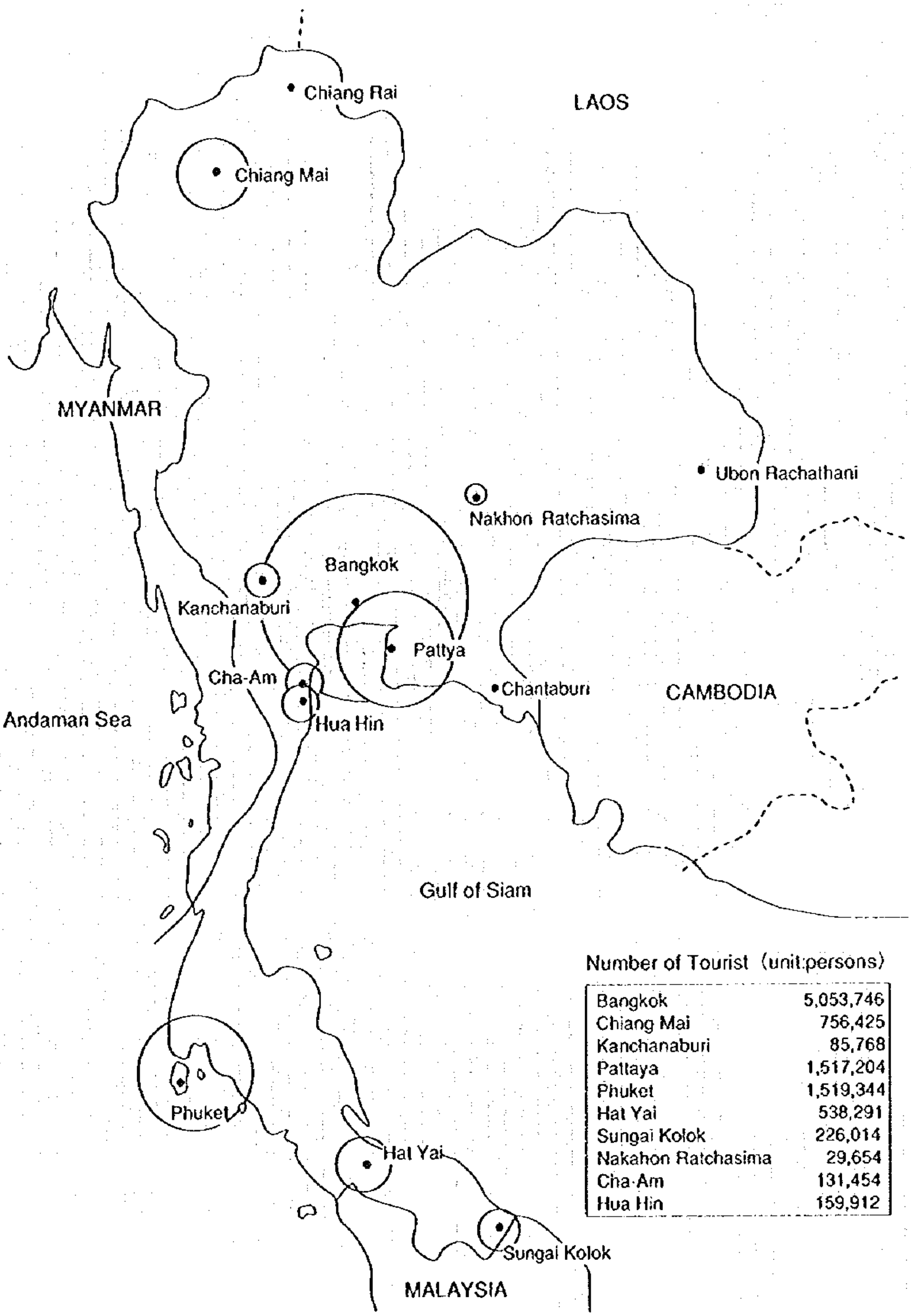
Figure 8.1.1 Main Tourist Cities in 1994 (Thais)



Number of Tourist (unit:persons)

Bangkok	1,224,261
Chiang Mai	530,095
Kanchanaburi	329,252
Pattaya	740,430
Phuket	316,991
Hat Yai	659,328
Sungai Kolok	45,899
Nakahon Ratchasima	462,904
Cha-Am	357,640
Hua Hin	201,633

Figure 8.1.2 Main Tourist Cities in 1994 (Foreigners)



Number of Tourist (unit:persons)

Bangkok	5,053,746
Chiang Mai	756,425
Kanchanaburi	85,768
Pattaya	1,517,204
Phuket	1,519,344
Hat Yai	538,291
Sungai Kolok	226,014
Nakahon Ratchasima	29,654
Cha-Am	131,454
Hua Hin	159,912

Chapter 2 Tourism Supply

2.1 *Distribution of Tourism Resources in Thailand*

Tourism destinations can generally be classified into four broad categories:

(i) a tour circuit of destinations of historical and cultural monuments and ruins (e.g., Palmyra in Syria, Luxor in Egypt, Mt. Saint Michele in France, Borobudur in Indonesia);
(ii) a tour circuit of destinations of scenic and natural wonders (e.g., the Sinai Valley in Egypt, the Swiss Alps, the Himalayas of Nepal);
(iii) a beach holiday destination (e.g., Sharm el Sheik in Egypt, Corfu in Greece, Bali in Indonesia); and
(iv) urban tourism destinations (e.g., Paris, Rome, Hong Kong).

There are, of course, various combinations of destinations. Rome is a tour circuit destination of historical and cultural monuments and ruins as well as an urban tourism destination. Honolulu is a beach holiday and urban tourism destination.

Thailand as a whole may be classified as a tour circuit destination of historical and cultural monuments and ruins, with international beach holiday bases in Pattaya and Phuket.

2.2 *Tourism Resources Distribution in the WSB Region*

There are more than 200 tourist attractions in the WSB region. The selection of the tourist attractions described below was made from the perspective of the future marketability of the attractions for both Thai and foreign visitors. In the identification and classification of tourism resources, the criteria applied were based on those used in the JICA tourism study of the Hua Hin/Cha Am area in 1992. These criteria are shown below:

- Natural Attractions (N);
- Historical Religious and Architectural Attractions (H); and
- Cultural Handicraft Attraction (C).

Holiday and Activity attractions have been included under Natural Attractions in this Study.

Major tourism spots in the WSB Region have been identified in Kanchanaburi, Petchaburi, and Prachuap Khirikhan. Major tourism attractions by province are described in the following subsections.

(1) Kanchanaburi Province

The town of Kanchanaburi was originally established by Rama I as a first line of defense against the Burmese. It is located 130 km west of Bangkok and lies along the River Kwai. Major tourist attractions in this province include:

(i) the Death Railway Bridge (The Bridge Over The River Kwai) (H);
(ii) the Kanchanaburi War Cemetery (H);
(iii) the JEATH War Museum (H);
(iv) Wat Tham Mongkon Thon (H); and
(v) Wat Tham Khan Leam (H).

Also, Sai Yok Yai National Park, Sri Nagarinda National Park, and Prasat Muang Singh Historical Park are located around and outside of Kanchanaburi city. Major tourist access routes include Route 323 to the Khao Laem Dam reservoir and Route 3199 to Sri Nagarind Dam, which link caves, waterfalls, and natural forests.

(2) Ratchaburi Province

Ratchaburi city lies on the banks of the Mae Klong River and is connected to the rest of Central WSB by canal. The Damnoen Saduak Floating Market, part of the Thai national identity, attracts tourists from around the world. Major attractions in Ratchaburi province include:

(i) Damnoen Saduak Floating Market (N);
(ii) Wat Phra Si Ratana Mahathat (H);
(iii) Ratchaburi National Museum (H);
(iv) Khao Ngu Cave (H);
(v) Khao Chongpran (H);
(vi) Khao Kaenchan (H); and
(vii) Khao Bin Cave (N).

There is also a famous cave with a hundred million bats and fine-art flower pots having five color and dragon patterns.

(3) Samut Songkhram Province

Samut Songkhram is the smallest province in the WSB region; the city lies along a sharp bend in the Mae Klong river. This province is well suited for the steady irrigation needed to grow guava, lychee, and grapes. Along the highway from Thonburi, there are large artificial sea lakes used by salt and shell farms. Major tourist attracting in the province include:

- (i) Don Hoi Lot (N);
- (ii) Wat Phet Samut Worawihaan (H); and
- (iii) Ban Noi and Tha Kha Floating Market (N).

(4) Petchaburi Province

Petchaburi's capital is an historic town that was a major center of artistic production during the Ayutthaya period. In the 19th century, King Rama IV built a palace and observatory on the top of the hill dominating the town's northern edge (Phara Nakhon Khiri). Major attractions in the province include:

- (i) Kaeng Krachan National Park (N);
- (ii) Cha Am Beach (N);
- (iii) Phara Nakhon Khiri Complex (H);
- (iv) Temples and Ram Ratchaniwet Palace (H); and
- (v) Khao Wang Confectionery (C).

(5) Prachuap Khirikhan Province

Pineapple and fishing are the main livelihoods in this elongated province, which features a variety of small seaside resorts that provide relaxed resort spots for family vacations. Khao Sam Roi Yot National Park, which covers 60 km^2, is a place of natural wonder with a stunning landscape that is a breathtaking blend of forested hills, deep valleys, waterfalls, caves, beaches, mangrove swamps, and coves. Mirror Mount in the provincial capital has a small pagoda and monkeys with a panorama view of the coastline and seascape. Major attractions in the province include:

- (i) Hua Hin Beach (N);

(ii) Khao Hin Lek Fai (N); and
(iii) Sam Roy Yot National Park (N).

(6) Chumphon Province

Chumphon is known as the "Gateway to the South." Its white beaches stretch for 222 km, over 30 islands surrounded by blue sea. Coral, sea anemone, various species of fish, caves, waterfalls, hills, and forests have helped turn Chumphon in a new tourist spot. Sometime in March or April, Chumphon city hosts a marine festival, which features cultural and folk-art exhibits, wind surfing competition at Thung Wua Lea Beach, and a marathon. The five-day Lang Suan Budddha image parade and boat race festival in October focuses on a procession of temple boats and a boat race on the Lang Suan river. Major attractions in the province include:

(i) Ko Mattra (Island) (N);
(ii) Ko Mat Phon (N);
(iii) Ko Ngam Noi and Ko Ngam Yai (N); and
(iv) Rubror Cave (H).

2.3 Tourism Products

Modern tourism has introduced the concept of "tourism product" in lieu of the concept of "tourist attraction" (e.g., scenic wonders, archaeological sites, historical monuments, festivals) commonly used in the first half of the 20th century. The concept of "tourism product" covers not only traditional tourist attractions, but also a much broader range of natural, historical, and cultural attractions. Special types of attractions and activities are sometimes artificially created. Typical examples include theme parks, cultural events/festivals, "soft" adventure sports, casinos, and entertainment. Even hotels and resorts (e.g., nostalgic colonial hotels, the paradors of Spain, maharaja hotels in India), means of transport (e.g., Eurostar, the re-created Orient Express), and cuisine (e.g., gourmet tours) can motivate tourists to travel. Thus, product management and development are key elements of tourism marketing today. In the fiercely competitive world marketplace, a thriving tourist industry at any tourist destination will not be sustainable unless it effectively manages the existing tourist products and stimulates the market with a flow of new attractions and ideas.

Even though there are many tourist attractions in the WSB region, its tourism activities are generally insufficient to attract as many visitors as other tourist destinations in Thailand. Many tourism resources in the WSB are not suitable for mass tourism due to the scale of the tourism resources and their scattered location. Only three places (Kanchanaburi, the Hua Hin and Cha Am area, and part of Ratchaburi) are relatively well-known to Thai and foreign visitors, but they are not designated as package destinations. The WSB region is endowed with natural beauty, mountains, and beaches; there are several national parks and beautiful beaches in the region. However, visitor facilities in these areas are generally inadequate, of poor quality, and maintained below the international standard. However, resort tourism in Hua Hin and Cha Am is relatively well developed and integrated with adequate accommodations for Thai and foreign tourists. Other tourist spots cannot be reached easily because of a lack of appropriate directional signs leading to tourist sites. Another problem is that on-site information materials for foreign visitors are rarely available. Mountain resorts and resort villages should be developed carefully to protect "natural legacies", including panoramic views, in line with the eco-tourism policy.

The Hua Hin and Cha Am tourist resort areas provide visitors with international-standard facilities as a tourism product, and they offer various tourist attractions for Thai and foreign visitors, but the impact area is still limited to accommodation facilities and their immediate vicinities. Kanchanaburi has well-known historical tourism attractions and beautiful natural sites. There is considerable demand from Thais living in Bangkok to stay overnight at resort hotels in forests and other natural surroundings in Kanchanaburi. Also, rafting and elephant riding activities are available for visitors. The limited availability of accommodation facilities and their relatively low standard for international tourists are issues, however.

The floating market in Ratchaburi is one of the most well-known tourist attractions near Bangkok. Shopping from the floating boats excites visitors and provides a high level of satisfaction. Urban shopping centers also provide a degree of satisfaction to the visitors. In the Chumphon area, skin-diving activities have gradually increased by attracting the attention of younger travelers in the small virgin islands in the Gulf. The Petchaburi area features an old city with historical monuments. However, not many Thais or foreigners visit the area because of the poor quality accommodation facilities in the area and limited marketing. Prachuap Khirikhan and Chumphon have the disadvantage of promoting tourist attractions in areas that are far from the Bangkok, the gateway for nearly all international visitors and the home of many Thai tourists. Therefore, many virgin areas still remain in these WSB provinces. On the bright side, the improvement of Route 4 and the opening of a new airport at Pathiu north of Chumphon will increase the potential of existing tourism products as well as add new products in these areas.

