



TOURISM SECTOR-WIDE IMPACT ASSESSMENT (SWIA)

Summary Of Consultation Meetings

Yangon, Myanmar – 25th/26th/27th August 2014

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II. Background to the Consultation Meetings

A. Approach of a Tourism Sector Wide Impact Assessment (SWIA)

The idea behind the Tourism SWIA is to provide an overall picture of potential positive and negative impacts of tourism on society in Myanmar for a wide range of audiences: government, parliamentarians, business, civil society, communities, trade unions and media. To do so, the SWIA looked at existing projects' impacts to identify potential key risks, particularly human rights risks, for new projects. The SWIA is not a "name and shame" document but instead anonymised research intended to draw lessons learned to help shape better policy and practice in the Tourism sector in Myanmar. It is intended to guide companies in assessing and mitigating their impacts on society and the environment, inform government law and policy relevant to the sector, and provide relevant information for community/civil society interaction with tourism companies.

B. August 2014 Stakeholder Consultations

MCRB held three consultation meetings on 25-27 August 2014 with a total of 82 stakeholders, under the Chatham House rule (i.e. no attribution of comments):

- Day 1: businesses (mostly local tour companies): 25 participants
- Day 2: international experts, international NGOs and embassies: 33 participants.
- Day 3: Myanmar civil society and community based organisations: 24 participants

The consultations focussed on the findings from field work in the country, and suggested actions that could flow from them. A summary of these findings (which will form part of the final SWIA report) was published in advance of the consultations, and is available on the MCRB website.¹ The presentations for the meetings are also available on the website. These included initial findings from an ongoing survey of recent tourists (available for completion online until 15 October²).

Participants were asked to address the following questions:

1. Do these findings sound appropriate? Have we missed key issues? Have we misdiagnosed?
2. What are the key recommendations and actions you would suggest to the different stakeholders?
3. What other initiatives are relevant to achieving better outcomes in the tourism sector that could be linked to or built on?

The discussions, and this report of the meetings, are organised into the three levels which the SWIA will address: (i) sector level and (ii) project and cumulative levels. Also included are comments on tourism in ethnic minority areas.

¹ <http://www.myanmar-responsiblebusiness.org/news/assessing-impacts-of-business-sectors-on-myanmar-society.html>

² <http://www.myanmar-responsiblebusiness.org/news/recent-tourists-survey.html>

III. Day 1 – Consultation with Tourism Businesses

A. Sector-Level Impacts

1. General Comments

Some participants

- noted that the Ministry of Hotels and Tourism has produced short and long term tourism policies, which is positive and hopefully provides some stability for the sector;
- noted that preservation of the environment, cultural sites and Myanmar culture are essential to sustaining the tourism business.
- highlighted tourism’s negative impact on education at a local level: easy money from tourism encourages children to work (selling postcards...) rather than completing school; employment opportunities in the tourism sector locally might lead to a low interest of students to study in other areas essential to the development of the Myanmar economy (i.e. medical studies, engineering...).
- encouraged MCRB to also survey tourist professionals on their view of positive/negative impacts of the tourism sector; and to engage tour companies focusing on domestic/pilgrimage tourism in discussions of responsible tourism.
- noted that land in hotel zones was acquired by businesses who did not have an interest in tourism and simply planned to resell it to an international hotel. Restricting hotels to hotel zones excluded locals from establishing small guesthouses and has restricted them to only be employees rather than owners.

Day 1 participants from business were particularly keen to discuss environmental impacts.

2. Recommendations from Participants at the Sector-Level

Stakeholder consultation/Land and Hotel zones

- To ensure security of both communities and investors, the government should clarify the legal framework on land rights/land acquisition including rules for compensation.
- Address corruption in the tourism sector around land acquisition and construction.

Environment

- Forestry Department needs to exercise more control over Protected Areas;
- There should be enhanced conservation not only for cultural heritage but also natural heritage;
- With regard to biodiversity conservation, notices were needed to inform visitors and tour guides on what is legal/illegal to collect and penalties (example of a visitor who stayed on Natmataung and collected butterflies illegally).

Sex tourism

- Revise the legal framework on prostitution and establish who should be sanctioned under the law, i.e, sex workers, clients and/or beneficiaries. Provide vocational training to former sex workers willing to engage in other activities. Provide health related information and healthcare to sex workers;
- Raise awareness of tourists on the current legal framework regarding prostitution and its consequences, through for example travel guidebooks;
- Raise awareness of businesses in the tourism sector on how to deal with instances of child sex tourism;

Children

- Raise awareness of parents, teachers and children on the rights of the child and

- importance of education for their future;
- Raise awareness of tourists/tour operators on harmful impacts of orphanage tourism;
- Develop vocational training for vulnerable children to access employment in the tourism sector.

