

Assessment of Skills Gaps and Potential for Entrepreneurship Development in the Tourism Value Chain in Mrauk-U, Myanmar

Participatory Value Chain Analysis Report¹

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Acronyms

ADB	Asian Development Bank
AEC	ASEAN Economic Community
ASEAN	Association of Southeast Asian Nations
BDS	Business Development Services
BSS	Business Support Services
CBT	Community Based Tourism
CSO	Community Service Organization
DHT	Directorate of Hotels and Tourism
DMA	Department of Marine Administration (under MOTC)
FDA	Food and Drug Administration
FDI	Foreign Direct Investment
FFI	Fauna & Flora International
FIT	Foreign independent travellers
FO	Front Office
F&B	Food and beverage
GAD	General Administration Department
GCI	Global Competitiveness Index
GIZ	Deutsche Gesellschaft für Internationale Zusammenarbeit
GDP	Gross Domestic Product
GYB	Generate Your Business Idea
HSF	Hanns Seidel Foundation
HTTC	Hotel and Tourism Training Center
ICIMOD	International Centre for Integrated Mountain Development
ILO	International Labour Organization
ITC	International Trade Centre
IYB	Improve Your Business
LED	Local Economic Development
LPI	Logistics Performance Index
MCCI	Myanmar Chamber of Commerce and Industry
MCRB	Myanmar Centre for Responsible Business
MDTOA	Myanmar Domestic Tour Operator Association
MFIL	Myanmar Foreign Investment Law
MHA	Myanmar Hoteliers Association
MHPA	Myanmar Hospitality Professional Association
MIC	Myanmar Investment Commission
MIID	Myanmar Institute for Integrated Development
MIL	Myanmar Investment Law
MIMU	Myanmar Information Management Unit
MOECFA	Ministry of Environmental Conservation and Forestry
MOHA	Ministry of Home Affairs
MOHT	Ministry of Hotels and Tourism
MOI	Ministry of Information
MOTC	Ministry of Transport and Communication
MRGA	Myanmar Regional Guide Association
MSEA	Myanmar Souvenir Entrepreneurs Association
MSME	Micro, Small and Medium Enterprises

MTF	Myanmar Federation of Tourism
MTGA	Myanmar Tour Guide Association
MTM	Myanmar Tourism Marketing
M&E	Monitoring and Evaluation
NGO	Non-Government Organization
NPT	Nay Pyi Taw
OBG	Oxford Business Group
OSS	One-Stop Service
PACA	Participatory Appraisal of Competitive Advantage
PEPMRTD	Project for the Establishment of the Pilot Model for Regional Tourism Development in the Republic of the Union of Myanmar
PPD	Public Private Dialogue
PSD	Private Sector Development
RTGS	Regional Tour Guide Society
SECO	State Secretariat for Economic Affairs (Switzerland)
SEDN	Socio Economic Development Network
SIYB	Start and Improve Your Business
SYB	Start Your Business
SME	Small and Medium Enterprises
SMIDB	Small and Medium Industry Development Bank
TNA	Training Needs Assessment
ToE	Training of Entrepreneurs
ToO	Training of Organizers
ToR	Terms of Reference
ToT	Training of Trainers
UMFCCI	Union of Myanmar Federation of Chambers of Commerce and Industry
UMTA	Union of Myanmar Travel Association
UNESCO	United Nations Educational, Scientific and Cultural Organization
UNWTO	United Nations World Tourism Organisation
USD	United States Dollar
VCA	Value Chain Analysis
VCD	Value Chain Development

1. Executive Summary

Since January 2014 the International Labour Organisation (ILO) is implementing the SECO funded project “Supporting Tourism in Myanmar through Business Management training” (until June 2017). In order to identify sensible development activities at local level and resources that could support their implementation, research into the domestic and international tourism value chains in Myanmar is considered necessary. For this purpose, rapid and participatory assessments have been conducted to generate sufficient information in order to identify the main opportunities and bottlenecks in domestic and international tourism value chains and to plan for actions to strengthen the sector, including but not exclusively business management training. Tourism value chain assessments of this kind had been conducted in the two beach resorts Chaung Thar and Ngwe Saung (2014), in Bagan (2015), in Kyaing Tong (2015), in Myeik (November 2016) and finally in Mrauk-U (March 2017). This report particularly describes the proceedings and results of the recent Mrauk-U tourism assessment.

