

**Japan International Cooperation Agency (JICA)
Vietnam National Administration of Tourism
The Socialist Republic of Vietnam**

**COMPREHENSIVE STUDY
□ ON
TOURISM DEVELOPMENT
□ IN
THE CENTRAL REGION OF
THE SOCIALIST REPUBLIC OF VIETNAM**

**FINAL REPORT
MAIN**

February 2002

**Pacific Consultants International
ALMEC Corporation**

PREFACE

In response to the request from the Government of the Socialist Republic of Vietnam, the Government of Japan decided to conduct the comprehensive study on tourism development in the central region of the Socialist Republic of Vietnam and entrusted the study to Japan International Cooperation Agency (JICA).

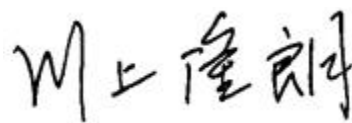
JICA dispatched a study team headed by Mr. Tadashi Kume of Pacific Consultants International and consisting of Pacific Consultants International and ALMEC Corporation to Vietnam, three times between November 2000 and February 2002. In addition, JICA set up an Advisory Committee headed by Mr. Yusuke Tamaki of Japan Seafarers Relief Association between November 2000 and February 2002, which examined the Study from specialist and technical point of view.

The team held discussions with the officials concerned of the Government of Vietnam and conducted field surveys at the study area. Upon returning to Japan, the team conducted further studies and prepared this final report.

I hope that this report will contribute to tourism development and promotion in Vietnam and to the enhancement of friendly relationship between our two countries.

Finally, I wish to express my sincere appreciation to the officials concerned of the Government of Vietnam for their close cooperation extended to the team.

February 2002



Takao Kawakami
President
Japan International Cooperation Agency

February 2002

Mr. Takao Kawakami
President
Japan International Cooperation Agency
Tokyo, Japan

Letter of Transmittal

Dear Sir,

We are pleased to formally submit herewith the Final Report of “Comprehensive Study on Tourism Development in the Central Region of the Socialist Republic of Vietnam”.

This report compiles the results of the Study which was undertaken in the Socialist Republic of Vietnam from November 2000 through February 2002 by the Study Team, consisting of Pacific Consultants International and ALMEC Corporation.

We had been assisted by many people for the accomplishment of the Study, and we would like to express our sincere gratitude and appreciation to all those who extended their kind assistance and cooperation to the Study Team, in particular, Vietnam National Administration of Tourism who acted as the counterpart agency.

Also we acknowledge the effective assistance by all the officials of your Agency and the Embassy of Japan in the Socialist Republic of Vietnam.

We hope that the report will be able to contribute to formulate appropriate policies and measures for the future development of Vietnam.

Very truly yours,



Tadashi Kume
Team Leader,
Comprehensive Study on Tourism Development
In the Central Region of the Socialist Republic of
Vietnam



The Study Area Map

ABSTRACT

Background

Economic conditions of the Central Vietnam have been lower than the North and South Regions. Tourism development is one of the competitive potentials for the economy of the Central Region. There are three world heritages in the Central Vietnam. This study aims to formulate comprehensive tourism development plan.

The Study area is the Central Region of Vietnam, namely Quang Binh, Quang Tri, Thua Thien Hue, Da Nang, Quang Nam, Quang Ngai, Binh Dinh, Phu Yen, Khanh Hoa, Ninh Thuan and Binh Thuan.

This study prepares GIS database for tourism information in the study area and GIS for Hoi An town historical tourism resources management.

Development Framework

International tourists to Vietnam will total up to 4.2 million persons in 2010 and 8.0 million in 2020. The volume will increase twice in ten years, and four times in 20 years. On the other hand, it is estimated that domestic tourist generations are about 10 million in 2000 based on the official statistics, and this will increase to 50 million in 2020 with an annual average growth ratio of 8.4 percent. In other words, one of two persons among nation of Vietnam will do a trip with stay once a year.

Tourist bed nights including both international and domestic tourists are estimated to be 28 million in 2000, and it will increase more than four times to 120 million in 2020. As a result of this, tourism receipts from international and domestic tourists will be also doubled in 10 years from VND 21 trillion to VND 43 trillion.

Direct and indirect employment in the Study area in 2010 will be 50 thousand employees and 120 thousand in 2020.

Tourism product is generally recognized as “Package Tour” that is composed of several services of (1) transportation, (2) accommodation, (3) foods, shopping, entertainments, etc. Historical cultural package tour is obviously typical product in the Study area.

The study area has limitation on suitable area for resort development. Alternative tourism development should be considered with good natural condition and potential resources of the region. The spatial framework for the Study area is formulated based on the conditions mentioned above;

- The northern part of the Study area, including Hue, Hoi An and My Son, should be consolidated as historical cultural tourism destination with some resort complementarily.
- The southern part represented by Khan Hoa and Phan Thiet should be enhanced as coastal resort destination with good accessibility and weather condition.

When those destinations are formulated in the study area, it is necessary for tourism resources to develop with proper management. Conservation and restoration in an integrated manner by close coordination among related agencies and organizations are required.

Development Issues and Strategy

Development strategy is set according to tourism development issues through examination from the four points of view of (1) Institutional development, (2) Human Resource Development, (3) Facilities development and (4) Resource management.

Institutional Development

Major issues for institutional development significant for tourism development in both Vietnam and the Central region are market promotion and advertisement in conjunction with tourist information dissemination and coordination and integration among various government agencies for tourism development. It is recommended to;

- Promote more visitors to come to Vietnam and have them travel extensively within the country and stay longer with higher levels of daily expenditure, while considering the receiving capability and characteristics of individual destinations.
- Establish an agency, namely Vietnam Tourism Promotion Board (VTPB) under the direction of VNAT, which undertakes promotion and advertisement at the professional level.
- Establish overseas branches of the agency in key source markets to carry out specific and verified promotional activities in their responsible territories.
- Establish Tourist Information Centers (TIC), under the agency, in the three gateway cities and other popular tourist destinations to increase the tourism-friendliness of the destinations.

The implementing agencies could principally be provinces including cases of joint bodies with private sector. Ministries (not only VNAT) should play the role of supervision. Ministries should establish criteria and guidelines for establishment, operation and inspection to conserve national and international facilities in order to achieve sustainable tourism development.

Human Resource Development

The human resource development in the tourism sector is required to improve effectiveness of tourism education and training system and improve quality and quantity of labor force. At the same time, institutional improvement for tourism education and training system, such as professional certification and accreditation of training, should be enforced. In order to ensure that training system meets the needs of industry, it is recommended to upgrade tourism training school management to enable the efficient management of training schools as well as development of research into industry training requirements. Expansion of education and training opportunities for ethnic minorities and poverty groups should be also considered.

Tourist Facilities Development

Transportation facilities should be urgently improved, especially air access. It is recommended to improve passenger terminal of seaport for international cruise and to operate the tourism train between Hue and Da Nang in terms of product development.

Sanitary facilities in urban areas of major destinations should be also improved urgently. Tourist service facilities, such as Tourist Information Center, rest facilities, public toilets and public place for tourists, are recommended to develop in every major

destination.

Accommodation should be fit to a suitable type to location condition and product image. It is recommended to develop the coastal area in principle, taking account of balanced supply along with demand and market trend.

Tourism Resource Management

Tourism resource management involves the activities of (1) Natural resource conservation and management, (2) Cultural and historical resource conservation and management, (3) Rural development (village tourism or eco-tourism), and social environment conservation, and (4) Urban amenity improvement and environment protection.

Environmental conservation and protection from degradation of tourism resources is the key for their sustainable tourism development. Flood mitigation and reforestation for water resource development are necessary actions also for proper tourism resource management.

Environmental Assessment System should be enforced and improved effectively to mitigate negative impacts of tourism development.

Coordination and cooperation with MOCI (Culture and Information) responsible for historical and cultural resources are proposed to enhance the management of visitors and promotion for its tourism use and development.

Visitors facilities are proposed to encourage historical and cultural tourism, not only for international tourists but also for domestic visitors. Site museum in archeological site, visitor center, and handicraft center are proposed to develop as visitor facilities.

Village tourism and rural development become one of the key development strategies in Vietnam. Based on the analysis of positive and negative impacts of tourism and local people's opinions, the following countermeasures should be taken.

- Establishment of systems to coordinate activities among all stakeholders
- Formulation and utilization of village tourism
- Preparation and implementation of evaluation list for tourism development
- Preparation of regulations and rules to protect the social environment

Pilot projects shall be implemented to meet the ideal guideline formulation including governmental supports, information services, participation and training of communities, and awareness programs.

The cities are the tourism base for accommodation and tourist attractions. These tourist centers/towns should be clean, comfortable and safe place for visitors.

Urbanization will cause pollution, especially water pollution, solid waste problems, and impact on aesthetic. Prevention from water contamination for Da Nang, Hue, Hoi An, Nha Tran cities, and a solid waste disposal system for Da Nang, Hue, Hoi An are identified for urgent action.

Other issues to protect site environment from negative impact of tourism development are;

- Establishment of an urban management system for conservation of historical

cultural environment in combination with urban development administration, especially for Hue and Hoi An town.

- Land use control for coastal areas in order to protect and create good beach and water environment in Da Nang and Nha Trang.
- Preparation for visitor center or place with transportation terminal where tourists can gather, communicate and rest.

Projects and Programs

In accordance with the recommended development strategies, twenty-six (26) priority projects and programs are identified. Especially, establishment of VTPB for national tourism promotion, Tourist Information Center and development of Tourism Institute of Vietnam are closely related to the jurisdiction of VNAT.

