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JAPAN INTERNATIONAL COOPERATION AGENCY (JICA)  
MINISTRY OF INFRASTRUCTURE DEVELOPMENT  
MONGOLIA

THE MASTER PLAN ON NATIONAL TOURISM DEVELOPMENT IN

MONGOLIA

FINAL REPORT

Volume III  
Action Plan

JULY 1999



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MONGOLIA**

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Action Plan**

**July 1999**

**PADECO Co., Ltd  
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**The Master Plan  
on  
National Tourism Development  
in  
Mongolia  
  
Final Report**

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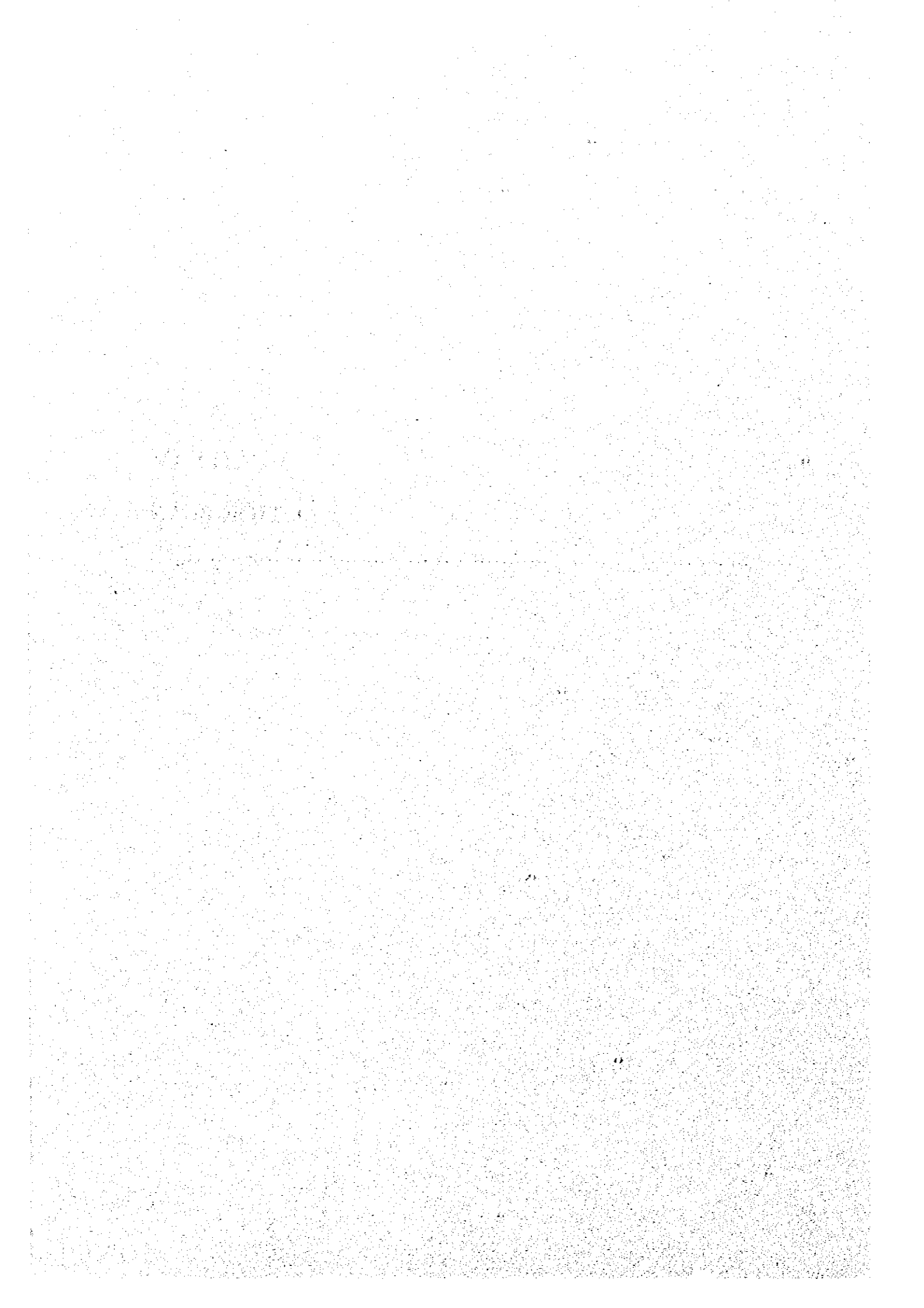
## **ABBREVIATIONS**

<b>AAGR</b>	<b>Average Annual Growth Rate</b>
<b>ADB</b>	<b>Asian Development Bank</b>
<b>ALS</b>	<b>Average Length of Stay</b>
<b>ASTA</b>	<b>American Society of Travel Agents</b>
<b>BFI</b>	<b>Board of Foreign Investment</b>
<b>BOT</b>	<b>Build Operate Transfer</b>
<b>CATV</b>	<b>Cable TV</b>
<b>CES</b>	<b>Central Energy System</b>
<b>DANIDA</b>	<b>Danish International Development Agency</b>
<b>DOT</b>	<b>Department of Tourism</b>
<b>FDI</b>	<b>Foreign Direct Investment</b>
<b>EIA</b>	<b>Environmental Impact Assessment</b>
<b>ESCAP</b>	<b>Economic and Social Commission for Asia and the Pacific</b>
<b>EU</b>	<b>European Union</b>
<b>FC</b>	<b>Foreign Currency</b>
<b>GDP</b>	<b>Gross Domestic Products</b>
<b>GNP</b>	<b>Gross National Products</b>
<b>GTZ</b>	<b>Deutsche Gesellschaft fuer Technische Zusammenarbaeit (German Agency for Technical Co-operation)</b>
<b>ICAO</b>	<b>International Civil Aviation Organization</b>
<b>IDD</b>	<b>International Direct Dialing</b>
<b>IEE</b>	<b>Initial Environmental Examination</b>
<b>IMF</b>	<b>International Monetary Fund</b>
<b>ITDIJ</b>	<b>International Tourism Development Institute of Japan</b>
<b>ITB</b>	<b>International Tourismus-Boerse (Berlin)</b>
<b>JICA</b>	<b>Japan International Co-operation Agency</b>
<b>JES</b>	<b>Japan Euro-Asia Service</b>
<b>JTB</b>	<b>Japan Travel Bureau</b>
<b>JATA</b>	<b>Japan Association of Travel Agents</b>
<b>JNTO</b>	<b>Japan National Tourist Organization</b>
<b>LC</b>	<b>Local Currency</b>
<b>LEIAC</b>	<b>Licensed Environmental Impact Assessment Company</b>
<b>LG</b>	<b>Local Government</b>
<b>MIAT</b>	<b>Mongolian Airlines</b>
<b>MID</b>	<b>Ministry of Infrastructure Development</b>
<b>MNE</b>	<b>Ministry of Nature and Environment</b>
<b>MOTA</b>	<b>Mongolian Organization of Travel Agents</b>
<b>MCCI</b>	<b>Mongolian Chamber of Commerce and Industry</b>
<b>MTA</b>	<b>Mongolian Tourism Association</b>
<b>NTA</b>	<b>National Tourism Agency</b>
<b>NTAs</b>	<b>National Tourism Administration</b>
<b>NTC</b>	<b>National Tourism Center</b>
<b>NTO</b>	<b>National Tourism Organization</b>
<b>NCP</b>	<b>National Conservation Parks</b>

NGO	Non Government Organization
OM	Operation and Maintenance
PA	Protected Area
PAA	Protected Area Administration
PAB	Protected Area Bureau
PATA	Pacific Asia Travel Association
SC	Steering Committee
SPA	Strictly Protected Area
SIT	Special Interest Tour
TACIS	Technical Assistance to the Commonwealth of Independents States
TCIA	Turkish International Cooperation Agency
TD	Tourism Department
TOG	Togrog
UB	Ulaanbaatar
UNDP	United Nations Development Program
WTM	World Tourism Market (London)
WTO	World Tourism Organization
WWF	World Wide Fund for Nature

**PART IV**  
**ACTION PLAN**





## **17. SELECTION OF PRIORITY PROJECTS AND PROGRAMS**

All projects and programs proposed in the master plan of the national and model areas of tourism developments have been evaluated for the purpose of selecting the candidate priority projects and programs. The chosen projects and programs are the subjects of the latter half of this study. The selection has been made in a manner shown below.

- 1) The three factors shown below were considered in the selection of candidate priority projects and programs. Each project/program was evaluated in terms of the degree of the three contributing factors required to achieve the objectives.

Urgency:                   Timing under the current circumstances

Necessity:                Importance in comparison to others.

Magnitude of cost:      Magnitude of development and O/M cost, an indication of viability.

- 2) A score of A or B is assigned to rate the project/program and the priority is determined in accordance with the cumulative score. A or B evaluation is applied based on the following criteria.

Urgency:

A: Immediately needed and able to implement

B: Possibility of preparing pre-conditions

Necessity:

A: No substitution

B: Substitute measures are available

Magnitude of development and OM cost:

A: Low development, O/M cost, and high viability

B: High cost or low viability

- 3) Projects and programs scored AAA or AAB were ranked first (1) and second (2) priority and selected as the candidate priority projects/programs. ABB or BBB projects/programs are evaluated as secondary.

The candidate priority projects/programs are listed in Table 17.1 and evaluation details are shown in Table 17.2.

Table 17.1 Selection of Priority Projects/Programs

Priority Projects/Programs	Area			
	Country	UB	OmnoGovi	Harhorin
<b>A PROGRAMS</b>				
1 Government Administration Strengthening		■		
A-1 Establishment of the Higher Council		■		
A-2 Strengthening of tourism Administration by Coordination of the Tourism Department and NTC				
A-3 Strengthening of Aimag Government			△	○
2 Human Resource Development		■		
A-4 Upgrading of Vocational Education		■	△	
A-5 Development of Park Rangers Training				
3 Regulatory Improvement				
A-6 Investment Incentive in Tourism Sector	◎			
A-7 Land Development Control Measures	◎			
A-8 Licensing System	◎			
A-9 Safety Standards	◎			
4 Development Programs				
A-10 Mongolian Culture Preservation Program	◎			
A-11 Ancient Sites Presentation				○
A-12 International Air Service Development	◎			
A-13 Domestic Air Service Development	◎			
A-14 Railway Service Upgrading	◎			
A-15 Nomads Integration System	◎			
A-16 National Illustrated Checklist and Maps of Archaeological and Wildlife Resources	◎			
A-17 Production of Information Materials for Eco-tourism	◎			
A-18 Surveys for Integrated Environmental Management	◎			
A-19 Overseas Marketing	◎			
A-20 UB Hotel Development Guideline		■		
A-21 Ger Camp Development Guideline by Zones	◎			
A-22 UB Bus Guidebook		■		
A-23 Convenient Ticket for Bus and Museum in UB		■		
<b>B PUBLIC SECTOR PROJECTS</b>				
1 Culture Tourism Enhancement				
B-1 Improvement of Bogd Khan Museum		■		
B-2 Mongolian Culture Park		■		
B-3 Erdenezuu Surrounding Improvement				○
B-4 Harhorin Visitor Center				○
2 Development of Gateway Tourism in UB				
B-5 UB Tourist Trail Development		■		
B-6 UB Tourist Street		■		
B-7 UB Souvenir and Handicraft Center		■		
3 Nature Tourism Development				
B-8 Terelj Visitor Center		■		
B-9 Govi Visitor Center			△	
B-10 Bird Watching Site Preparation		■		○
4 Others				
B-11 Harhorin Tourist Road				○
B-12 Traffic Sign Facilities along UB-Harhorin Highway	◎			
B-13 Upgrading of Major Spas	◎			
B-14 Loan Facility for Tourism Private Sector				
<b>C PRIVATE SECTOR PROJECTS</b>				
C-1 Rest Areas along UB-Harhorin Highway	◎			
C-2 Upgrading of Ger Camp	◎			
C-3 South Govi Air Strip Improvement			△	
C-4 Sporting Activities Strengthening	◎			
C-5 Horse Park	◎	■		