Government Coordination

- Many of the participants noted that better coordination between government ministries is needed, in particular between Ministries of Hotels and Tourism, Culture, Construction, Railways.

B. Project and Cumulative-Level Impacts

1. General Comments

- The unprecedented increase of the number of tourists is accelerating damage to cultural/natural heritage sites without any proper measures being taken.
- The lack of appropriate conservation measures in particular of natural heritage is illustrated by the Natmataung site which would not pass a Natural World Heritage Site assessment due to poorly-planned infrastructure development (it might still be considered for a UNESCO Biosphere Reserve).
- Participants expressed concern about lack of management of cumulative environmental impacts at the local level, in particular in relation to hotel zones.
- Land speculation in relation to the tourism sector is of particular concern, again in particular in relation to hotel zones.

2. Recommendations from Participants

Culture

- The authorities should take stock of measures taken in neighboring countries to preserve cultural heritage. Attention was drawn to measures taken by the Cambodian government to preserve Angkor Wat, i.e. prohibiting access by buses to sites and not lighting up the temples at night.

Stakeholder consultation/ Land and Hotel zones/ Destination management

- Hotel zones should not be further developed in the current conditions. The establishment of hotel zones should not prevent local SMEs (who cannot afford to invest in hotel zones) from establishing accommodation outside of these zones.
- Tourism should benefit the local economy and enable locals not only to be employed as low skilled workers in the hotels but should also be given the opportunity to develop their own businesses.
- Destination management needs to be further developed to ensure infrastructure, waste management etc. are considered and planned for.
- Cumulative impacts should be addressed, including through Strategic Impact Assessments.
- International standards should be followed with regard to involuntary resettlement in the absence of appropriate rules in Myanmar. As far as possible, when land is taken, it should be replaced by another piece of land.
- Transparency in land acquisition processes should be increased.
- Establish mandatory “CSR” contribution by investors to a community- development fund administered by a multi-stakeholder group, including the communities themselves.

Environment

- Strengthen local authorities' ability to deal with environmental impacts
- Develop proper waste management plans (beyond burning and burying waste) Implement waste management plans, and proper disposal of waste water (not directly into the river)
- Hotels should encourage other businesses in their value chain to follow their standards with regard to waste water management, and educate the community;
- Implement awareness raising campaigns at the national and regional level on environmental protection and littering, in particular targeting local tourists and communities. Tourist businesses should encourage tourists to participate in environmental protection activities such as replantation. Also encourage local communities to take part in such activities.
- Install bins, maintain toilets at tourist sites. Some suggestions included:
 - Charging fees for usage of the road leading up to Natmataung to provide for this;
 - hotels sponsoring provision of bins and for regular emptying,
 - businesses participating in collection of plastic bags
 - using the Dos and Don'ts for tourists also for local communities receiving and hosting tourists.
- Raise awareness of farmers on the use of pesticides and fertilizers, for example in the Inle Lake region;
- Encourage souvenirs to be made from recycled materials at beach destinations e.g. coconut shells, low value shells and not coral, seahorse, large shells;
- Establish standards and controls for motor boats to reduce pollution including noise pollution.
- For trekking routes, the local businesses, tour guides and communities should enhance coordination and communication regarding the routes that they use for tourists to reduce the traffic and to reduce the amount of firewood used.
- Encourage use of renewable energy, i.e. solar panels and hydropower (which is very expensive for the time being). However in Ngwesaung the government had prevented hotels from using wind energy.

Labour

- Encourage training of local workers rather than recruiting skilled foreign workers;
- Establish grievance mechanisms to settle labour-related disputes.

Child labour

- Hotels and restaurants should be encouraged to publicize their commitments not to use child labour.
- Encourage child workers to engage in part-time jobs that enable them to continue their education.

C. Tourism in ethnic areas

1. Recommendations from participants:

- Develop education in ethnic areas to enable communities to take part in the tourism sector and benefit economically;
- Encourage ethnic minorities to express their traditional culture, and sell handicrafts to tourists;
- Promote the Dos and Don'ts for tourists visiting ethnic areas.

- Promote community-based tourism in ethnic areas including homestays and eco-lodges.
- When community-based organisations and the government are conducting training, it should be done in local languages/dialects to enable everyone's participation.
- Expedite travelling permissions to restricted areas for tourists.