The total investment cost required for tourism development in the study area until 2010 is estimated 1.3 billion US dollars. This cost includes implementation of the proposed projects and programs in the master plan plus investment cost for the accommodation development. On the other hand, increase of Value Added is 4.6 billion US dollars. The ratio of the increase of Value Added to project cost is 5.4. Investment for the tourism development will contribute to the economic development of the study area as well as cultural and social conservation.

Guidelines for tourism development such as Village Tourism and other tourist facilities development are also proposed.

**COMPREHENSIVE STUDY ON TOURISM DEVELOPMENT
IN
THE CENTRAL REGION OF THE SOCIALIST REPUBLIC OF VIETNAM**

**Final Report
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Abbreviation

ADB	Asian Development Bank
ALS	Average Length of Stay
AMTA	Agency for Coordinating Mekong Tourism Activities
APETIT	Asian-Pacific Education and Training Institutes in Tourism
ASEAN	Association of Southeast Asian Nations
CLH	Classified Hotel
COMECON	Communist Economic Conference
DOSTE	Department of Science, Technology and Environment
EIA	Environmental Impact Assessment
EIRR	Economic Internal Rate of Return
ESCAP	Economic and Social Commission for Asia and the Pacific
F/S	Feasibility Study
FDI	Foreign Direct Investment
GDP	Gross Domestic Product
GIS	Geographic Information System
GMS	Greater Mekong Sub-region
GRDP	Gross Regional Domestic Product
GSO	General Statistical Office
HCMC	Ho Chi Minh City
HR	Human Resource
IEE	Initial Environmental Assessment
ITDR	Institute for Tourism Development
JICA	Japan International Corporation Agency
MARD	Ministry of Agriculture and Rural Development
MOC	Ministry of Construction
MOCI	Ministry of Culture and Information
MOET	Ministry of Education and Training
MOFA	Ministry of Foreign Affairs
MOSTE	Ministry of Science, Technology and Environment
MOT	Ministry of Transport
MOWR	Ministry of Water Resource
MPI	Ministry of Planning and Investment
NGO	Non-Governmental Organization
NTCCB	The National Tourism Curriculum and Certification Board
OJT	On the job training

PATA	Pacific Asia Travel Association
SME	Small and Medium Size Enterprise
SOE	State Owned Enterprise
TIC	Tourist Information Center
TITC	Tourism Information Technology Center
TTHue	Thua Thien Hue
UNDHA	United Nations Department of Humanitarian Affairs
UNDP	United Nations Development Programmed
USTDA	United States Trade and Development Agency
VINALINES	Vietnam national Shipping Lines
VINAMARINE	Vietnam National Maritime Bureau
VINASHIN	Vietnam Shipbuilding Industry Corporation
VINATOUR	Vietnam Tourism
VN	Vietnam Airlines
VNAT	Vietnam National Administration of Tourism
VND	Vietnamese Dong
VNTO	Vietnam National Tourism Organization
VR	Vietnam Railway
WTO	World Tourism Organization
WWF	World Wide Fund for Nature

List of Participants

Vietnamese Side:

Name Steering Committee

Position or Role

Chairman

1 Vu Tuan Canh Vice Chairman - VNAT

Members

2 Do Hoai Nam Deputy director of NCSSH
3 Thai Doan Tuu Deputy Director of Trade & Services Dept., -
MPI
4 Nguyen Van Luu Director of ICD - VNAT
5 Nguyen Vinh Loc Deputy Director of ICD - MOT
6 Do Tung Lam Official of A37 - MOPS
7 Bui Thi Lan Deputy director of ICD - MARD
8 Le Trong Binh Deputy Director of Planning & Architectural
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9 Truong Quoc Binh Deputy Director of Preservation & Museology -
MOCI
10 Hoang Minh Dao Chief Office of Environment Dept., - MOSTE
11 Trinh Quang Hao Director of ITDR - VNAT
12 Tran Van Hung Deputy Director of Finance & Planning
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13 Nguyen Xuan Ly Vice Chairman of Peoples' Committee of TT -
Hue
14 Nguyen Xuan Phuc Permanent Vice Chairman of Peoples'
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15 Hoang Tuan Anh Vice Chairman of Peoples' Committee of Da
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	<u>Name</u>	<u>Position or Role</u>
JICA Study Team		
1	Mr. Tadashi Kume	Team Leader/Tourism Development Plan
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3	Mr. Shigehiko Yamaguchi	Tourism Administration/Institution/Organization
4	Mr. Isamu Koike	Market Survey/Market Development
5	Mr. Kanji Hoshino	Tourism Product Development
6	Mr. Yasuhiko Maeno	Tourism Promotion/Advertisement Plan
7	Ms. Kiri Evans	Institutional and Human Resource Development
8	Ms. Nahoko Nakazawa	Social Impact Assessment
9	Mr. Iwao Kurosaka	Infrastructure Development (1)
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12	Mr. Yoji Sakakibara	Demand Forecast/Economic and Financial Analyses/Investment Plan
13	Mr. Osamu Isoda	Environmental Impact Assessment
14	Mr. Toshihiro Yamauchi	Control Point/Aero Photo Management
15	Mr. Manabu Kawaguchi	System Engineer (GIS Related Data Collection/ Compilation)
16	Mr. Yoshinori Takahashi	System Engineer (GIS Database Design)
17	Mr. Aritomo Ueda	Administration
JICA Advisory Committee		
1	Mr. Yusuke Tamaki	Chairman
2	Mr. Susumu Kida	Member
JICA Tokyo		
1	Mr. Toshio Hirai	Director, First Development Study Department, Social Development Study Division
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3	Mr. Yodo Kakuzen	Deputy Director, First Development Study Department, Social Development Study Division
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1	Mr. Morimasa Kanamaru	Representative, JICA Vietnam Office
2	Mr. Masato Togawa	Deputy representative, JICA Vietnam Office
3	Mr. Kazuhiko Kikuchi	JICA Vietnam Office
4	Mr. Kuniaki Amatsu	JICA Vietnam Office
5	Mr. Hiroyuki Kobatashi	JICA Vietnam Office

Part 1

Master Plan

1. Introduction

1.1 Background of the Study

The Socialist Republic of Vietnam has been promoting aggressive economic development since 1986 with the start of the Doimoi Policy. Foreign direct investment has also rapidly increased since 1994 when the economic sanctions by the United States ended. At the same time, infrastructure development has accelerated in the urban area.

In such circumstances, infrastructure such as airports, roads and hotels has been developed. In accordance with such development, the number of international visitor arrivals increased to 2.2 million by 2000 from 0.4 million in 1992 and is expected to increase more in the future.

In the northern region of Vietnam, Hanoi City and the Ha Long Bay represent major tourism resources, Ho Chi Minh City and Nha Trang in the southern region, and Hue and Da Nang in the Central Region. Despite its rich tourism resources in the Central Region, the level of tourism development is lower than the northern and southern regions. Therefore, the Central Region needs to utilize these tourism resources for its economic development. Major tourism resources of the Central Region are the palace of the Guen Dynasty, Hoi An Old Town, and My Son ruins, which are historical monuments of the Champa Dynasty. The conservation conditions of these resources are not good, and they are not utilized as a tourism product because of the poor development of tourist circuit and infrastructures.

Under such conditions, the Vietnam National Administration of Tourism (hereinafter referred as VNAT) requested technical cooperation of a tourism development master plan for the Central Region and development of GIS to the Government of Japan. JICA dispatched a preparatory study team in August 2000 and made an agreement of the scope of the work with VNAT on August 11, 2000.

1.2 Study Objectives

The objectives of the Study are:

- To review and analyze present condition including policies and strategies on tourism industry,
- To formulate a master plan for tourism development with a target year of 2020,
- To prepare project implementation procedure for selected projects with a target year of 2010,
- To establish a digital geographic database in the Central Region of Vietnam and a geographic information system (hereinafter referred to as GIS) database on Hoi An Old Town and its surrounding area, and
- To transfer technique on tourism development through the Study.

1.3 Study Area

1.3.1 Provinces in the Study Area

The Study area is the Central Region of Vietnam, namely Quang Binh, Quang Tri, Thua Thien Hue, Da Nang, Quang Nam, Quang Ngai, Binh Dinh, Phu Yen, Khanh Hoa, Ninh Thuan and Binh Thuan.