The research methodology applied for all these assessments is a rapid, participatory tourism value chain and market system analysis approach, which allows for assessing economic potentials of the tourism sector and its sub-sectors, providing strategies to overcome obstacles and tap into potential, and bringing local stakeholders together in a joint effort to strengthen the tourism sector. The approach ensures that local actors are involved in a participatory way and that the analysis is conducted by a team that predominantly consists of local team members, i.e. working in the tourism sector or in its support structures in the pilot locations. The local branch of the Myanmar Hotel Association (MHA) took over the function of the host organisation in the tourism value chain analysis (VCA) in Mrauk-U. During fieldwork, information has been collected through mini-workshops, interviews, a hotel survey and a tourist survey in Mrauk-U.

The diagnostic of the strengths/opportunities and bottlenecks in the tourism value chain in Mrauk-U follows the logic of the Market System Framework, which assumes that the tourism value chain is embedded in a wider system of market supporting functions and a regulatory environment. Local team members had created a tourism value chain map as basic research instrument in a participatory way and subsequently improved the map jointly with participants in mini-workshops. The map shows the logical flow of services tourists demand and experience, like upfront provision of information, transportation, accommodation, food and beverages, entertainment, visit experiences and shopping. A special emphasis is put on analysing the legal and regulatory environment in which tourism SMEs are operating.

Statistics on tourist arrivals provided by MOHT and the Immigration Department are hugely different. However, both data sets show that 2015 was the year with the highest number of visitors during the last 4 years, i.e. 14,000 according to MOHT of which 7,370 were foreign visitors. The statistics of the Department of Archaeology in Mrauk-U go back to the year 2012 and show that between 2012 and 2014 the numbers of both international and domestic tourists was strongly decreasing. This was presumably because of the on-going Rohingya refugee crisis, which experienced a first peak in 2012, and the entailing damage to the image of Rakhine state as tourist destination. Between 2014 and 2015 the numbers were slowly growing again, but experienced a modest reduction in 2016 in line with the national trend.

Depending on the year, the share of domestic and international tourists visiting Mrauk-U is almost identical or - like in 2016 - foreigners even have predominance, which is different

compared to other tourism locations in Myanmar. The majority of tourists spending time in Bagan, Myeik or beach resorts are domestic visitors.

During the last five years, the most frequent visitors are from France, Germany, Italy and USA, followed by Australia and a few other European countries. Visitors from neighbouring countries like Thailand, China and India, although potentially interested for religious purposes, are much less frequent. Also Japanese, Taiwanese and Koreans, who visit other places in Myanmar in considerable numbers, seem to avoid Mrauk-U so far.

A few years ago, the size of the SME community in the tourism sector in Mrauk-U was considered under-critical, while security and safety risks were preventing this destination to grow according to its potential. Today the situation is different. Growth prospects are very positive and the SME sector has expanded significantly. Peace and security in the tourism destination are not an issue. Authorities at all levels (state, district and township) work on planning the development of the location, particularly with regard to its still poor accessibility. The Myanmar Tourism Master Plan is characterizing Mrauk-U as a destination that is suitable for cultural and creative tourism activities (MOHT 2013). Typical tourist activities would be sightseeing, cultural tours, festivals, heritage tours, pilgrimages, culinary tours, handicrafts, and meditation courses.

The tourism VCA has produced a comprehensive picture of challenges and opportunities local tourism SMEs and other tourism actors are facing in Mrauk-U. At the micro level, tourism SMEs in various sub-sectors are developing and growing, even though often lacking the necessary business skills. At the macro level, the Ministry of Hotels and Tourism (MOHT), the Ministry of Transport and Communication, the Ministry of Culture and other union ministries are trying to coordinate and regulate the tourism sector in a way that suits their sector-policies and interests. Tourism specific frameworks, policies, laws and regulations have been newly designed or reviewed and revised, but they are often ignored by enterprises and not enforced by the authorities. The meso level in between is hardly developed, which is particularly true for Mrauk-U. Only occasionally, the tourism association MHA (in cooperation with district MOHT) is conducting training activities designed and offered to their members. Private business service providers, such as NGOs or specialised consultancies that could train and coach growing tourism SMEs are still hardly available. Also organisations facilitating the dialogue between tourism enterprises and government are lacking.