Generally, there are many areas for tourism product development in the WSB region. However, compared to other tourist destinations in Thailand, the level of tourism in the WSB is still low due to the limited tourism facilities and marketing activities. Local people are neither sufficiently aggressive to create a new line of tourism products nor are they aware of new trends in the world tourism market. Unless they more effectively manage their existing tourism products and ideas, a tourist industry will not be sustainable anywhere in the region.

2.4 Marketing

(1) Marketing Materials for the WSB Region

The Tourism Authority of Thailand was established in 1960 when only 81,000 international travelers visited the country and tourism revenue totaled only 196 million Baht. By 1995 the number of international tourists increased to 6.95 million and tourism revenue jumped to 180,000 million Baht. In 1996, the number of international tourists have been estimated by TAT to reach more than 7.2 million, with the celebration of the 50th Anniversary of the Accession to the Throne by His Majesty the King.

TAT's total budget in 1994 was 2,162 million Baht, with 1,310 million Baht (60 per cent) allocated to its Marketing Department; TAT is clearly focusing its efforts on an marketing-oriented approach to promoting tourism. TAT has 17 overseas offices in 12 countries to promote travel to Thailand; the overseas offices are located in Asia and Pacific (ten offices in seven countries, including three in Japan), Europe (four offices in four countries), and North America (three offices in the United States). TAT offices in Thailand are well distributed, with 22 regional offices in the country; eight are in the Central region, four in the Northern region, five in Northeastern region, and five in the Southern region. However, TAT has only two regional offices located in the WSB region, at Kanchanaburi and Petchaburi.

The area of responsibility of TAT's Kanchanaburi regional office (Central region office 1) covers Kanchanaburi and Samut Songkhram provinces in the WSB region. The Petchaburi regional office (Central region office 2) covers Petchaburi, Ratchaburi, and Prachuap Khirikhan provinces. Chumphon province is, however, covered by the Surat Thai regional office (Southern region office 5).

While promotional and information materials are available at the TAT regional offices located in the WSB, many of the materials are in Thai; little is available in English except for materials on Hua Hin and Cha Am. Sometimes, tourist offices as well as tourist assistance centers are difficult to find, both for international travelers and Thai family drivers. For better and more effective promotion, TAT's regional offices should be located along main highway routes marked with a recognizable signboards, as well as in city centers.

Regarding tourism marketing in foreign markets, TAT has designated three target groups: (i) primary markets (e.g., Japan, Australia, Korea), (ii) secondary markets (e.g., the People's Republic of China, the Netherlands, Austria), and (iii) potential markets (e.g., Malaysia, Taiwan, Hong Kong). Tourism promotion activities are conducted via mass media (e.g., Star TV, CNN, other television networks, radio), through event sponsorship and meetings and seminars, by organizing trade shows and exhibitions, and by hosting a special occasions-tour program. Tourist attractions in the WSB region have not yet been a marketing target in the international market. Even though the Hua Hin and Cha Am resort areas are relatively well-known among Thais and in certain foreign markets, their general position in the international market is not particularly strong.

For reference purposes, examples of tourism advertising undertaken by TAT in Japan, one of the Thailand's primary tourism markets, are shown below:

(i) Kodansha's monthly magazine, entitled "With," from January 1996 (circulation of 850,000);
(ii) Daiei's weekly magazine, entitled "Orange Page" (circulation of 1,200,000); and
(iii) "Nikkei Business" (circulation of 295,000).

2.5 Tourism Facilities and Industries in the WSB Region

(1) Accommodation Facilities

In 1994, Thailand had 4,850 accommodation establishments (e.g., hotels, guesthouses) with 246,113 rooms, of which 622 establishments (12.8 per cent) and 22,514 rooms (9.1 per cent) were located in the Central/Western region excluding Bangkok. The WSB had 487 establishments and 15,034 rooms, or 10.0 per cent of all establishments in Thailand and 6.1 per cent of all rooms. The distribution of Thailand's accommodation establishments and rooms between 1990 and 1994 by region is shown in Table 8.2.1. About 25 per cent of all rooms are concentrated in the Bangkok area.

Table 8.2.1 **Number of Accommodation Establishments and Rooms in Thailand between 1990 and 1994**

Region	Year	1990	1991	1992	1993	1994
Total :	Establishments	3,671	4,011	4,251	4,408	4,850
	Rooms	168,593	190,453	205,009	212,389	246,113
Bangkok :	Establishments	507	537	549	506	551
		131*	143*	155*	210*	214*
	Rooms	41,085	45,548	48,371	4,664	58,909
		28,845*	31,788*	34,611*	44,245*	46,619*
Central/West (Excluded Bangkok)	Establishments	438	464	527	549	622
	Rooms	14,012	15,202	17,159	19,003	22,514
Eastern	Establishments	670	718	777	811	865
	Rooms	32,929	37,880	43,773	45,813	49,613
Northern	Establishments	650	737	784	818	867
	Rooms	24,566	28,140	28,838	32,132	36,178
Southern	Establishments	1,018	1,149	1,194	1,343	1,504
	Rooms	42,103	48,276	51,016	53,955	60,737
Northeastern	Establishments	388	406	420	381	441
	Rooms	13,898	15,407	15,852	14,822	18,162

Remark: *Excluding small accommodations
Source: Tourism Authority of Thailand

Tables 8.2.2 and 8.2.3 show the room occupancy rate in major cities in the country in 1994, which were less than 50 per cent except in the Bangkok area (55.6 per cent). The rates in Hua Hin and Cha Am were 41.7 and 46.2 per cent, respectively. Tourist attractions in major cities should be aggressively marketed to increase these low rates of occupancy.

Table 8.2.2 **Room Occupancy Rate of Accommodation Establishments in Major Thai Cities in 1994**

City	Occupancy Rate
Bangkok	55.6%
Chiang Mai	48.4%
Kanchanaburi	37.9%
Pattaya	49.6%
Phuket	53.9%
Hat Yai	39.7%
Sungai Kolok	48.2%
Nakhon Ratchasima	69.0%
Cha Am	41.7%
Hua Hin	46.2%

Source : Tourism Authority of Thailand

Table 8.2.3 Monthly Occupancy Rate of Accommodation Establishments in Major Thai Cities in 1993 - 1994

City Year	Bangkok		Chiang Mai		Kanchanaburi		Pattaya		Phuket		Hat Yai	
Month	1993	1994	1993	1994	1993	1994	1993	1994	1993	1994	1993	1994
Total	56.6	55.6	46.0	48.4	33.7	37.9	42.5	49.6	59.9	53.9	50.0	39.7
January	56.5	56.3	57.9	53.4	43.3	38.6	52.4	57.4	73.4	66.8	42.6	40.5
February	59.3	61.7	55.5	51.1	39.2	39.9	46.3	56.7	69.8	77.1	55.1	49.8
March	57.1	61.2	42.4	44.6	36.5	35.2	40.1	50.2	62.9	62.2	31.4	48.1
April	55.0	54.5	47.7	45.9	31.4	38.2	48.1	56.7	59.4	56.0	48.5	45.7
May	50.9	51.5	36.0	38.4	25.1	36.4	39.8	49.2	43.1	43.50	46.1	27.0
June	45.4	49.5	33.4	35.4	23.1	37.1	35.5	43.1	44.7	38.0	51.2	29.8
July	54.0	52.8	39.7	46.9	26.5	37.5	41.4	45.2	52.8	40.6	49.6	35.2
August	61.3	56.0	42.5	49.4	29.9	35.5	44.4	46.3	76.8	46.8	65.8	42.2
September	55.2	51.9	37.9	45.2	31.9	36.5	33.5	39.8	50.8	38.2	49.6	36.0
October	56.3	54.2	45.8	50.0	34.3	35.6	37.9	42.3	56.9	52.5	42.3	37.9
November	66.2	60.4	56.0	60.3	40.1	41.6	41.3	50.5	60.8	61.4	48.3	43.4
December	61.5	56.0	56.7	59.9	43.3	42.7	48.8	58.1	61.2	63.3	46.2	40.8

Source: Tourism Authority of Thailand

Existing (1995) accommodation facilities (establishments) by province in the WSB region are shown in Table 8.2.4. Kanchanaburi province had the largest number of establishments and rooms in the region (188 and 5,058, respectively). On the other hand, Samut Songkhram had only five establishments and 155 rooms, the least in the region. The distribution of establishments and rooms in the region varies by province, with concentrations in the major tourist spots of Kanchanaburi, Hua Hin, and Cha Am.

Table 8.2.4 Number of Accommodation Establishments and Rooms by Type of Facility in the WSB Region, 1995

Province	Item	Hotel	G.H.*	Bungalow	Raft	Resort	Motel	Others	Total
Kanchanaburi	Establishments	22	15	35	51	39	3	23	188
	Rooms	1,240	359	864	779	1,407	75	334	1,058
Chumphon	Establishments	33	11	5	_	5	_	4	58
	Rooms	1,488	104	81		115		24	1,812
P. Khirikhan	Establishments	52	28	45	_	7	1	3	136
	Rooms	3,121	287	763		108	12	30	4,321
Petchaburi	Establishments	64	4	20	_	4	7	10	109
	Rooms	3,860	85	332		240	262	142	4,921
Ratchaburi	Establishments	17	_	3	_	2	8	10	40
	Rooms	946		72		68	351	178	1,615
S.Songkhram	Establishments	4	_	1	_	_	_	_	5
	Rooms	115		40					155
Establishments		192	58	*109*	51	57	19	50	536
Rooms		10,770	835	2,152	779	1,938	700	708	17,882

Note: * Guesthouse
Source : Tourism Authority of Thailand

Looking at hotel standards, 50 per cent of total room supply in the WSB (17,882 rooms) are high- and middle-grade (25 per cent each), and 50 per cent are low-grade rooms. However, 90 per cent of high-grade rooms are located in the Hua Hin and Cha Am tourist areas; a list of 4- and 5-star hotels in Hua Hin and Cha Am is presented in Table 8.2.5. There are middle- and low-grade establishments in the Kanchanaburi tourist area for all types of visitors. However, higher- and middle-grade establishments should also be built for international visitors to increase the number staying overnight in the Kanchanaburi tourist area.

Table 8.2.5 List of 4-5 Star Hotels in Hua-Hin and Cha Am Areas

Hotel	District	No. of Rooms	Remarks
Methavalai	Cha Am	118	
Long Beach	Cha Am	193	
Beach Garden	Cha Am	230	
The Regent Cha Am	Cha Am	650	
Golden Sands	Cha Am	226	
Dusit Resort and Polo Club	Cha Am	308	
Mark Land	Cha Am	80	Dec. 1995
Novotel	Cha Am	107	Apr. 1996
Sofitel	Hua Hin	218	
Royal Garden Resort	Hua Hin	217	
Royal Garden Resort	Hua Hin	162	
Melia	Hua Hin	297	
Majestic	Hua Hin	48	
Hua-Hin Grand & Plaza	Hua Hin	168	
Sailom	Hua Hin	66	
City Beach Resort	Hua Hin	152	
Blue Wave	Hua Hin	125	
Chivasom Health Resort	Hua Hin	40	
Total		3,375	

Note: Exclude small hotels & bungalows & guesthouses
Source: Tourism Authority of Thailand

(2) Souvenir and Shopping Facilities

Shopping is an important attraction for visitors, particularly for international tourists. Bangkok has a number of specialty and souvenir facilities including duty-free shops. Also, there are souvenir shops in major tourist spots. Ratchaburi has the Damnoen Saduak Floating Market, which was developed by a Government initiative. There are many small souvenir shops and restaurants in the vicinity of the hotels in the Hua Hin tourist area. More generally, each tourist spot in the WSB sells its own unique products as a souvenir; cookies in Petchaburi city and handicrafts at Bannonyapron provide examples of the unique local products found in the WSB. However, these products are insufficient to attract the attention of international tourists. The creation of a shopping center or mall focusing on local specialties would be a key factor for increasing the number of tourists visiting the area.

(3) Information Facilities

As noted, there are TAT regional offices in the Kanchanaburi and Cha Am districts. Tourist Information Centers, locations where tourists can obtain general tourism information, should be easily accessible and recognizable, and located in places at the point of entry to tourist attraction spots and areas. Directional signs indicating the location of attractions and sites are insufficient for family drivers (even for Thai tourists) at local spots. Particularly, independent international travelers are unable to find attractions identified only with Thai-language signboards.

(4) Transportation

Bangkok has a good network of public bus services to and from major local tourist areas at reasonable prices. Railway services are also available to and from points near the major tourist destinations in the WSB region. In addition, tourist buses are available to Kanchanaburi as part of package tours; however, there are no tourist buses for individual package tourists to and from the Hua Hin and Cha Am districts. Individual international tourists have to choose either public bus or train from Bangkok, the same as Thai travelers. A complicating feature is the different systems applied in various areas; for example, in Bangkok air-conditioned bus ticket sales are on first come-first served basis, while in upcountry areas air-conditioned bus tickets are sold on a reservation basis. Such varying practices can confuse travelers unfamiliar with Thailand. Also, there are no information notices at bus terminals.