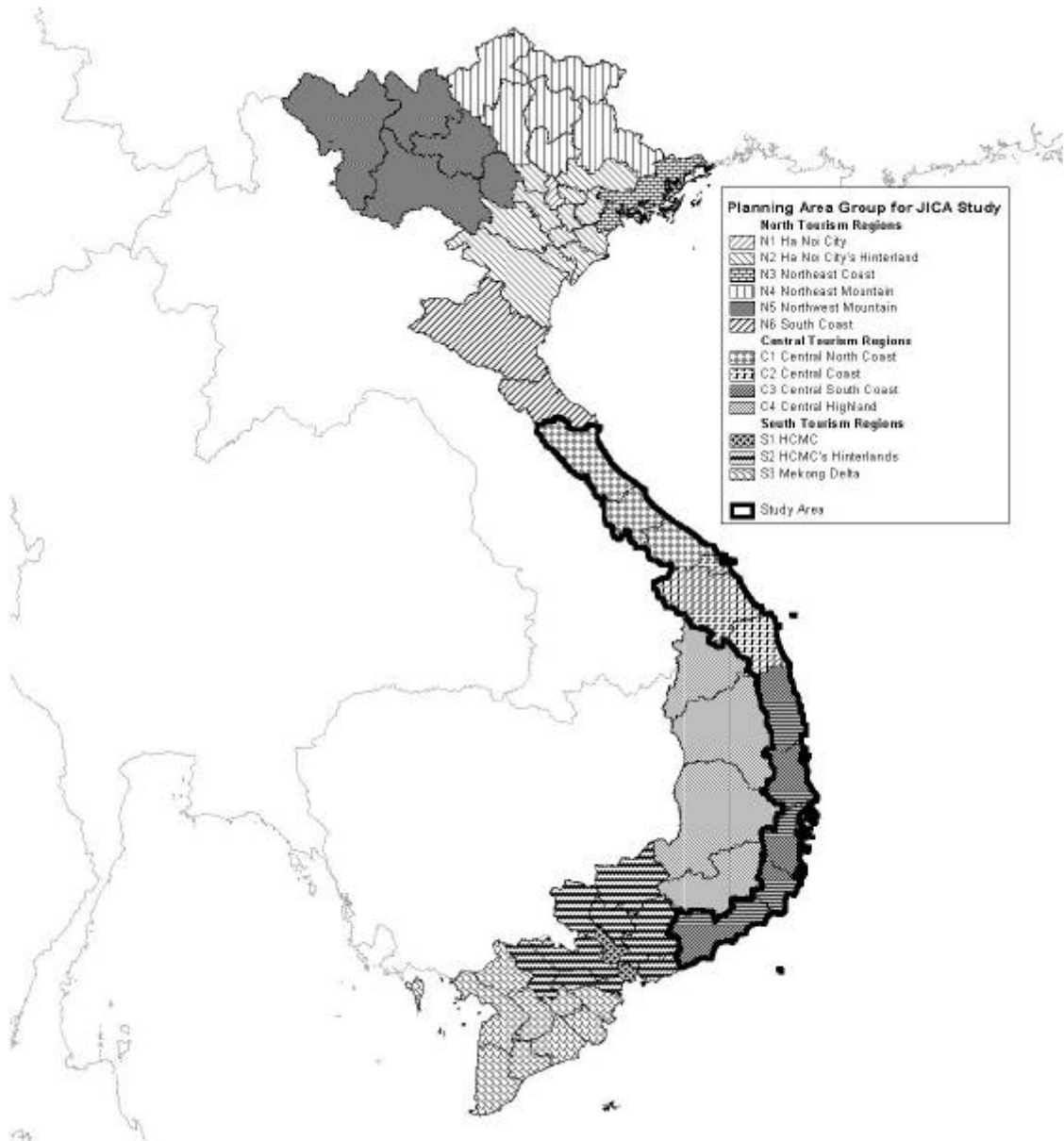
In this report, Tourism Regions and Tourism Zones are set as listed in Table 1.3.1 by the JICA Study Team. The Study area is C1 North Coast, C2 Central Coast, and C3 South Coast in the table.

Table 1.3.1 Definition of Tourism Regions and Tourism Zones

Master Plan by VNAT			JICA Study Team		
Tourist Zones	Tourist zones	Sub Tourist Micro zones	Tourism Regions	Tourism Zones	
1 Northern		1.1 Central	Study area	1 North	N1 Ha Noi City
		1.2 Northern Littoral		N2 Ha Noi City's Hinterlands	
		1.3 North-Eastern Mountain		N3 North Coast	
		1.4 North-Western Mountain		N4 North-Eastern Mountain	
		1.5 South Northern		N5 North-Western Mountain	
2 North Central	2.1 Northern Side	2 Central		C1 North Coast	
3 South Central and Southern	3.1 South Central	3.1.1 Littoral	C2 Central Coast		
		3.1.2 Highlands	C3 South Coast		
	3.2 Southern	3.2.1 East Southern	C4 Highlands		
		3.2.2 West Southern	3 South	S1 Ho Chi Minh City	
			S2 HCMC's Hinterlands		
S3 Me Kong Delta					

Source: JICA Study Team

Figure 1.3.1 Study Area



Source: JICA Study Team

1.3.2 Climate

Due to wide stretch along the coast with East Sea, the Central Region has a remarkably diverse climate. Two kinds of monsoons bring influence upon this region's climate. The winter monsoon comes from the northeast between October and March and brings wet winters to all provinces of the north of Khan Hoa province (Nha Trang), but dry and warm temperatures to the south. On the other hands, the southwestern monsoon brings warm, humid weather to the whole provinces from April to October.

Northern part of the Central Region has also heavy rainfall that sometimes brings severe flash flood owing to nation wide climate changes and geographical conditions with steep mountains. The Central Region has been also suffered from severe, violent and unpredictable typhoons in June to October-November, especially the northern part of the region such as Quang Binh, Quang Tri province. Major character of this region geographically divided by three areas could be characterized as follows.

Northern part (Quang Binh, Quang Tri, TTHue)

- Heavy rains and frequent Typhoons from July to December
- Relatively low temperature in winter season (around 20 °C)

Middle part (Danang, Quang Nam, Quang Ngai, Binh Dinh, Phu Yen)

- Heavy rains and some Typhoons from September to December
- Same temperature condition in winter and summer as northern part, but comparatively lower humidity than northern part of the region.

Southern part (Khanh Hoa, Ninh Thuan, Binh Thuan)

- More sunny days from March to Jun and some Typhoons in winter season
- Relatively higher temperature in winter season (around 24 °C) and low humidity (dry area)

The climate conditions and constraints are indicated in the following table.

Table 1.3.2 Monthly Climate Constraints of Major Provinces

Meteorological Condition	Province	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sept	Oct	Nov	Dec
Typhoon Frequency *1	TT Hue												
	Da Nang												
	Binh Dinh												
	Khan Hoa												
Sunny Days *2	TT Hue												
	Da Nang												
	Binh Dinh												
	Khan Hoa												
Rainfall *3	TT Hue												
	Da Nang												
	Binh Dinh												
	Khan Hoa												

Note: *1/Typhoon evaluation by tracking record in 1954-91, Rare, Sometimes, Frequent

: *2/Average sunny days per month(1994-96 average), Over 10 days, 10 – 5 days, Under 5 days

: *3/Average rainfall per month(1994-96 average), Under 50 mm, 50 – 100, 100-300, Over 300

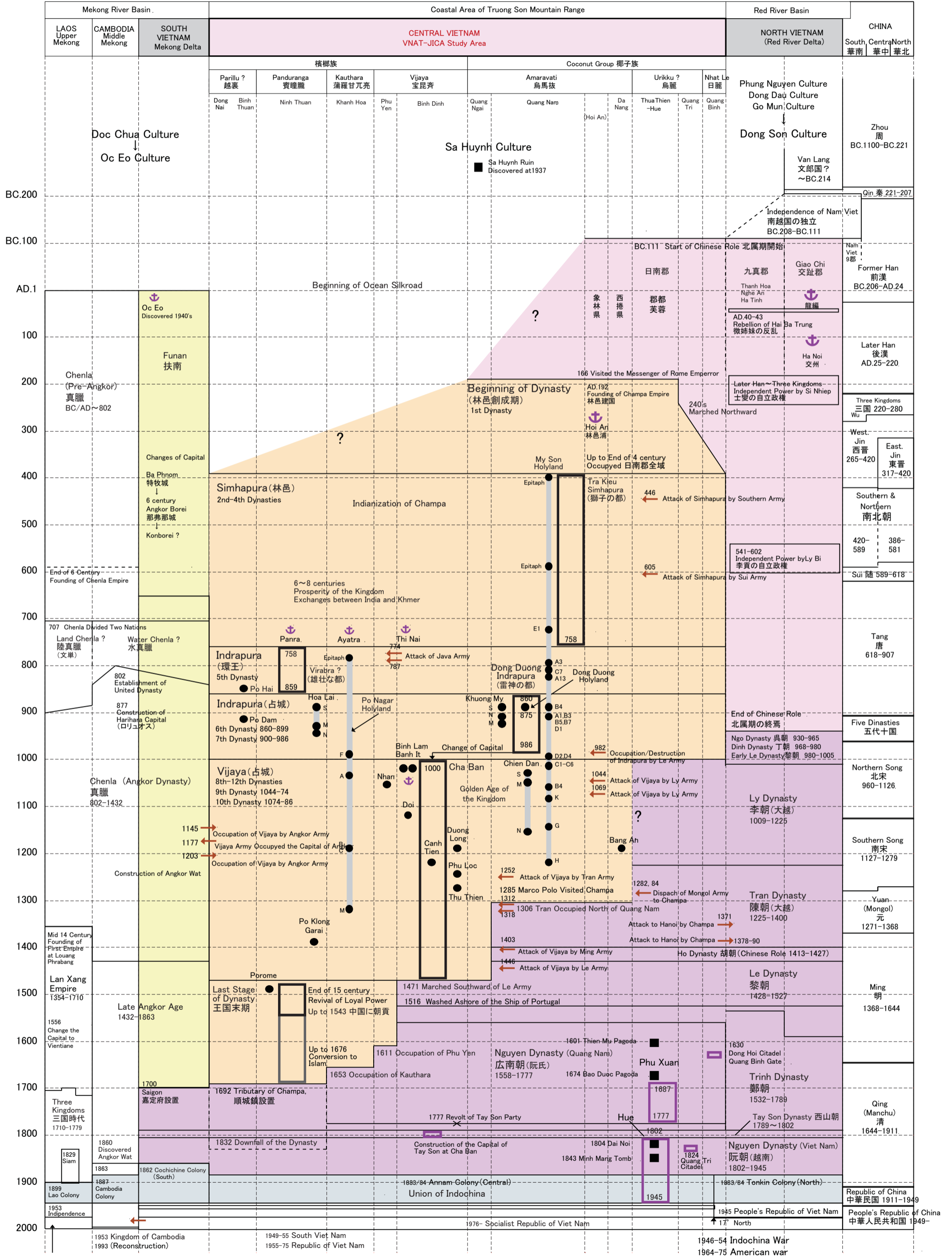
Source: Environmental Conditions Compendium of Vietnam 2000, Strategy and Action Plan for Mitigating Water Disasters in Viet Nam 1994/MOWR, UNDP, UNDHA

Due to the monsoon climate mentioned above, tourism activity is limited during the rainy season. Generally, Khanh Hoa, Ninh Thuan and Binh Thuan are suitable for beach oriented resort type tourism development.

