



## Seminar on Integrated Development Strategy for Danang City and Its Neighboring Area (DaCRISS)

### Situation Analysis and Development Strategies for the Central Focal Economic Zone (CFEZ)

May 29<sup>th</sup> 2009  
DOT – Danang City  
JICA Study Team

## □ Purpose of the Seminar

- to present a brief progress of the Study
- to identify main problems and issues facing the CFEZ
- to discuss vision and long-term growth and development strategies of the CFEZ
- to discuss role-sharing among provinces in the CFEZ on identified strategic development agenda
- to explain the next steps

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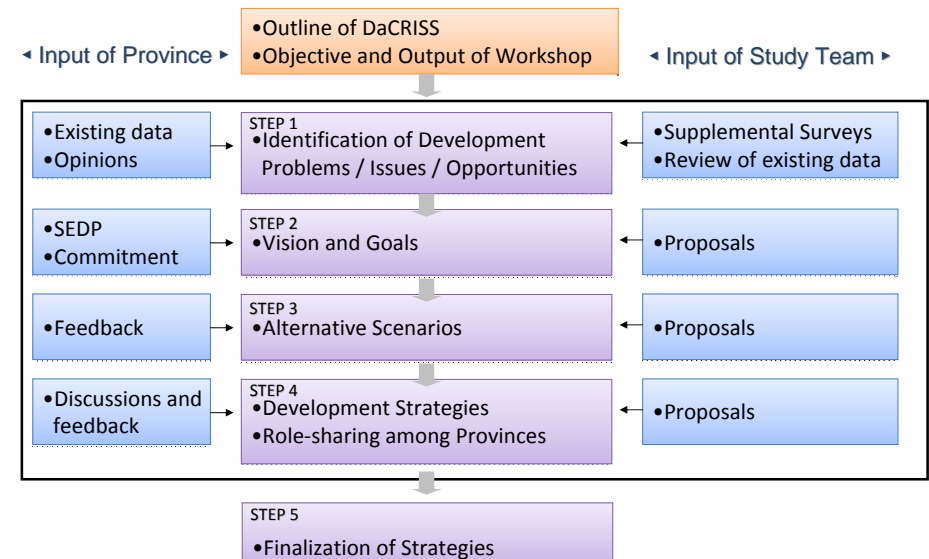
## □ DaCRISS and Its Overall Progress

- Supplemental surveys (Household Interview Survey, Commune Survey, Establishment Survey, Tourist Interview Survey, Traffic / Transport Survey)
- Field Visits
- Meetings/Interviews
- Technical Working Group Meetings
- Counterpart Team Meetings
- Situational Analysis
- Discussions on Long-term Development Strategies
- Provincial Workshops
- Preparation of Progress Report

Year/ Month	TASK / WORK ITEMS	SC. Report Seminars
2008/6	<b>Task1:</b> Preparatory Work	Inception Report 1 <sup>st</sup> S/C
7	<b>Task2:</b> Collection of Necessary Data and Analysis of Existing Conditions	
8		
9	<b>Task 3:</b> Vision and Strategies	
10	<b>Task 4:</b> Urban Development Master Plan (2025)	2 <sup>nd</sup> S/C Seminar (1) Progress Report
11		
12	<b>Task 7:</b> Strategic Environmental Assessment	
2009/2-2	<b>Task 5:</b> Urban Transport Program	3 <sup>rd</sup> S/C Seminar (2) Interim Report
3,4		
5	<b>Task 6:</b> Sustainable Urban Environmental Program	
6	<b>Task 8:</b> Implementation Plan (2015)	4 <sup>th</sup> S/C Seminar (3)
7		
8	<b>Task 9:</b> Capacity Development	Draft Final Report 5 <sup>th</sup> S/C Seminar (4)
9		
10		
11		Final Report

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## □ Framework of Provincial Workshops Conducted

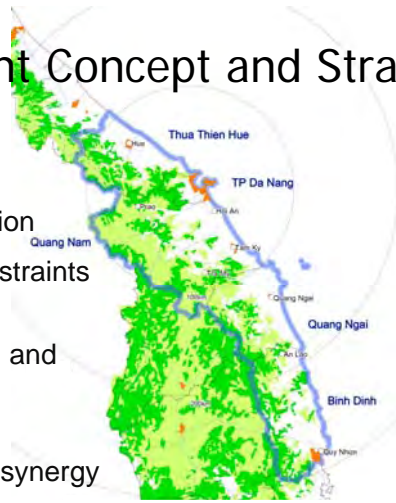


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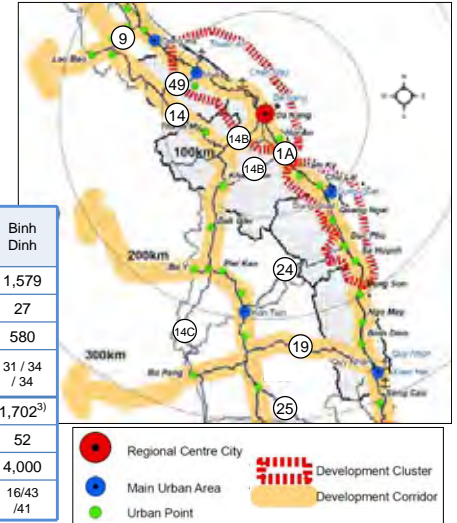
# Regional Development Concept and Strategy

- Current development orientation
- Analysis on development constraints and opportunities
- Proposed development vision and strategies
- Possible role-sharing among provinces for development in synergy



## Development Orientation in the Current SEDPs

- Developing the comparative advantages of the Central Region (infrastructure, inter and intra regional cooperation)
- Pursue economically, socially, and environmentally sustainable development