2.6 *Conservation and Development of Tourist Attractions*

Since the 6th National Development Plan (1987-1991), attention has been given to the conservation and development of tourist attractions. In 1989, the Cabinet approved a budget for the conservation and development of tourist attractions. As a result, 69 projects were approved during the 6th plan period alone, including the following projects in the WSB:

(i) Kanchanaburi Province (three projects)
- Improvement of road to the Pa Tad project

- Improvement of the inner Ha Makham asphalt road
- Establishment of a tourist attraction information signboard project

(ii) Ratchaburi Province (three projects)
- Development of the Damnoen Saduak floating market project
- Development and conservation of the Khao Ngu project
- Development of the Kphao Bin cave project

(iii) Petchaburi Province (six projects)
- Improvement of the road linking Nong Yaplong Pu Namron-Mae Khra Dan-Nga waterfall
- Improvement of the road linking between Huay Khasem and Ban Linchang
- Improvement of the road between Phetchakasem and Ruamchit
- Installation of street lamppoles and the setting up of road signs on Narathip road
- Construction and improvement of Chao Lai road from Narathip road to the south of Nong Chaen
- Cha Am Beach Project

(iv) Prachuap Khirikhan Province (one project)
- Asphalt paving on the road along Rumpung Bay

(v) Samut Songkhram Province (two projects)
- Construction of a bridge to Don Hoi road
- Construction of road to Don Hoi road

(vi) Chumphon Province (one project)
- Improvement of road lining Bang Son-Bor Mao

During the period of the 6th Development Plan, 203 projects received budgetary allocations for conservation and development of tourist attractions, with such budgetary funds allocated amounting to 1,189.4 million Baht. These projects were divided into four types. One type involved the improvement of roads to tourist attractions, including the grading and paving of gravel road surfaces, the construction of asphalt roads, and the improvement of road surfaces, road shoulders, and the like; there were 87 such projects, with a budgetary allocation of 669.9 million Baht or 56.3 per cent of the total budget. A second type of project involved the improvement of small-scale facilities for tourism, including the construction of tourist service centers, the making of signboards to introduce tourist attractions, the installation of electrical and waterworks systems, and the building of boat landings; there were 93 such projects, with a budgetary allocation of 430.9 million Baht or 36.2 per cent of the total budget. A third type of project involved landscape improvement, including the decoration of landscapes, the dredging of ancient ponds, and the planting of flowers; there were 14 such projects, with a budgetary allocation of 38.4 million Baht or 3.2 per cent of the total budget. A fourth type of project related to the conservation of culture, customs, and environmental conditions, with projects involving the construction of cultural halls and waste water treatment plants, and the improvement and restoration of ancient ruins; there were nine such funds with a budgetary allocation of 50.3 million Baht or 4.2 per cent of the total budget.

The following projects were proposed and implemented in the WSB region during the first half of the 7th National Development Plan period (i.e., from 1992 to 1994):

(i) Kanchanaburi Province (three projects)
- Reconstruction of bridge over the River Kwai
- Improvement of Tamakam inner road
- Improvement of road to Golden Dragon Cave

(ii) Petchaburi Province (three projects)
- Improvement of Ak Lung cave
- improvement of 60 years' Petchpracharomyen public park
- Improvement of Wat Mahatatvoraviharn

(iii) Samut Songkhram Province (1 projects)
- Improvement of number 2 park

(iv) Chumphon Province (two projects)
- Construction of entrance to Dhepnimij temple,
- Improvement of Rub-Ror cave

No project was implemented in Ratchaburi and Prachuap Khirikhan provinces during this period.

2.7 Human Resources in Tourism Development

Based on estimates of the number of accommodation rooms in 1995, total accommodation-related employment in the WSB region has been estimated by this Study to be about 12,600. However, there is a turnover of 20 to 30 per cent of the total employment each year, with many employees job-hopping to other accommodation facilities, to obtain higher salaries and better working conditions.

According to the tourism interview survey conducted by the Study Team with local residents

(50 interviews), employees of the tourism business (25 interviews), and opinion leaders/scholars (25 interviews) in the Cha Am and Hua Hin areas, some 40 present expressed their willingness to work in or related with the tourism sector. The interviewees responded that they would like to participate in training in various disciplines, including foreign languages (50 per cent of respondents), management (46 per cent), craftsmanship (46 per cent), communications (26 per cent), and computer skills (22 per cent).

At present, there are two institutes responsible for manpower development in the tourism sector: Rajabhat Institute and Rajamonkol Institute in Hua Hin. Rajabhat Institute in Petchaburi provides tourism courses to second- through fourth-year students, with about 100 enrolled in the program. The teaching staff includes individuals seconded from five hotels in Hua Hin and Cha Am. About half of the graduates of this tourism program found employment in Bangkok and half in local areas. Rajamonkol Institute set up a tourism course for fourth-year students in a Royal Project in 1995. Other tourism training courses in the region are provided at the Vocational School in Ratchaburi city. The educational content of all of these tourism courses is practical, reflecting the demand.

Chapter 3 Tourism Development Strategy

3.1 Overall Assessment

International tourist visitors to Thailand in 1994 totaled 6.17 million with total receipts of 145,211 million Baht. From 1990 to 1994 (except for 1991), tourist receipts in Thailand were Thailand's top merchandise export item, as tabulated below. Tourism is still the leading foreign-exchange earner for Thailand. In the WSB region, there was a recorded total of 472,000 international visitors, 7.7 per cent of the national total, with total foreign exchange receipts from international visitors to the WSB amounting to 3,048 million Baht.

Table 8.3.1 Foreign Exchange Earnings

(Billion Baht %)

	1990		1991		1992		1993		1994	
Tourism	111	(28.2)	100.0	(23.0)	123	(24.2)	128	(23.2)	145	(21.9)
Textile	84.5	(21.5)	110	(25.1)	112	(22.0)	117	(21.2)	133	(20.0)
Computer/parts	38.7	(9.9)	46.5	(10.7)	55.4	(10.9)	62.7	(11.4)	92.1	(13.9)
Rice	27.8	(7.1)	30.5	(7.0)	36.2	(7.1)	32.9	(6.0)	39.2	(5.9)
Rubber	23.6	(6.0)	25.0	(5.7)	28.9	(5.7)	29.2	(5.3)	41.8	(6.3)
Prawn	20.5	(5.2)	26.7	(6.1)	31.7	(6.2)	37.8	(6.8)	49.1	(7.4)
Others	86.8	(22.1)	97.3	(22.4)	122	(23.8)	144	(26.1)	164.0	(24.6)
Total	393	(100.0)	436	(100.0)	509	(100.0)	551	(100.0)	664	(100.0)

Although the WSB region developed at an early stage as the King's summer resort, other areas, such as Pattaya, Phuket, and Ko Samui, have been rapidly developed. The WSB has been lagging behind other areas in the development of attractive tourist destinations. However, Thai and foreign tourists who prefer more natural beauty and a quiet environment in resort areas are keen to visit Kanchanaburi natural resort and the Hua Hin and Cha Am beaches. Key issues in these areas are the fluctuation in the number of tourist arrivals and the general stagnation in their growth. The result of this trend is apparent from the room occupancy rate data, reported earlier. Consider, for example, that the room occupancy rate in the Kanchanaburi area was only 33.7 per cent in 1993 and 37.9 per cent in 1994, rates that were among the lowest of all major tourist areas in Thailand. Low occupancy rates were also found in the Hua Hin and Cha Am areas, less than 50 per cent. A comparison of the room occupancy rates between 1993 and 1994 is shown in Table 8.2.3. It would be an important policy to address the low room occupancy rates in this region. Even in the Hua Hin and Cha Am areas, the improvement of tourist attractions is essential to promote higher room occupancies.

Regarding environmental issues, the recent construction of high-rise condominiums in the Cha Am area has negatively affected aesthetic values in the resort area. Also, there are serious issues related to the waste water treatment condition in Hua Hin and issues pertaining to natural conservation and development in Kanchanaburi. And, while there are many islands in the Chumphon area, which have tourism development potential, there is a problem with swallow net collectors. Samut Songkhram faces a difficult task of attracting tourists because it is relatively close to the Bangkok area and has limited tourism resources; the issue there is how to attract stopover excursionists and tourists passing through this province. The development of artificial tourist attractions, such as shopping malls or centers, amusement parks, and theme parks is necessary if this province is to successfully attract tourists. Ratchaburi has various tourist attractions, such as its floating market and caves, but many visitors are excursionists, i.e., making only day trips. Strategies similar to those described for Samut Songkhram would be applicable to this province. The development of the WSB's existing tourist attractions is essential as well as the development of new tourism products (e.g., tourist routes, establishments, specialty products, events/festivals, promotional activities) if the region is to attract a growing number of tourists in the future.

3.2 Tourism Development Policies and Strategies

3.2.1 National Tourism Development Policies and Strategies

(1) National Tourism Development Plan

The underling objective of the 8th National Development Plan in the tourism sector is to upgrade the "personnel" factor in order to advance the sector. The following tourism development policies are set out in the Plan:

(i) Reconstruct and take proper care of tourism environments, in order to better serve the increasing number of tourists, by

- issuing press releases to the people concerned to promote efficiency in tourism development and take better care of the environment
- establishing a management team by setting up an organization that may come from the public or the private sectors to draw up plans and set policies by area
- enlarging the role of TAT in solving tourism development problems
- use legal action to control building and construction and to protect

government land, rivers, streams, and public water resources

- supporting the Tourism Development Plan for reconstruction, especially of historic ruins
- supporting the development of new tourism sites to attract visitors (e.g., beach areas, sports and health care facilities)

(ii) Develop personnel for the tourism sector, by

- supporting the souvenir industry, making souvenirs more attractive and interesting
- training secondary and vocational school students to be more international
- giving courses in areas appropriate for each tourism center

(iii) Promote government and commerce as part of tourism development

- supporting the tourism sector to strengthen cooperation between the public and private sectors
- marketing tourism, in both domestic and overseas markets

(iv) Promote Thailand as the Tourism Center of ASEAN and Indochina

- developing telecommunications between towns and to nearby countries
- promoting and supporting in-bound tourism destinations
- coordinating tourism development activities with ASEAN and Indochina, instead of competing against each other
- modifying the rules for tourists traveling to and from other countries, i.e., making traveling more convenient

(2) TAT's Primary Policies

Following the objectives set by the Government for the Tourism Authority of Thailand, the following policies are to be pursued for tourism development in Thailand:

(i) To encourage and induce tourists from foreign countries to travel to Thailand, so that the country may earn revenue in the form of foreign exchange to enhance the overall economy

(ii) To decentralize tourist destinations to local community areas so as to distribute the revenue from tourism people in all provinces

(iii) To conserve and rehabilitate treasures, local cultures, natural resources, and the environment so as to maintain the Thai national identity to the maximum extent possible

(iv) To develop tourist facilities and services of good standards so as to impress visiting tourists

(v) To increase security and safety for both Thai and foreign tourists, so that they will be able to travel to various destinations in Thailand with confidence in the security and safety of their life and property, and that of their group

(vi) To promote the domestic travel of Thai people, particularly of low-income earners and the young so as to spread the benefits of traveling to the widest possible range of Thai people

(vii) To promote an increase in the number of Thais working in the tourism industry

(viii) To promote more extensive popular participation in activities related to tourism development

3.2.2 Tourism Development Policies and Strategies for the WSB Region

(1) Development Policies

(i) Conservation and development of tourist attractions in a tranquil and natural atmosphere

Some tourist destinations in Thailand are at an early stage of development, i.e., they are underdeveloped as tourism destinations and relatively free of serious environmental deterioration. An advantage of such areas is their tranquil and rich natural atmosphere, even though some of these areas are relatively close to the Bangkok Metropolitan Area. Therefore, it is important that the negative impact of tourism on natural environmental resources, beautiful scenery, and local community values be minimized in these areas in order to have a sustainable tourist industry.

(ii) Diversification from other domestic competitive tourist markets in the Kingdom

It is absolutely essential to exploit the unique local tourism products of a region. There are rich tourism attractions throughout Thailand, not only in the WSB region per se; also, many other regions have potential products to develop. However, the WSB has many beautiful mountains, forests, rivers and dams, beaches, and islands; it features plenty of virgin natural tourism resources with a unique history and culture so that their value as attractions can be maintained and enhanced. Moreover, it is quite possible to create new tourism products in the WSB based on a careful assessment of local resources because the region has many attractive virgin tourism spots that can be developed in the future. A local festival may be used to attract visitors, for example. A diversification of tourism products is an important strategy to win more tourists in the increasingly competitive national, regional, and global tourism market. Compared to other popular tourist destinations in Thailand, the WSB has fewer night-life and amusement spots, which creates an image of healthy and clean tourist attraction areas of the kind preferred by family tourists and small groups of foreign travelers. This established image should be strengthened in the WSB.

(iii) Tourism and community development

The tourism industry should involve the agricultural and fisheries sectors as well as the industry sector. Tourism products include not only a natural tourist beach or resort, but also activities in local communities, such as festivals, sports, or cultural activities. New tourism products can be found in local communities and can be created to foster sustainable tourism development in the region.

(iv) Development to increase value added from tourism attractions and development of new attractions and products and diversification of the product line in order to enhance the destination profile of the WSB in the tourist generating regions/countries

Strengthening of access roads linking surrounding tourist attractions in this region is essential to increase tourism diversification and value added in the market.

(v) Strengthening linkages with the Bangkok Metropolitan Area and other tourist destinations

The BMA is situated as a gateway to the WSB and has a huge market of possible tourists and excursionists to the region. International travelers who prefer to stay in a tranquil and natural atmosphere may wish to "base" themselves in the WSB and visit the BMA on day trips.

(vi) Integrated tourism industry development with surrounding countries

The WSB has a long international frontier with Myanmar. For example, visitors can reach the Myanmar border easily from the BMA by taking Route 323 from Kanchanaburi. It would be possible for the WSB region to develop new products for the WSB region in cooperation with their counterparts in Myanmar.