Chronology: Kingdom of Champa and Surrounding Historical Background of The Study Area

Figure 1.3.2 Historical Background of the Study Area

- Kingdom of Champa
- Chinese Role 北属期
- Dynasties of Independent Vietnam
- Capital of Champa Dynasties 都城
- Port City (Champapura) 港市
- Champa Monument 遺跡
- Military Action 軍事行動



1.3.3 History

Figure 1.3.2 shows historical background of the Study Area.

The study area has long history and culture with many ethnic groups, including Champa. Especially, the Champa had rich cultural and economic activities from the second to twelfth century.

Because of long history, the study area has rich cultural and historical assets, which are the main tourism resources in the study area. There are three world heritages in the study area as follows.

- Complex of Hue Monument
- My Son Sanctuary
- Ancient Town of Hoi An

1.4 Implementation of the Study

1.4.1 Study Organization and Participants

The Study was carried out by the JICA Study Team in collaboration with its counterpart from the Vietnam National Administration of Tourism (VNAT). A Steering Committee was established in order to provide comments on activities and output of the Study, while JICA assigned advisory committee.

Table 1.4.1 Composition of Steering Committee

No.	Name	Position or Role
Chairman		
1	Vu Tuan Canh	Vice Chairman - VNAT
Members		
2	Do Hoai Nam	Deputy director of NCSSH
3	Thai Doan Tuu	Deputy Director of Trade & Services Dept., - MPI
4	Nguyen Van Luu	Director of ICD - VNAT
5	Nguyen Vinh Loc	Deputy Director of ICD - MOT
6	Do Tung Lam	Official of A37 - MOPS
7	Bui Thi Lan	Deputy director of ICD - MARD
8	Le Trong Binh	Deputy Director of Planning & Architectural Management - MOC
9	Truong Quoc Binh	Deputy Director of Preservation & Museology - MOCI
10	Hoang Minh Dao	Chief Office of Environment Dept., - MOSTE
11	Trinh Quang Hao	Director of ITDR - VNAT
12	Tran Van Hung	Deputy Director of Finance & Planning Division - NCST
13	Nguyen Xuan Ly	Vice Chairman of PC of TT - Hue
14	Nguyen Xuan Phuc	Permanent Vice Chairman of PC of Quang Nam
15	Hoang Tuan Anh	Vice Chairman of PC of Da Nang

Table 1.4.2 JICA Advisory Committee Member and JICA Study Team

JICA Advisory Committee		
1	Mr. Yusuke TAMAKI	Chairman
2	Mr. Susumu KIDA	Member
JICA Study Team		
1	Mr. Tadashi KUME	Team Leader/Tourism Development Plan
2	Mr. Yasutaka NAGAI	Tourism Resource Assessment
3	Mr. Shigehiko YAMAGUCHI	Tourism Administration/Institution/Organization
4	Mr. Isamu KOIKE	Market Survey/Market Development
5	Mr. Kanji HOSHINO	Product Development
6	Mr. Yasuhiko MAENO	Tourism Promotion/Advertisement Plan
7	Ms. Kiri EVANS	Institutional and Human Resource Development
8	Ms. Nahoko NAKAZAWA	Social Impact Assessment
9	Mr. Iwao KUROSAKA	Infrastructure Development (1)
10	Mr. Toru KIMURA	Infrastructure Development (2)
11	Mr. Makine KUSANO	Deputy Team Leader/Tourism Facility Development/Land Use Plan
12	Mr. Yoji SAKAKIBARA	Demand Forecast/Economic and Financial Analyses/Investment Plan
13	Mr. Osamu ISODA	Environmental Impact Assessment
14	Mr. Toshihiro YAMAUCHI	Control Point/Aero Photo Management
15	Mr. Manabu KAWAGUCHI	System Engineer (GIS Related Data Collection/Compilation)
16	Mr. Yoshinori TAKAHASHI	System Engineer (GIS Database Design)
17	Mr. Aritomo UEDA	Administration

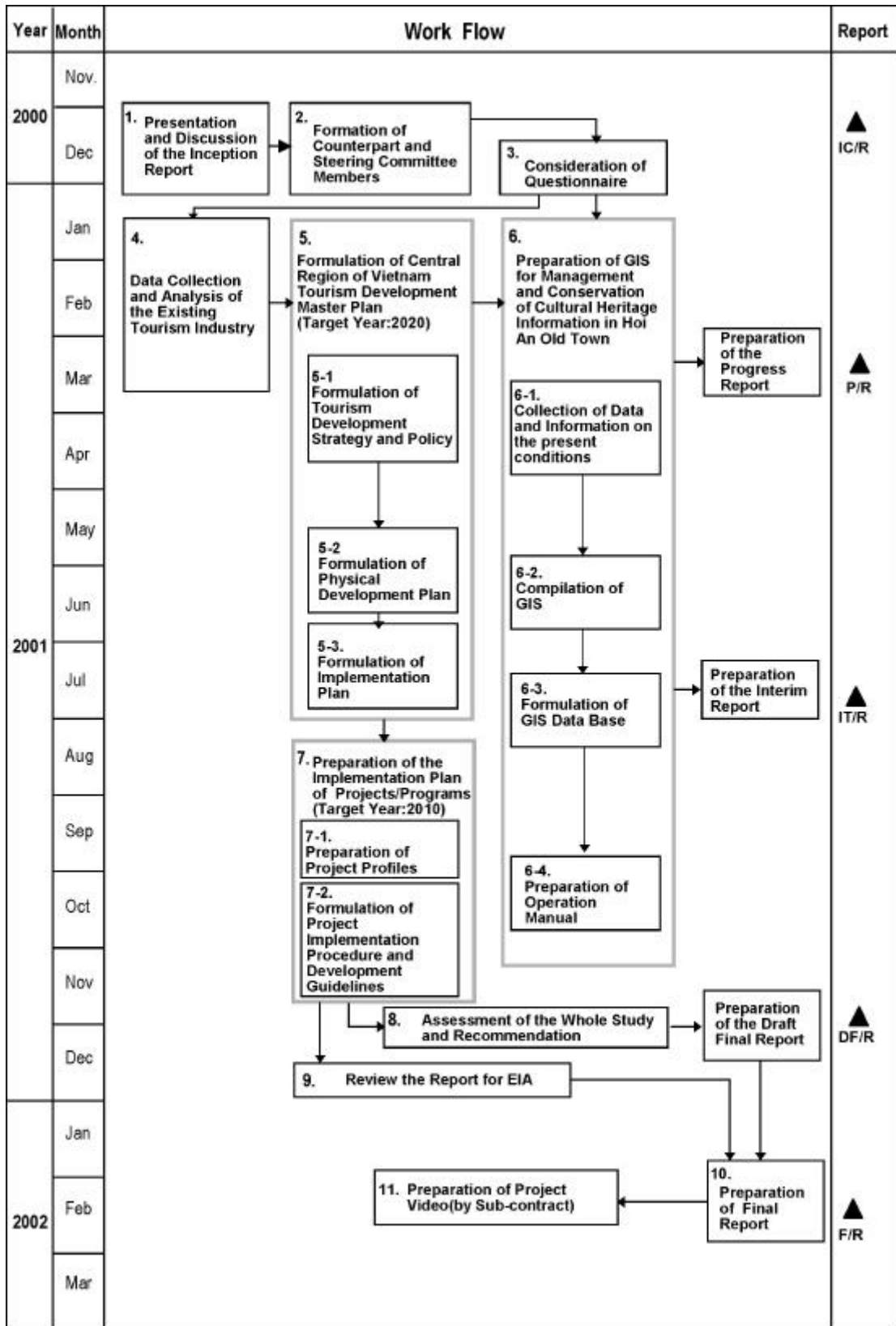
1.4.2 Work Implemented

Figure 1.4.1 illustrates the schedule and interrelations among the study tasks to be implemented in the study. The study team mobilized to Vietnam on December 3, 2001 and started the implementation of the study. The study has been carried out in accordance with the schedule shown in the figure.

The main activities of the Study are as follows:

- Data Collection and analysis of the existing tourism industry.
- Formulation of tourism development master plan of the Central Region of Vietnam.
- Preparation of profiles of priority projects and programs to be implemented up to 2010.
- Preparation of project implementation procedure and development guidelines on selected priority projects and programs.
- Preparation of GIS for management and conservation of cultural heritage information in Hoi An Old Town.

Figure 1.4.1 Workflow of the Study



Source: JICA Study Team

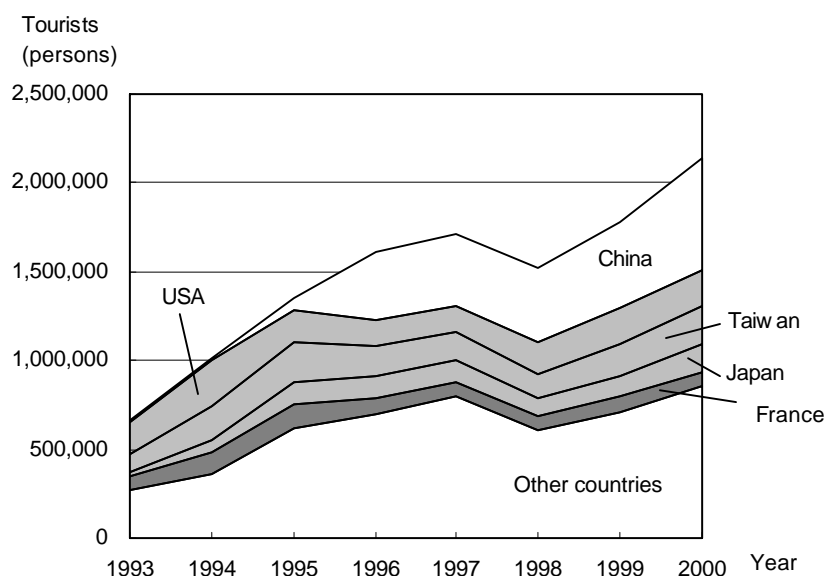
2. Overview of Tourism Sector

2.1 Volume and Characters of Tourists

2.1.1 International Tourist

Figure 2.1.1 shows international tourist arrivals to Vietnam and its composition. International tourist arrivals increased with an annual average growth rate of 9.6 percent between 1993 and 2000 although it experienced 11 percent decrease in 1998.