	Indicator	Da nang City	T.T. Hue	Quang Nam	Quang Ngai	Binh Dinh
'07	Population (000)	807	1,145	1,490	1,311	1,579
	Urban Population (%)	87	35	19	15	27
	GDP/capita (US\$)	1,170	563	530	471	580
'20	Population (000)	1,369	1,357	1,783 <sup>3)</sup>	1,506 <sup>3)</sup>	1,702 <sup>3)</sup>
	Urban Population (%)	100	70	35-38 <sup>1)</sup>	18 <sup>2)</sup>	52
	GDP/capita (US\$)	4,965	4,000	1,500 <sup>1)</sup>	859 <sup>2)</sup>	4,000
	Employment (1/2/3) (%)	44 / 4 / 52	37 / 20 / 43	38 / 26 / 36	37 / 30 / 34	31 / 34 / 34
	Employment (1/2/3) (%)	2/43 /56	5/47 /47	15/44 /41 <sup>1)</sup>	17/50/ 33 <sup>2)</sup>	16/43 /41

1) 2015 figures based on SEDP up to 2015  
 2) 2010 figures Based on SEDP up to 2010  
 3) Estimated

## Current Situation of CFEZ Provinces

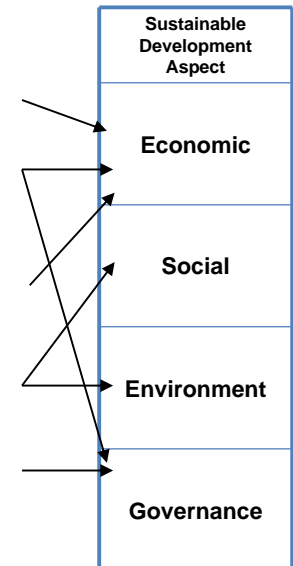
	Da Nang City	T.T. Hue	Quang Nam	Quang Ngai	Binh Dinh	CFEZ		
Area (km <sup>2</sup> )	1,283	5,065	10,409	5,153	6,039	<b>27,949</b>		
Population (000)	807	1,145	1,490	1,311	1,579	<b>6,332</b>		
% of Urban Population	87	35	19	15	27	<b>31</b>		
Population Growth 02-07 (%/year)	Urban	3.58	3.91	5.75	3.33	2.15	<b>3.60</b>	
	Rural	-7.07	-0.42	-0.09	0.55	0.11	<b>-0.15</b>	
	Total	1.71	0.96	0.89	0.93	0.63	<b>0.95</b>	
GRDP	VND billion	15,107	10,314	12,630	9,885	14,649	<b>62,585</b>	
	Growth (% per year)	12.3	10.7	11.4	10.7	9.9	<b>11.5</b>	
	VND thousand / capita	18,726	9,006	8,479	7,538	9,278	<b>9,884</b>	
FDI (00-07 1)	Number of Projects	536	44	66	13	31	<b>690</b>	
	US\$ mil	4,751	443	558	863	363	<b>6,979</b>	
Trade	Import (US\$ mil)	522	55	212	20	142	<b>951</b>	
	Export (US\$ mil)	470	81	176	58	327	<b>1,112</b>	
Tourism	No of Tourists (000)	Foreign	50	636	892	17	35	<b>1,629</b>
		Domestic	20	667	698	244	352	<b>1,981</b>
	Receipt (US\$ mil) 2)		32	39	28	4	4	<b>108</b>

Source: Most is 2007 data from Statistical Yearbooks, except the following data listed below.  
 1) 2003-2007 data for Quang Ngai, 2002-2007 data for Binh Dinh  
 2) 2006 data for Binh Dinh

## Main Issues Identified in Provincial SEDPs

### ◀ Danang City ▶

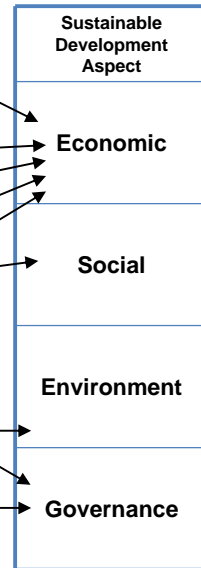
- low economic growth due to failure in tapping potential and advantages
- slow implementation of infrastructure and FDI projects
- low technology level, resulting in small production scale and low competitiveness of products
- environmental pollution
- heavy reliance of city revenue from land development
- others



## ■ Main Issues Identified in Provincial SEDPs

### ◀ Thua Thien Hue Province ▶

- low competitiveness of provincial products
- low level of GRDP (81% of national average)
- low level of FDI
- poor rural infrastructure
- insufficient financial savings
- rapid degradation of natural resources due to intensive agricultural development
- unclear division and insufficient reform of administration
- others

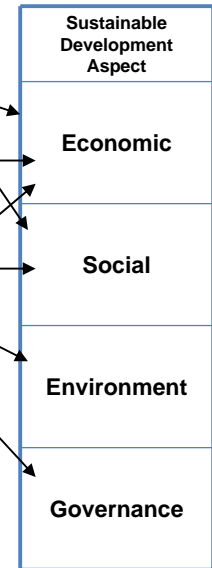


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## ■ Main Issues Identified in Provincial SEDPs

### ◀ Quang Nam Province ▶

- poor infrastructure
- difficulties in transporting of goods / commodities internally and externally due to mountainous topography
- low level of human resource capacity
- vulnerability against natural disasters
- lack of adequate institutions and clear policy
- others

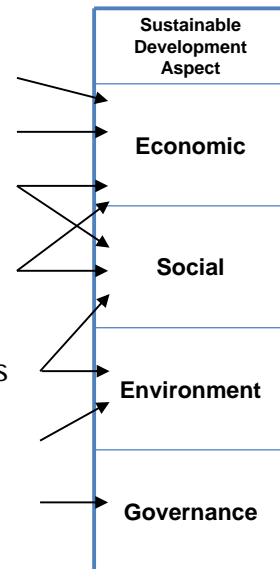


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## ■ Main Issues Identified in Provincial SEDPs

### ◀ Quang Ngai Province ▶

- weak local economy
- low productivity of agriculture sector
- high poverty rate in households
- lack of competent technical / scientific human resource and skilled labour (10.7%)
- vulnerability to flood due to heavy rains
- mountainous topography
- heavy dependence on subsidy from state budget (70%)
- others