Table 17.2 Evaluation of Projects/Programs-Whole Country - (1/2) -

*Italic: Priority Projects/Programs*

	Projects/Programs	Urgency	Necessity	Magnitude of Dev. Cost	Rating Score	Priority
Tourism Promotion Program	<i>1) Enhancement of Administrative Structure</i>					
	- Establishment of the Higher Council (ministerial level) of Tourism	A	A	A	AAA	1
	- Enhancement of Tourism Department and Aimag Authority	A	A	A	AAA	1
	- Establishment of National Tourism Center	A	A	B	AAB	2
	<i>2) Upgrading/strengthening program of Vocational Education and Higher Education in Tourism</i>	A	A	A	AAA	1
	<i>3) Marketing Development</i>					
	<i>Overseas Marketing</i>					
	- Communication channels (homepage, etc)	A	B	A	AAB	2
	- Overseas offices	A	B	A or B	AAB	2
	<i>Promotion in Mongolia</i>					
	- Materials (brochure, post card, video, etc.)	A	B	A	AAB	2
	- Events	B	B	A	ABB	3
	- Information centers	A	B	B	ABB	3
	<i>4) Preparation of Variety of Field Activities</i>					
{ - Hot-ballooning -Para-sailing }	A	A	B	AAB	2	
{ - Hang-glider -Para-glider -Fishing }						
{ - Sky-diving -MBX -Airship }						
{ - River rafting -Canoëing }	B	A	B	ABB	3	
{ - Kayaking -Hard trekking }						
<i>5) Mongolian Culture Preservation &amp; utilization</i>	A	A	B	AAB	2	
<i>Enhance and accelerate the works of cultural assets preservation and utilization</i>						
<i>6) Railway Service Upgrading: Tourist trains</i>	A	A	B	AAB	2	
<i>7) Production of informative materials of Ecotourism in Mongolia</i>	A	A	A	AAA	1	
<i>8) National illustrated checklist of wildlife</i>	B	A	A	AAB	2	
Tourism Facility Development	<i>1) Upgrading of Hot-Springs for Domestic Tourist</i>					
	- Major spa	A	A	B	AAB	2
	- Others	B	B	B	ABB	4
	<i>2) Ger Camps</i>					
	- Guidelines of number of beds by zone	A	A	A	AAA	1
	- Better telecommunication	A	A	B	AAB	2
- Better energy supply (quiet system)	A	B	B	ABB	3	
	*Scope for TACIS: model ger camp plan					

Table 17.2 Evaluation of Projects/Programs-Whole Country-(2/2)-

		<i>Italic: Priority Projects/Programs</i>				
	Projects/Programs	Urgency	Necessity	Magnitude of Dev. Cost	Rating Score	Priority
Supporting Infrastructure Development	<i>1)International Air Service Development</i> - <i>Privatization of MIAT</i> - <i>MIAT Marketing</i> - <i>MIAT booking system</i> - <i>More foreign carriers</i>	A	A	A	AAA	1
	<i>2)Domestic Air Service Development</i> - <i>Freer private sector entry</i> - <i>Safety standards and inspection with enforcement</i> - <i>Reservation system</i>	A	A	A	AAA	1
	<i>3)Improvement of Inter-city roads(UB-Harhorin)</i> Rest Areas along Major Routes -Toilets, food, drinks, etc. in international standards	A	B	A	AAB	2
	<i>4) Improvement of Inter-city roads (Harhorin-Omnogovi, UB-Omnogovi)</i>	B	B	B	BBB	4
	<i>5)Introduction of Rent-car System (including rescue system)</i>	B	B	B	BBB	4
Tourism Related Legislation	<i>1)Designation of tourism promotion area and improvement of promotional measures for tourism investment</i>				AAA	1
	<i>2)Control measures for the land development</i>				AAA	1
	<i>3)License system for tourism industry such as horse ranch</i>				AAA	1
	<i>4)Sanitary Standards and Inspection Measures</i>				AAA	1
	<i>5)Safety Standards and Inspection Measures, Practice of Emergency Evacuation Plans</i>				AAA	1
	<i>6)Integration System of Surrounding Communities</i>				AAA	1
	<i>7)Conduct of Survey needed for establishment of the integrated environmental management programs</i>				AAA	1

Urgency: A Necessary to cope with current problems urgently B Necessary for problems not yet revealed  
 Necessity: A Indispensable projects/programs when the substitution is unavailable B Substitute measures are available  
 Magnitude of Development Cost: A Low development & O/M cost and efficient viability B High cost or low viability

Table 17.3 Evaluation of Projects/Programs - in UB - (1/2)

	Projects/Programs	<i>Italic: Priority Projects/Programs</i>				
		Urgency	Necessity	Magnitude of Dev. Cost	Rating Score	Priority
Tourism Promotion Program	<i>1) Design and beautification of Tourist Trail (TACIS scope: design of trail)</i>	A	B	A	AAB	2
	2) Construction of International Convention Center Promotion of MICE (Meeting, Incentive, Conference, Event)	B	B	B	BBB	4
Tourism Facility Development	<i>1) Improvement of Bogd Khan Museum</i> - Reconstruction of fences - Display improvements including removal of stuffed animals and creation of a museum of Buddhism history on the ground floor. - Construction of toilet, office, store room - Repair and touch-up of buildings and wall paintings	A	A	B	AAB	2
	2) Development of Mongolian Culture Park - Describing nomads life (could be combined with camel exhibition) in the open air museum - Location: between UB and Harhorin for the provision of new tourist spot	A	A	B	AAB	2
	3) Upgrading of Other Museums - Fine Arts Museum - Chojin Lama Monastery - Museum of Natural History - National Museum of Mongolian History - Modern Art Museum - Hunting Museum - Ulaanbaatar City Museum: Commemorate the 360 years anniversary of UB	B	A	B	ABB	3
	4) Monastery Restoration (renewal of Gandantegchilen precincts, etc.)	B	B	B	BBB	4
	5) Development of Chinggis Khaan Museum	B	B	B	BBB	4
	6) Hotel Development - Guidelines of number of rooms by class - Reservation System - International class hotel services for business guest	A A B	A A B	A A B	AAA AAA BBB	1 1 4
	7) Mongolian Folk Art Center					
	8) Mongolian Horse Culture & Wild Horse Conservation and Education Park *Horse Ranch shall be developed earlier	A A	B B	A B	AAB ABB	2 3
	9) Golf Course for UB Residents	B	B	B	BBB	4
	10) Skiing Resort for UB citizen: Near UB	B	B	B	BBB	4
	11) National Bird Watching Circuit Sites	A	B	A	AAB	2

Table 17.3 Evaluation of Projects/Programs - in UB - (2/2)

		<i>Italic: Priority Projects/Programs</i>				
	Projects/Programs	Urgency	Necessity	Magnitude of Dev. Cost	Rating Score	Priority
Supporting Infrastructure Development	1) <i>Tourist Street in Ulaanbaatar</i> - Beautification of the street - Active promotion of up-market retailers along the street - Information center - Traffic management plan	A	B	A	AAB	2
	2) <i>Guide Book of Bus Route, Guidance at Bus Stop</i>	A	B	A	AAB	2
	3) <i>Convenient Common Ticket for Bus and Museum</i>	B	A	A	AAB	2
	4) <i>Tourism School in Ulaanbaatar</i>	A	A	B	AAB	2
	Improvement of vocational school covering hotel attendants and activity assistants - Better training standards	A	B	B	ABB	3
	Improvement of Higher Education - Management education in Ulaanbaatar	A	A	B	AAB	2
	5) <i>Development of human resources relevant to nature reserve: Training/ education of rangers, guides, interpreters, etc. (inclusive of data management center) in UB</i>	A	A	B	AAB	2
	6) <i>Improvement of UB Airport/new UB airport (after 2010)</i>	B	B	B	BBB	4
	7) <i>Road Improvement</i> - Bridges on Terelj road	A	B	B	ABB	3
	- Local road to Manjushir	A	B	B	ABB	3
- Access road to the Airport	A	B	B	ABB	3	
- Road sign in English	A	B	B	ABB	3	

Urgency: A Necessary to cope with current problems urgently B Necessary for problems not yet revealed  
 Necessity: A Indispensable projects/programs when the substitution is unavailable B Substitute measures are available  
 Magnitude of Development Cost: A Low development & O/M cost and efficient viability B High cost or low viability

Table 17.4 Evaluation of Projects/Programs - in Harhorin Area --

		<i>Italic: Priority Projects/Programs</i>				
	Projects/Programs	Urgency	Necessity	Magnitude of Dev. Cost	Rating Score	Priority
Tourism Promotion Program	1)Excavation and Preparation of the Harhorin Ruin	B	A	B	ABB	3
	- Excavation and preservation	A	A	A	AAA	1
	- Interpretative Panels					
	2)Excavation and Preparation of the Ancient Sites in the Selenge Basin	B	A	B	ABB	3
- Excavation and reservation	A	A	A	AAA	1	
- Interpretative Panels						
3)Upgrading of Hujirt Spa area	B	B	B	BBB	4	
- Landscape improvement						
- Tourist trail						
- Sign						
- Amenity						
Tourism Facility Development	1)Harhorin Visitor Center near Erdenezuu	A	A	B	AAB	2
	- Displaying the history of Mongolian Empire					
	2)Improvement of Erdenezuu Surroundings	A	A	B	AAB	2
	Parking, Guideposts, Interpretative Panels, Rest Areas, etc.					
3)Improvement of Orhon Falls Surroundings	B	A	B	ABB	3	
- Parking, Guideposts, Panels, Rest Areas, etc.						
4)National Bird Watching Circuit Sites	A	B	A	AAB	2	
Supporting Infrastructure Development	1)Tourist Roads in Harhorin					
	- To Uigur Fort (38km, gravel standard, several lookout points)	A	A	B	AAB	2
	- To Turk monuments (40km, gravel standard, several lookout points)	A	A	B	AAB	2
	- Other roads	B	A	B	ABB	3
	2)Upgrading of Harhorin Airport	A	B	B	ABB	3
Air strip and communication equipment						