(2) Development Strategies

In order to accelerate the development of tourism in the WSB and promote the region's competitiveness in the Thai destination market, it is essential that the region aggressively develop its potential and fully explore market opportunities, in a manner appropriate to the region's tourism development stage. Recommended development strategies along these lines are presented below:

(i) Improvement and development of tourism facilities for Thai and foreign travelers

There are no high-grade accommodation facilities (establishments) in the WSB region except in the Cha Am and Hua Hin areas and this limits the experience and satisfaction of international visitors. For existing hotels, continuous upgrading efforts are essential. It is necessary to upgrade the tourist board at each attraction site so that they show the name of attractions, directions, and at least a brief description and interpretation. The development of restaurants and shopping centers, which enhance a visitor's experience and satisfaction, is another important factor for urban tourism promotion.

(ii) Development by stage of tourism development potential in tourism zones/staged development based on regional potential

In terms of tourism resource development and balanced management of the tourist flows in the WSB, the region could be divided into four macro-scale tourism zones, i.e., Kanchanaburi-Ratchaburi zone, Samut Songkhram zone, Petchaburi-Prachuap Khirikhan zone, and Chumphon zone. It is essential that the region in general and each zone in particular develop its full potential and fully explore market opportunities in a manner appropriate to its current stage of tourism development.

(iii) Development of tourism cores and corridors

Tourist routes and corridors will contribute to geographical expansion of the tourist generating or resource market. The linking of tourist cores and corridors is recommended.

(iv) Package tour generation and activities for independent tourists

Package tours are the main source of growth in tourist arrivals in the WSB region and their share in the market will grow further. Tourism development planners should consider the balance between package tours and independent tourists, however.

(v) Human resource development

Hospitality is a key element in developing the tourism industry. Since Thailand has a limited number of qualified workers in the tourism sector, the development of human resources in the sector should be accorded the highest priority. For further expansion of tourism in the WSB region, the need for human resource development is becoming more acute.

(vi) Development of tourism corridors and sea transportation in the region

Linking tourist attractions in the region is important to increase the valueadded of tourist resources. Tourist access roads linking various tourist spots should be improved and the development of sea transport links with Bangkok or the ESB region should be considered.

(vii) Environmental protection measures

Efforts and investments must be made to implement positive protection measures that will enhance the value of the region's tourism resources. Identification and protection of the natural tourism potential of the region is essential.

(3) Tourism Development Zone

In general, tourists move toward attractive tourist spots and areas. Since Bangkok is the main gateway for international tourists visiting Thailand at present, day-trip travelers (termed "excursionists") follow major tourist circuits such as Bangkok-Samut Songkhram-Ratchaburi-Nakhon Pathom-Bangkok, Bangkok-Ratchaburi-Kanchanaburi-Bangkok, or only Bangkok-Ratchaburi-Bangkok. Tourists may stay at Kanchanaburi and return to Bangkok on the following day. There are many available package-tour programs and independent travelers can create their own tourist destinations and plans within their constraints. At present, Thai tourists tend to visit only a single destination at a time, such as Pattaya, Phuket, or Ayutthaya. Looking longer term, for both Thai and foreign travelers, tour circuit destinations may be developed in combination with other nearby tourist destinations without consideration of international borders or political differences (e.g., a Thailand-Myanmar package).

The conceptual diagram in Figure 8.3.1 illustrates visions of flows from major tourism cores in the WSB region. The following criteria have been applied in the identification and classification of tourist resources in the WSB region:

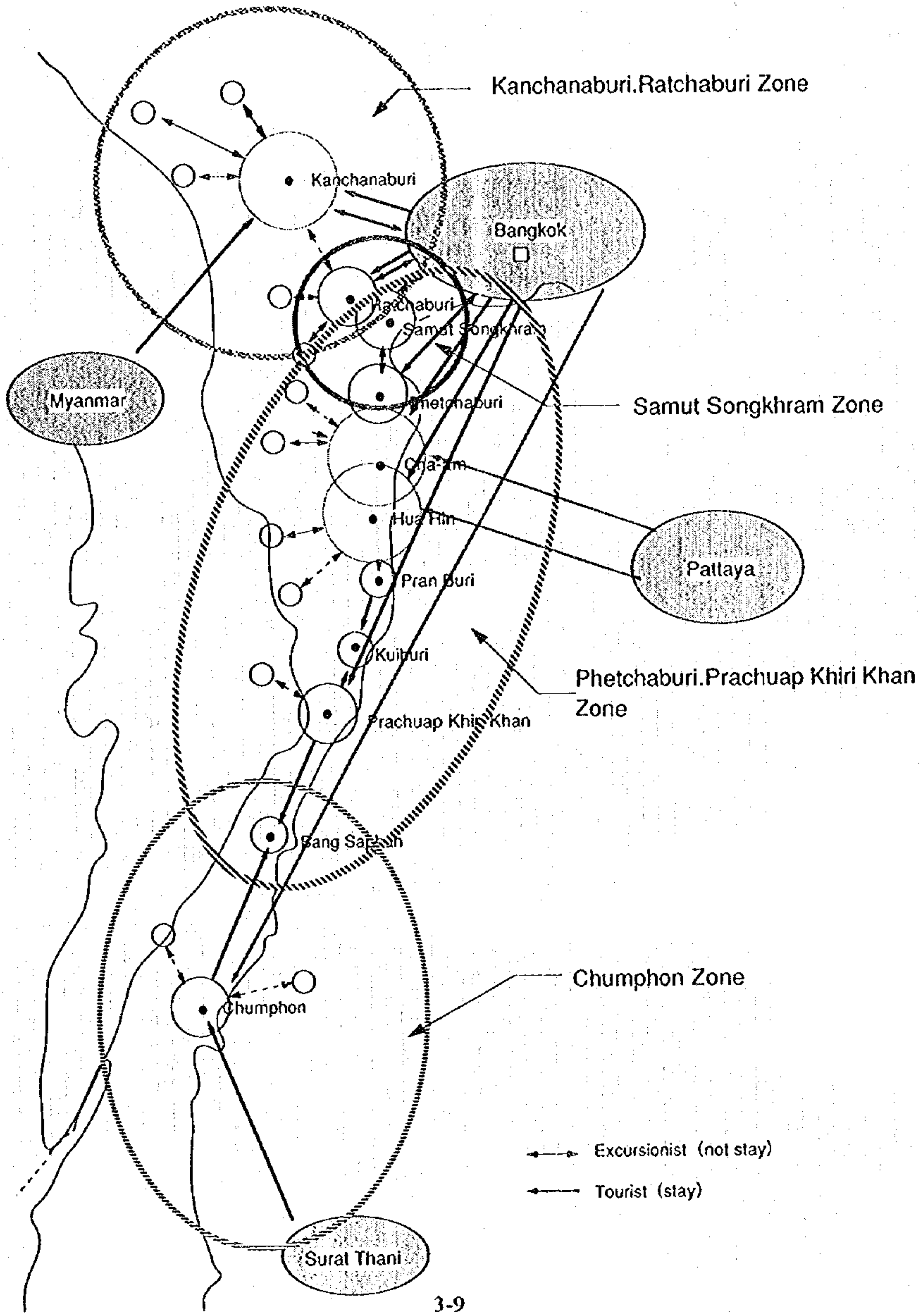
- Regional development potential and resource networking possibilities (i.e., linking prospects)
- Homogeneity of local tourism resources
- Administrative units
- Distance from Bangkok area

Based on the above broad criteria, the four tourism zones shown in Figure 8.3.1 and listed below were identified.

1- Kanchanaburi-Ratchaburi Zone
2- Samut Songkhram Zone
3- Petchaburi-Prachuap Khirikhan Zone
4- Chumphon Zone

The boundaries of the zones were determined by taking current administrative boundaries into account in order to facilitate the use of readily available data.

Figure 8.3.1 Tourist Flows and its Development (Future)



3.3 *Tourism Development Framework*

(1) Estimation of Tourist Arrivals in Thailand and the WSB Region

Three alternative cases have been envisaged in estimating tourist arrivals of foreign travelers (i.e., international tourist arrivals) and two alternative cases in estimating domestic travelers (mainly Thai tourists).

(i) Estimated foreign travelers (international tourist arrivals)

According to the World Tourism Organization, strong growth of the tour industries can be expected in Indonesia, Malaysia, Philippines, Thailand, and the People's Republic of China, i.e., in countries in the East Asia/Pacific region. Tourist arrivals in this region are expected to continue to grow at 7.5 per cent per annum from 1996 to 2000, and 6.5 per cent per annum from 2000 to 2010, as estimated by WTO. The number of tourist arrivals in the East Asia/Pacific region market would reach 110 million in 2000 and 190 million in 2010. In view of this projection, three alternative cases are set out below:

Case I-1: Based on WTO growth forecast (foreign tourists)

Tourist arrivals in Thailand increased at an average of 6.2 per cent annually from 1991 to 1995. In 1993 and 1995, there was a year-on-year increase of 12 per cent from 1992 and 1994, respectively. However, in 1994, the growth rate decreased by 7.0 per cent relative to the previous year. The level of growth rates achieved in 1993 and 1995 should be considered exceptional compared with the 1991 and 1992 growth rates, minus 4 per cent and 1 per cent, respectively.

In view of the foregoing, the average annual growth rate was stipulated in Case 1 by taking the WTO growth projection for Thailand. The share of total tourist arrivals in the WSB region was assumed to increase by 0.1 per cent each year, from 7.5 per cent in 1996 to a 9.0 per cent in 2011, as shown in Table 8.3.2.

Table 8.3.2 Estimated Number of Foreign Tourist Arrivals in Thailand and the WSB Region (Case I-1)

Year	Number of Foreign Tourists	Growth Rate (%)	Target Share to the WSB Region (%)	No. of Foreign Tourists to WSB Region
1994	6,166,496	(real) 7.0	(real) 7.7	472,346
1995	6,951,566	(real) 12.7	(real) 7.5	521,367
1996	7,472,933	(est.) 7.5	(est.) 7.5	560,490
1997	8,033,403	7.5	7.6	610,539
1998	8,635,908	7.5	7.7	664,965
1999	9,283,601	7.5	7.8	724,121
2000	9,979,871	7.5	7.9	788,410
2001	10,628,563	6.5	8.0	850,285
2002	11,319,420	6.5	8.1	916,873
2003	12,055,182	6.5	8.2	988,525
2004	12,838,769	6.5	8.3	1,065,618
2005	13,673,289	6.5	8.4	1,148,556
2006	14,562,053	6.5	8.5	1,237,775
2007	15,508,586	6.5	8.6	1,333,738
2008	16,516,644	6.5	8.7	1,436,948
2009	17,590,226	6.5	8.8	1,547,940
2010	18,733,591	6.5	8.9	1,667,290
2011	19,857,606	6.0	9.0	1,795,615

Source: JICA Study Team

Case I-2: Based on the estimated GDP growth rate in tourist generating countries

The growth of tourist arrivals in Thailand in Case I-2 was calculated based on the forecast change in the GDP growth rate of the main tourist-generating countries for Thailand. Future GDP growth rates were based on trend from 1991 to 1994 in the tourist-generating countries. Tourist arrivals from these countries estimated using this approach are shown for 2001, 2006, and 2011 in Table 8.3.3.

Table 8.3.3 Estimated Number of Foreign Tourist Arrivals in Thailand (Case I-2)

Year/Target	Number of Foreign Tourists
1990	5,298,860
1991	5,080,899
1992	5,136,443
1993	5,760,533
1994	6,166,494
1996 (est.)	6,474,486
2001 (projected)	7,479,976
1006 (projected)	9,151,096
2011 (projected)	12,605,001

Source: JICA Study Team

Case I-3: Moderate development based on both Cases 1 and 2

Total tourist arrivals in Thailand are expected to reach 7.5 million in 1996. Tourist arrivals between 1997 and 2000 are expected in Case I-3 to grow at the rate forecast by the WTO forecast for 2000, or 7.5 per cent per annum. The Thai tourism industry is expected to experience stable, modest growth in this period, which is also in line with worldwide demand forecasts. However, the Thai tourism industry will receive a challenge from emerging tourism markets, such as the People's Republic of China, Myanmar, and Vietnam.

Over the entire forecasting horizon (i.e., until 2011), annual growth rates in tourist arrivals in Case I-3 have been set at the same rates as estimated by WTO, 7.5 per cent from 1997 to 2000 (as indicated above), 5.5 per cent between 2000 and 2005 and 5.0 per cent between 2005 and 2011. Also, the share of total national tourist arrivals coming to the WSB region has been assumed to increase from 7.5 per cent in 1995 by 0.1 per cent per year between 1996 to 2001, when it would reach 8.0 per cent, a share that has been assumed to then continue until 2011, as shown in Table 8.3.4.

In summary, Case I-3 represents a mid-range adjustment of Case I-1 and I-2, which was deemed to provide the most reasonable framework to be adopted in this study.