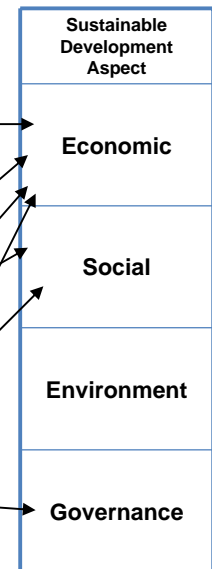


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## ■ Main Issues Identified in Provincial SEDPs

### ◀ Binh Dinh Province ▶

- underutilization of resources and potentials, resulting in slow economic growth
- slow change in labour structure (70% in agriculture)
- remoteness from economic centres (Hanoi and HCMC)
- lack of skilled labour and high quality human resource
- limited resource for investment and development
- others



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## ■ Current Situation Identified by Commune Survey in CFEZ

Province		Danang City	Thua Thien Hue	Quang Nam	Quang Ngai	Binh Dinh	CFEZ	
Coverage of Services (%)	Primary Health Care	97	94	97	84	100	<b>94</b>	
	Education	Primary	98	92	95	93	100	<b>95</b>
		Secondary	98	84	91	89	96	<b>90</b>
	Piped Drinking Water	72	62	65	41	51	<b>58</b>	
	Electricity	100	85	89	90	97	<b>91</b>	
	Telephone	73	48	32	20	53	<b>40</b>	
	Drainage	75	51	46	19	81	<b>59</b>	
Road Conditions	From Commune Center to District Center	Average Distance (km)	5	15	17	12	12	<b>12</b>
		Seasonal Disruption (%)	16	36	33	87	47	<b>48</b>
		Vehicle Travel Time (min)	12	27	33	35	22	<b>26</b>
	From Commune Center to Provincial Center	Average Distance (km)	8	40	75	48	67	<b>47</b>
		Seasonal Disruption (%)	11	39	25	79	36	<b>41</b>
		Vehicle Travel Time (min)	22	58	116	89	78	<b>72</b>

Source: DaCRISS Commune Survey, 2008

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## ■ Priority Infrastructure Services Identified by Communes in CFEZ <sup>1)</sup>

Service		Danang City	Thua Thien Hue	Quang Nam	Quang Ngai	Binh Dinh	CFEZ
Infrastructure	Roads	18	24	20	32	13	<b>22</b>
	Power supply	2	5	8	13	1	<b>7</b>
	Water supply	5	11	3	3	38	<b>12</b>
	Drainage	6	7	0	0	1	<b>2</b>
Human Development	Education services	18	12	17	14	2	<b>12</b>
	Health services	6	4	18	3	5	<b>8</b>
	Vocational training services	10	13	9	7	26	<b>13</b>
Urban Land	Land for enterprises	4	4	3	7	1	<b>4</b>
	Land for housing	4	2	1	0	9	<b>3</b>
Environment	Pollution control	7	3	2	1	1	<b>2</b>
	Environmental protection	10	10	5	3	1	<b>5</b>
Policy	Provincial policy	8	3	10	14	1	<b>8</b>
	National policy	2	2	5	3	1	<b>3</b>
Total		100%	100%	100%	100%	100%	<b>100%</b>

Source: DaCRISS Commune Survey, 2008

1) Calculated based on scores given proportionate to the order of priority

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## ■ Environmental Problems Perceived by Communes in CFEZ (% who replied "Significant problem" or "Very severe problem")

Province		Danang City	Thua Thien Hue	Quang Nam	Quang Ngai	Binh Dinh	CFEZ
Groundwater Pollution		20	7	0	0	0	<b>3</b>
Surface Water Pollution		18	8	0	0	0	<b>3</b>
Saline Intrusion		2	4	0	0	1	<b>1</b>
Soil Pollution		2	3	0	0	0	<b>1</b>
Solid Waste		7	2	0	1	0	<b>1</b>
Air Pollution		18	9	0	4	0	<b>4</b>
Deforestation		5	20	5	9	9	<b>10</b>
Soil Erosion		5	22	4	8	3	<b>8</b>
Landslide		11	34	3	6	2	<b>10</b>
Flooding	Gradual Inundation	5	34	2	35	36	<b>23</b>
	Flash Floods	13	25	12	19	5	<b>15</b>
	Storm Surges	7	5	0	1	0	<b>2</b>

Source: DaCRISS Commune Survey, 2008

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## ■ Development Constraints Perceived by Communes in CFEZ (% who replied "Major obstacle" or "Severe obstacle")

Province		Danang City	Thua Thien Hue	Quang Nam	Quang Ngai	Binh Dinh	CFEZ
Infrastructure and Service Factors (%)	Road Access	20	24	50	43	20	<b>35</b>
	Power Supply	2	13	45	36	1	<b>25</b>
	Water Supply	14	60	10	55	87	<b>46</b>
	Drainage	41	19	4	46	0	<b>18</b>
	Education Services	4	16	46	14	4	<b>22</b>
	Health Services	9	16	48	18	4	<b>23</b>
Required Inputs to Facilitate Development (%)	Land for Agricultural Production	29	8	11	11	60	<b>22</b>
	Land for Housing	16	3	15	1	20	<b>11</b>
	Land for Enterprises	30	7	25	13	8	<b>16</b>
	Skilled Labor	50	68	66	91	91	<b>76</b>
	Knowledge and Capacity of People	38	70	67	97	53	<b>69</b>
	Access to Credit	21	39	55	98	15	<b>51</b>
Price of Physical Inputs	50	20	44	92	6	<b>43</b>	

Source: DaCRISS Commune Survey, 2008

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## Development Opportunities Identified by Communes in CFEZ (% who replied "High potential" or "Very high potential")

Province	Danang City	Thua Thien Hue	Quang Nam	Quang Ngai	Binh Dinh	CFEZ	
Agricultural Products	Crops	13	16	36	10	1	18
	Livestock	9	7	28	13	22	18
	Aquacultural	13	28	9	16	15	16
	Forestry	11	28	43	37	36	35
Processing Agricultural, Aquacultural, and Forestry Products	13	17	8	28	15	16	
Mining and Other Extractive Industry	4	13	4	15	0	7	
Household Craft Industry	16	11	15	14	20	15	
Tourism	Mass	9	16	6	2	1	6
	Eco	23	28	13	3	35	19
Manufacturing Industries	7	3	5	13	2	6	
Construction	4	3	3	16	13	8	
Shops / Commercial	38	34	13	28	25	25	
Other Services	25	26	8	4	25	15	
Other Industrial	23	1	3	2	0	3	