Urgency: A Necessary to cope with current problems urgently B Necessary for problems not yet revealed

Necessity: A Indispensable projects/programs when the substitution is unavailable B Substitute measures are available

Magnitude of Development Cost: A Low development & O/M cost and efficient viability B High cost or low viability

**Table 17.5 Evaluation of Projects/Programs - in Omnogovi -**

*Italic: Priority Projects/Programs*

	Projects/Programs	Urgency	Necessity	Magnitude of Dev. Cost	Rating Score	Priority
Tourism Promotion Program	<i>1)Development of Sevrey Area (centra area) and western area of Govi Gurvan Saihan National Park</i>	B	A	B	ABB	3
Tourism Facility Development	1)Govi Visitor Center (information center) at the Valley of Eagles Display on the nature and life in Govi	A	A	B	AAB	2
Supporting Infrastructure Development	<i>1)Dalanzadgad Airport Improvement - Upgrading as the international airport</i>	B	A	B	ABB	3
	<i>2)South Govi Steppe Air Strip Improvement</i>	A	A	B	AAB	2
	3)Development of commuter air route between Dalanzadgad, Sevrey, and western area	B	A	B	ABB	3
	<i>4)Nature Reserve Rangers Training : Dalanzadgad</i>	A	A	B	AAB	2
	5)Road Improvement (Dalanzadgad – Severy)	B	B	B	BBB	4
	6)Omnogovi Tourist Base	B	B	B	BBB	4

Urgency: A Necessary to cope with current problems urgently B Necessary for problems not yet revealed  
 Necessity: A Indispensable projects/programs when the substitution is unavailable B Substitute measures are available  
 Magnitude of Development Cost: A Low development & O/M cost and efficient viability B High cost or low viability

Table 17.6 Evaluation of Projects/Programs - Other Aimag-

*Italic: Priority Projects/Programs*

	Projects/Programs	Urgency	Necessity	Magnitude of Dev. Cost	Rating Score	Priority
Other Aimag	<b>Hentii :</b>					
	- Provincial Tourism Center Development	B	B	B	BBB	4
	- Dadal Tourism Center Development	B	B	B	BBB	4
	- Archeological Investigation of historical relics of Chinggis Khaan Empire	B	B	B	BBB	4
	- Improvement of air access between UB-Avarga(Delgerhann)-Ondorhaan--Dadal	B	A	B	ABB	3
	<b>Hovsgol : should be finalized on the discussion with Tacis</b>					
	<b>Western Area (Olgii, Hovd, Uvs)</b>					
	- Provincial Tourism Center Development	B	B	B	BBB	4
	- Upgrading of Provincial Airports	B	B	B	BBB	4
	- Improvement of regional road network	B	B	B	BBB	4
	<b>Dornogovi</b>					
	- Provincial Tourism Center Development	B	B	B	BBB	4
	- Ulaan Uul Tourism Site Development	B	B	B	BBB	4
	<b>Other Province</b>					
	- Other airports including Choibalsan	B	A	B	ABB	3
- Improvement of Amarbayasgalant Monastery in Darhan Aimag	B	A	B	ABB	3	

Urgency: A Necessary to cope with current problems urgently B Necessary for problems not yet revealed

Necessity: A Indispensable projects/programs when the substitution is unavailable B Substitute measures are available

Magnitude of Development Cost: A Low development & O/M cost and efficient viability B High cost or low viability





## 18. PRIORITY PROGRAMS

### 18.1 Strengthening Government Administration

#### A.1 Smooth Operation of the National Tourism Council

##### 1) Justification

Tourism development must be supported by various ministries and organizations due to the many aspects of society it is involved in. Establishment of The National Tourism Council was thus approved by Government Resolution No. 192 in October 1998. The National Tourism Council should conduct smooth and effective operations based on the following duties;

##### 2) Objectives

The objectives of the establishment of a higher tourism council are;

- to participate in developing a national tourism policy procedure by making proposals and suggestions
- to implement the policy of tourism development and coordinate the activity and institutional relations between tourism entities
- to obligate related ministries and professional associations to ensure the fulfillment of laws and regulations on tourism development

##### 3) General Description and Components

The organization of The National Tourism Council, headed by The Minister of Infrastructure Development, is composed of the following members. It holds regular meetings not less than once every quarter and reports to the government.

Title	Ministry	Person in charge
Chairman	Infrastructure Development	Minister
Vice Chairman	Nature and Environment	Minister
Members	Infrastructure Development	State Secretary
	Finance	Director of Budget Policy Department
	Science, Technology, Education and Culture	Director of Strategic Management and Planning Department
	Infrastructure Development	Director of the Road and Transportation Department
	External Relations	Deputy director of the Foreign Trade and Economic Cooperation Department
	Tourism Association	Head of Mongolian Tourism Association (as agreed)
Secretary	Infrastructure Development	Director of the Tourism Department

Duties and rights of The National Tourism Council regulated in Resolution No. 192 are as follows:

- to participate in developing a national tourism policy procedure by making proposals and suggestions
- to establish a foundation of a legal and environmental policy to develop tourism in Mongolia
- to implement the policy of tourism development and coordinate the activity and institutional relations between tourism entities
- to entitle to impose obligation to related ministries and professional associations to ensure the fulfillment of laws and regulations on tourism development

## **A.2 Strengthening of Tourism Administration by Coordination of the Tourism Department and NTC**

### **1) Justification**

By the establishment of NTC most duties that the Department of Tourism had been conducting, were transferred to NTC. However, the following duties of basic national tourism planning should remain the duty of the new Department of Transport and Tourism in the central government;

- to define government tourism policies
- to set a development framework including definition of roles of government and private sectors
- to coordinate with other ministries the carrying out tourism policies
- to develop local tourism infrastructure plans etc.

### **2) Objectives**

The establishment of NTC will strengthen some functions of the current tourism department. The objectives are;

to enhance the functions of implementing measures

to aim at developing Mongolia into an internationally competitive tourism destination in conformity with market demands and international tourism development trends

to work closely with the private sectors, such as MTA or MIA, and to involve them in the implementation of a long term overall development strategy.

The effective coordination of those two organizations shall be indispensable for the strengthening of tourism administration for Mongolia.

### **3) Organizational Details**

The TACIS team has been working on the issue of establishing a NTC since its commencement. Following the TACIS Team's recommendations, MOID is in the process of determining the organizational details of the National Tourism Center.

### A.3 Strengthening of Aimag Government

#### 1) Objectives

In order to make a more functional organization to carry out tourism promotion in each district and to promote a tourism master plan actively in coordination with the central government, the tourism organization of the local government (aimag) should be strengthened.

#### 2) General Description and Components

The model organization chart for tourism administration in aimag is shown in Figure 18.1.1.

The main characteristics which differ from the current organization are:

- to establish a tourism department apart from The Planning Finance & Economic Policy Department.
- to establish the Aimag Tourism Council directly under the governor of Aimag in order to coordinate tourism development activities.
- to aim at sound development of the tourism association and tourism agencies in each aimag with the assistance of a stronger tourism department

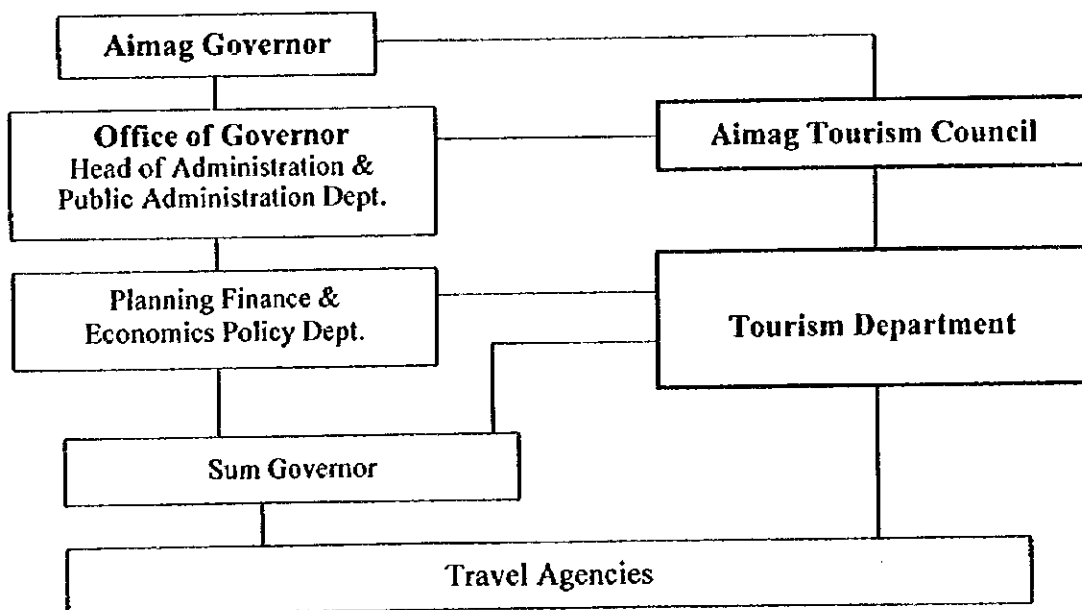
#### 3) Executing Agency and Implementation Structure

The Department of Tourism in the central government should take the initiative in executing this plan by collaborating with each aimag.

#### 4) Proposed Implementation Schedule

Priority project areas (UB City, Ovorhangai aimag and Omnogovi aimag) should be implemented in accordance with their implementing schedule and other areas by 2005 at latest.

Figure 18.1.1 The Model Organization Chart of Local Government



## 18.2 Human Resource Development

### A.4 Upgrading of Tourism Education

#### 1) Justification

The tourism industry is quite new in Mongolia with few trained and experienced staff in the industry. Training institutes began providing tourism-related courses only a few years ago and in general, instructors with various educational backgrounds during the socialist period are not fully qualified to teach the courses. The poor services of the industry are mainly attributed to the lack of personnel with proper and practical training. Therefore, improving education through instructor training is particularly considered essential in order to meet the current tourism demands.

#### 2) Project Objectives

The main objectives of the project are to strengthen vocational education through instructor training, eventually producing capable operational staff as well as future managers in the field of tourism through the strengthening of The Institution of Commerce and Business (ICB), a government run training institute.

#### 3) General Description

Approximately half of the full-time instructors will be trained and re-trained by the project. Practical courses in the field of hotel and restaurant operation and management are in especially short supply compared with those countries with advanced tourism programs, so should be increased. In addition, subjects pertaining to eco-tourism should newly be introduced into the tourism curricula to meet the growing demand. Therefore, at least one long-term expert should be assigned throughout the project term to strengthen these fields. Short-term experts for the cooking and waiter courses should be in active service at hotels and restaurants in order to provide practical vocational training.

#### 4) Project Components

The Project will mainly provide the institute with the following elements.

- a. Invite foreign instructors to the institute for short and long-term teaching assignments
- b. Send institute instructors to tourism-advanced countries for training
- c. Update training materials

The proposed measures for ICB are summarized in the following table.