Figure 2.1.1 International Tourist Arrivals and its Composition



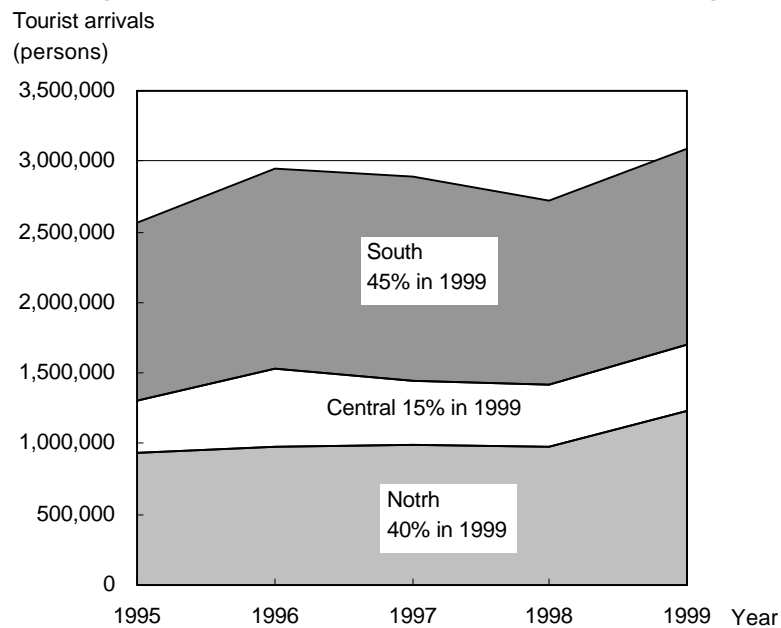
Source: Vietnam National Administration of Tourism

The most remarkable character of the composition is a rapid increase of Chinese tourists. It increased about 10 times from 1995 to 2000, and the share had changed 4.6 percent in 1995 to 29.3 percent in 2000. The share of the other countries has not changed a lot.

Though there is no data about Average Length of Stay (ALS) in Vietnam National Administration of Tourism (VNAT), it is written in the annual statistical yearbook of World Tourism Organization (WTO) for recent six years until 1999. It is distributed between 4.5 and 5.6, and JICA Study Team estimates that ALS in 2000 is 5.0. International tourist bed nights are 10,700 thousand bed nights according to this figure.

International tourist arrivals in each region of Vietnam are illustrated in Figure 2.1.2. The share of the Central Region¹, which includes Central Highland, has not changed a lot, around 15 percent. The share of the North Region gradually increased, and this is the reason for the rapid increase of Chinese tourists.

¹ Please refer to Chapter 1 to clarify the definition of the North Region, the Central Region and the South Region.

Figure 2.1.2 International Tourist Arrivals in Each Region

Source: JICA Study Team

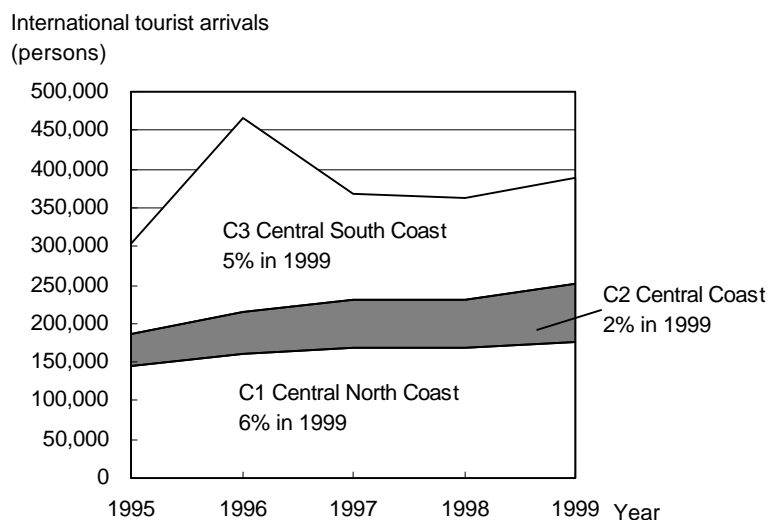
ALS by each region is estimated from hotel guest nights and the number of hotel guests. According to data from General Statistical Office (GSO), the average length of stay at hotel is 2.0 in the North, 2.0 in the Central, and 2.1 in the South, respectively.

International tourists arrivals to the Study Area are shown in Figure 2.1.3. In general, international tourist arrivals to the Study Area are gradually increasing, and the shares of Central North Coast (C1), Central Coast (C2), and Central South Coast (C3)² are almost stable. They are six percent in C1, two percent in C2, and five percent in C3.

ALS by each area is estimated from data by General Statistical Office (GSO). The average length of stay at hotel is 1.9 in the C1, 1.9 in the C2, and 2.3 in the C3, respectively.

² Please refer to Chapter 1 to clarify the definition of the C1 Central North Coast, C2 Central Coast, and C3 Central South Coast.

Figure 2.1.3 International Tourist Arrivals to the Study Area



Source: JICA Study Team

2.1.2 Characters of International Tourists

The JICA Study Team conducted the First Airport Exit Survey in February 2001. The survey for the international visitors was conducted at the departure lounge of three major international airports, namely Hanoi, Da Nang and Ho Chi Minh City.

Table 2.1.1 shows the profiles and characters of international tourists revealed in the survey.

Table 2.1.1 Profiles and Character of International Tourists

Rank	1	2	3	Remarks
Number of Tourists	French (396)	Japanese (224)	UK (181)	2012 samples in total
Purpose of trip	Pleasure, holiday & relaxation (68)	Business (21)	Visiting friends & relatives (5)	Single answer
Specific purpose of tour	Culture tour (54)	Nature tour (20)	Beach (15)	Plural answers
Main reason for choosing Vietnam	Historical resource (43)	Natural resource (21)	Recommended by other person (19)	Plural answers
Type of travel arrangement	Own arrangement (62)	Package tour (38)		

Source: JICA Study Team

The first rank of a purpose of trip is cultural tour, and the main objective to choose Vietnam as a tour destination is to visit historical tourism resources. The Study Area, which has the three world heritage sites, has big potential to increase international tourists.

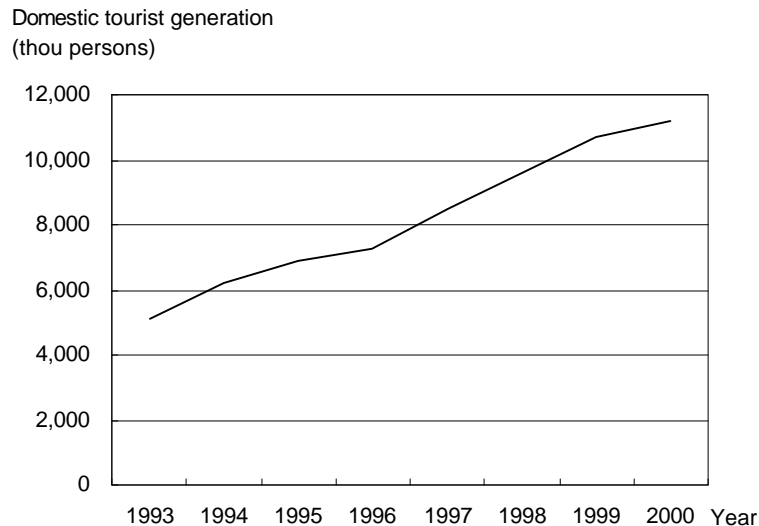
2.1.3 Domestic Tourist

In general, it is difficult to get accurate figures of domestic tourist generation, and domestic tourism is not considered in tourism development planning in some countries. However, domestic tourism is very popular, and the large

numbers of domestic tourists are generated.

Figure 2.1.4 shows domestic tourist generation for the past seven years. It is estimated to increase from 5.1 million in 1993 to 11.2 million in 2000. An annual average growth ration for these seven years is 11.1 percent.

Figure 2.1.4 Domestic Tourist Generation



Source: JICA Study Team

On the other hand, data from GSO mentions that Vietnamese hotel guests are only 7.2 million persons and only 64 percent of the figure shown by VNAT. From the comparison of these figures, the JICA Study Team estimates that domestic tourist generations in 2000 are 10 million and sets it as a base for planning.

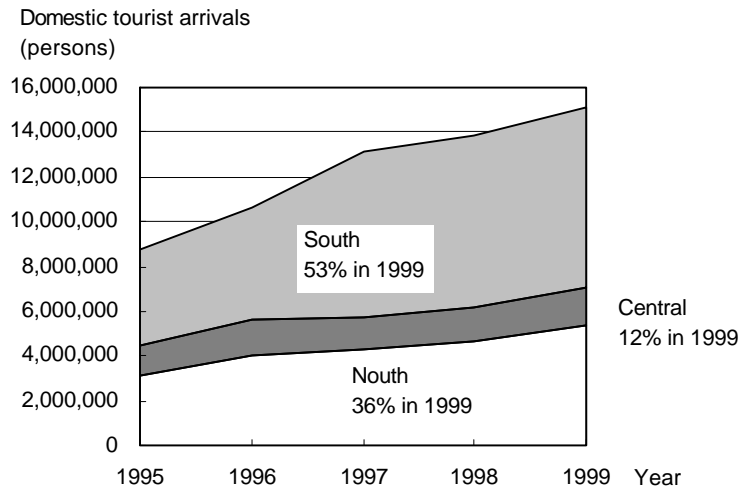
Information about domestic tourist bed nights and ALS of domestic tourists does not exist in VNAT. GSO data mentions that the average length of stay at hotel for domestic tourists is 1.7 nights in 1999. This figure is used as ALS of domestic tourists in 2000. Therefore, domestic tourist bed nights in 2000 are 17,000 thousand bed nights.