Source: DaCRISS Commune Survey, 2008

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## Assessment of the Region (Summary)

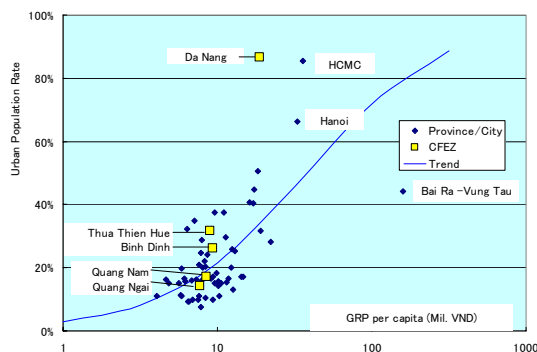
### ◀ Weakness and Threats ▶      ▶ Strength and Opportunities ▶

- Small local market (small population & low income)
- Distance from growth centres (NFEZ, SFEZ)
- Poor integration between provinces
- Inadequate infrastructure
- Unknown to the world
- Vulnerability to natural disasters
- Degrading environment
- Lack of qualified human resource
- Rich natural / cultural resources
- Strategic location in the country and GMS region
- High potential for tourism
- Strong policy commitment of the Government for growth and poverty reduction
- Potential quality human resource

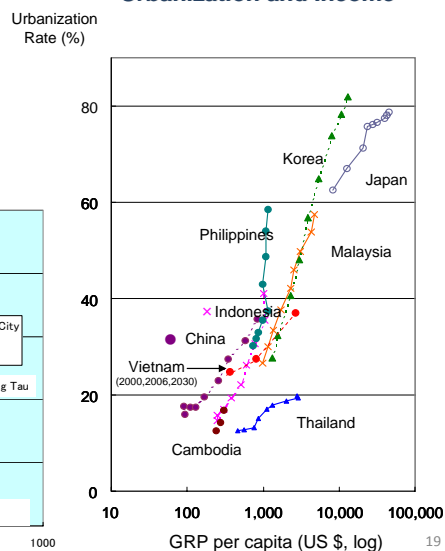
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## Impacts on the Development of CFEZ

- Urbanization
- Industrialization
- Economic growth
- Motorization
- Globalization (WTO)



### Urbanization and Income



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## Impact of Urbanization: Movement of the People in CFEZ

Increasing: 162,000 or 27,000/year (1999-2005) and 163,000 or 54,000/year (2005-2008)

Province	From	To									
		Danang City		T.T. Hue		Quang Nam		Quang Ngai		Binh Dinh	
		99-05	05-08	99-05	05-08	99-05	05-08	99-05	05-08	99-05	05-08
Other FEZ	SFEZ	20.9	16.3	21.2	24.4	22.2	13.0	19.6	19.4	20.3	13.1
	NFEZ	3.8	3.4	9.2	10.3	1.1	0.6	1.8	1.8	0.1	0
CFEZ	Danang City	53.4	44.5	21.8	17.3	12.5	11.9	17.6	16.8	6.9	5.3
	Hue City	1.3	1.1	18.6	15.2	0.6	0.2	2.1	1.9	0.1	0
	Dung Quat	1.6	2.7	1.8	1.6	2.6	6.7	19.8	22.7	1.7	4.1
	Elsewhere in CFZ	5.3	9.0	8.2	12.3	40.7	51.8	26.8	26.1	60.6	72.1
Elsewhere in Vietnam		13.7	23.2	20.3	18.0	20.4	15.8	12.1	11.5	10.3	5.4
Total	%	100	100	100	100	100	100	100	100	100	100
	No (000)	23	20	17	23	35	31	26	25	61	64

Source: DaCRISS Commune Survey, 2008

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## Basic Development Strategies for CFEZ

### Critical Issues

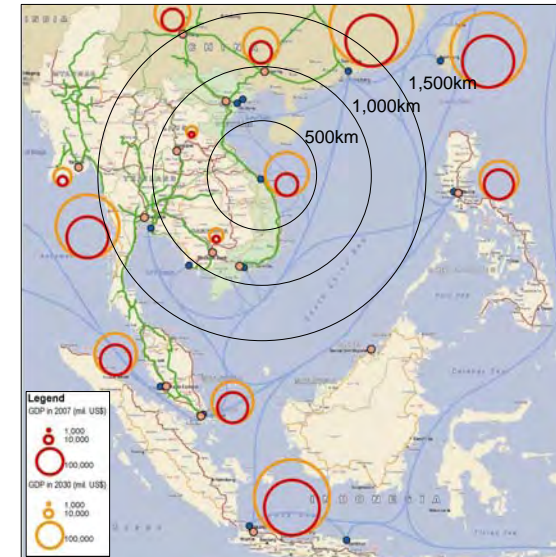
- The CFEZ is handicapped compared to NFEZ and SFEZ in many ways
- Widening gap among NFEZ, SFEZ and CFEZ
- CFEZ is the key to North - South integration
- Strength (3 world heritage sites, beaches and mountain) and potentials (marine, forestry, human resources) are not fully tapped

### Key Strategies

- Direct connection with international market** (especially via air through competitive airport and air transport services)
- Establish competitive coastal growth (transport) corridor** to strengthen connectivity and integration of provinces in CFEZ
- Accelerating urban development** and networking of Danang City and other main urban centres in CFEZ to establish competitive base for the growth of the region
- Strengthen urban – rural linkages to promote rural development
- Establish coordinated strategies** among provinces in CFEZ on economic development and regional management
- Expand central government interventions on infrastructure development to **establish competitive base for development** and policy to stimulate private sector investments

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## Strengthening Direct Linkages between CFEZ and the World