**Proposed Measures for Strengthening ICB**

	Long-term Expert	Short-term Expert	C/P Training	Facilities
Tourism	1 / year	1 / year		Teaching manuals
Restaurant & Hotel Management	1 / year	1 / year	1 / year	Kitchen facilities and equipment
Food Service Management	1 / year	1 / year	1 / year	Same as above
Cooking/Waiter		1 / year	1 / year	Same as above

### 5) Cost Estimates

- a. Invitation of three long-term foreign instructors (3 x USD0.38million = USD1.14million per year)
- b. Invitation of four short-term foreign instructors (4 x USD0.13million = USD0.52million per year)
- c. Dispatch of 3 Mongolian instructors (3 x USD0.036million = USD0.108million per year)
- d. Update of teaching manuals and language lab and introduction of kitchen facilities and equipment (USD3million)
- e. Total initial cost is established at \$ 6.34 million.

	1 <sup>st</sup> year	2 <sup>nd</sup> year	3 <sup>rd</sup> year	4 <sup>th</sup> year	5 <sup>th</sup> year	Total
Long-term foreign instructors	1.140	1.14	0	0	0	2.280
Short-term foreign instructors	0.520	0	0	0	0	0.520
Mongolian instructors	0.108	0.108	0.108	0.108	0.108	0.540
Facilities	3.000	0	0	0	0	3.000
<b>Total</b>	<b>4.768</b>	<b>1.248</b>	<b>0.108</b>	<b>0.108</b>	<b>0.108</b>	<b>6.340</b>

### 6) Executing Agency and Implementation Structure

The Institute of Commerce and Business (ICB), which is licensed by The Ministry of Science, Technology, Education and Culture, is a unique national training institute, including both vocational and university courses, and is considered an appropriate organization for project implementation. It is essential that ICB organize a council of tourism-related training institutes, including private ones such as The Institute of Tourism Management, in order to disseminate a positive impact through such activities as international seminars through the course of the Project. Tourism-related vocational schools under The Ministry of Health and Social Welfare would also benefit from being members of the council.

### 7) Proposed Implementation Schedule

The Project would start in September of the year 2000 and with a cooperation term of five years.

## **A.5 Development of Park Ranger Training**

### **1) Justification**

Park rangers, state inspectors and rangers are the forerunners in protected areas and environmental management. Rangers are, however, selected mostly from local people who seriously lack the professional knowledge and skills to oversee protected areas and carry out environmental management. Therefore, professional training for the knowledge and skills needed for protected areas and environmental management is urgently needed. Ranger training assisted by international organizations has been implemented. The UNDP project produced and distributed a ranger training manual. However, there are no regular and systematic training programs for either park rangers or for state inspectors and rangers. Therefore, regular and systematic training programs for park rangers and state inspectors/rangers are to be developed and implemented as soon as possible.

### **2) Project Objective**

To develop the training programs for the professional knowledge and skills needed in Mongolian protected areas and in the field of environmental management for park rangers and state inspectors/rangers.

### **3) General Description**

Invite foreign experts for the training in the protected areas and environmental management. Work as a team to study and identify the necessary subjects for park rangers and the state inspectors/rangers in the form of lectures and on-site training. Revise The Ranger Training Manual and develop systematic training programs focused on the professional knowledge and specific skills required in Mongolia.

GTZ has been implementing a "Nature Conservation and Buffer Zone Development Project" in Govi Gurvan Saichan NP, Han Hentii SPA, Terelj NP. The overall project concept is that of participatory protected area (natural resources) management. The project includes park ranger and community training from the project concept. Park rangers are to be trained with the knowledge and skills required in the project concept. At the moment, the training is in the beginning stage for organizing programs and prioritizing the necessary knowledge and skills to be taught.

GTZ has been also discussing the expansion of the training to a nation-wide program with UNDP and WWF Mongolia.

### **4) Project Components**

- Invite foreign experts for the development of the training program.
- Work together with the experts to study and identify the subjects required in the training.
- Revise the present training manual to be more in tune with the present Mongolian situation.
- Develop training programs in UB (ex. Twice a year: before and after the tourism season).
- Develop an on-site training program (ex. Terelj NP, Bogd Khan SPA, Govi Gurvan Saichan NP). The training programs include reporting, the basic survey, systematic monitoring and anti-poaching skills (includes the handling of firearms.).

**5) Cost Estimates**

Revision of Ranger Training Manual	\$500
Printing cost of the manual	\$1,900
Foreign Expert	\$200,000 /year
Total	\$202,400

**6) Executing Agency and Implementation Structure**

Ministry of Nature and Environment, Environmental Protection Agency, Donor Agency

**7) Proposed Implementation Schedule**

Start in the year 2000 after administrative procedure and frame arrangement.

## **18.3 Regulatory Improvement**

### **A.6 Investment Incentive in Tourism Sector**

#### **1) Justification**

The tourism industry in Mongolia is considered one of the locomotives for the development of the Mongolian economy due to the strong foreign currency earning capacity, and the potential of foreign tourist arrivals. In order to develop the tourism industry, direct foreign investment (FDI) in the tourism sector should be encouraged, though the present level of FDI still remains low compared with the industrial sector. Incentives for FDI in the tourism industry are not specially designated in the existing Foreign Investment Law and new incentives for FDI are recommended in the tourism sector to be developed.

#### **2) Project Objectives**

New incentives for FDI in the tourism sector should be developed by means of an amendment of The Foreign Investment Law for the purpose of encouraging FDI in the tourism sector.

#### **3) General Description**

The following incentive plans for tax preference should be applied to FDI, in regards to Articles 20 of the current Foreign Investment Law. A special incentive enactment is recommended to promote the lengthening of the tourist season in Mongolia.

#### **4) Project Components**

- (1) The tourism business entities described below should be entitled to an income tax exemption for 3 years and 50 % tax relief for 3 years following the initial three year period in case their income from foreign tourist's payments occupies more than 50 % in total income.
- (2) Tourism business entities entitled tax preference will be as follows:
  - Hotels and ger camps classified above 3 stars designated by NTC
  - Ger camps developed with sustainable energy source
  - Ger camps handling the nomads dairy product supplies and/or handicraft souvenirs (sales tax reduction)
  - Restaurants classified at an international grade by NTC
  - Souvenir shops for international tourists
  - (Incentives for winter tourism services)
  - Income tax shall be exempted for 5 years and 50 % tax relief for 5 years following the initial 5 year period
  - Tax exemption period is applied from November to April every year
  - All items connected with the import of equipment and machinery should be tax exempt
  - National Tourism Council should give an award to a tourism business entity which makes the best effort in lengthening the tourist season.

#### **5) Executing Agency and Implementation Structure**

BOI and MOID will enact and amend the necessary laws and regulations in cooperation.

#### **6) Proposed Implementation Schedule**

The introduction of new incentives for FDI in the tourism sector should be made in 1998/1999 to boost the development of the tourism sector.



## A.7 Land Development Control Measures in Tourism Sector

### 1) Justification

Unregulated land use is appearing in tourist areas due to the uncontrolled development of tourism facilities. The management licenses of tourism facilities are issued by the DOT without any integration of the local land use plan. Land rental contracts are given to developers by the local government without any consultation with the central government. Proper control of land development in the tourism sector should be in keeping with a consistent legal system and integrated land use in conjunction with environmental laws.

### 2) Objectives

- (1) To establish control measures for land use and development in order to minimize environmental damage caused by tourism activities,
- (2) To support sound tourism promotion areas and promotional measures for tourism investment for sustainable tourism development,

### 3) General Description

The government should include tourism development in its land development control system to minimize conflict with traditional uses of land, especially in Som area. City planning laws and a land development permit system in addition to the existing land development control system such as building codes and land rental contracts are recommended to be setup as effective measures for land development control.

### 4) Components

#### (1) Land Zoning Regulations

The land zoning regulations defined in the City Planning Law are an essential device to control land development. Land zoning should be designated by Aimag authority with the cooperation of MOID and MOE. Aimag governor in accordance with land use principles of land zoning regulations should automatically assess the adequacy of the tourism development projects. The land zoning, as shown below, can be regulated on the basis of WTO classification or land use designation for national parks, being worked out by the GTZ team in OmnoGovi.

Zone	Principles	WTO classification	National Park Area Designation
Type 1	Strictly preserved	Area with no development allowed except for landscaping.	Special Zone
Type 2	Limited tourism use	Area for development of facilities for visitor use, park operation and conservation activities.	Tourism Zone
Type 3	Some extent of tourism development	Area for development of tourism facility and supporting infrastructure, including access roads, under strict land use control.	Limited Use Zone
Type 4	Historical scenery preservation	Area for maintenance of historical scenery.	-
Type 5	Historical monument & heritage preservation	Area for undertaking historical surveys and protection of excavated sites.	-

## **(2) Land Development Permit System**

Enactment of new legal procedure for land development permit system is recommended. Every land development project including tourism projects, except for minor ones, should acquire permission for the launch of the construction work. This is a new legal procedure in addition to existing building codes.

The following are required for a permit:

- Proper land use for land zoning regulations
- Clearance of EIA
- Clear perspective of the acquisition of a management license from DOT
- Land rental agreement
- Proper development plan of supporting infrastructure (access road, waste disposal system, etc.)
- Clearance of other legal procedures such as hygiene standards

The Aimag governor, in accordance with the permit requirements, described above will automatically assess the adequacy of the tourism development plan.

## **(3) Land Rental Agreement**

A Land rental agreement is necessary between a developer and Som or the city authority for land development. Since the accountability concerning the land rental agreement is most important, the method of the decision of the land price and consensus for usage of income should be publicly open through the following steps.

- Formulate a standard land price system in UB and principal cities on the basis of the latest sample of land rental agreements.
- Setup an organization responsible for land rental agreements in the local government.
- Method of income usage should be clearly declared by Som or the city authority and legally enacted. Considering the land belongs to the public in Mongolia, land rental income shall be divided between the central and local governments as well as the local community.

## **Tourism Land Development Guidelines**

For the effective enforcement and announcement of land development control, DOT should prepare guidelines of tourism land development. Land zoning regulations, procedures of land development permit acquisitions, and land rental agreement principles as well as the existing legal system such as building codes, management licenses, etc. will be included in the guidelines.

## **Executing Agencies and Implementation Structure**

The National Tourism Council with The Department of Transportation and Tourism (ex-Tourism Department), should coordinate various governmental agencies including Aimag and Som governors, and have responsibility for both procedures and executing land development control concerning the tourism sector.

## **6) Proposed Implementation Schedule**

The study for a comprehensive land development control system should be started immediately to formulate the tourism land development guidelines.

## A.8 Licensing System

### 1) Justification

Tourism agents are currently offering potentially hazardous tourism attractions with little attention to given safety measures and insurance in case of accidents. Horseback riding and airborne sports such as hot air ballooning, hang-gliding etc. all have much potential to become main attractions in Mongolian tourism. A licensing system by authority, therefore, is needed to supervise or control those enterprises for their sound development based on tourists' safety needs.