Table 8.3.4 Estimated Number of Foreign Tourist Arrivals in Thailand and the WSB Region (Case I-3)

Year	Number of Foreign Tourists	Growth Rate (%)	Target Share to the WSB Region (%)	No. of Foreign Tourists to the WSB Region
1995	6,951,566	(actual) 12.7	7.7	521,367
1996	7,472,933	(est.) 7.5	7.5	560,470
1997	8,033,403	7.5	7.6	610,539
1998	8,635,908	7.5	7.7	664,965
1999	9,283,601	7.5	7.8	724,121
2000	9,979,871	7.5	7.9	788,410
2001	10,528,764	5.5	8.0	842,301
2002	11,107,846	5.5	8.0	888,628
2003	11,718,777	5.5	8.0	937,502
2004	12,363,309	5.5	8.0	989,065
2005	13,043,290	5.5	8.0	1,042,463
2006	13,695,454	5.0	8.0	1,095,636
2007	14,380,226	5.0	8.0	1,150,418
2008	15,099,237	5.0	8.0	1,207,939
2009	15,854,198	5.0	8.0	1,268,336
2010	16,646,907	5.0	8.0	1,331,753
2011	17,479,252	5.0	8.0	1,398,340

Source: JICA Study Team

(ii) Estimated domestic travelers (mainly Thai tourist arrivals)

Case D-1: Based on Thailand's GDP growth rate (domestic tourists)

A total of 2,191,797 domestic tourists visited the WSB region in 1994, as did 2,375,908 domestic tourists in 1995. The growth of domestic tourist arrivals can be reasonably assumed to be related to country's GDP growth. The targeted GDP growth rate during in the period of the 8th National Development Plan (1997-2001) is 8 per cent per annum, while this Study has assumed growth rates of 7.5 per cent during the period of the 9th Plan (2002-06) and 7.0 per cent during the period of the 10th Plan (2007-11). However, these estimated GDP growth rates might be too high for forecasting growth in domestic tourism, particularly since Thai travelers may increasingly travel as excursionists, i.e., making day trips only. The result of the Case D-1 estimation is shown in Table 8.3.5.

Table 8.3.5 Number of Estimated Domestic Tourist Arrivals in Thailand and the WSB Region (Case D-1)

Year	Projected Thai GDP Growth Rate (%)	No. of Domestic Tourists to the WSB Region
1994	8.4	2,191,797
1995	8.4	2,375,908
1996	8.4	2,575,484
1997	8.0	2,781,523
1998	8.0	3,004,045
1999	8.0	3,244,369
2000	8.0	3,503,919
2001	8.0	3,784,233
2002	7.5	4,068,050
2003	7.5	4,373,154
2004	7.5	4,701,141
2005	7.5	5,053,727
2006	7.5	5,432,757
2007	7.0	5,813,050
2008	7.0	6,219,964
2009	7.0	6,655,361
2010	7.0	7,121,236
2011	7.0	7,619,723

Source: JICA Study Team

Case D-2: Based on income expenditure growth

TAT statistical office has forecast the growth of Thai tourists at 2.2 per cent per annum during the five-year period of the 8th National Development Plan, while NESDB has forecast an annual growth rate of 3 per cent during the same period. However, these forecast growth rates seem too low compared with the targeted GDP growth rate of the 8th National Development Plan and beyond, which range from 7.0 to 8.0 per cent per annum as noted in the discussion of the Case D-1 forecast.

Therefore, considering future levels of growth in consumer expenditure, the growth of domestic tourist arrivals in Case D-2 has been partially related to the Thai GDP growth rate (i.e., an elasticity of tourism growth to growth in GDP of less than one has been assumed), as shown in Table 8.3.6 and applied in Table 8.3.7 below.

Table 8.3.6 Estimated Growth rates of Domestic Tourist Arrivals (Case D-2)

Year	Estimated GDP growth rate	Tourism Growth Elasticity	Growth Rate in Thai Tourists
1997-2001 (8th Plan)	8.0% per annum	40 %	3.2 % per annum
2002-2006 (9th Plan)	7.5% per annum	50 %	3.7 % per annum
2007-2011 (10th Plan)	7.0% per annum	60 %	4.2 % per annum

Source: JICA Study Team

Table 8.3.7 Number of Estimated Domestic Tourist Arrivals in Thailand and WSB Region

Year	Projected Share of Thai GDP Growth Rate (%)	No. of Domestic Tourists to the WSB Region
1995	2.5	2,246,592
1996	2.5	2,302,757
1997	3.2	2,376,445
1998	3.2	2,452,491
1999	3.2	2,530,971
2000	3.2	2,611,962
2001	3.2	2,695,545
2002	3.7	2,795,280
2003	3.7	2,898,705
2004	3.7	3,005,957
2005	3.7	3,117,177
2006	3.7	3,232,513
2007	4.2	3,368,279
2008	4.2	3,509,747
2009	4.2	3,657,156
2010	4.2	3,810,757
2011	4.2	3,970,809

Source: JICA Study Team

(iii) Estimated tourist arrivals (international and domestic tourists) in the WSB region

The total number of tourist arrivals in the WSB region corresponding to the most likely of the above cases (Case I-3 for international tourist arrivals and Case D-2 for domestic tourist arrivals) is summarized below.

Table 8.3.8 Estimated Tourist Arrivals in the WSB Region between 1997 and 2011 (Most Likely Case)

(unit: 1000s)

Target Year	International Tourists in the WSB	Domestic Tourists in the WSB	Total Tourists in the WSB Region
1994 (actual)	472	2,192	2,664
1997	610	2,380	2,990
2001	840	2,700	3,540
2006	1,100	3,230	4,330
2011	1,400	3,950	5,350

Source: JICA Study Team

(2) Projection of Tourist Arrivals by Tourism Zone

Table 8.3.8 shows the projected regional distribution of tourist arrivals by tourism zone for 2011, i.e., to end of the period of the 10th Plan and the target year for the current Study. These projections were determined based on the share of tourism resources and potential of each tourist zone. As at present (see Table 8.1.12), there are more Thai tourists in the Kanchanaburi-Ratchaburi zone and more foreign tourists in the Petchaburi-Prachuap Khirikhan zone (the location of the Hua Hin and Cha Am resorts). The highest growth in tourist arrivals is expected in the Chumphon zone, a consequence of the increase in tourist attractions in the area and improvement of tourist access, both by road and via air transport with the opening of a new airport in 1997 at Pathiu.

Table 8.3.9 Projected Distribution of Visitor Arrivals (Tourists+Excursionists) by Tourism Zone in the WSB Region in 2011

Zone	Tourists		Excursionists		Visitors	
	Thai	Foreigner	Thai	Foreigner	Thai	Foreigner
Kanchanaburi, Ratchaburi zone	1,750	400	1,200	250 <500>	2,950	650 <500>
Petchaburi, P. Khirikhan zone	1,650	850	600	250	2,250	1,100
S. Songkhram zone	100	-	50	- <200>	150	- <200>
Chumphon zone	450	150	50	-	500	150
Total of Visitors	3,950	1,400	1,900	500	5,850	1,900
		5,350		2,400		7,750

( ) Stay of only a few hours for sightseeing ,e.g., floating markets, coconut sugar factory.
Source: JICA Study Team

(3) Estimation of Room Requirements by Zone

The number of visitor arrivals was converted into room requirements based on various assumptions concerning the ratio of tourist arrivals to total visitors (the latter of which also includes excursionists, i.e., day travelers), the average length of stay (i.e., number of nights), average room occupancy (i.e., persons per room), and the average bed occupancy rate (per cent) by tourism zone. The following table shows the assumptions applied in deriving room requirements in the Kanchanaburi-Ratchaburi tourist zone.

Table 8.3.10 Assumptions for Deriving Room Requirements

Item	Thais	Foreigners
Share of tourist arrivals to total (per cent)	55.0	80.0
Average length of stay (nights)	2.0	2.5
Average room occupancy (persons per room)	1.7	1.7
Room occupancy rate (per cent)	60.0	60.0

Table 8.3.11 shows the resulting projections of room requirements by tourism zone in 2011. The total estimated room requirement in 2011 was found to be about 24,800; thus by 2011, some 6,900 new units would be required in addition to the 17,880 existing units (1995). Considering income growth expectations of Thai tourists in the future, the distribution of room requirements by room grade was assumed to be 40 per cent for high-grade, 40 per cent for medium-grade, and 20 per cent for low-grade rooms. Therefore, an estimated 5,370 high-grade and 5,480 medium-grade units would be additionally required by 2011. The 3,920 low-grade units should be improved to a higher grade or reduced by 2011.

Table 8.3.11 Estimated Room Requirements by Tourism Zone in 2011

Zone	Accommodation Type	Existing Rooms (1995)	Total Requirement for Rooms	Additional Rooms Required
Kanchanaburi Ratchaburi	High-grade	673	2,928	2,255
	Middle-grade	1,996	2,928	932
	Low-grade	4,004	1,463	-2,541
	Total	6,673	7,319	646
Petchaburi P. Khirikhan	High-grade	3,700	5,257	1,557
	Middle-grade	1,842	5,257	3,415
	Low-grade	3,700	2,629	-1,071
	Total	9,242	13,143	3,901
S. Songkhram	High-grade	0	251	251
	Middle-grade	62	251	189
	Low-grade	93	127	34
	Total	155	629	474
Chumphon	High-grade	181	1,486	1,305
	Middle-grade	544	1,486	942
	Low-grade	1,087	744	-343
	Total	1,812	3,716	1,904
Total	High-grade	4,554	9,922	5,368
	Middle-grade	4,444	9,922	5,478
	Low-grade	8,884	4,963	-3,921
	Total	17,882	24,807	6,925

Source: JICA Study Team

Chapter 4 Tourism Development Policy for the WSB Region

4.1 Tourism Development Policy by Zone

4.1.1 Regional Tourism

The following development policies should be applied for tourism development planning for the WSB, along with the guidelines of the National Tourism Development Policy for increasing local employment opportunities and boosting regional incomes through increased tourist expenditures.

(i) Improvement and upgrading of visitor facilitation at major tourist sites

Low room occupancy rates are at least partly the result of poor visitor facilitation and poor service facilities, as well as of the lack of attractive local leisure activities (e.g., festivals, events).

(ii) Improvement and establishment of tourist access roads and tourist circuit routes

Tourism planning should be implemented with spatial development and transport planning to create the conditions necessary for extending the stay of tourists in the region. Road improvements, particularly through creation of tour circuits (e.g., Bangkok-Ratchaburi-Kanchanaburi-Bangkok), may be particularly effective in this regard.

(iii) Conservation and development of tourism resources

Resource conservation and development is a key factor related to the sustainability of tourism development in the region.

(iv) Development of man-made attractions

Man-made tourism attractions, such as theme parks, should be developed to generate new tourists in the market.

(v) Provision of a new tourism information service system

The updating of tourist information services will help generate new tourists and repeat visitors to the region. The provision of on-site tourist information is essential.

4.1.2 Tourism Development Plan by Zone

(1) Kanchanaburi-Ratchaburi Zone

(i) Zonal Characteristics

The Kanchanaburi-Ratchaburi tourism zone features a rich variety of natural resources, including beautiful forests, mountains, caves, rivers, and waterfalls compared to other zones and other parts of Thailand. The tourist attractions in this zone provide a particularly favorable impression to Thais who live in the noisy and dusty Bangkok area, and for this reason more Thai visitors than foreigners are interested in visiting this area.

The following major tourist attractions are located in the Kanchanaburi-Ratchaburi zone:

Natural Attractions

- Sai Yok National Park, Erawan National Park, Srin Nakarin National Park, and Calloem Rattanakosin National Park (Kanchanaburi)
- Erawan Waterfall, Sai Yok Waterfall (Kanchanaburi)
- Khobin Cave, Khon-Chongpran Cave, Phra Non Cave (Ratchaburi)

Historical Attractions

- The Bridge over the River Kwai, War Cemetery, Three Pagodas Pass (Kanchanaburi)

Man-Made Attractions

- Sri Nakarin Dam, Vajiralongkorn Dam (Kanchanaburi)
- Dannoen Saduak Floating Market (Ratchaburi)

Cultural Attractions

- Mural paintings, cloth weaving center, leather shadow puppet show, ceramics (Ratchaburi)

(ii) Development Policy

New tourism products and new tour routes must be developed and new markets must be opened with Thai visitors as the main target marketing group for the zone. The conservation of the zone's rich natural and historical legacies should be given priority with the protection of the scarce and valuable tourism resources of this zone. Therefore, it is important to compile a natural resource inventory survey for the conservation and development of the zone's tourist attractions. Tourism-related facilities, especially hotels and restaurants, should be located in urban areas as urban tourism facilities and key stations in tours of sites surrounding Kanchanaburi and Ratchaburi cites.

(iii) Development Plan and Projects (tentative)

Tourist Center with Historical and Natural Museum Project

- Improvement and upgrading of the existing natural museum for the purpose of educating young generations and their parents as well as foreign visitors.

Resort Development and Redevelopment Project

- Continuous improvement and upgrading of existing tourism facilities for both Thai and foreign tourists.

River Kwai Cleanup Project

- Environmental improvement of the River Kwai water quality and measures to address environmental deterioration in surrounding areas. Efforts and investment must be made to implement positive protection measures that will enhance the value of the tourism resources in this zone.

Amusement Center Project (Ratchaburi)

- Creation of family-type amusement facilities for excursionists from the Bangkok area.

"Fruit Line" Road Project (Ratchaburi)

- Creation of a new attractive tourist circuit route for developing cultural attractions in Ratchaburi, as well as Samut Songkhram in the adjoining tourism zone. Orchard visits and picnics are among the tourist attractions envisaged.

(2) Samut Songkhram Zone

(i) Zonal Characteristics

The Samut Songkhram tourism zone features fruit plantation and salt farms. Almost all visitors to this zone are on day excursions from the Bangkok area. The following major tourist attractions are located in this zone.

Natural Attractions

- Bank of fossilized shells, including tube-like shell unique to the area (Don Hoi Lot)
- Orchard farms and coconut sugar factory

Historical Attractions

- Wat Phat Samut Worawihihaan

Cultural Attractions

- Floating market (Ban Noi and Tha Kha)

(ii) Development Policy

The main target marketing group is excursionists from the Bangkok area. Agro-related, craft, and cultural industries, including coconut sugar factories and local villages (featuring art and crafts, folklore, and dance and music attractions) should be developed as new tourism attractions in the Samut Songkram zone. The promotion of "incentive" tours from Bangkok would be suitable for family groups. Man-made tourist attractions and package-tour circuit programs should be prepared for short-term visitors.