On average, tourists visiting Mrauk-U agree or fully agree with the statement that they are pleased with their decision to visit Mrauk-U and most of them will recommend friends and relatives to visit Mrauk-U as well. Even the consideration to return to Mrauk-U in the future rates very high. All these results are excellent for a tourist destination and provide a strong indication that Mrauk-U has a great future potential, if current problems are addressed. Those problems are intensively discussed in this report and they include the lack of relevant information (tourist information centre, tourist map, sign boards), transportation options to the place (including air link), Internet access and quality, rubbish collection and clean up of the environment and a proper maintenance of the cultural and religious monuments.

Based on this analysis, the VCA team has identified 18 proposals for action that address the kind of support tourism companies and potential entrepreneurs would need directly or indirectly to develop their entrepreneurship potential and become more competitive. The set of criteria used for defining the proposal increases the likeliness that they will actually be im-

plemented. Implementation should first and foremost be driven by local stakeholders and not by outside national or international agencies. The 18 proposals are:

- Proposal 1: Tourism Business Management Training
- Proposal 2: Private Training and Hospitality Training Centre
- Proposal 3: MOHT Hospitality Training
- Proposal 4: Tourism Information Centre
- Proposal 5: Improvement of Municipal Waste Management
- Proposal 6: Clean-up Campaign
- Proposal 7: Guesthouse Owner Association
- Proposal 8: Upgrade path to Sunset / sunrise hill
- Proposal 9: New Jetty for Chin Village Trips
- Proposal 10: Loan For Trishaw Drivers
- Proposal 11: New Tourist Products
- Proposal 12: TV promotion clip
- Proposal 13: Forming Traditional Dance Team
- Proposal 14: English Language Training for Souvenir Shops
- Proposal 15: Tourism Destination Promotion Mrauk-U
- Proposal 16: Tourist Map Mrauk-U
- Proposal 17: Regular Tourist Surveys
- Proposal 18: Mrauk-U Tourism Value Chain Association

The proposals are partly targeting activities within the tourism value chain itself and partly within its supporting functions. Some of the proposed actions are considered particularly important, because they are expected to cause systemic impact through positive multiplication effects throughout the whole tourism value chain and related product value chains in Mrauk-U. This particularly includes the proposals No. 1 “Business Management Training”, No. 2 “Private Training and Hospitality Training Centre”, No. 3 “MOHT Hospitality Training” and No. 15 “Tourism Destination Promotion Mrauk-U”.

After the first way-forward workshop held on 17 March, which was discussing and planning 10 proposed activities, at least one additional way-forward workshop should take place to discuss the remaining proposals. The additional follow-up meeting with potential project champions should happen soon after the Myanmar New Year 2017 to utilize the motivation and dynamics created through the participatory tourism VCA. MHA could organize this 2nd way-forward workshop and local VCA members are able to facilitate.

Monitoring the implementation of the proposals, particularly the four more systemic activities will help to identify what works and what does not work, in order to cautiously select the right approaches for up-scaling activities to other tourist sites in Myanmar.

Myanmar is currently facing a rapid increase in tourist arrivals, which has the potential to create significant positive impacts for job creation and poverty alleviation in the tourism sector and related sectors. However some of Myanmar’s primary tourist sites like Bagan or Inle Lake are already under environmental and social pressure from effects of tourism, which is affecting the livelihoods of local inhabitants and long-term viability of these places as tourism destinations. Also in Mrauk, environmental issues are obviously surfacing that should be addressed early on. Mrauk-U still has the chance to go a more sustainable way when developing and further expanding its tourism sector.