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## Integration with National Development Strategy

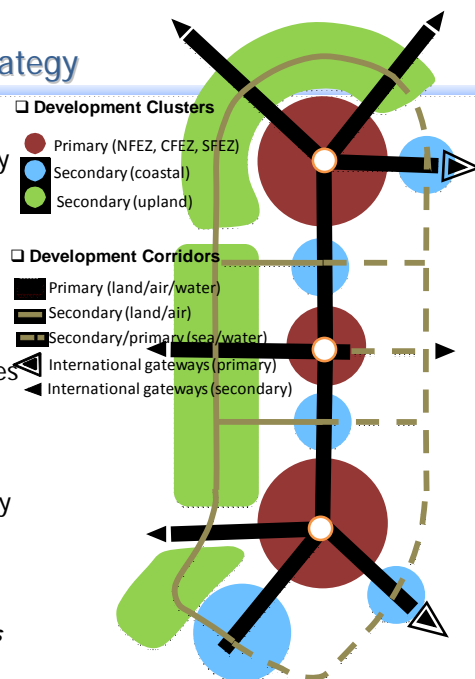
### Transportation Development

- North-South High Speed Railway
- North-South Expressway
- Roads and Railways
- Ports and Shipping
- Aviation
- Inter-modal and logistics services
- Cross-border transport

### Urbanization Policy

- Accelerated growth of secondary cities

Integration of regional development strategies with national-level policies/projects



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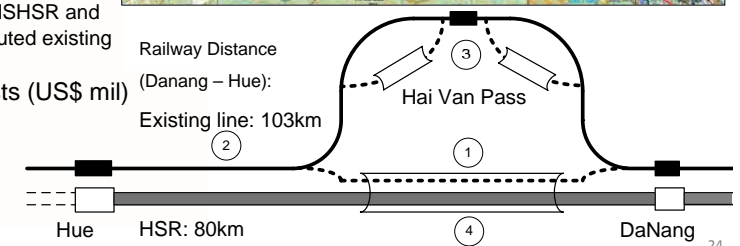
## Danang–Hue Railway Improvement Project

### Stepwise Development Strategy

- construction of new tunnel with NSHSR standard for rerouted existing railway service
- improvement of remaining Hue-Danang section of existing railway
- improvement of existing railway in Hai Van Pass section
- development of NSHSR and relocation of rerouted existing railway to ③

### Estimated Costs (US\$ mil)

- 1,535 (single track)
- 313 (double track)
- 415 (double track)
- 1,459 (double track)

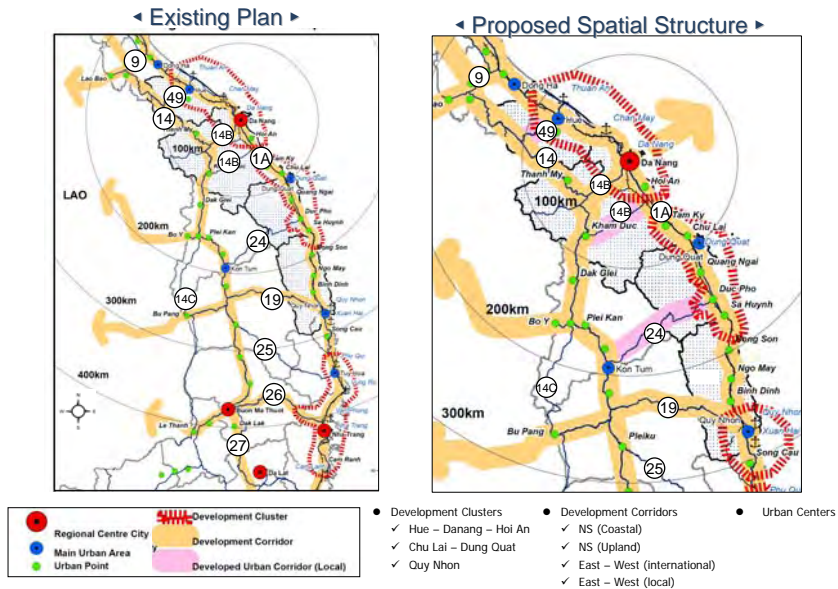


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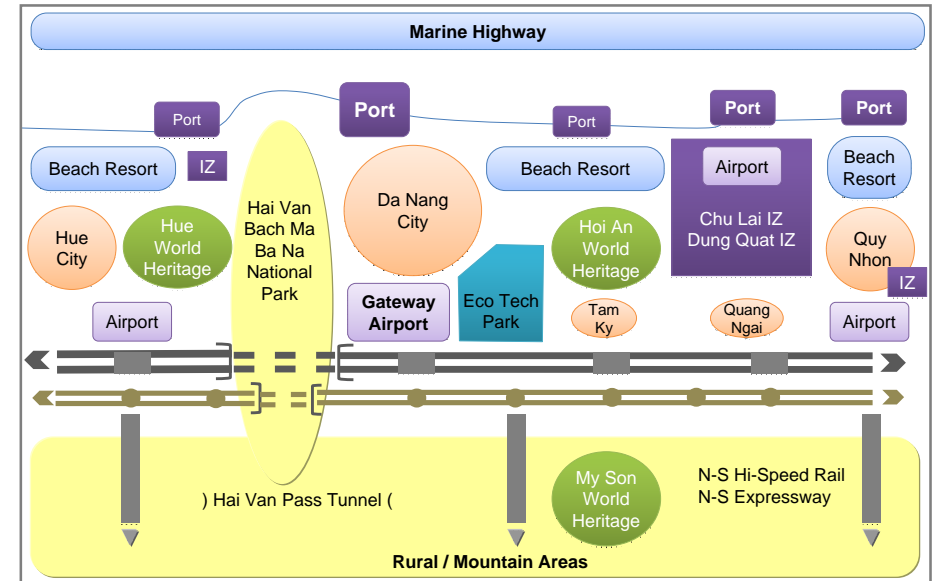
## Alternative Scenario for Development

### Spatial Structure of the CFEZ Region



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## Concept on Integrated/Coordinated Development of CFEZ