(iii) Development Plan and Projects

Souvenir Shops Improvement Project

- Since visitors to the Samut Songkram tourism zone generally stay only a few hours, it is important to consider how to encourage longer stays. Attract persons passing through the region is also important.

Amusement Park Project

- Man-made attractions (e.g., a theme park, soft adventure sports, races) should be developed as the main direction for tourism development in the zone.

Free Trade Area

- In the event that a Free Trade Area (FTA) is developed in Samut Songkhram, it would offer an attractive spot for retail tourism both for Thais and foreign visitors.

(3) Petchaburi-Prachuap Khirikhan Zone

(i) Zonal Characteristics

The Hua Hin and Cha Am tourist areas form the core center of the Petchaburi-Prachuap Khirikhan zone as well as the regional tourism center of the WSB region. Hua Hin is distinguished as Thailand's oldest prestigious beach resort, including a summer palace of the King from the early 20th century. Cha Am has been appreciated by Thais for many years as an inexpensive vacation resort. The image of the King's resort in Hua Hin attracts more foreign tourists than does Cha Am.

The following major tourist attractions are located in the Petchaburi-Prachuap Khirikhan zone.

Natural Attractions

- Kang Krachan National Park (Petchaburi)
- Tham Phraya Nakhon Cave (Petchaburi)
- Sam Roi Yot National Park (Petchaburi)
- Virgin beaches (Petchaburi and Prachuap Khirikhan))
- Thalu island

Historical Attractions

- Old City (Petchaburi)
- Hua Hin

Manmade Attractions

- Prajomklao science park (Prachuap Khirikhan)

(ii) Development Policy

It is apparent that the Petchaburi-Prachuap Khirikhan area will continue to emphasize Hua Hin, particularly for foreign tourists, considering its strong image as the site of the King's summer palace. Hua Hin and Cha Am should offer a broad variety of tourist attractions consisting of relaxed spots and natural settings. Continuous upgrading of existing hotels is essential. International convention and seminar activities at both mountain and beach resort areas should be promoted with suitable tourism facilities.

(iii) Development Plan and Projects

Shopping Center Project (Hua Hin and Cha Am)

- Souvenirs and shopping are important to the modern tourist and significant contributors to foreign exchange earnings. Consider, for example, that a recent questionnaire survey of Japanese tourists in Hawaii found that shopping was their first priority for enjoying their stay. Therefore, it is recommended that specialty shops and souvenir kiosks be integrated in urban areas.

Cultural and Recreational Center Project

- At present, the zone has no special cultural and recreation center that features traditional cultures, music, dance, and arts. Creation and/or improvement of such facilities is essential to meet expectations of visitors to the area.

Resort Development Project (Prachuap Khirikhan)

- There is a potential to develop a new beach resort attraction near the proposed science park.

Seaside Rehabilitation Project (Hua Hin)

- Land use control is essential on the beachfront in the Hua Hin area. For example, restaurant decks disrupt the open beach ambiance of this seaside destination.

Sea Water Quality Monitoring System Project

- Sea water quality of the Cha Am and Hua Hin area is reported to have been deteriorated in recent years. Together with the sewage treatment project to be executed in urban areas, a monitoring system of sea water quality and the environment should be established in these areas.

Human Resource Development Project (Rajabhat Institute, Petchaburi)

- Human resource development is a main development target of the 8th National Development Plan. Rajabhat Institute, Petchaburi already offers tourism management courses, which should be strengthened and diversified to cover related fields in order to meet the growing demand of tourism industries in this region. It is desirable that the tourism management courses be of high international standards.

(4) Chumphon Zone

(i) Zonal Characteristics

The Chumphon tourism zone is located at the junction of roads leading to Surat Thani and Ranong-Phuket. Skin diving on virgin islands and exploring caves are main tourist attractions for young independent travelers; therefore, these attractions offer the greatest tourism development potential for this zone.

The following major tourist attractions are located in this zone:

Natural Attractions

- Ko Chorakhe island, Sai Ri, Pharadonphap, Pha Daeng beaches.
- Nam Tok Kapo forest park

Historical Attractions

- The shrine of His Royal Highness Prince Chumphon
- Father of the Royal Thai Navy

Manmade Attractions

- Torpedo Ship ("The Royal Chumphon")
- Dr. Porn's Garden

(ii) Development Policy

The target market of tourists for the Chumphon zone is mainly younger visitors. It is recommended that environmental sensitivities be taken in to account, e.g., with respect to the activities of fisherfolk and swallow net collectors in the islands.

4.2 Development of New Tourism Products

(1) Development Policy

Continuous upgrading of the existing tourism attractions and products in the Chumphon zone is necessary in order to cope with the changing desires and needs of today's tourists. Scattered tourism resources and attractions should be connected effectively by access links to particular tourism resources (e.g., with tourist circuit roads).

Fruit harvesting and eating at orchards can be new tourist attractions and visiting agro-processing factories (e.g., a coconut sugar factory, the coconut copra industry, an oil-palm factory, a dairy farm) may provide special types of tourism attractions and activities for urban Thais and foreign children. Fish culture ponds and sea fishing may provide additional tourist attractions for the area.

Cultural dances, shadow puppet shows, and festivals may provide man-made tourist attractions in the zone. Such tourist attractions would attract family-type tourists from both Bangkok and overseas.

4.3 Marketing and Promotion

TAT conducts marketing activities, sales, and public relations activities with the relevant agencies in both the public and private sectors. A easy-access, user-friendly tourist information office is a standard feature in most major tourist destinations today. The siting of visitor information centers in key towns is especially important for cultivating niche tourism markets in Thailand. While independent international travelers request the latest information on the attractions to be found in local areas, information from books and pamphlet is sometimes out of date. Free handouts (maps and pamphlets) with the latest information should be prepared by local authorities (local offices) in a simple style. The dates of local festivals and cultural events should be included in these handouts to enhance local product niche market with a diversified product line including culture, folk arts, folk life, performing arts, theme events, and sports events and competitions. Finally, tourism business associations in each province should be integrated by tourism zone to promote better and more effective marketing activities and information exchange.

APPENDIX 1

PROFILE OF PROPOSED PROJECTS/PROGRAMS

Project No. TO1

1.	PROJECT TITLE	Zone-Wise Development Program
2.	LOCATION	Four zones for area development
3.	AGENCY	TAT
4.	OBJECTIVES	(1) To utilize tourism to strengthen comparative advantages and diversify local economies in each zone defined for area development (2) To promote sound and sustainable use of indigenous resources for the benefit of local people/communities
5.	PHASING	In line with respective area development programs

6. DESCRIPTION

Tourism development in the WSB is programmed by zone : the Kanchanaburi/Ratchaburi zone, the Petchaburi/Prachuap Khirikhan zone, the Samut Songkhram zone, and the Chumphon zone. Each zone has a well-crafted development program. Tourism is expected to strengthen comparative advantage of each zone, diversifying local economies based on indigenous resources.

The comparative importance of tourism varies among different zones; hence, a zone-wise development program. In the Kanchanaburi/Ratchaburi zone, promotion of eco-tourism in and around the four national parks, development of a tourism center with a historical-natural museum, and improvement of amenities along the Kwai river are among the measures programmed. In the Samut Songkhram zone, man-made tourism attractions are proposed capitalizing on proximity to the BMA and the large area of abandoned shrimp farms. Even in zones for industrial development, their promotion of local specialty products will contribute to tourism development.

7.	RELATION WITH OTHER PROJECTS	RP4 (Scenic Coastal Road) RP5 (Secondary/Feeder Roads) WT7 (Tourist Pier)
8.	COST (Approximate)	Phase I = \$6.5 million Phase II = \$3.5 million

Project No. TO2

1.	PROJECT TITLE	Amenity Preservation Program
2.	LOCATION	Cha Am - Hua Hin area, and coastal areas further south
3.	AGENCY	Ministry of Science, Technology and Environment
4.	OBJECTIVES	(1) To preserve and enhance the quality of environment and amenities in the Cha Am - Hua Hin beach area and coastal areas further south (2) To increase tourist visits, including foreign tourists, and tourism incomes by enhancing the image and diversifying attractions
5.	PHASING	Phase I for improving social infrastructure in the Cha Am - Hua Hin area; further improvement in the southern coast in Phase II.

6. DESCRIPTION

The Cha Am - Hua Hin area is a well established beach resort, popular mainly among Thai visitors. Hua Hin has a particularly strong image as the site of the King's summer palace. This area can be further developed particularly for foreign tourists, if tourist attractions are diversified, more conference tourism is accommodated, and complementary links are strengthened with tourism objects in the further south.

In the Cha Am - Hua Hin area, pollution of sea water and the beach area is progressing due mainly to the discharge of domestic sewage without treatment. Beach erosion is also a problem. Improved social infrastructure is a prerequisite for the further development of tourism potentials as recommended by a JICA study concluded in 1992. The coastal area from the estuary of the Petchaburi river extending through Hua Hin, Cha Am and Kui Buri to the south of Prachuap Khirikhan should be designated as a coastal amenity zone for preservation.

7.	RELATION WITH OTHER PROJECTS	EV3 (Waste Water Treatment) EV4 (Solid Waste Management)
8.	COST(Approximate)	Phase I = \$1 million Phase II = \$1 million

Project No. TO3

1.	PROJECT TITLE	Tourism-Related Infrastructure Improvement Program
2.	LOCATION	All tourist zones
3.	AGENCY	Respective sector agencies
4.	OBJECTIVES	(1) To improve the access to tourism areas and diversify tourism routs and attractions through improvement of the transportation network (2) To enhance the quality of environment and amenities through the improvement of sewerage facilities and other social infrastructure
5.	PHASING	Phase I and Phase II for prioritization of the improvements and implementation for priority schemes.

6. DESCRIPTION

Good access to tourism areas/objects is in general an essential condition for tourism development. This is particularly true for the WSB tourism, since the WSB region is a narrow and long strip of land between mountain ranges and the Gulf of Thailand. Improved access by sea as well as by road network will enhance the tourism potential in the WSB. Further links with tourism development in Myanmar will add to the potential.

Another essential condition for WSB tourism development is to improve amenities. The upper watershed areas should be preserved, allowing limited use for eco-tourism. Sewerage systems need to be improved in main tourism centers. Water supply for tourists as well as for residents should be ensured through further water resources development with dams/reservoirs and better management.

7.	RELATION WITH OTHER PROJECTS	EV3 (Waster water Treatment) EV4 (Solid Waste Management) RP4 (Scenic Coastal Road) RP5 (Secondary/Feeder Roads) RP8 (Upgraded Road Maintenance) WT7 (Tourist Pier)
8.	COST (Approximate)	Phase I = \$10 million Phase II = \$6 million

Project No. TO4

1. PROJECT TITLE — Lodging Facility Upgrading Program

2. LOCATION — All tourist zones, particularly Kanchanaburi

3. AGENCY — Private sector, BOI

4. OBJECTIVES
   (1) To increase and upgrade lodging facilities to meet requirements particularly for high and medium class hotel rooms

   (2) To guide the location of lodging facilities in line with the envisioned WSB tourism development

5. PHASING — Phase I for introducing a new incentive system applicable to lodging facilities.

6. DESCRIPTION

By 2011, more than 10,000 high and medium class hotel rooms will be additionally required in the WSB to meet the upper tier tourism demand. These requirements will be met largely by private sector initiative. Their locational decisions, however, need to be guided in line with the WSB Master Plan in general and its tourism development plan in particular.

A new incentive system will be introduced to guide the private sector investments in lodging facilities in the WSB. It may include special loan facilities, accelerated depreciation and other incentives linked to environmental protection. Location-specific incentives may also be introduced within the overall industrial promotion policy.

7. RELATION WITH OTHER PROJECTS

8. COST (Approximate)
   Phase I = $40 million (private sector)
   Phase II = $40 million (private sector)
   Phase III = $40 million (private sector)

Project No. TO5

1.	PROJECT TITLE	Tourism Information Service Promotion Program
2.	LOCATION	
3.	AGENCY	TAT, local governments, private sector
4.	OBJECTIVES	(1) To provide area specific, detailed and up-to-date information on tourism sites (2) To enhance awareness of local people for tourism effects through their participation in information generation and dissemination
5.	PHASING	Phase I for setting up a "tourism promotion council"

6. DESCRIPTION

Tourism information services provided by the Tourism Authority of Thailand are quite centralized. It is important that tourists are guided by area-specific, detailed and up-to-date information on tourism sites as they travel. Such information should be made available at major hotels and tourism spots in respective localities.

A "tourism promotion council" should be established in each tourism development zone to generate localized tourism information and to organize dissemination of the information. Local businesses involved in tourism development as well as local people should participate in the council. This would help also to enhance the public awareness of tourism effects, both positive and negative.

7.	RELATION WITH OTHER PROJECTS	TL5 (Tourism Information System)
8.	COST (Approximate)	Phase I = $2 million

APPENDIX II

KANCHANABURI TOURISM PROMOTION INITIATIVE

Kanchanaburi Tourism Promotion Initiative

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Kanchanaburi Tourism Promotion Initiative

1. BACKGROUND

1.1 Tourism Attractions in Kanchanaburi

The Kanchanaburi tourism promotion initiative has as its target area the whole of Kanchanaburi province. Kanchanaburi has a high potential for various types of tourism development; the province features a rich variety of natural resources, including beautiful forests, mountains, caves, rivers, and waterfalls.

Trekking, hiking, camping, auto-camping, and rafting activities are available for visitors to Kanchanaburi province. Wild animal and bird watching activities in the Thung Yai Naresuan Wildlife Sanctuary, National Parks, and forest reserve areas are additional tourism attractions in the province. Mountain tourism attractions that feature a rich natural legacy can be appreciated by visitors in line with the policy of eco-tourism.