### 2) Objective

The objectives of introducing a licensing system to those tourism attraction enterprises are;

- to establish safety standards for tourist safety
- to get revenue from those enterprises as commission or tax by issuing license
- to improve quality of attraction service
- to promote sound development of tourism enterprises

### 3) Components

License requirements / safety measures should be developed urgently for at least the following tourist attractions.

Activity	Where to be licensed	Related Association in Mongolia
Horseback Riding	- Ger Camps - Riding Clubs - Tour Agents	Mongolian Horse Riding Association
Hot Air Ballooning	- Ger Camps - Tour Agents	Mongolian National Air Flight Federation
Hang-Gliding Para-Gliding	- Ger Camps - Tour Agents	Not established yet

When a licensing system is introduced, it should include the following objectives:

- to provide qualified instructors and manuals enumerating qualification criteria by related authority
- to provide appropriate livestock (in the case of the horseback riding, horses suitably trained for this purpose)
- to make arrangement to provide proper equipment and tools
- to establish liability insurance
- to establish emergency system to cope with accidents

In order to meet those objectives, cooperation from advanced countries in this field, such as advice from tourism experts or the know-how of related organizations, for example, Japan Horse Riding Promotion Association or Japan Balloon Federation are very effective.

### 4) Executing Agency and Implementation Structure

The licensing division of the National Tourism Center, newly authorized as an implementing agency for the Tourism Department, should carry out the license issue. When establishing licensing systems, NTC should be assisted by the related organization for each tourism attraction, such as Mongolian Horse Riding Association for horse riding licensing and Mongolian National Air Flight

Federation for airborne sports.

In Japan, a licensing system by government is applied only to licenses for tourism agencies. The private sector plays an important role as executing agency in the following tourism attractions in Japan;

**(1) Japan Horse Riding Promotion Association for Horse Riding Activities.**

- to establish criteria for qualified instructors (instructor for elementary course, for example, must have at least 3 years experience)
- to make arrangements for liability insurance (10,000 yen annual insurance premium for each horse is paid by members)
- to provide proper equipment and tools such as helmets for every rider

**(2) Japan Balloon Federation for Hot-Air Ballooning**

- impose a technical examination requirement to qualify the person who can operate a hot-balloon(at least 30 to 40 hours experience is needed)
- to establish criteria for qualified instructors
- to make arrangements for liability insurance
- to establish safety instruction

**5) Proposal Implementation Schedule**

The proposed licensing system should be introduced as soon as possible. It should be completed by year 2005 at latest.

## **A.9 Safety Standards**

### **A.9-1 Sport Activities**

#### **1) Justification**

Several accidents involving sport activities have been reported, including serious ones, which were attributed both to careless tourists and unqualified sports instructors.

#### **2) Objectives**

The objective of the project is to reduce occasional accidents involving sports activities mainly by upgrading the quality of instructors as well as by securing necessary measures in case of accidents.

#### **3) Components**

##### **(1) Establish Safety Standards**

International standards should carefully be studied in order to establish safety standards of Mongolia. Most of the standards are regulated for instructors since instructors' abilities critically influence the safety of sports activities. Examples of safety standards for sports activities currently in place in Mongolia are shown in Appendix A18.3.1. In many cases, a federation is established in each sport, with a view to promote the sport as well as to regulate and upgrade the skills of members and instructors, often with the introduction of a licensing system. Each club belonging to the federation monitors observance of the safety standards. In most countries, insurance is only recommended and is not mandatory. This system, which should be encouraged by the NTC, could be viable in Mongolia, taking into account the specific factors, such as the natural conditions of Mongolia.

##### **(2) Introduce Licensing System**

Licensing requirements should be applied to major sports activities for tourists such as horseback riding where an instructor is not currently required to hold a license. Licensing should be introduced for those who instruct tourists. First aid should be an important factor for qualification in case of injuries. Workshops and examinations should be included in the process of obtaining licenses for instructors involved in sports activities.

##### **(3) Establish Rescue System**

Information regarding hospitals, including emergency centers and transportation should be provided in case of accidents. NTC should establish a section to cooperate with its registered hotels and tourist camps for collecting relevant and necessary information and establishing a network.

##### **(4) Introduce Protection Tools**

Use of protective gear is recommended or obliged in certain sports activities conducted in tourism-advanced countries. Basic protective gear such as helmets ought to be introduced by tourist camps and other related organizations. There are many cases in which protective gear prevented serious injuries in sports activities.

#### **4) Executive Agency and Implementing Structure**

NTC should initiate the project components, followed by The Mongolian Tourism Association and

The Mongolian Hotel Association encouraging their member tour agents and hotels to implement them. Observance of the established licensing standards should carefully be monitored by NTC.

#### 5) Proposed Implementation Schedule

Project Component (4) shall be implemented by the year 2000. Project Component (1), (2) and (3) shall be implemented by the year 2005.

#### A9-2 Fire

##### 1) Justification

Fire is often a major cause of casualties at hotels, restaurants, and other tourist sites. A fire protection system has not been developed in Mongolia and urgently needs to be provided at hotels.

##### 2) Project Objectives

The objective of the following measures is to prevent fires as well as to secure safety in case of fire.

##### 3) General Description

Part of the Japanese fire fighting regulations and safety systems have been introduced in Mongolia by the Fire Defense Board. However, such systems, so far, have been fragmentarily introduced and are not functioning effectively.

##### 4) Project Components

###### (1) Provide fire escape information

Information boards regarding fire escape should be provided and posted at appropriate locations in hotels, public halls, and museums.

###### (2) Assign fire protection personnel

Personnel in charge of fire prevention should be assigned at hotels, public halls such as opera theaters and circus halls, restaurants and museums.

###### (3) Introduce fire-safety facility qualification certificates

A fire-safety facility qualification certificate should be given to hotels which meet the fire prevention standards. This system would likely increase the number of hotels meeting minimum fire safety standards.

##### 5) Executive Agency and Implementing Structure

Local governments, such as the Industrial Service Section of the city office in the case of UBC and the Fire Defense Board should take the initiative to implement the Project together with the Mongolian Hotel Association. Tourist camps should also be incorporated in the Project.

##### 6) Proposed Implementation Schedule

Project Component (1) should not require a long time and should be implemented as soon as possible. Project Component (2) and (3) should require a longer time to elaborate a new regulation, however, they should be implemented by the year 2005.

## **18.4 Development Programs**

### **A.10 Mongolian Culture Preservation Program**

#### **1) Justification**

Cultural heritage resources in Mongolia have been damaged by natural influences including;

- Monuments damaged over time under natural influences such as weather. For example the severe climate has a great influence on their deterioration.
- Lightning sometimes damages some large monuments.
- In spring steppe fires usually occur and are a threat to wooden temples. The people sometimes defended them from fires.
- Animals come in contact with monuments and birds often damage them with excrement.

They have been damaged as a result of human influence:

- Researchers who carried out excavations did not restore areas which were excavated. So the monument site is marred and the original state lost.
- Some restoration work has been carried out on architectural monuments. But the restoration has not been carried out on a professional level. So the monuments have suffered further damage and their original form is lost.
- Local protection of monuments has not been carried out and in the 1970s iron fences around a few monuments were built. However, most of them are broken. The herdsman who live nearby them corralled their animals there adding one more reason for the protection of the monuments.
- Local people remove stones from the monuments creating additional damage.
- People who see monuments in poor condition inscribe their names and addresses on them.
- Some people damage the monuments by rubbing milk and butter on them as a result of their spiritual beliefs.

#### **2) Components**

- To involve the proper areas in the protected areas
- To find methods of protection for the monuments to save them from natural and other threats.

For example:-lightning rods

- to have a fire protection line
- to find a method of protecting the monuments from birds.
- to build a secure fence for the monuments to protect them from the influences of animals and other negative influences
- To educate people as to a proper understanding of the value of the historical and cultural monuments.
- To increase the professional level and responsibilities of the scientific and restoration organizations
- To remove heavily damaged monuments, which are impossible to keep at their present sites, to museums for their protection.
- To post information boards and identification signs at the sites frequented by tourists.
- To build proper routes and squares for tourists.

### 3) Project Description

#### **The Shank Monastery**

The Monastery known as the Shank Monastery or the Baruun Monastery, 20 km south of Harhorin, was built by the Undur Gegeen Zanabazar in 1647

Many beautiful temples were heavily damaged in 1937. Although the local people tried to restore the monastery, the lack of financial means has prohibited this. If the monastery is not restored immediately, the remaining structure of the buildings will deteriorate further. The Tsogchin of the Shank Monastery has a floor area of 16 x 16 m. A restoration map is prepared.

#### **The Tsogchin Temple of the Zaya Monastery**

The Zaya Monastery on the south slope of Bulgan Mountain, behind the capital of Arhangai aimag, is a historical site where the Zaya Gegeen lived.

Today it is used as a museum. The building of the museum is considerably deteriorated. In particular the main Tsogchin temple is in especially poor condition. Although it pulled down to be restored, it has remained for two years due to a lack of without funds. The Tsogchin temple of the Zaya monastery is a wooden building with a floor of 53 x 46 m.

A restoration map is ready.

### 4) Cost Estimates

Shank Monastery Temple	\$ 50,000
Zaya Monastery	\$ 170,000
Total	\$ 220,000

### 5) Executing Agency and Implementation Structure

The Ministry of Science, Technology, Education and Culture of Mongolia and the Seal's Office of the Governor of Arhangai aimag.

### 6) Proposed Implementation Schedule

By 2005



## **A.11 Ancient Sites Presentation**

### **1) Justification**

The ancient cities and the largest monument complexes in the Harhorin area are the Harbalgas, the capital of Uighur and the monument complexes of the Turkish Khans in the Khoshoo Tsaidam.

#### **Harbalgas**

Since the destruction of the ancient city it has remained untouched by man so is in its original state of ruin.

Some research and excavation has been done here. It is amid the virgin steppe with no roads, a square or an information board. The fortress walls of the Harbalgas are large and collapsed. They are 10 m high with the ruins of the building in the center of the wall being 14 m high. The area around the fortress is muddy and during the rainy season is difficult to reach.

#### **The Turkish Monuments**

The monument complexes in the Khoshoo Tsaidam are the tombs of the Turkish Khan Bilge and his brother Kultegin along with two unknown noblemen.

The monument to Kultegin was researched a little in 1956. The other monuments have not been researched. The iron fences surrounding the monuments to Bilge Khan and Kultegin were built in the 1970s. Other steps for their protection and improvement have not been carried out.

#### **Concerning the Mongolian and Turkish Joint Project**

The project "The preservation, conservation and restoration of some Turkish monuments in Mongolia" began in 1957 in order to be implemented between 1997-2001.

The Turkish TICA is responsible for the project. The Mongolian and Turkish working groups carried out the establishment of the protection zone, geophysical survey and taking of aerial photos in 1997. According to the general working plan the research and archeological excavation were planned to be carried out in 1998, but were interrupted. However, the construction contract for the building for working and museum purposes near the Bilge Khan and Kultegin monuments was made between the Turkish Embassy and the Mongolian and Russian construction joint venture "INCON" in 1998.