2. Introduction and Background

Since the opening up of Myanmar, its huge tourism potential has started to translate into a rapid expansion of tourist arrivals, reflected in the observation that 30% more tourists visited the country in the first half of 2012 than in previous years, reaching an annual number of over 1 million visitors for the first time. Numbers continued increasing with over 2 million and 3 million arrivals respectively in 2013 and 2014 and more than 4 million in 2015. However, the 2016 data indicate a sharp and surprising drop from 2015 arrivals (minus 38%). The 2016 slump mainly happened at border gateways, which experienced a 52% decrease of travellers crossing the border overland. International airports only saw the small percentage of 2.2% fewer visitors arriving compared to 2015 figures. Besides typical tourists, the tourist arrival data include day visitors, business people, returning Myanmar Nationals and other non-tourists entering on a tourist visa. The share of visitors – mostly day visitors - entering via border gates, particularly from the Eastern neighbours Thailand and China, is growing rapidly. While in 2012 only 44% of international tourists entered through border gates, in 2015 it reached 72% (MOHT 2016) and then again decreased to 56% in 2016. Among the approximately 1.273 million arrivals at international airports in 2016, 68% came from other Asian countries, 19% from Western Europe and 7% from North America (see Table 13 in Annex 7). Despite the 2016 slump in international tourist arrivals, the tourism potential of the country is considered to remain high. The Myanmar Tourism Master Plan, under the conservative growth scenario, forecasts that annual tourism receipts could potentially rise up to \$1.8 billion by 2015 and \$3.8 billion by 2020.

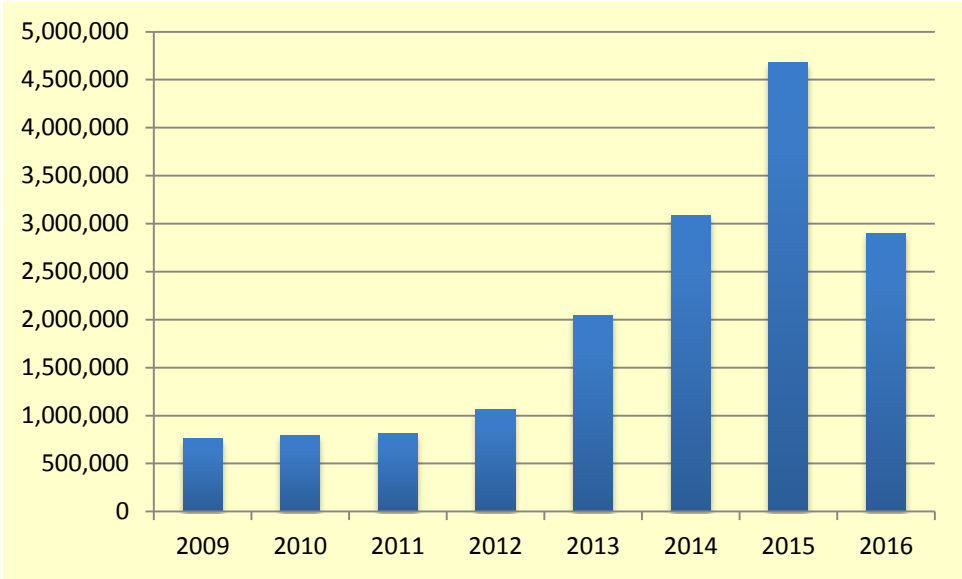


Figure 1: International Traveller Arrivals in Myanmar 2009-2016
Source: MOHT 2017

Since January 2014 the International Labour Organisation (ILO) is implementing a 3.5-year SECO funded project called “Supporting Tourism in Myanmar through Business Management training”. The project tries to ensure that gains from rapidly expanding tourism also flow to local communities, including disadvantaged groups among them. The project is collecting and processing data, information and intelligence on skills-related and other constraints affecting entrepreneurs in the Myanmar tourism sector. It facilitates the integration of the findings at the local, regional and national policy levels in line with the Government of Myanmar’s Tourism Master Plan. In terms of direct support, it focuses on supporting the set-up

of a system of SME management training and complementary business support services (BSS) that can be up-scaled across the country, using established ILO methodologies.

Given the specific characteristics of the tourism service sector, however, deeper research is required into the domestic and international tourism value chains in Myanmar in order to identify key constraints and opportunities as well as entry points for action for decent work. It will achieve this by promoting entrepreneurship and enhancing the capacities of BDS providers in Myanmar to effectively provide business management training to entrepreneurs.