The "death railway" bridge originally constructed during World War II is an internationally well-known tourist attraction in the area. An old invasion route through the Thai-Myanmar border crossing at Three Pagodas Pass is another tourism resource. Lak Meuang Shrine, Wat Tham Mongkon Thong, Wat Tham Seue, and Wat Tham Noi are popular tourist spots particularly for Thai visitors seeking religious sites; however, these sites could form a new tour circuit for foreign visitors as well.

Kanchanaburi has an adequate road network including Route 323 connected to Myanmar through Three Pagodas Pass, Routes 398 and 324 connecting to Suphan Buri province, Route 3199 connecting to Si Sawat, and Route 3272 to Pilok.

In 1996, Chulalongkorn University conducted a tourism development study in the WSB region, including Kanchanaburi province. The study identified the tourism attraction spots in Kanchanaburi province as shown in Table A2-1 below.

Table A2-1 Tourist Attractions in Kanchanaburi Area

(Natural Attractions)		
1. Srinakharin Garden	16. Daichongthung Waterfalls	31. Tharn Lod Yai Cave
2. Saltabankuha Cave	17. Sangkhlaburi Forest	32. Tharn Guen Waterfalls
3. Madae Cave	18. Crity Waterfalls	33. Tharn Thong Waterfalls
4. Sai Yok National Park	19. Thung Yai Naresuan Wildlife Sanctuary	34. Maihom Mountain
5. Sai Yok Waterfalls	20. Rusri Lablae, and Neramit Caves	35. Kampang Mountain
6. Khao Phang Waterfalls	21. Natural Land Forest Animal Study Center of Khao Nam Phu	36. Phuron Mountain
7. Lawa Cave	22. Erawan National Park	37. Sawan Lon Mountain
8. Dawdung Cave	23. Erawan Waterfalls	38. Wachiralongkorn Dam
9. Wangvadan Cave	24. Phratad Cave	39. Thathungna Dam
10. Saithong Cave	25. Sinakharin Dam	40. Matchawangsang-Kawad Park
11. Hin Da Hot Spring	26. Sinakharin Dam National Park	41. Salakphra "Animal Kind Care" Zone
12. Phadat Waterfalls	27. Huay Kha Min Waterfalls	42. Kroengkrawia Swamp
13. Khao Laem Dam	28. Chalermrattana-Kosin Nat. Park	43. Khajengteng Waterfalls
14. Khao Laem National Park	29. Tharn Lod Noi Cave	
15. Kroengkrawia Waterfalls	30. Tai-Tung Waterfalls	
(History/Religious Attractions)		
1. River Kwai Bridge	9. Ban Kaoo Museum	17. Wat Tham Mangkon-Thong
2. Death Railway	10. Muang Sing Historical Park	18. Wat Thamkhaopun
3. Ak-Sa Museum	11. Chong-Kao-Kad	19. Wat Phra Thaen Dongrang
4. War Museum	12. Wat Wangwiwe Karam	20. Wat Tham Sua
5. War Cemetery	13. Three Pagodas Pass	21. Chanasuk Pagodas
6. Don Rak Cemetery	14. Wat Tham Khao Noi	22. Wat Tham Phuwa
7. Chongkai War Cemetery	15. Phongtuk Ancient Building	
8. Muang Khao Kanchanaburi Ancient	16. Donchedi Ancient Building	
(Culture/Tradition)		
1. River Kwai Bridge Festival	4. Pilok Mine	7. King's Project
2. Phu Phra Cave	5. Peguan SamPrasop Community	8. Vlalamluk Garden
3. Kanchanaburi's Culture Tower	6. Stone Mine in Bophloi	

Source: Chulalongkorn University

1.2 Potential of Kanchanaburi Tourism

Tourism in Kanchanaburi was originally developed for Thai visitors as one of the well-known tourist spots near Bangkok. While the access to the provincial capital has improved with the recent motorization of the Thai society, there is a general lack of interest in tourism potentials in the interior. These factors combined to increase the number of excursionists (i.e., day-trip visitors) to Kanchanaburi and to reduce hotel occupancy rates in the area. The State Railway of Thailand operates a tour train to the province on Sundays, which has proven attractive to foreign visitors.

When a proposed motorway between the BMA and Kanchanaburi is completed, the present road distance of 130 km would be shortened to 88 km, with even greater reductions in travel time. The demand from Thais living in Bangkok to stay overnight at resort hotels in forests and other natural surroundings in Kanchanaburi may be expected to increase under the proposed eco-tourism development scheme.

Kanchanaburi may be able to develop tourism products that are new for Thailand through cooperation with their counterparts in Myanmar. Particularly, when the planned Kanchanaburi-Tavoy (Dawei) Corridor is completed, the tourism linkage with Myanmar could be greatly strengthened.

2. *BASIC CONCEPT AND OBJECTIVES*

2.1 Development Constraints

According to an interview survey of Thai tourists conducted by Chulalongkorn University, almost half (47.2 per cent) of the respondents pointed out the inconvenience of telecommunication services in Kanchanaburi. The need for improved access roads to tourism spots was also noted by 39.7 per cent of respondents. In addition, the need for upgrading of service and tourism information including the need for more and better signboards was stated as important by 34.3 per cent of the respondents to the survey. Rest facilities were also noted by 32.1 per cent. The result of the interview survey suggests that improvement of these facilities would increase the value added of tourism resources in this area.

Major constraints and issues to be addressed by the Kanchanaburi Tourism Promotion Initiative include the following:

(i) Inadequate access to the interior on the one hand, and need to protect pristine environment on the other;
(ii) Shortage of accommodation facilities for both Thai and foreign tourists;
(iii) Lack of attractive tourism products, including new tour circuits and man-made tourism attractions;
(iv) Lack of popular participation in local-level community activities; and

(v) Need to develop and strengthen the linkage with tourism to Myanmar.

2.2 Development Objectives

The objectives of the proposed Kanchanaburi Tourism Promotion Initiative (Program) include the following:

(i) To promote eco-tourism as environmentally sound and non-resource consumptive economic activities and also as means of environmental education;

(ii) To generate various employment opportunities related to tourism and increase income levels and diversify income sources of people in rural areas; and

(iii) To promote interactions and communication between people of different backgrounds, both Thai and foreign, including immigrants from Myanmar, as means for lively community development as well as for ensuring security in border areas.

2.3 Development Strategies

The proposed Kanchanaburi Tourism Promotion Initiative has the following basic development strategies:

(i) Amphoe Muang Kanchanaburi should be situated as the tourism growth center of the Kanchanaburi tourism development zone. A program should be prepared for the development of urban tourism facilities at Amphoe Muang Kanchanaburi to meet the demand for tourists coming from the BMA, which offers a potential market of tourists and excursionists to the Kanchanaburi area.

(ii) Major highways in the Kanchanaburi area should be upgraded to provide more effective access to scattered tourism resources and attractions. A new tour circuit road should also be established.

(iii) The tourism facilities in Kanchanaburi, having a tranquil and natural atmosphere, should be developed carefully according to regulations relating to building density, height, and color. Hotel developments along rivers and lakes should be examined, paying due regard to the requirements of the Enhancement and Conservation National Environmental Quality Act (Environmental Act) of 1992.

(iv) The diversification and upgrading of tourism products is essential to win more overnight tourists. Man-made tourism attractions such as a natural museum and souvenirs (agro-processing products) should also be developed in cooperation with other industrial sectors to generate new tourists.

(v) It is important that tourism development activities be carried out in coordination with local communities. The active participation of local communities is an essential condition for sustainable eco-tourism development.

(vi) It is essential that this program develops its full potential and fully explore market opportunities in a manner appropriate to the achievement of international standards with cooperation between the public and the private sectors.

3. *DEVELOPMENT FRAMEWORK*

3.1 Tourist Demand in the Kanchanaburi Tourism Zone

A total of 472,000 million foreign tourists or 7.7 per cent of the total tourists to Thailand visited the WSB region in 1994. Total tourist arrivals (Thai and foreign) in the Kanchanaburi zone in 1994 were 1.24 million. It is predicted that tourist arrivals in the Kanchanaburi-Ratchaburi zone in 2011 would reach 2.15 million in total, of which 1.75 million will be Thai and 0.4 million will be foreign tourists. This relatively conservative projection of demand increase in the number of tourists to this zone (3.3 per cent per year) represents a sustainable growth rate that reflects the need to consider environmental impact in the zone.

Further, it is predicted that 1.45 million excursionists (i.e., day-trip visitors) would visit this zone in 2011, of which 1.2 million will be Thai and 0.25 million foreign excursionists. The total number of excursionists in this zone in 1994 was 1.1 million and is expected to grow at a relatively low rate towards 2011 (1.6 per cent per year) because a portion of the excursionist market segment is expected to stay overnight in the future.

Note: Definitions of Visitor, Tourist, and Excursionist

*1: Visitor - Any person going to or leaving a city or province, which is not his/her usual place of residence, with or without staying over night in this zone.

*2: Tourist - Visitor who stays overnight in the zone.

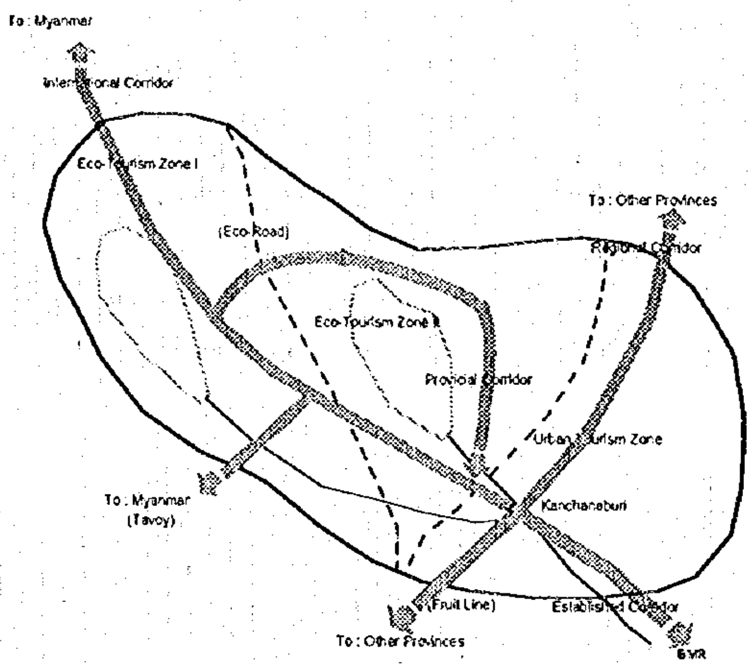
*3: Excursionist - Visitor who does not stay overnight in the zone.

It is suggested that 40 per cent of the hotel rooms in this zone should be high class, 40 per cent middle class, and 20 per cent lower class. The improvement of restaurants, parking lots, and public facilities (e.g. rest rooms) is also required.

3.2 Development Targets and Programs

In terms of tourism resource development and balanced management of the tourist flows to, from, and in Kanchanaburi, the Kanchanaburi tourism zone is proposed to be divided into three tourism sub-zones, namely, Eco-Tourism Zone I (Upper Zone), Eco-Tourism Zone II (Medium Zone), and Urban Tourism Zone (Lower Zone). Location of these Zones is illustrated below.

Figure A2-1 Three Tourism Development Zones in Kanchanaburi Area



(1) Eco-Tourism Zone I (Upper Zone)

Eco-Tourism Zone I includes three districts along Route 323, namely Sang Khla Buri, Thong Pha Phum, and Sai Yok. This zone features places of natural wonder in a stunning landscape with a breathtaking blend of forested hills, deep valleys, waterfalls, caves, Khao Laem Dam/reservoir, and the River Kwae Noi; the zone also features an old invasion route across the Thai/Myanmar border. In view of the features of the zone, it is proposed that the development target is to encourage foreign tourists to visit this sub-zone.

(2) Eco-Tourism Zone II (Medium Zone)

Eco-Tourism Zone II, coinciding largely with Si Sawat district along Route 3199, has hilly to mountainous terrain and features the Kwae Yai river. This sub-zone offers a rich variety of natural resources, including beautiful forests, mountains, caves, rivers, and waterfalls within easier reach from Kanchanaburi city. Tourist attractions in this zone should be developed along with the linkage with Amphore Muang Kanchanaburi. The development of tourist attractions in this sub-zone should offer weekend resorts for Thais and opportunities for study tour/camping for children, especially those living in the BMA.

(3) Urban Tourism Zone (Lower Zone)

The urban tourism zone includes the urban areas of Amphoe Muang Kanchanaburi, Tha Muang, Tha Maga, Phanom Thuan, and Bo Phloi districts. The development policy in this urban tourism zone is to establish/improve various tourist facilities and urban amenities for overnight tourists. This sub-zone is expected to serve as a regional tourist center of the Kanchanaburi-Ratchaburi area.

4. *TOURISM PROJECTS AND PROGRAMS*

4.1 Development Guidelines

Table A2-2 summarizes guidelines for improvement and development of tourism facilities in the Kanchanaburi Tourism Promotion Initiative.