## Rapid Assessment of Development Scenario

Sustainability Index		Scenario 1 : Baseline (Do Nothing)	Scenario 2 : Existing Plan	Scenario 3 : Enhanced Integration
<b>Economic</b>	<ul style="list-style-type: none"> <li>• Global competitiveness</li> <li>• Complimentality in Vietnam</li> <li>• CFEZ integration</li> </ul>	1	2	3
<b>Social</b>	<ul style="list-style-type: none"> <li>• Poverty free</li> <li>• Reduction in inequality</li> <li>• Access to services</li> </ul>	1	2 - 3	3
<b>Environment</b>	<ul style="list-style-type: none"> <li>• Ecology protected</li> <li>• Pollution free</li> <li>• Disaster preparedness</li> </ul>	1	2	2 - 3
<b>Governance</b>	<ul style="list-style-type: none"> <li>• Good management</li> <li>• Financial sustainability</li> <li>• Community involvement</li> </ul>	1	2	2 - 3

Note: 3: Significant, 2: Moderate, 1: Insignificant

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## Proposed Vision

- To develop economically competitive, socially harmonized and environmentally sustainable region through much enhanced inter-provincial coordination

- Economic Development
- Ecological balance
- Ethnological harmonization

through

- Technology oriented solutions
- Enhanced environmental management
- Cultural value preserved
- Human resource developed
- Strategic infrastructure provided

**“Eco-Techs Region”**

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## Development Strategies and Role-sharing

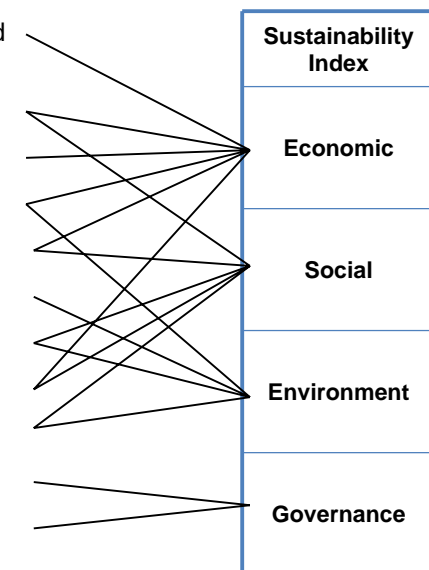
- Spatial Integration : international, national, provincial and local levels
- Sectoral Integration : economic, social, environmental, urban-rural, infrastructure-service, ...
- Institutional Integration : Central-local government, inter-provincial, inter-department, public-private, ...

- Maximize potentials through **"integration"** to enlarge and strengthen capacity of and as the region
- **"Appeal to the world"** to promote investment (capital, technology, visitors)
- Provide more **"active Central Government intervention"** for take-off before establishing sustainable growth

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## Main Development Agenda of CFEZ

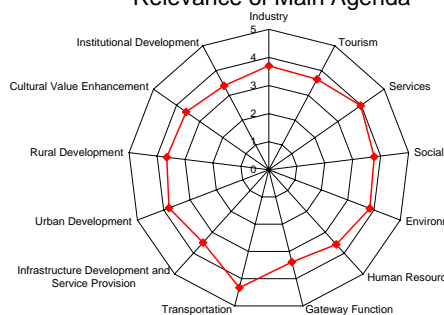
- Strengthening gateway function and intra-CFEZ connectivity
- Tourism development
- Industrial development
- New business development
- Human resource development
- Environmental management
- Cultural value enhancement
- Urban development
- Rural development
- Investment promotion
- Inter-provincial coordination



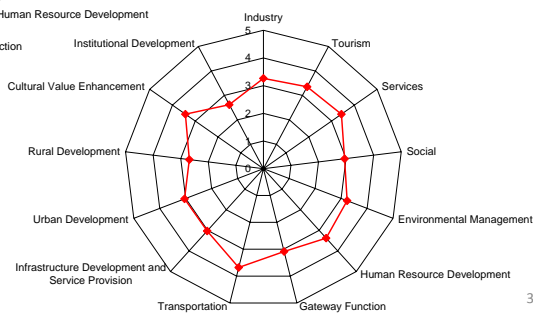
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## Inter-provincial Coordination in CFEZ

Relevance of Main Agenda



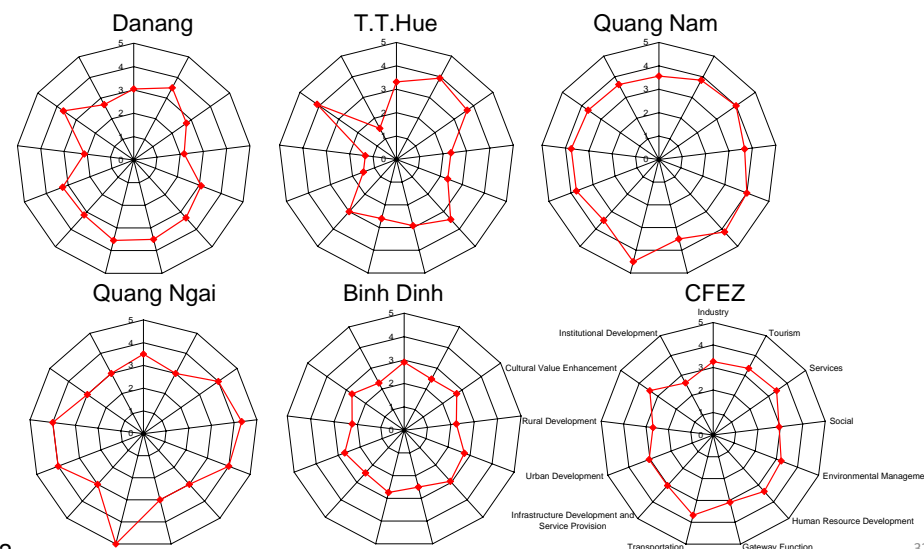
Need for Interprovincial Coordination



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## Inter-provincial Coordination in CFEZ