IV. Day 2 – Consultation with International Organisations, International NGOs and Embassies

A. Sector-Level Impacts

1. General Comments

- Tourism is a very volatile industry, impacts need to be well-managed to not destroy the assets/attractiveness of a country as a tourist destination;
- The government is too focused on increasing tourist numbers instead of smaller numbers of high spenders;
- Participants noted that there were a number of policies in the tourism sector including on responsible tourism, however those are not tailored to the regions, there needs to be more decentralization, and local government capacity building is needed;
- Participants highlighted the key role of civil society in enabling meaningful engagement of communities, as in the current context, communities have very little capacity to participate; 'the voice of the community needs amplification';
- As foreign investors move in, they will need to partner up with local businesses, therefore enhanced transparency will be required.
- It was suggested that MCRB looks at additional issues including the impact on livelihoods of in-migration: as observed in other countries, migration of workers to tourist areas from other regions may have negative impacts in particular when women start migrating, as children's education is harmed.
- One participant had examined hotel typology in Myanmar and would be publishing a report on this in late 2014.

Recommendation from Participants

Stakeholder engagement and grievance mechanisms /Land and hotel zones

- Clarify approval and granting of permit process for construction of hotels including a time frame for approvals. Greater transparency of these processes is needed in particular to prevent corruption.
- Strategic environment assessment or EIAs can enable community consultation and prevent negative impacts;
- Consult and listen to communities' views on hotel zones;
- Wider reform of the land legal framework and of the land records management is needed, including donor support.
- Need to prevent land speculation related to the sale of land for hotel zones (and associated money laundering) through regulatory measures such as taxation of capital gain, imposition of a time-frame for building a hotel etc;
- Strengthen coordination at national and local level amongst different authorities;
- Increase support to watchdogs monitoring impacts of specific projects and civil society organisations to support local communities affected by tourism projects.

Environment

- Tourism industry needs to consider natural disaster planning (earthquakes/building codes, tsunami , cyclones)
- Fire codes are needed (possible model: US National Fire Prevention Association codes³)
- More qualified local EIA consultants are needed.
- Wildlife conservation programmes are needed.
- Coordination is needed for different civil society that working for environment – local level, national level to discuss in Naypyitaw. Hotels just ‘pop up’ – no consideration of water, electricity, waste, sewerage, etc.
- Conduct environmental policy review to identify the protection gaps;
- Raise awareness of communities and tourists on environmental protection;
- Establish finance mechanisms for environmental conservation. Increase transparency of tourism revenue management (tourist tax and entrance fees).
- Make the business case for environmental conservation.

Children

- Need awareness-raising of communities and tourism businesses including tour guides to prevent child sex tourism: ‘People have seen stuff but they don’t know what to do’. Establish a hotline (the number in the Do’s and Don’ts guide doesn’t work), link it into the police and build their capacity. Inform tourists about the prohibition and the sanctions,
- Revise the Child Law to define any person under 18 as a child in accordance with international standards;
- Awareness raising on the negative impacts of orphanage tourism. Registration / regulation and monitoring of orphanages. Tour operators and guides should adopt guidelines;
- Adopt regulations on volunteers in contact with children (e.g. Australia would require background police checks).

Sex tourism

- Envisage revision of the law on prostitution.
- Do not send sex workers to jail, provide alternative opportunities to sex workers and work against stigmatisation. Apply the law equally to all. Regulate karaoke and massage parlors. Regulation of raids and rescues is needed.

Labour

- Increase capacity for labour inspection; including child labour monitoring and inspection.
- Poaching of staff will be rife. Implementation of further vocational training is needed to increase the skills of local workers. Vocational training is also needed for high level employees to meet international standards. Recruit managers amongst Myanmar citizens working in hospitality overseas.
- Apply skills standards at vocational training centers for the hospitality sector, such as currently being developed by National Skill Standard Authority (NSSA). Promote understanding of labour rights by workers and business. Formalize employment contracts and payment for informal workers in family businesses.