Table A2-2 Development Guidelines of the Kanchanaburi Tourism Promotion Initiative

Items	Recommended Improvement and Development
(1) Road	-Improvement of access roads to tourism spots from Routes 323, 3199, and major urban centers. -Arrangement of footpaths on trekking routes in an environmentally friendly manner with the use of indigenous logs or bamboo.
(2) Trekking and Hiking Paths	-Development of trekking and hiking footpaths due to the increase in demand for outdoor sports and leisure among Thais. -Installation along trekking and hiking paths for rest or for avoiding thunderstorms. -Development of multiple hiking courses - offering a range of geographical features, difficulty, and trekking time - to provide variety for all kinds of hikers, including families with younger or elderly members. -Including tourist attractions involving the special fauna and flora of the area in the trekking courses mentioned above. -Development of footpaths in the tourist areas in consideration of the environmental impact at each attraction spot.
(3) Boat and Rafting Related Facilities	-Improvement of existing boat piers and landing areas. -Development of boat service facilities as an urban tourist attraction.
(4) Parking Lots	-Provision of parking lots at the terminal point of the access roads and tourism attractions. -Development of parking lots at the tourist areas in consideration of the environmental impact at each attraction spot.
(5) Public Rest Rooms	-Review not only of the construction of rest room facilities but also their maintenance and cleaning at tourist spots.
(6) Auto-Camp Spots	-Selection of appropriate auto-camp locations in consideration of environmental impact assessment..
(7) Camp Sites	-To improve and upgrade operation and maintenance of existing camp sites.
(8) Accommodation Facilities	-Upgrading and development of accommodation facilities to serve projected future demand. -Development of four- and five-star hotels to attract more foreign and upscale Thai tourists.
(9) Resort Development	-Review of resort activities, such as golf, horse riding, and elephant riding, and development of further activities as required to serve demand.
(10) Other Tourism Facilities	-Installation of signboards in at least one and preferably more foreign languages plus Thai.
(11) Man-Made Attractions	-Development of man-made tourist attractions, such as local folk dancing and souvenirs. -Operation of a tourist center with a historical and natural museum as education and information resources for Thai and foreign visitors.

4.2 Development Projects/Programs

The target year of the proposed tourism promotion program, which forms part of the WSB regional development master plan, is 2011. It is recommended that the following projects/programs be carried out by phase in line with the development guidelines noted above.

(1) Short-term Tourism Development Plan (for the 8th Development Plan Period)

In the short term, the tourism development plan and recommendations worked out by the Chulalongkorn University study should be implemented. Improvement of the existing tourism attractions would increase value added in tourism.

The following developments and improvements are additionally recommended to be carried out during this planning period (1997-2001).

Lawa Cave Tourist Attraction

(i) Improvement of boat piers and landing sites at Lawa Cave to accommodate the increase in international visitors.
(ii) Improvement of tourist access road from the boat piers to Lawa Cave.
(iii) Improvement of tourist service facilities, such as rest rooms, restaurants, and shopping spots.
(iv) Provision of signboards in English with brief description and interpretation.

Khao Laem Dam Tourist Attraction

(i) Development of a visitor center with audio/visual exhibits, to show how this water resources development project has been developed and are benefiting the country (this will certainly contribute to the human-centered development encouraged by the 8th National Plan).
(ii) Arrangement of parks for family visitors and school excursionists.
(iii) Dissemination of information materials on site by tourist service facilities.

Sai Yok National Park

(i) Visitor center with audio/visual exhibits, description, and explanation of the park history, fauna, and flora in the area.
(ii) Signboards at each tourist attraction, showing the name of the attraction, and a brief description/interpretation.
(iii) Preparation of general information materials, such as maps, brochures, and pamphlets.

Chaloem Ratanakosin National Park

(i) Development of trekking routes with amenities, such as footpaths, benches, shelters, and kiosks.
(ii) Signboards showing directions, the name of the attraction, and a brief

description/interpretation.

Various Spots

To develop the camp sites and auto-camp sites

Additionally, it is suggested that a natural science museum plan contemplated by the Royal Forestry Department be invited to locate in the Kanchanaburi zone and implemented during the 8th plan period.

TAT should carry out the proposed development programs in close cooperation with other tourism-related agencies, such as the Royal Forestry Department, the Ministry of Education, the Department of Highways, and the Provincial Governments, as well as private entrepreneurs.

(2) Medium- and Long-term Tourism Development Plans

Development of man-made attractions in the urban tourism zone would be a key element of the medium- and long-term tourism development plans. It is projected that the following be incorporated into the Development Plans:

(i) Construction/improvement of the tourist center, as well as a historical and natural museum;

(ii) Rehabilitation of the existing floating piers or boat piers on the lakes and rivers with boat landings;

(iii) Development of tourism circuit routes and corridors, including physical links between the attractions of Ratchaburi, Samut Songkhram, and the BMA;

(iv) Development and improvement of Route 323 as an international highway;

(v) Resort development in the areas surrounding Khao Laem Dam, with appropriate environmental protection; and

(vi) Improvement of tourist circuit roads (i.e., Routes 323 and 3199) along with the Kanchanaburi-Tavoy (Dawei) corridor which would induce tourism linkages with Myanmar.

For medium- and long-term tourism development plans, environmental aspects at the tourist attraction sites should be addressed through the evaluation of the siting and design of facilities, forecast volumes of tourists, and corresponding road traffic volumes for sustainable eco-tourism development.

5. *PROJECT ASSESSMENT*

5.1 Project Costs

Estimated project costs are shown in Table 2 below. The total costs of this tourism promotion initiative would be around US$44 million up to 2011.

Table A2-3 Estimated Cost of Kanchanaburi Tourism Promotion Program

Units: US$'000s

Development Phase	Project Type	No. of Project Sites	Unit Cost	Estimated Cost
Short-term	(1) Tourist Spot Improvement*1	15 spots	200	3,000
	(2) Camp Site Improvement*2	4 spots	300	1,200
	(3) Auto-Camp Development*2	4 spots	400	1,600
	(4) Hotel/Lodging Facilities Development*3	700 units	12	8,400
		Sub-total		(14,200)
Medium-term	(1) Tourist Spot Improvement	15 spots	200	3,000
	(2) Camp Site Improvement	2 spots	400	800
	(3) Auto-Camp Development	2 spots	600	1,200
	(4) Hotel/Lodging Facilities Development	700 units	12	8,400
	(5) Natural and Historical Museum	1 facility	6,000	6,000
		Sub-total		(19,400)
Long-term	(1) Tourist Spot Improvement	10 spots	200	2,000
	(2) Hotel/Lodging Facilities Development	700 units	12	8,400
		Sub-total		(10,400)
	Estimate of Total Cost of the Kanchanaburi Tourism Promotion Initiatives (Program)			**44,000**

Note: *1-Tourist spot improvement includes costs of access roads, parking lots, and restroom facilities.
*2-Camp site improvement and auto-camp development includes costs of related facilities such as short access roads, parking lots, and restroom facilities.
*3-Hotel/lodging facilities would be developed mainly by the private-sector.

Source: Study Team

It is noted that the costs required for the development of a visitor center and exhibition at the Khao Laem damsite are to be separately earmarked by the Electricity Generating Authority of Thailand (EGAT), with a possible partial contribution by the Royal Irrigation Department (RID). Likewise, the costs required for the development of a natural science museum are to be budgeted by the Royal Forestry Department.

5.2 Observations

Major observations in evaluating the resources and investment in the tourism promotion initiatives.

(i) Tourism resources can be evaluated based on their own inherent attributes, accessibility, standard of tourism-related facilities surrounding them, tour prices, hospitality of tourism service employees, and local community participation. The development and improvement of access links to the scattered tourism resources and attractions in the area is also important to increase the value added of tourist resources.

(ii) Easy access to tourist information is a key factor for any tourism promotion program. The tourist center and signboards should be renewed regularly to assure that tourists have a good and satisfying experience. In order to cope with the changing tastes and needs of present and future foreign visitors, the latest information should be given to visitors in English and other languages. Since hospitality at the local level is a key element in developing a tourism industry, the development of human resources in the sector should be accorded the highest priority.

(iii) A diversification of tourism products and active promotional activities are important strategies to attract more tourists in the increasingly competitive national, regional, and global tourism markets. Therefore, an effective action program should be planned by the tourism business association for the short-, medium-, and long-term periods.

(iv) Regulations under the Environmental Act should be properly enforced and environmental protection policies should be strengthened through appropriate monitoring procedures during the planning periods.

(v) Promotion of public and private partnership is essential for the efficient and effective development of the proposed tourism promotion program. Support by the public sector should not be limited to investment in tourism infrastructure, but extended to financial and institutional support. For instance, an accelerated depreciation system would stimulate the private investment in hotel/lodging facilities development contemplated by the proposed promotion program.

5.3 Initial Environmental Examination (IEE)

The areas are located on hilly to mountainous terrain northwest of Kanchanaburi municipality and relatively flat terrain in Kanchanaburi municipality. The areas in mountainous terrain are embraced with well-conserved natural forests that, together with a plenty of important aesthetic and historical resources, contributes to tourism attractions. It is believed there are a wide variety of indigenous species in mountainous areas.

At the stage of implementation, existing road improvement and new tourism circuit road operation would cause increased levels of air and noise pollution, possibly adversely affecting inhabited wildlife. Potential degradation of sanitary conditions would also be anticipated due to an improper management of increased volume of solid waste and/or waste water discharged from tourism facilities.

Recommended mitigation measures include: careful investigation for determining the tourism facility sites, existing road improvement sections, and new tourism circuit routes; installation of waste water treatment systems into tourism facilities, setting up solid waste disposal boxes, and proper management of collected wastes.

Provided all the mitigation measures are taken, it can be concluded that the Kanchanaburi Tourism Promotion Initiative will not result in any significant environmental impacts. A summary IEE table and IEE checklist are herein attached.

6. *RECOMMENDED ACTION*

The following actions are recommended:

(i) The proposed improvement and development programs suggested require cooperation of other sectors, such as the road, telecommunications, and agro-forestry sectors. Therefore, the Tourism Authority of Thailand (TAT) should coordinate activities with the related agencies to ensure interagency efforts for the efficient execution of the proposed programs. For instance, TAT and the Kanchanaburi provincial government are suggested to initiate discussions with EGAT with the aim to set up an exhibition center at the Khao Laem damsite to show how the dam/reservoir project is benefiting the country.

(ii) A tourism business association is proposed to be formulated in the Kanchanaburi zone with joint public-private sector cooperation. It is recommended that the existing tourism associations be integrated into a larger unit to support this program. The prime function of the tourism business association is to cooperate with TAT in marketing, sales, and promotional activities to cultivate the area's niche tourist market. However, it is important that the tourist-friendly service provided by the small associations be continued.

(iii) More aggressive tourism promotion should be performed at the local level by TAT's Kanchanaburi regional office (Central Region I), which should function as a center of the tourism promotion activities. Advertising and promotional activities should be carried out with due attention to the eco-tourism development aspects.

(iv) It is recommended that the provincial governments share responsibility for the proposed development and improvement activities with proper budgetary allocations for this program.

Initial Environmental Examination (IEE) for Kanchanaburi Tourism Promotion Initiative

A. Description of Environment	
1. Physical Resources	1.The Project area is located on hilly to mountainous terrain northwest of Kanchanaburi municipality and relatively flat terrain in Kanchanaburi municipality.
2. Ecological Resources	2.The areas in mountainous terrain are covered with well-conserved natural forests.
3. Human Use Values	3.Tourism seems to be a major commercial activity in the Project area.
4. Quality of Life Values	4.There are a plenty of important aesthetic and historical resources contributing to tourism attractions.
B. Screening of Potential Environmental Impacts	
1. Environmental Impacts Caused by Project Location	1.It is believed there are a wide variety of indigenous species in mountainous areas.
2.Environmental Impacts Associated with Project Implementation	2.Tourism facility construction, existing road improvement, and/or new tourism circuit road construction works would result in clearing forests affecting indigenous floral and faunal species.
3. Environmental Impacts Resulting from Project Operations	3.Existing road improvement and new tourism circuit road operation would cause increased levels of air and noise pollution, possibly adversely affecting inhabited wildlife. Potential degradation of sanitary condition due to an improper management of increased volume of solid waste and/or waste water discharged from tourism facilities.
C. Environmental Mitigation Measures	Recommended mitigation measures include: careful investigation to determine tourism facility sites, existing road improvement sections, and new tourism circuit routes; installation of waste water treatment systems into tourism facilities, setting up solid waste disposal boxes, and proper management of collected wastes.
D. Conclusion	Provided all the mitigation measures are taken, the Project will not result in any significant environmental impacts.

Checklist of Initial Environmental Examination (Kanchanaburi Tourism Promotion Initiative)

Environmental Parameters Affected by the Project Implementation	Impacts on the Environment	Recommended Feasible Mitigation Measures	Magnitude of Impacts			
			No Significant Effect	Significant Effect		
				Small	Moderate	Major
1. Air and Noise Pollution	1. Nuisances and health hazards to neighbors and wildlife.	1. Usage of low emissions and noise construction equipment, selection of proper times for land clearing and facility construction.		X		
2. Terrestrial Ecology and Flooding	2. Alteration of wildlife habitats, loss of biodiversity, and potential risk of flooding from tree cutting associated with tourism circuit road and facility construction works.	2. Minimization of the amount of tree cutting, replanting precious vegetation, and provision of flood prevention measures.			x	
3. Water Quality and Sanitary Condition	3. Water pollution caused by untreated domestic waste water discharged from tourism facilities, and sanitary condition worsening due to the increased volume of solid wastes caused by the greater number of tourist visits.	3. Installation of domestic waste water treatment systems into tourism facilities, setting up solid waste disposal boxes in the tourist visiting places, and proper management of collected wastes.		x		
4. Historical/Cultural Properties	4. Loss of historical/cultural properties.	4. Investigation into these properties and provision of appropriate preservation measures.		x		
5. Human Resettlement	5. Relocation of residents.	5. Consideration of alternative site selection and adequate compensation for affected residents.		x		
6. Environmental Aesthetics	6. Loss of scenic value.	6. Careful planning to minimize and offset losses.		x		

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