Need for Interprovincial Coordination



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## ■ Possible Role-Sharing Among CFEZ Provinces from the Viewpoint of Integrated CFEZ Development

Main Agenda	T.T. Hue	Danang City	Quang Nam	Quang Ngai	Binh Dinh	
Gateway Function	B	(A)	B	(A)	B	
Strategic Development Themes	Tourism	(A)	(A)	(A)	A	A
	Industry	B	B	B	(A)	B
	Services	A	(A)	B	A	A
	New Business (health, education)	B	(A)	A	B	B
	Human Resource Dev.	A	(A)	A	A	A
	Environmental management	A	A	A	A	A
	Cultural Value Enhancement	(A)	B	(A)	B	B
Urban Development	A	(A)	A	A	A	
Rural Development	A	B	A	A	A	

(A) : Regional role, A: Main role, B: Secondary role

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## ■ Elaborated Role-sharing for Selected Strategies (Example)

- ① **Respond to existing demand and needs** of communes (provinces)
  - Formulate step-wise comprehensive infrastructure development program for the region for external funding (CFEZ, CG)
- ② **Attend common issues among provinces** in the region such as human resource development, capacity building, access to credit, etc. (CFEZ)
  - Leverage major national transport projects such as NSHSR, Expressway, etc. (CFEZ)
  - Expand international direct air connection with main cities in Asia as well as international shipping services (CG, Danang)
- ③ **Strengthen international access to market**, information, technology and investment through expanded air and maritime transport and information system (CFEZ)
  - Exploit east-west corridor demand (CG, Hue, QN, BD)
  - Strengthen telecommunication services (CFEZ, CG)
  - Strengthen intra-regional connectivity through network development (Provinces)
  - Promote industries (CFEZ, QN, 'QN)
- ④ **Establish complementary role of the CFEZ** lead by Danang in growth strategy rather than competing NFEZ and SFEZ through new type of economic development opportunities (CG, CFEZ)
  - Expand tourism in coordination among provinces especially eco and culture tourism (CG, CFEZ, Provinces)
  - Promote agricultural production matching potential of provinces (Provinces)
  - Promote handicraft industry (CFEZ, Provinces)
  - Promote private sector SMEs in commercial and service sector (CFEZ, Provinces)
- ⑤ **Strengthen inter-provincial coordination** for strategic sector such as tourism, environment, transport, coastal management... (CFEZ, Provinces)
  - Exploit new types of industries such as human resource development, R&D, environmental business... (CG, CFEZ)

Note: CG=Central Government, QN=Quang Nam, 'QN=Quang Ngai, BD: Binh Dinh

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## ■ NEXT STEP

- Revise the draft Progress Report based on the comments received from Provinces
- Discuss the revised Progress Report in the Steering Committee

*End*

*... thank you for your attention.*

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Hoi An International Symposium  
-10 years of being the World Cultural Heritage-



## Tourism Sector Development Strategy for Central Region



16 August 2009  
Hoi An City Hall

JICA Study Team Leader for DaCRISS  
Shizuo IWATA, Dr. Eng.



## Topics

- Outline of DaCRISS
- Strategy for Sustainable Development of Central Region
- Rapid Assessment of Tourism Sector
- Sustainable Tourism Development in Central Region
- Proposed Strategies
- Conclusion




### DaCRISS (Danang and Central Region Integrated Strategy Study)

- A technical assistance of JICA (Japan International Cooperation Agency)
- Objectives
  - To formulate integrated development strategies for Danang City and its neighboring provinces (Thua Thien Hue, Quang Nam, Quan Ngai, and Binh Dinh)
  - To formulate an urban master plan for Danang City up to 2025
- Current Progress
  - Study commenced in June 2008 and is ongoing.
  - Proposed development strategies have been discussed in provincial workshops and Steering Committee meetings.
  - Draft Master Plan for Danang City is being prepared.

### Strategy for Sustainable Development of CFEZ\*

#### ◀ Spatial Structure for CFEZ ▶

- Constraints
  - Small market (6 million population)
  - Vulnerability to disasters
  - Distance from growth centers
- Opportunities
  - Rich natural and cultural resources
  - Strategic location in Vietnam and GMS
  - Potential as human resource pool
- Strategies for Growth
  - Direct connection with the world
  - "Tourism", "Environmental business", and "Human resource development" as core industries
  - Regional integration (interprovincial coordination and Intra-provincial connectivity)



■ 3 development Clusters  
■ Development Corridors  
• North-South & East-West  
• International & Regional/ Local

## Does Tourism Contribute to Sustainable Development?

### Economic Sustainability

- Local economy benefited?
- Local employment increased?
- Linkages with local industries established?

### Social Sustainability

- Conflict with community avoided?
- No increase in crime?
- Benefits equitably distributed?

### Environmental Sustainability

- No damage on ecosystems?
- Traditional/ cultural value not spoiled?
- No increase in pollution?

### Management Sustainability

- Economic viability of tourism sector ensured?
- Financial viability of tourism sector ensured?
- Management mechanism and capacity provided?
- Consensus among stakeholders built?
- Commitment of the government ensured?

➡ **Need for thorough reassessment of tourism sector to provide a sound basis for formulating sustainable tourism development plans and strategies**

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## Rapid Assessment of Tourism Sector

### Strengths

- 3 World Cultural Heritages Sites and one World Natural Heritage Site
- Rich natural environment (beach, mountains, ecosystem, landscape)
- Traditional craft villages

### Opportunities

- Growing demand for tourism in Vietnam and Asia
- Active public and private sector investment
- Strategic location in Vietnam and Asia

### Weaknesses

- Poor infrastructure and inter- and intraregional connectivity
- Low quality of human resources and poor management capacity for services
- Lack of promotion skills and strategies

### Threats

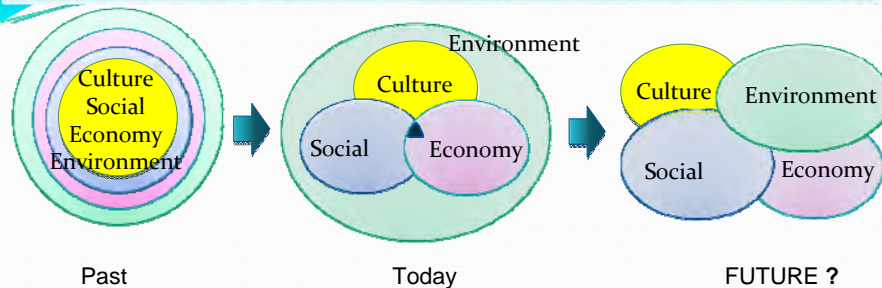
- Frequent natural disasters
- Environmental degradation
- Uncontrolled development



- Future is uncertain!
- Need to establish a strategy for sustainable development.