Figure 1.1.5 shows domestic tourist arrivals by regions. The total number increased about 1.7 times from 8.8 million in 1995 to 15.0 million in 1999³. The expansion of the share of the South seems to stop after 1997, and each region keeps the share after that. The share is 36 percent in the North, 12 percent in the Central, and 53% in the South, respectively.

According to data of GSO, the average hotel stay of domestic tourists is 1.7 in the North, 2.0 in the Central, and 1.5 in the South.

³ Total of domestic tourist arrivals by regions must be larger than domestic tourist generations because some tourists visit more than two regions in their trip.

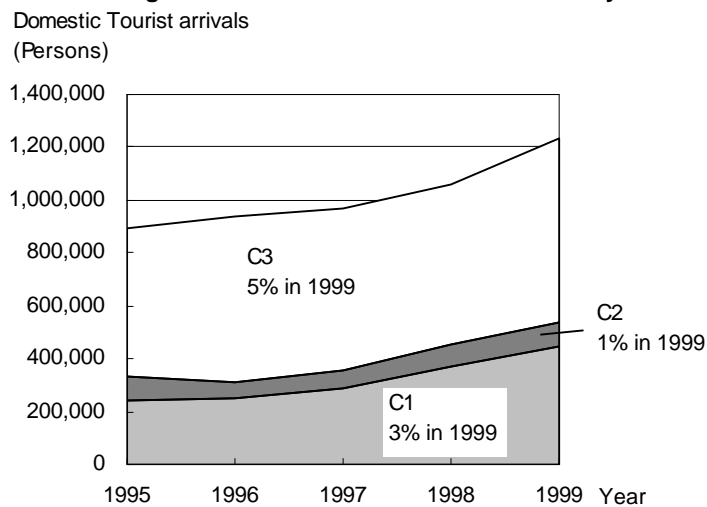
Figure 2.1.5 Domestic Tourist Arrivals by Regions



Source: JICA Study Team

Figure 2.1.6 shows domestic tourist arrivals by area. The growth of domestic tourist arrivals has accelerated since 1998. The shares are three percent in C1, one percent in C2, and five percent in C3, respectively. Data of GSO indicates that the average hotel stay of domestic tourists is 1.7 in C1, 1.5 in C2, and 1.7 in C3.

Figure 2.1.6 Domestic Tourist Arrivals by Areas



Source: JICA Study

2.2 The Role of Tourism in the National and Regional Economy

According to Statistical Yearbook 2000, Tourism Receipt paid by international tourists was VND3,792 billion, and Tourism Receipt paid by domestic tourists was VND2,673 billion in 1999. However, the figures are too small and do not reflect tourism activity in Vietnam. If we assume that international Tourism Receipt is VND3,792, daily payment by international tourists is only US\$24. If we assume that Domestic Tourism Receipt is VND2,673 billion, daily

payment by domestic tourists is only VND157 thousand.

According to the Airport Exit Survey conducted by the JICA Study Team, daily payment of international tourists including Chinese tourists is about US\$75. According to interviews with some Vietnamese, daily payment of domestic tourists is about VND525,000 (US\$35).

Under these assumptions, International Tourism Receipt is US\$803 million, and Domestic Tourism Receipt is VND8,925 billion in 2000. The amount of International Tourism Receipt in 2000 is larger than export of coffee in 1999, which amounts to US\$585 million.

Table 2.2.1 Economic Impact of Tourism in Vietnam in 2000

	Unit	Figures
International Tourism Receipt	US\$ mill	803
Domestic Tourism Receipt	VND bill	8,925
Total Tourism Receipt	VND bill	20,963
Economic effect by tourism*	VND bill	49,214
Share in GDP	%	10.9
Contribution to government budget	VND bill	7,232

Note: * Economic effects include direct and indirect effect.

Source: JICA Study Team

Based on Total Tourism Receipt, value added, generated by tourism activities, is calculated. According to the analysis of the JICA Study Team, multiplier of macro economy of Vietnam is 2.3. Therefore, economic effects of tourism activities are VND49,214 billion, which accounts for 10.9 percent of GDP.

In Vietnam, the total government revenue is about 15 percent of GDP. Therefore, the contribution to government budget from tourism activities is estimated to be VND7,232 billion.

International Tourism Receipt of the Study Area is US\$80 million, about 10 percent of the national level. Domestic Tourism Receipt of the Study Area is VND714 billion, about eight percent of the national level.

Table 2.2.2 Economic Impact of Tourism in the Study Area in 2000

	Unit	Figures	Share in Vietnam (%)
International Tourism Receipt	US\$ mill	80	10.0
Domestic Tourism Receipt	VND bill	714	8.0
Total Tourism Receipt	VND bill	1,911	9.1
Economic Effects by tourism	VND bill	4,396	8.9
Share in GRDP	%	11.0	-
Contribution to government budget	VND bill	659	9.1

Note: GRDP of the Study Area is assumed to be 9% of GDP, as same as in 1999

Source: JICA Study Team

Economic effects of tourism activities are VND4,396 billion, 8.9 percent of GRDP. The contribution to government budget is VND659 billion.

2.3 Market Promotion and Tourism Administrations

2.3.1 Role of Public Sector and Market Promotion

Role of Public Sector

Vietnam National Tourism Organization (VNAT) plays a key role in promoting the country as a tourist destination in the world tour market. The promotional strategy and undertakings of VNAT are being made in line with Vietnam Tourism Ordinance, which was taken effect on January 5, 1999. In the Ordinance, the terminology of “Tourism Promotion” is construed as “an activity aimed at seeking, stimulating opportunities for tourism development.”

Market Promotion

For the year 2000, VNAT undertook their tourism promotional tactics and measures, according to those specified in the state action program – “Launching the tourism promotional campaign.” The most remarkable action taken by VNAT is the millennium campaign under the slogan - “Vietnam - a destination for the new millennium” with a feature of a lady in a conical hat sporting a big smile.

VNAT targeted receipt of 2 million international visitors and 11 million domestic visitors for the year 2000. The actual receipt for the year was: 2.14 million international arrivals and 11.2 million domestic tourists.

VNAT is responsible for tourism promotion in VNAT. However, its promotional capacity is much limited while their main function leans to tourism administration and licensing. VNAT has established no tourist information center (TIC) at the three main gateway cities (Hanoi, Da Nang, Ho Chi Minh City - at airport and city-center) yet.

Tourism promotional activities are conducted by other state or state-owned organizations such as:

- Provincial Tourism Department (or Trade and Tourism Department),
- State or province owned Tour Companies (ground-handlers),
- State owned Vietnam Airlines (VN), and
- Hotel Industries (FDI, joined-ventured with state-owned companies)

2.3.2 Tourism Administrations

Vietnam Administration of Tourism (VNAT)

The initial establishment of tourism administration dates back to 1978 when Vietnam Tourism General Department was founded under the Government Office. After several organizational changes, Vietnam Administration of Tourism (VNAT) was established as an agency attached to the Government in 1992. VNAT has the responsibility same as Ministries and Ministry-level agencies.

Under VNAT jurisdiction, there are two representative offices (Da Nang, Ho Chi

Minh City), two functional organizations, Institute for Tourism Development (ITDR), Tourism Information Technology Center (TITC) and 15 tourism-related enterprises.

Local Government Organizations Related to Tourism

People's Committees of Provinces and particular Cities (Hanoi, Hai Phong, Da Nang, Ho Chi Minh City), directly coming under the Government jurisdiction, have the right to exercise the state-level administration over tourism at their local level as stipulated by laws.

Laws and Regulations for Tourism

The Government has formulated the system of laws and regulations to fit the market-led economy under the economic reform called "Doi Moi". In 1999, Tourism Ordinance was promulgated not only as a legal ground for sustainable tourism development but also for a legal benchmark to perfect the state management over tourism activities in Vietnam.

In course of the country's sustainable tourism development, review of the existing tourism laws and regulations by VNAT is necessary for possible revision or annulment or for formulation of adequate one to match the reality of the times.

2.4 Tourism Facilities

2.4.1 Accommodations

Distribution of hotel rooms in Vietnam is concentrated in the two international gateways, Ho Chi Minh City and Hanoi. In order to achieve future tourism development in the Central Region, development of accommodations with high standard is necessary for the Region.

Key figures of accommodations

The national level of statistics of WTO indicates that occupancy rates seem to be not so bad as over 40% average in spite of the past three years of the Asia Economic Crises. The average length of stay in Vietnam indicates 4.5 days. On the other hand, 2.4 days for average length of stay in accommodation is indicated. This implies that tourists tend to do multi-destination trip in Vietnam with short stay in each destination.