³ See: NFPA.org

B. Project and Cumulative-Level Impacts

1. General Comments

- Due to the increasing number of hotel zones, cultural heritage sites are being damaged;
- A participant highlighted the risk of gentrification linked to tourism which drives prices up for locals and can be seen in many places around the world;
- The lack of capacity of local governments in particular in relation to the environment was a concern of many participants; ‘township officers receive orders from Naypyidaw and don’t know what to do’
- Constant rotation of personnel within local government was noted as an issue for ineffective tourism management.
- One participant had studied the impact of tourism on 20 villages in Inle – some benefitted economically, others had not, but suffered reduced water quality

2. Recommendations from participants

Stakeholder engagement / Land and Hotel zones

- Strengthen the capacity of local government units to manage tourism development. Need for further decentralization and support from donors on the capacity of local government. The need for Community Councils at Inle Lake was mentioned
- Enhance the coordination between businesses operating in the same area (i.e. hotel zones) with regard to services
- Expose decision-makers to neighboring countries’ experiences
- Increase coordination of authorities at local level
- B&Bs could be a good option for a destination like Putao
- Companies should exercise enhanced due diligence on land: set up processes related to land acquisition and investigate the land use/ownership through engaging a variety of stakeholders;
- Establish alternative grievance mechanisms in particular to deal with land related issues; grievance mechanisms will need to be advertised
- ‘Voluntourism’ needs careful management. It could have cultural impacts and lead to dependency of communities, and it could interfere in community dynamics.

Labour

- Comply with international best practices and ensure no child labour.

C. Tourism in Ethnic Areas

General remarks

- Security issues remain, such as for example land mines in Karen state;
- Concerns were raised about the benefits from tourism for communities in the ethnic areas if locals are not involved in tourism industry. Investors from other regions and migrant workers benefit, instead of the local community;

Recommendations

- Facilitate obtaining tour guide licenses for locals in ethnic areas without having to travel to Yangon;
- Develop homestays in ethnic regions;
- Raise awareness of locals about tourism, in particular in isolated communities, and about ways to become involved in the tourism industry and thus benefit economically.

- Reinforce the regulatory framework on construction so as to protect cultural sites;
- Reinforce decision-making power at the local level;
- Encourage multi-stakeholder coordination and co-operation on tourism development

V. Day 3 – Consultation with Myanmar Civil Society Organisations

A. Sector-Level Impacts

1. General comments

- Ethnicity and local cultures are an asset for development of tourism but are also at risk and should be preserved.
- Participants were concerned about the environmental damage linked to tourism, such as impacts related to water and fauna (fish, birds...)

2. Recommendations from Participants

Coordination and transparency

- Increase coordination between the various ministerial departments;
- Increase transparency in the use of tourism revenues and entrance fees at local level.

Culture

- Cultural buildings and sites should not be converted into hotels;

Environment

- Environmental and social standards are needed for all sizes of business and hotels.
- Businesses should pay taxes, and taxes should be spent on environmental conservation
- Tourism businesses should also pay for environmental services (PES) since they use these, e.g. Inle Lake. The amount of PES should be revised and foreign businesses should pay a higher percentage to the Myanmar government.

Sex tourism

- Do not harass sex workers and do not send them to jail;
- Revise the legal framework to enhance protection for sex workers.

B. Project-level and Cumulative-Level Impacts

1. Recommendations from Participants

Stakeholder engagement / land and hotel zones

- New destinations development should be in line with the Myanmar Tourism Master Plan
- Reform of Master Zoning Plans, Urban Zoning plans and related laws is needed'
- Increase transparency in land acquisition;
- The government should exercise control over land prices to avoid farmers selling off their land when prices increase;

- Hotel zone developers should limit damage to the soil, which could lead to erosion and landslides;
- Build the capacity of local businesses to be part of the value chain of the tourism sector; give priority to local people in recruitment. Consider including quotas for local employment in law;
- Companies of all size should implement CSR projects which benefit the communities where they do business.

Environment

- Educate visitors and communities regarding littering and waste disposal;
- Raise awareness of local farmers in Inle Lake on the impacts of the use the fertilizers and pesticides on the quality of water; raise awareness of consumers on the use of chemicals in agriculture.
- More support is needed for research in local environment and biodiversity

Labour

- Promote non-discrimination between female and male employees;
- Travel companies should adopt security and safety plans for female tour guides; something needs to be done to prevent female tour guides being perceived by locals as providing sexual services.
- Create employment opportunities for disabled people.
- Promote genuinely local employment

Child Labour

- Encourage Child workers to work part-time to allow them to attend school ;
- Encourage attendance of vocational schools for child workers;
- Do not employ children to do the same tasks as adults.

C. Tourism in Ethnic Areas

- It should be recognised that multiple ethnic cultures exist throughout Myanmar, including the cities, and in States which are not just e.g. Shan in Shan States.
- Development of tourism in ethnic areas should involve local people and different ethnic groups.