According to the contract the building must be given on the 15th November 1998, but it was postponed for one month due to a delay with construction materials.

The Turkish and Mongolian working groups met in Ankara from September 9-14 1998 and agreed to continue the project. Research and improvement activities are involved in the project.

### **2) Project Objectives**

#### **Harbalgas:**

- Presentation with an accurate explanation of the Harbalgas
- To build a walkway and stairs so the wall can be viewed.

### **3) General Description (see Figure 18.4.1)**

- There will be a parking lot on the right side of the wall.
- There will be a small square with a few benches near the parking lot.

- There will be an information board, in English and Mongolian, on the north side of the square with an explanation of the Harbalgas.
- A walkway from the square to the wall will be built along with stone stairs to climb the wall.
- A small square on the wall for viewing will be made.

**4) Project Components**

- To build and improve a square
- To build a walkway and stairs

**5) Cost Estimates (\$ 7150)**

- |                                   |          |
|-----------------------------------|----------|
| - To build and improve the square | \$ 3,750 |
| - To make the pavement and stairs | \$ 3,400 |

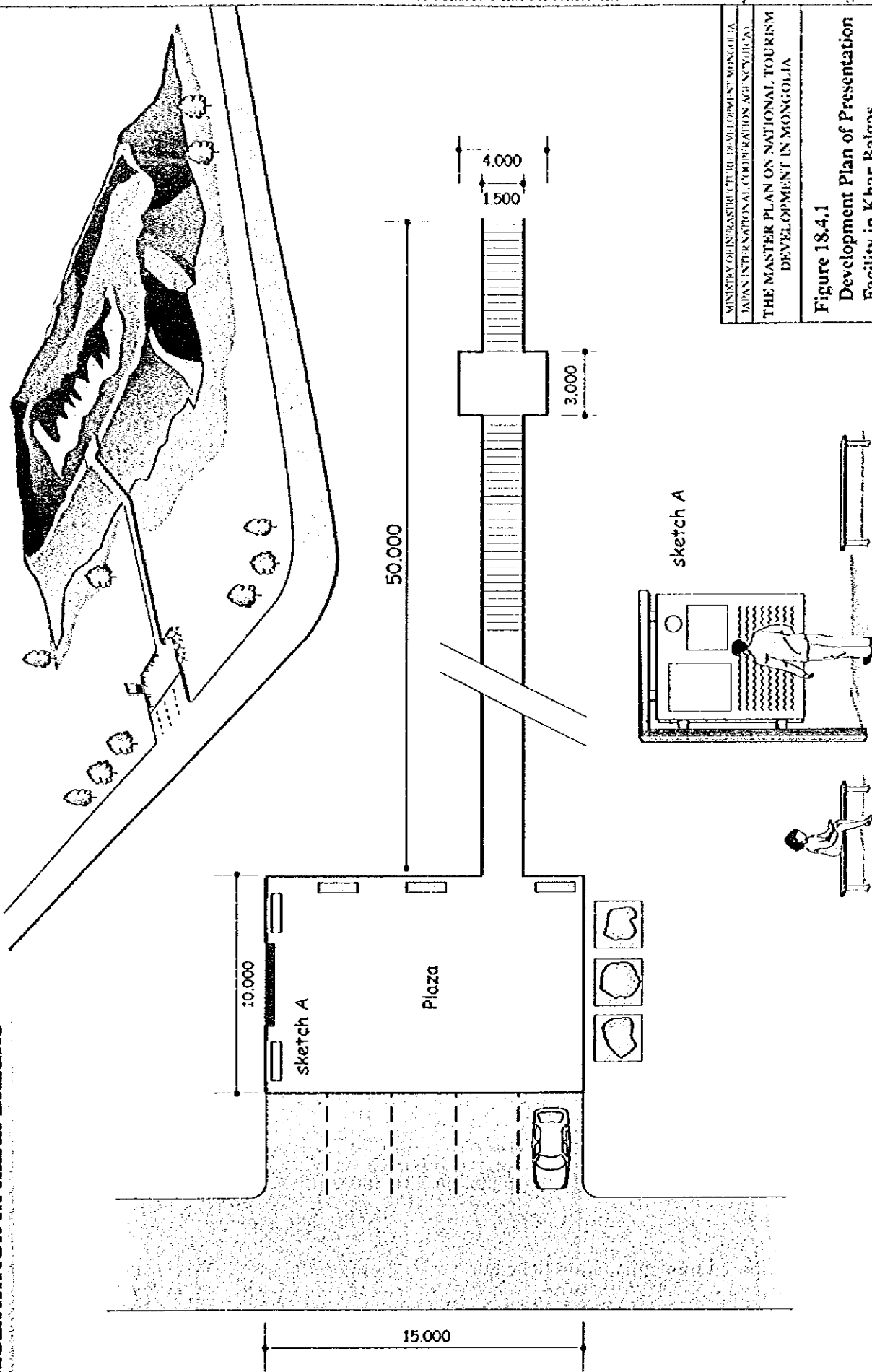
**6) Executing Agency and Implementation Structure**

The Ministry of Science, Technology, Education and Culture of Mongolia.

**7) Proposed Implementation Schedule**

By 2005

**PRESENTATION IN KHAR BALGAS**



MINISTRY OF INFRASTRUCTURE DEVELOPMENT MONGOLIA  
 JAPAN INTERNATIONAL COOPERATION AGENCY (JICA)  
 THE MASTER PLAN ON NATIONAL TOURISM  
 DEVELOPMENT IN MONGOLIA

**Figure 18.4.1**  
**Development Plan of Presentation**  
**Facility in Khar Balgas**

PAI/PCO Co., Ltd./Nippon Koei Co., Ltd.

## A.12 Improving International Air Access

### 1) Justification

MIAT is affiliated with IATA (International Air Transport Association) and ICAO (International Civil Aviation Organization). However, MIAT faces many problems in international air transport services, as the service level of MIAT is quite low compared with international levels. For tourism, the biggest problem is its inadequacy in providing attractive routes, connections with other airlines, and frequency as well as high price. This resulted in a limited number of passengers, which in turn resulted in high passenger ticket costs, further limiting the market. A comprehensive approach is necessary for MIAT to take advantage of a potentially large market. The check-in system, boarding system and baggage handling systems should also be addressed immediately.

### 2) Objectives

- To upgrade the international competitiveness and expand its market
- To induce tourists to travel to Mongolia

### 3) General Description

International air service should be developed towards a policy of strategic alliances with other international airlines and foreign and domestic tour agents, and with gradual privatization.

### 4) Components

#### **Towards A Cooperative Air Service Policy**

A policy of cooperation with foreign airlines and travel agents should be adopted in principle. MIAT should come up with alliances with other international airlines so that its services are internationally competitive in price, routing, and frequency in an expanding market. It should also actively cooperate with foreign as well as domestic tour agents to increase the number of tourists.

#### **Privatization of International Air Operations**

The privatization of international air operations should be encouraged to upgrade international competitiveness and management capability, step by step.

#### **Improvement of International Air Transport Services**

Each passenger class (first class, business class, and economy class) needs improvements on the distinction of service issues.

- Check-in and boarding system
- Baggage handling system
- In-flight services for each class

### 5) Executing Agency and Implementation Structure

MIAT

### 6) Proposed Implementation Schedule

1999 - 2001

## **A.13 Improving Domestic Air Access**

### **1) Justification**

Domestic air transportation has many problems with domestic air transport services. Aside from the basic problem of service routes, capacity and pricing, chaotic booking controls, check-in systems, boarding systems, baggage handling systems and unpunctual flight schedules are issues to be addressed immediately.

The privatization of domestic scheduled flights, which MIAT has monopolized, has just started. Though a tender to private companies for domestic routes proceeded in August 1998 based on government approval, it was suspended due to strong opposition from the MIAT pilots' union .

### **2) Objectives**

- To make travel to tourist sites convenient
- To induce tourists to Mongolia

### **3) General Description**

Domestic air service should be developed towards privatization wherever and whenever possible and sustainable. If a financially untenable route is kept for social reasons, the operator should be compensated by the state.

### **4) Components**

#### **Freer Private Sector and Enforcement and Operation**

The full privatization of domestic flights should be completed by the year 2005. In order to achieve this goal, the following should be done to observe safe operation based on the basic safety regulations for flight operations stipulated in ICAO Standards.

- (1) MIAT should strictly observe CAA (Civil Aviation Authority)'s airworthiness regulations for airplanes and spare parts.
- (2) CAA should directly conduct periodic inspections to determine whether MIAT and other operators install genuine airworthy spare parts during maintenance work or not.
- (3) CAA should strictly check the quality of flight operation staff such as flight dispatchers and load controllers for each airline.
- (4) CAA should take the necessary action such as the revision of in-house rules and manuals, and strict observance to improve the quality of staff with all airlines and to establish a system of responsibility within organizations.
- (5) CAA should supervise airlines not to violate "Minimum Equipment Lists (MEL)" rules, which allows troubled aircraft to operate under certain conditions of minimum equipment of aircraft parts.
- (6) The safe operation of domestic flights should be maintained by CAA's strict inspection of aircraft operators.

#### **Improvement of Domestic Air Transport Services**

The following measures should be taken for the purpose of the improvement of domestic air transport services.

- (1) Improvement of booking system

- To establish reliable booking control and check-in systems
  - To introduce the SITA message system, in order to enable domestic air reservations to be made from overseas.
- (2) Punctual operation of domestic air services
- To improve airport facilities such as pavement of airstrips, installation of navigational control systems, improvement of refueling systems and so on at the domestic airports
  - To strictly observe time schedules
  - To conduct human resources development for operations
- (3) Introduction of safe and reliable aircraft
- To introduce safer and more reliable aircraft
  - To upgrade the maintenance level of AN-24 immediately until new aircraft are introduced.

5) Executing Agency and Implementation Structure

MOCD/CAA/MIAT

6) Proposed Implementation Schedule

1999 - 2001

## **A.14 Railway Service Upgrading**

### **1) Justification**

The Railway Agency has three alternative plans for tourism travel to Baykal Lake, Russian border and Chinese border (Govi). Among the three alternatives, Govi (Ulaan Uul) tour has great potential for development. Due to tourist demand it is expected to be high on the list of consideration of tourism resources, accessibility to the site and reasonable cost. The tour is organized to travel to areas of Govi by using an express train between Ulaanbaatar and Zamuun Uud. It takes around 9 hours from Ulaanbaatar to Ulaan Uul near the Chinese border. Travelers can enjoy the beautiful night sky with the Milky Way, wild animals and a rest-zone near the lake.

It is necessary to upgrade the railway service and to urgently develop accommodation facilities.

### **2) Objectives**

- To enable more comfortable travel
- To induce tourist demand to Govi

### **3) General Description**

The Railway Agency has a plan to construct a tourist camp by improving the existing spa facilities. In addition, the railway services should be upgraded.

### **4) Components**

#### **Construction of Tourist Camp**

A tourist camp should be developed by improving the existing spa facilities 33 km south of Ulaan Uul station. The tourist camp should involve about 40 gers and supporting infrastructure such as water supply, power supply, telecommunications, toilet facilities, etc.