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## Concept of Sustainable Tourism Development for CFEZ



- Identification of "core value"
- Shared understanding of "core value"
- Establishment of preservation and development mechanism
- Practice of effective operation and management
- Monitoring

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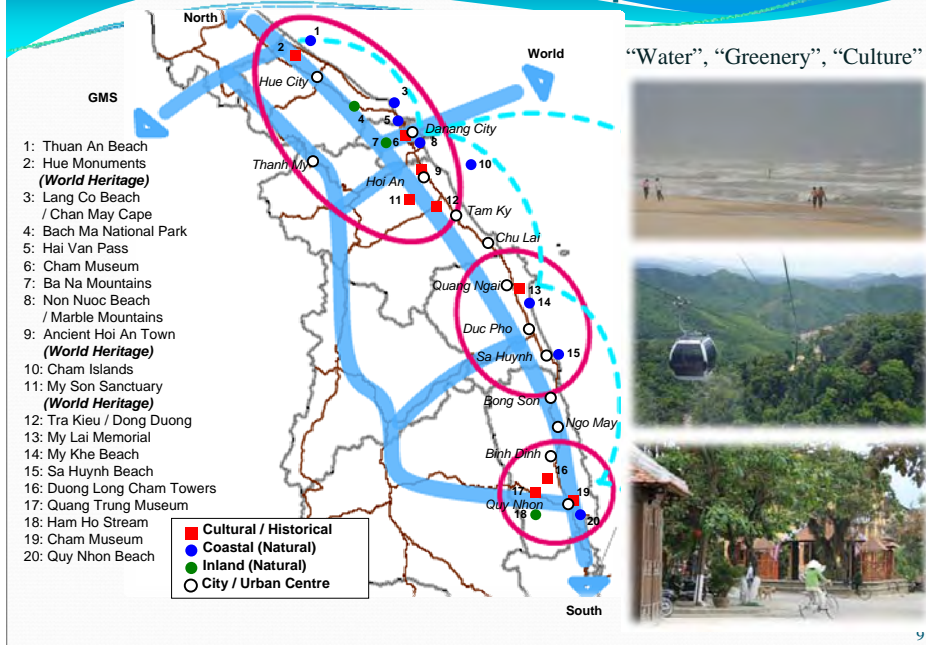
## Proposed strategies (1)

- Attractions:** Identification of Target Tourism Resources/ Products
  - World cultural and natural heritage sites
  - Traditional villages
  - Ecosystems
  - Resorts (marine, land)
- Safety and Amenity:** Improvement of Infrastructure Services at Destinations
  - Utility services (water, power, telecom)
  - **Sanitary conditions** (drainage, wastewater, garbage)
  - Operation, maintenance, management
- Accessibility:** Linking of Destinations through Adequate Transportation
  - **International direct access** (air, land, sea)
  - Connectivity with Hanoi/ HCMC (expressway, high-speed railway, domestic air)
  - **Local transportation connectivity** (World Heritage Route at regional/ international levels, tourism circuit, rural transportation)

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## Main Tourism Destinations and Transport Network



## Proposed Strategies (2)

### Promotion

- Conductive investment environment
- Coordinated sales and marketing
- Development of new products

### Development of New Products

- MICE (meeting, incentives, convention/ conference, exhibition/ events)
- Marine sports/ activities
- Entertainment/ amusement facilities
- Weekend houses
- International retirement villages

### Sector Management

- Interprovincial coordination
- Funding, user charges, dedicated taxes
- Capacity building
- Carrying capacity (traffic management)
- Comprehensive urban planning/ management for Hoi An and Hue City

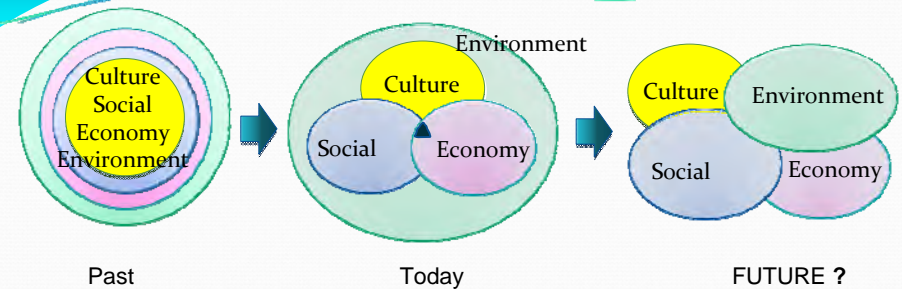
## Suggested Role-sharing for Coordinated Tourism Development

Inter-provincial Tourism Coordinating Committee (Tentative)

Type	Market		Province				
	Int'l	Domestic	Hue	Danang	Quang Nam	Quang Ngai	Binh Dinh
MICE	A	A	○	◎	○	△	△
Ecotourism	B	A	○	○	◎	○	○
Beach Resort	A	A	○	○	○	○	○
Cultural Tourism	A	A	◎	△	○	○	○
Industrial Tourism	B	A	△	○	△	◎	△

A: Highly Competitive, B: Moderately Competitive  
 ◎: Regional role, ○: Primary role, △: Secondary role

## Conclusions



- Integrity of culture, social aspect, economy, and environment is the core value; without isolation of culture.
- Coordinated effort among cities/ provinces is a must to enhance competitiveness and sustainability of tourism in the Central Region.



*Thank you for your attention!!*