Table 2.4.1 Key Figures of Accommodations

		1999	2000	Share
Number of Room (rooms)	Classified Hotel	-	19,515	28.7
	Non-Classified	-	40,352	59.3
	Others	-	8,150	12.0
	Total	-	68,017	100.0
Occupancy Rate (%)		45.2	54.0	-
Average Length of Stay (nights)	Total Visitors	4.5	-	-
	Accommodation	2.2	-	-
Guests per Room (persons)		1.9	-	-

Note: Classified Hotel is Star-rate hotels, Non-classified

Source: General Statistic Office (GSO), VNAT, Compendium of Tourism Statistics 2001/WTO

Classification of accommodations

VNAT defines the classification of accommodation facilities by use of the 5-ranked star-system. However, this classification system has applied only to 28.7% of the total hotel rooms in 2000, due to the related decrees released quite recently and capacity of administration such as lack of staffs and budgets for their inspection.

The share of 5 and 4-stared hotel in the Central is lower than national average of Vietnam, as shown in Table 2.4.2.

Table 2.4.2 Number of Classified Hotels in Vietnam
(Unit: percent)

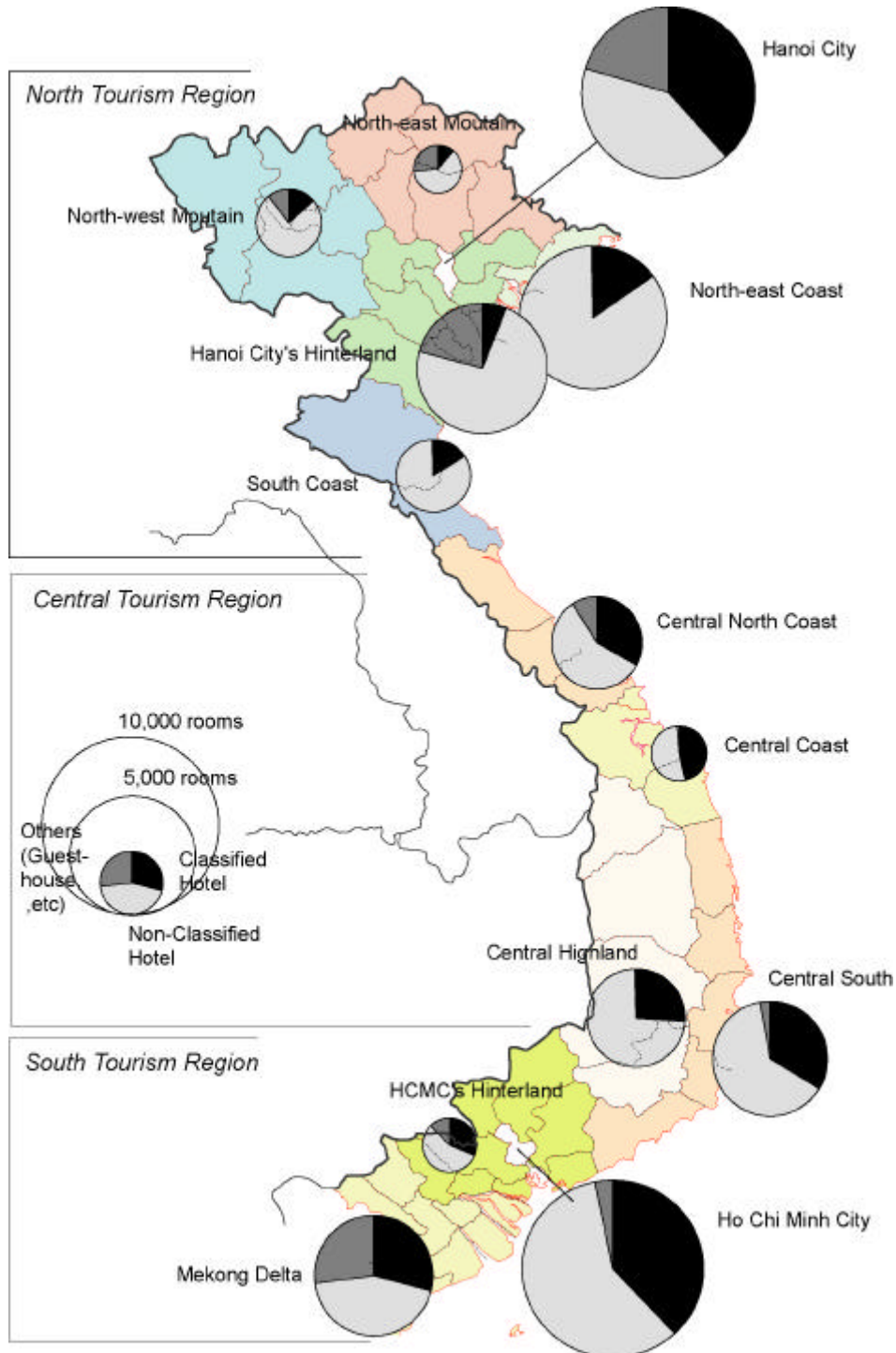
	Number of room	Classified Hotel				
		5 star	4 star	3 star	2 star	1 star
North	6,423	15.2	8.1	19.9	39.0	17.8
Central	5,252	4.6	3.0	21.4	38.2	32.8
South	7,840	6.9	11.9	34.0	32.6	14.6
Total	19,515	9.0	8.3	26.0	36.2	20.5

Source: VNAT, 1999

Owner of hotels

Over 58% of hotel rooms in Vietnam have been invested and managed by State Owned Enterprises (SOEs) such as Saigon Tourist and Vietnam Tourism. Especially, state companies play an important role in developing hotels in undeveloped provinces as pioneer hotel investors.

Figure 2.4.1 Distribution of Accommodation by Category in 2000



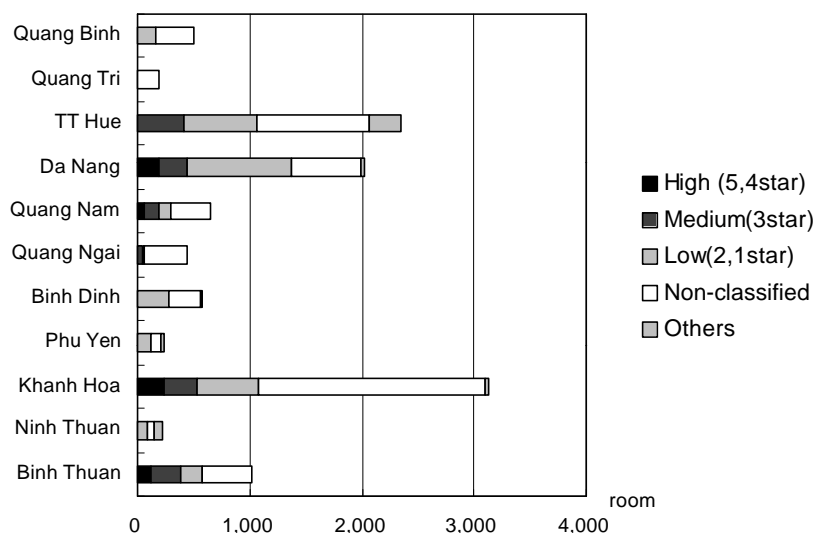
Source: General Statistical Office, VNAT, JICA Study team

Distributing of hotel rooms in the Study Area

Figure 2.4.2 shows the number of hotel rooms in the Study Area. Khanh Hoa Province has the most hotel rooms in the Study Area, though 2/3 of total are classified as unclassified. TT Hue and Da Nang follow it, and these province/city have classified hotel rooms as same level as Khanh Hoa Province.

High classed hotel rooms are distributed in the provinces which have beach resort, such as Da Nang, Khanh Hoa and Binh Thuan.

Figure 2.4.2 Number of Hotel Rooms in the Study Area



Source: General Statistical Office 1999-2000 and Classified Hotels in Vietnam (VNAT) 1999

2.4.2 Other Tourist Facilities in the Study Area

Limited tourist facilities

The supply of tourist facilities and tourist services in the Central Region is not currently sufficient. High quality and attractive facilities such as international restaurants, handicraft shops and other cultural facilities are limited to only two international gateways.

Information facilities for cultural attractions

Museums are one of the most important facilities to introduce the cultural tourism resources in the Central Region. However, the quantity and quality of museums for Champa culture are currently limited and low.

Difference of tourism service level

There are several development plans focusing on domestic market, but they may cause conflicts with tourism products for international tourists. For example, development of a water park is planned nearby a famous resort hotel in Nha Trang. Development of a water park is planned in the historical landscape in

Hue. From the point of sustainable tourism development it should be considered to be allocated to tourist areas in an adequate way for both international and domestic tourists.

2.4.3 Tour Operators and Agencies

State owned enterprises

Major tour operators in Vietnam are almost owned by central government agencies or peoples' committees of provinces. In Hue, Da Nang and Nha Trang, such tour companies serve both international and domestic tourists.

Private tour companies are facing some difficulties on travel business, in terms of financing, limitation of tour business and barriers to start tour businesses.

Tour guide

Tour guides play the most important role in guiding the history and culture of the Study Area. Tour guides who do not belong to a tour company cannot work. Supply of enough guides with sufficient language skill and basic knowledge is vital for all tour operators to meet the future demand for the Central Region in flexible ways.

Professional association

Currently, there is no professional association of tourism related industry. Some foreign manager of the international hotel companies mentioned that a professional association of tourism and service industry should be established. The Vietnamese government is changing the policy to approve the establishment of such professional associations now.

2.5 Infrastructure

2.5.1 Transportation

Air transportation plays a key role for international tourists. On the other hand, domestic tourists use land transportation such as a bus and train. Major ports in Vietnam start accepting international cruise ships. This section shows major characters of existing transportation.

Accessibility by air transportation in the Central Region

Table 2.5.1 shows evaluation of the accessibility of each province by air transportation. It is evaluated by time-distance from the nearest airports and by frequency of air flight from international gateways, Hanoi, HCMC and Da Nang. The result of evaluation is summarized as follows;

- Because of frequent domestic flights from HCMC airport, Binh Thuan is one of the easiest accessible provinces,
- In spite of existence of direct flights to Da Nang, its accessibility makes no sense because of limited flight, and
- Khanh Hoa and TT Hue are evaluated high because of their close

domestic airport and frequent flight.