#### **Upgrading Railway Services**

The railway services should be upgraded in terms of the following.

- Shortening of travel time,
- Providing information on location of restrooms, smoking areas and dining cars, waiting time, etc.
- Delivery service of newspapers, magazines and light meals
- Installation of snack bar, etc.

### **5) Executing Agency and Implementation Structure**

Railway Agency

### **6) Cost Estimates**

Construction of Tourist Camp ---US\$ 0.255 million

### **7) Proposed Implementation Schedule**

1999 - 2005

## **A.15 Nomads Integration Projects**

### **1) Justification**

The original life style of the Mongolian people is that of nomads. However, the relationship between the tourism sector and nomads has been relatively weak, and nomads occasionally, and only on a very limited scale, provide their knowledge as instructors of horse riding as well as providing products made by them. Many Ger camps obtain their food and souvenirs from UB, hardly ever purchasing them from nomads directly due to sanitary problems and the quality of souvenirs. Ger camps generally do not offer attractions based on nomadic culture to tourists, except horse riding, although the potential demand on the side of foreign tourists must be great. Therefore, the strengthening of the relationship between nomads and the tourism sector will provide an opportunity for both nomads and tourists to have gratifying experiences.

### **2) Project Objectives**

The objectives to introduce this system are as follows;

- to strengthen the nomads as a supplier of food and souvenirs.
- to improve the quality of food produced by nomads.
- to strengthen income earning opportunities for nomads as nomad cultural instructors and suppliers.

### **3) General Description**

The integration system is as follows;

- milk collection system  
A stable system of collecting and delivering milk from nomads.
- dairy factory improvement  
Improvement in quality and quantity of dairy products provided to tourists.
- souvenir production and marketing by nomads  
Promotion of souvenir production and marketing to nomads accompanied by quality improvement
- tourist attractions based on nomadic culture  
Provision of opportunities to experience nomadic culture in addition to currently available horseback-riding and occasional Ger construction demonstrations.  
Care should be taken not to induce nomads congregating in a narrow area, which would damage the grassland irrevocably, thus making the operation unsustainable.

### **4) Project Components**

#### **Milk Collection System**

- Installation of a pasteurizer in Ger camps  
Ger camps generally hold the means of transportation necessary to collect milk from nomads and transport it to restaurants, hotels, the UB market or cheese factories.  
The cost of installing an appropriate pasteurization system is estimated at 31,075 US\$, including equipment and transportation. The following table is the breakdown.



**Table 18.4.1 Cost estimation of Pasteurizer Installation**

Items	Appropriate cost (US\$)	Remarks
<b>1. Equipment Cost</b>	<b>17,500</b>	
Sachet Filling and sealing machine	1,300	- Imported from South Africa
Pasteurizer	3,200	
Chilling tank	3,000	
Refrigerator	7,000	- Imported from Japan
Refrigerator for vehicle*	3,000	
<b>2. Transportation Cost</b>	<b>10,000</b>	
Shipping cost	7,600	- From Johannesburg to Tientsin** - From Yokohama to Tientsin**
Railway transportation cost	2,400	- From Tientsin to UB**
<b>3. Tariff</b>	<b>3,575</b>	- Import tax rate in Mongolia is 13 %.
<b>TOTAL</b>	<b>31,075</b>	

\* This item includes the equipment cost of a small refrigerator and its installation cost into the existing van.

\*\* These costs include container handling charge and other service fees.

\*\*\*750,000 dollars will be necessary to install Pasteurizer equipment in existing 24 ger camps.

The volume of milk to be pasteurized by this system is about 600 liters per day. It is estimated that collection of 600-liters of milk from neighboring nomads takes approximately 2 hours. According to our survey, the population density of nomads in the subject areas, Tuv aimag and UB outskirts, is estimated at 0.3 to 0.5 families per square kilometer. The distance between nomad families is thus calculated at 1.60 to 2.06 kilometers. During the summer, from the middle of June to the middle of September, one family can provide 40 to 50 liters of fresh milk per day. Assuming five minutes operation per family and a vehicle speed of 25 km/h, it would take approximately 2 hours to collect 600 liters of milk.

Our interview survey in the UB market, at The National Dairy Factory and of nomad milk-suppliers revealed that the difference between the supplier price and the retail price is appropriately 150 tg per liter. Therefore, the rough earnings benefit of a milk pasteurizer is assumed to be 102 US\$/day and 9,180 US\$/summer. The cost and earnings benefits of the pasteurizer project during 10 years are shown in below. The present net value is calculated using different discount rates as shown as well as the financial internal rate of return.

**Table 18.4.2 Cost and Earnings Benefit of Installing the Pasteurizer System (US\$)**

	1	2	3	4	5	6	7	8	9	10
Cost	31,786	700	700	700	700	700	700	700	700	700
Benefit	9,180	9,180	9,180	9,180	9,180	9,180	9,180	9,180	9,180	9,180

**Table 18.4.3 NPV of Pasteurizer System in Ten Years**

Discount Rate	Net Value(US\$)
5	36,268
10	23,446
15	13,617
20	6,061

FIRR=25.2%

### **Strengthening of Dairy Factories**

- Financial assistance to existing dairy factories

Existing UB companies have financial problems with installing new equipment and technology. Financial assistance is necessary to provide high quality dairy products to tourists.

Other two areas, Harhorin and Omnogovi, are relatively remote from large consumption area, UB. Therefore industrial promotion in two areas should be focused on specialities, i.e. Yaku dairy product in Harhorin and Camel diary product in Omnogovi.

### **Souvenir Production by Nomads**

- Management system of nomad souvenirs

Generally nomads have sufficient time and ability to produce handicrafts as souvenirs, especially during the winter. The quality of souvenirs, however, i.e. color, design and material, is relatively poor, and the transportation system of souvenirs and products is not organized. A management system for quality and marketing is necessary to provide nomad souvenirs to tourists. This system should be organized among those concerned people from nomads and Ger camp owners who would transport the materials to nomads and souvenirs to the UB market, to those who sell the souvenirs at their Ger camps and elsewhere. The proposed handicraft center can participate in the improvement of design and quality and especially with training and technical improvement.

### **Tourist Attractions Based on Nomadic Culture**

A detailed survey is necessary to design new options of tourist attractions. Participatory attractions such as felt-making or other activities of traditional life style of Mongolia may become strong new options.

### **5) Executing Agency and Implementation Structure**

NTC should encourage the private sector by means of guidance making which shows nomad integration method, tax incentives and loan availability in case of pasteurizes installation.

### **6) Proposed Implementation Schedule**

By 2005

## A.16 National Illustrated Checklist and Maps of Archaeological and Wildlife Resources

### 1) Justification

The comprehensive illustrated checklists and maps of Mongolian archaeological and wildlife are an essential tool for archaeological research and nature conservation and is valuable as informative materials for Mongolian tourism. Utilizing modern technology such as GIS and multimedia presentation, at this point in time, the results and data from previous surveys and research are scattered among various government agencies. Therefore, preparation of the needed checklists of Mongolian archaeological and wildlife with existing data is a high priority project as a conservation and tourism development tool.

### 2) Project Objective

To produce a series of comprehensive illustrated checklists and maps of Mongolian archaeological and wildlife for archaeological research and conservation management, both of which directly benefits tourism development, as well as for the public.

### 3) General Description

The needed checklists of Mongolian archaeological and wildlife would be handy for field surveys and tourists but must have essential information such as historical/archaeological background population, distribution, reproduction, distinguishable characteristics, and other information utilizing modern technology such as GIS and multimedia presentation. The checklists and maps should have separate volumes on archaeology and wildlife. Tasks include: gathering scattered results and data, to contract with researchers for texts and editing printing and distributing the national illustrated checklists and maps of Mongolian archaeology and wildlife to the appropriate sites.

### 4) Project Components

- (1) Identify researchers and editors of each subject
- (2) Accumulate survey results and data in the form of GIS
- (3) Compile the accumulated data for production of the national illustrated checklists and maps of Mongolian archaeology and wildlife.
- (4) Print the 2 volumes of the checklist and maps
- (5) Distribute and retail the checklists and maps

### 5) Cost Estimates

Research and Editing	\$200,000
Printing	80,000
Total	\$ 280,000. <sup>60</sup>

### 6) Executing Agency and Implementation Structure

The Ministry of Nature and Environment, Ministry of Enlightenment, Donor Agency.

### 7) Proposed Implementation Schedule

Two years from 1999

The preparations of complete inventory of archaeological remains and wildlife needs to be done urgently for research and management.

## **A.17 Production of Information Materials for Eco-Tourism**

### **1) Justification**

A large part of Mongolian tourism is nature-oriented tourism. Eco-tourism, which is a certain form of nature-oriented tourism, needs to be promoted for nature conservation as well as for business reasons. Therefore, informative materials for Mongolian eco-tourism are an essential tool for tourism and need to be prepared urgently and distributed to tourists, travel agents, tour operators and the public.

### **2) Project Objective**

To disseminate important information on Mongolian eco-tourism to tourists, travel agents, tour operators as well as to the public.

### **3) General Description**

Prepare and distribute information defining Mongolian eco-tourism, what the requirements are, what can be expected from eco-tours, when they are conducted, types of tours and which operators organize eco-tours, and as well as other essential information.

### **4) Project Components**

Gather the following information regarding eco-tourism and produce informative materials for tourists, travel agents, tour operators and the public. Distribute the materials to appropriate sites such as airports and tourist attraction sites. The materials cover the following;

- (1) the definition of eco-tourism in Mongolia,
- (2) the eco-tourism guidelines (rules and regulations)
- (3) safety standards for eco-tours
- (4) brief notes on Mongolian ecosystems
- (5) available eco-tours (type, days, tour cost, preferred seasons, additional attractions)
- (6) a list of the registered eco-tour operators
- (7) contact persons/organization in case of emergency
- (8) claims or opinion to be addressed
- (9) other (protected areas and its utilization guidelines, etc)

### **5) Cost Estimates**

Information gathering	\$690	Editing Cost	\$1,000
Printing Cost	\$7,000	Distribution Cost	\$20 x 100 sites
Total :	\$10,690		

### **6) Executing Agency and Implementation Structure**

Ministry of Nature and Environment, Tourism Department, Donor Agency

### **7) Proposed Implementation Schedule**

One year from 1999.

## **A.18 Surveys for Integrated Environmental Management**

### **1) Justification**

Mongolia has enacted a series of environmental laws. However, implementing rules and regulations managing the Mongolian environment have not yet been established. Furthermore, the Mongolian government has become a party to international conventions in the field of nature conservation. The domestic regulations and programs, however, have not fulfilled their essential requirements yet. Thus, an integrated environmental management program covering all areas that includes communal nomadic land is urgently needed to be put in place. Therefore, necessary surveys on the socio-cultural and natural environment including wildlife are to be conducted for the establishment of an integrated environmental management program as soon as possible.

### **2) Project Objective**

To conduct surveys on the present socio-cultural and natural environment including wildlife for the establishment of an integrated environmental management program.

### **3) General Description**

Conduct surveys on the socio-cultural environment to understand traditional/cultural customs/rights, on wildlife and its utilization including hunting, for the development of a national integrated environmental management program.

### **4) Project Components**

- (1) Survey on wildlife and its utilization for the establishment of a National Wildlife Management Program
- (2) Survey on the socio-cultural environment for the establishment of a National Nomadic Land Management Program.
- (3) Survey on the re-establishment of wildlife hunting zones.

### **5) Cost Estimates**

- (1) Survey on wildlife and its utilization: 2.32 million dollars (international assistance)
- (2) Socio-cultural survey: 0.46 million dollars (international assistance)
- (3) Survey on re-establishment of wildlife hunting zones and season: 0.41 million dollars (international assistance)
- (4) Total cost: 3.19 million dollars

### **6) Executing Agency and Implementation Structure**

Donor Agencies, The Ministry of Nature and Environment

### **7) Proposed Implementation Schedule**

Start April 1999, duration three years

## A.19 Overseas Marketing

### 1) Justification

No national-level tourism promotion is being done by DOT, in the meantime the private sector's tourism promotion generates little significant impact to enhance the Mongol profile and exposure in world tourism trade.

### 2) Objectives

In the world tourist generating market,

- to increase the awareness of Mongolia as an regular tourist destination, not only as SIT (Special Interest Tourists)
- to develop a new and potential market by monitoring and identifying wants and needs
- to hold a competitive position by effective promotional measures
- to motivate potential tourists to visit Mongolia by an effective mix of promotional measures
- to materialize a longer tourist period (Oct.-Apr.) as much as possible with promotional devices
- to develop systems of information service and their delivery

### 3) General Description

Overseas Marketing: communication channels and overseas offices

Promotion in Mongolia: promotional materials (brochures, posters, etc.)

### 4) Components:

(~2005)

- Participation in selected major travel trade shows and fairs (\$20,000)
- Opening up foreign media/travel trade dialogue and contact (\$10,000)
- Organizing sponsored press/travel trade familiarization tour (\$70,000)
- Declaring "Visit Mongol Year" in 2005 (\$20,000)
- Promotional activities by NTC overseas offices (Cost is included in the above amounts)
- Opening contracted tourist representatives in Tokyo and Frankfurt (\$180,000)
- Production of various overseas promotional materials and Gateway/On-Site materials (\$845,000)
- Creating events and festivals in the longer low tourist season (Oct.-Apr.) (\$20,000)

(2005 - 2015)

- Opening NTC overseas office in Tokyo, Frankfurt, London and Los Angeles.
- Tapping the convention tourism market, so called MICE
- Participation in convention industry trade shows such as IT&ME show

### 5) Executing Agency and Implementation Structure

DOT of MOID should take responsibility for the implementation of the above programs.

### 6) Cost Estimates (annual cost)

To 2005 US\$1,165,000 (inclusive of development cost of overseas promotional materials and

Gateway/On-Site materials: \$845,000)<sup>1</sup>

**7) Proposed Implementation Schedule**

Production of various overseas promotional materials and Gateway/On-Site materials, and Organizing a sponsored press/travel trade familiarization tour should be programmed and implemented immediately.

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<sup>1</sup> Note: an additional US\$600,00 will be necessary beyond 2005.

## **A.20 UB Hotel Development Guidelines**

### **1) Justification**

A rapid growth of tourists, in particular leisure tourists, is projected if our suggested programs and projects are implemented on schedule. In order to meet the future demand of tourists, development guidelines are necessary based on the projection of tourist-nights.

### **2) Project Objectives**

Development Guidelines are to encourage proper hotel development based on the future demand of tourists.

### **3) General Description**

It is important to note that this UB zone is visited by every type of tourist, leisure, business, VFR, etc. According to the list of the city hotel in Ulaanbaatar, about 3,380 beds were recorded in 48 hotels at a given time in 1998. Some 2,580 beds out of 3,380 beds are considered to be available for foreign tourists.

Overall the bed occupancy rate of hotels in 1997 was estimated to vary from 25 per cent to 57 per cent depending on the season. This variance of the bed occupancy rate is caused by seasonal variations in Mongolian tourism. The bed capacity for foreign tourists in hotels has currently some room with a little even during the peak season judging from our estimation results. The guidelines give some magnitude of guidance for future expansion of hotel rooms. These target values should be periodically updated taking into account recent trends and prospects.

DOT should prepare a guideline showing the targeted expansion of hotel rooms and some helpful information concerning hotel development and management such as safety standards, license requirements, etc.

### **4) Project Components**

#### **2005:**

The bed occupancy rate will be changed as follows in 2005.

During the peak season, about a 50 per cent shortage of beds will occur if the number of available beds in hotels is not increased by 2005.

#### **2015:**

During the peak season, about 4 times the number of currently available beds is needed.

### **5) Implementation Organization**

The Private sector should develop new hotels or expand existing hotels. However, the government should develop an incentive plan to encourage the private sector to develop hotels considering the importance of the tourism industry.

### **6) Proposed Implementation Schedule**

The government should develop an incentive plan for the development of hotels in 1989/1999 to boost hotel development in UB.



## **A.21 Ger Camp Development Guidelines by Zone**

### **1) Justification**

The tourism industry in Mongolia is considered to be one of the locomotives for the development of the Mongolian economy in terms of taking in foreign currency and increasing employment. In order to encourage the tourism industry, proper "Ger Camp Development Guidelines" are needed to meet the future demand.

### **2) Project Objectives**

Development Guidelines should encourage the proper development of ger camps in accordance with the market economy.

### **3) General Description**

These guidelines give order of magnitude targets that should give guidance for the future expansion of ger camps. These target values should be periodically updated taking into account recent trends and prospects.

DOT should prepare the guidelines showing the targeted expansion of ger camps and some helpful information concerning ger camp development and management such as model ger camp presentation, safety standards, license requirements, land development permits, etc.

### **4) Project Components**

#### **UB Suburb:**

The capacity of the Ger Camp in UB suburb is currently 860 beds. The current bed occupancy rate is very low. The bed occupancy rate is only 20 per cent even during the peak season. The bed capacity for foreign tourists in the UB suburb is currently sufficient judging from our estimation.

**2005:**

The bed capacity for foreign tourists in the UB suburb is still sufficient according to our projection.

**2015:**

However, the situation of bed occupancy will change somewhat in 2015, if the number of available beds in the ger camp does not increase by then. During the peak season, July and August, about twice the number of beds currently available will be needed. However, with the exception of the peak season, many empty beds will be available.

#### **Harhorin Zone:**

As to calculating the necessary beds for ger camps in the Harhorin zone, the following conditions are considered in addition to the above mentioned:

About 30 per cent of leisure tourists do not use ger camps for accommodations. They usually use tents.

Only 1 per cent of business tourists use ger camps for accommodations.

Current ger camp capacity is 1,450 beds.

Even in the peak months, July and August, there is sufficient bed capacity. The August bed occupancy rate is about 40 per cent.

**2005:**

The bed occupancy situation in 2005 will change if the available number of beds in ger camps is not increased by then. During the peak season, July and August, there will be a shortage of beds, about 2,000 tourist-beds in July (70 beds/day) and 5,000 tourist-beds in August (170 beds/day: 1 ger camp). However, with the exception of the peak season, there will be many empty beds.

**2015:**

By 2015, the bed capacity situation will show a shortage even during the shoulder season. In the peak month, about 4 times the number of beds currently available will be needed.

**Omnogovi Zone:**

The following conditions are considered in addition to the above in calculating the number of necessary beds for ger camps in the Omnogovi zone.

About 50 per cent of leisure tourists use a ger camp for accommodations. Almost 50 per cent of leisure tourists, in particular tourists from Europe, use tents for accommodations.

Almost all business tourists in the Omnogovi zone do not use ger camps for accommodations.

Current capacity of ger camps is 475 beds.

The overall bed occupancy rate in ger camps in 1997 was estimated at 65 per cent even in the peak month. The bed capacity for foreign tourists in ger camps is currently sufficient judging from our estimation.

**2005:**

The bed occupancy rate in 2005 will change if the number of available beds in ger camps is not increased by then. During the peak season, July and August, there will be a shortage of beds, about 9,000 tourist-beds in July (300 beds/day) and 13,000 tourist-beds in August (430 beds/day: 2 ger camps). With the exception of the peak season, there will be many empty beds.

**2015:**

Bed shortage in ger camps will appear not only during peak season but also during the shoulder season. About 6 times the number of beds currently available will be needed in the peak month.

**5) Implementation Organization**

The private sector should develop ger camps, in accordance with tourist demand.

However, the government should develop an incentive plan for the private sector to develop ger camps.

**6) Proposed Implementation Schedule**

The government should create an incentive plan for the development of ger camps in 1998/1999 to boost their development.

## A.22 Development of UB Bus Guidebook

### 1) Justification

A tourist guide information system for foreign tourists who want to use buses in UB is not available. It is necessary to make this information available to foreign tourists.

### 2) Objectives

- To enable more comfortable travel for foreign tourists
- To induce more tourist activities in UB

### 3) General Description

A tourist guide information system including a guidebook of bus routes, and guidance at bus stops in and around UB should be developed by the year 2005.

### 4) Components

#### Guidebook of Bus Routes

A guidebook of bus routes should include bus routes by bus operation, the distribution of major bus stops, location of the major tourists sites and major buildings in UB.

#### Guidance at Bus Stops

The UB City has about 276 bus stops. The guide at bus stops should involve bus routes by bus operation and operating schedules at each bus stop.

### 5) Executing Agency and Implementation Structure

UB City

### 6) Cost Estimates

a. Preparation of guidebook of bus routes	---US\$ 4,600
b. Preparation of guidance at bus stops	---US\$ 5,050
<u>Total</u>	<u>---US\$ 9,650</u>

### 7) Proposed Implementation Schedule

1999 - 2001

## **A.23 Introduction of Convenient Ticket System for Buses and Museums**

### **1) Justification**

No service system for foreign tourists has been developed in UB. It is necessary to introduce a convenient ticket system such as bus tickets valid for a whole day and passes valid for any museum in UB.

### **2) Objectives**

- To enable more comfortable travel for foreign tourists
- To induce more tourist activities in UB

### **3) General Description**

A convenient ticket system such as bus tickets valid for an entire day and passes valid for any museum in UB should be introduced by the year 2005.

### **4) Components**

#### **Bus Tickets Valid for a Whole Day**

The bus tickets valid for a whole day can be used for any bus company and bus route within UB. They shall be sold at an appropriate price, in order to make travel convenient for foreign tourists.

#### **Common Tickets for Museums Discount Services with Common Tickets for Museums**

Discount services at souvenir shops are available for those who have common tickets for museums in UB. The discount rate shall be considered attractive for foreign tourists.

### **5) Executing Agency and Implementation Structure**

UB City, Ministry of Science, Technology, Education and Culture

### **6) Proposed Implementation Schedule**

1999 - 2001