Transportation in the Study Area

Land transportation facilities play the most important role for intra regional transportation. However, road condition of the trunk road in and surrounding the city is not enough to make a safe trip, due to mixed transportation modes by bicycles, motorbikes, and heavy trucks.

Water transportation facilities also play an important role in providing an access to the tourist sites. The number of the facility is limited in tourist areas such as Phuong River in Hue, Thu Bon River in Hoi An, Ham Pho River in Binh Dinh, and island access transportation in Nha Trang. In the future, the quantity and quality of these facilities should be improved to meet the future demand.

Table 2.5.1 Evaluation of Accessibility

Tourism zones	Provinces	Evaluation
North Coast (C1)	Quang Binh	C
	Quang Tri	C
	Thua Thien-Hue	B
Central Coast (C2)	Da Nang City	B
	Quang Nam	B
	Quang Ngai	B
Central South Coast (C3)	Binh Dinh	C
	Phu Yen	C
	Khanh Hoa	B
	Ninh Thuan	B
	Binh Thuan	A

Note: Evaluation criteria are set as Total evaluation is scored A=14-11 points, B=11-8 points, C=7-4 points, D=3-1 points and D=0 point. See appendix for more details.

Source: JICA Study team

Airports in the Study Area

Tan Son Nhat International Airport in HCMC, one of the most important international gateways of Vietnam, handled 1.8 million international passengers in 1998. On the other hand, Noi Bai Airport in Hanoi handled 0.55 million (24% of the total passengers) in 1998. In order to upgrade service and meet the future demand, a new international terminal of Noi Bai International Airport will be opened in December 2001. Other airports are waiting for improving the facilities such as Da Nang Airport. The airports in the Study Area are listed in Table 2.5.2.

In addition to upgrading airport facilities, sudden cancel and delay of frights are also significant issues to be solved for upgrading of tourist service.

Table 2.5.2 Airports in Vietnam

Category	Number of Airport	Major Airport	No of Passengers (2000)		Length of Runway	Notes
			Domestic freight	International freight		
Inter-national Airport	3	Noi Bai (Hanoi)	1,824,284	650,166	3,200	Operated by NAA
		Tan Son Nhat (HCMC)	3,743,050	2,292,890	3,045	Operated by SAA
		Da Nang	469,314	15,976	3,048	
Local Airport	4 (5)*	Phubai (TTHue)	147,355	-	2,700	Study area (Operated by CAA)
		<i>Chu Lai (Quang Nam)</i>	-	-	3,050	
		Phucac (Binh Dinh)	19,302	-	3,050	
		Tuy Hoa (Phu Yen)	NA	-	2,900	
		Nha Trang	155,911	-	1,860	
	3	<i>Pleik (Gia Lai)</i>	(53,278*)	-	1,830	Operated by CAA
		<i>Buon Ma Thuot (Dac Lac)</i>	32,706	-	1,800	Operated by SAA
		<i>Lien Khuong (Lam Dong)</i>	(38,544*)	-	2,354	Operated by SAA
	12	<i>Other major airport</i>	(127,127*)	-	-	<i>Other area</i>
Total	19		6,503,326			

Note: * Chu Lai airport is expected to develop as cargo terminal for industrial zones in future. (*) Figures are in 1998. NAA = Northern Airport Authority, CAA = Central Airport Authority, SAA = Southern Airport Authority

Source: Civil Aviation Authority of Vietnam

Railway and tourist train

Vietnam Railway (VR) has about 2,600 km of a railway network, which is single track and composed of two types of gauge (1,000 mm, 1,435 mm). It is difficult to speed up and convey heavy freights due to many curves and steep grades.

In spite of slower transportation than other land transportation, trains offer relaxing way to get some major tourist sites. VR has been rapidly upgrading the facilities to accommodate tourists with air-conditioned sleeping berths for luxury classes. At present, some companies run services and offer up-market train service between Hanoi-Saigon and Hanoi-Sapa by Victoria Hotels and Resorts and Hanoi Railway Tourist Service Company in cooperation with VR.

Table 2.5.3 Major Tourism Trains

Destination	Schedule	Time	Operation	Reference
Hanoi - Sapa	3/week	10 hrs	Victoria Hotels and Resorts	Restaurant coach, sleeping coach with air-con
Da Nang - Hue	-	-	Hanoi Railway Tourist Service Company	Restaurant coach, sleeping coach with air-con

Source: JICA Study team

Provinces accessibility by land transportation

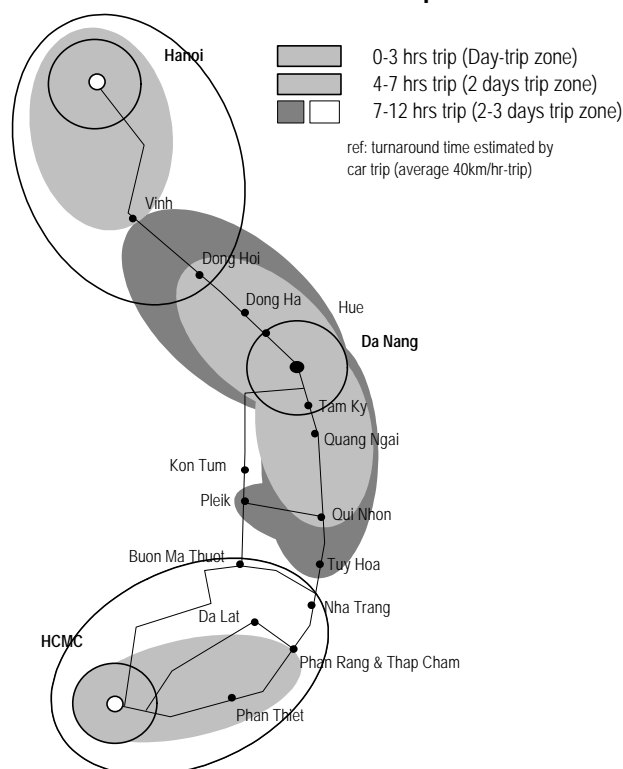
Figure 2.5.1 shows a time-distance analysis between gateways and destinations by land transportation. The output of the analysis is described below.

- Da Nang covers TT Hue and Quang Nam as a day-trip zone, but cannot cover other provinces,
- Due to their far distance from three international gateways, it takes

several days to trip to Phu Yen, Quang Binh, Khan Hoa and highland provinces,

- HCMC can cover 2 to 3 day-trip by land transportation for the southern part of the Study Area,
- Hanoi cannot cover 2 to 3 day-trip by land transport for the northern part of the Study Area, and
- Quang Binh, Phu Yen, Khan Hoa, Gia Lai, Kom Tum provinces are covered by only long overland tour or domestic air travel.

Figure 2.5.1 Time-distance of Provincial Capitals from 3 International Gateways



Note: Time-distance is estimated by the next conditions (roads in coastal area = 40 km/h, mountainous roads in highland area = 30 km/h, shortest routes with paved road are selected)

Source: JICA Study team

Ports and cruise ship

There are six commercial and industrial ports and others in the Study Area. Such ports managed by several authorities such as VINAMARINE, VINALINES, provincial governmental authorities, SOE and others function general trade port including material import-export, cargo and passenger port.

The international cruise is one of the important market sources in the Study Area. Several international cruise-ship companies operate cruise programs visiting Vietnam such as HCMC, Nha Trang, Da Nang, Halong Bay. However, it is necessary to generally concern that cruise tourism would not contribute so much to the regional economy in comparison with other tourism activities owing to self-sustained tourism services on the board and force to prepare many tourist

service facilities in only peak time.

Table 2.5.4 Major Sea Ports and International Passengers in Vietnam

	Port Name	Major role	Operation	Cruise Passenger
North	1.Quang Ninh	Import/Export port	VINALINES	72,304
	2.Hai Phong	Import/Export port (general-cargo)		1,671
	3.Nghe An	Import/Export port	Local Gov.	-
Central	1.Thua An	Local port	Local Gov.	0
	2.Chan May	Under construction	-	-
	3.Da Nang	Import/Export port	VINALINES	57,477
	4.Dung Quat	-	-	-
	5.Quy Nhon	Import/Export port	VINAMARINE	450
	(VINASHIN)	Dock port JV with HYUNDAI	VINASHIN	-
	6.Nha Trang (Cam Ranh)	Import/Export port Naval base operated by Russia	VINAMARINE -	3,206 -
South	1.Saigon	Import/Export port (agriculture)	VINALINES	18,887
	2.Vung Tau	-	-	-
	3.Can Tho	Export port (cultivation)	VINALINES	-

Note: Figures of cargo are in 1998, VINAMARINE = Vietnam National Maritime Bureau, VINASHIN = Vietnam Shipbuilding Industry Corporation, Passengers of Cruise Ships are in 2000.

Source: The Study on the National Transport Development Strategy in Vietnam, JICA

2.5.2 Utilities

Water supply

In each province, a piped water supply system has been developed by Water Supply Companies in the urban area. Normally, a coverage ratio is low. Other rural area highly depends on the groundwater from individual or communal. The condition is the same for remote tourism accommodation facilities.

Electric power supply and telecommunication

In the Study Area, electric power supply networks cover 72% of the total households. The national grid system in the Study Area is improving, and little behind in comparison with the Southern Region.

Telecommunication service in Vietnam has noticeable achievement in recent years, especially with the modern basic service and cellular service network. Both the electric power supply and telecommunication service will meet the future demand for a while.

Environment and sanitary infrastructure

Some pollution in the Study Area has been reported. In order to achieve sustainable tourism development, adequate sanitary and solid waste management, which have not yet established in the Study Area are urgently required.