2.1 Objective and Scope of the Assessment

For this purpose, the ILO tourism project has decided that specific assessments will precede further project activities, by building an evidence base in different tourism locations and generate understanding on what might work and what might not work when trying to strengthen entrepreneurs operating in the tourism sector.

One of the key objectives of the Myanmar Tourism Master Plan (1.3.) aims at strengthening tourism information systems and metrics. One of the main activities (1.3.4) to reach that objective consists in strengthening tourism value chain analysis (VCA). These studies analyse sub-sectors within the domestic and international tourism value chains and identify skills gaps and other possible shortcomings. The results of the research are used to inform the project's advocacy work, aimed at creating awareness on tourism entrepreneurship among policy makers. The study also informs on ways to provide direct technical assistance to policy development and strengthening entrepreneurship, thus significantly improving the implementation design of ILO's tourism project in Myanmar.

The principal aim of the tourism value chain assessment in pilot locations is to generate sufficient information to identify the main opportunities and bottlenecks in the tourism value chains and to plan for actions to strengthen the sector, including but not exclusively business management training.

A list of guiding research questions² is relevant for this kind of assessment and expected to be answered through it:

- 1) Which tourism subsector or subsectors have the greatest potential for growth and for contribution to the objectives set in the Master Plan and other relevant guiding documents?
- 2) Who and how many SMEs are operating in the subsector (s)?*
- 3) What is the profile of tourism operators in the subsector (s), e.g. type of business, number and type of employees, type of clients etc.?*
- 4) What are the main products or services delivered in the subsector (s)?*
- 5) What is the growth outlook or forecast for the subsector (s)? Which niche markets or geographic regions have promising growth prospects?*
- 6) What kind of support would these companies and potential entrepreneurs need to develop their entrepreneurship potentials*
- 7) What are the main bottlenecks that prevent these companies and potential entrepreneurs from accessing existing support*
- 8) With which (inter)national partners should ILO collaborate in the tourism sector or

² For questions marked with an *, data will be sex-disaggregated where possible, and the analysis will highlight possible differences in the situations and needs of women and men in the sector.

subsector (s), and in what way?

- 9) What are the main issues for ILO to take into account to improve the programme?
- 10) What market- and demand-driven mechanisms would ensure a sustainable provision of support services to tourism enterprises?

The German consulting company Mesopartner had been commissioned by the ILO to take the lead in facilitating the latest VCA in Mrauk-U in close relationship with the local authorities, under the guidance of the Ministry of Hotels and Tourism (MOHT) and in coordination with the Myanmar Tourism Federation (MTF), the joint partner of the project, the Myanmar Hotel Association (MHA) and the Myanmar Restaurant Association (MRA). Mesopartner was also the lead facilitator in three previous VCAs of this kind conducted in the two beach resorts Ngwe Saung and Chaung Thar in November/December 2014, in Bagan in August 2015 and in Myeik in November 2016.

All previous tourism VCAs had produced comprehensive pictures of challenges and opportunities local tourism SMEs and other tourism actors are facing. The conditions of the tourism sector in Chaung Thar and Ngwe Saung, Bagan and Myeik confirmed in many respects the general situation of tourism in Myanmar. Based on the respective analyses, the VCA teams had identified about a dozen proposals for action in each of the previous pilot locations.³ All those proposals address the kind of support tourism companies and potential entrepreneurs would need to develop their entrepreneurship potential and become more competitive.

2.2 Key Tasks and Outputs

The tourism value chain analysis in Mrauk-U in March 2017 consisted of two weeks fieldwork in Myanmar and the subsequent reporting. Specific steps were:

- Participatory, rapid assessment of the tourism market system in the selected tourism location Mrauk-U
- Advanced analysis of the legal and regulatory business environment of the tourism value chain relevant for this tourism destination
- Outputs are a final assessment presentation (presented on 17 March 2017 to the tourism community in Mrauk-U), this participatory analysis report that includes proposed action plans and a chapter on the analysis of legal and regulatory environment.

Table 1 summarizes the main tasks and outputs of the tourism VCA in Mrauk-U and its follow-up.

	Dates 2017	Action	Outputs	Location
1	February / March	Preparation	Support to select assessment team and organising meetings	Home Offices
2	6 March	Briefing Yangon		Yangon
3	7 – 17 March	Participatory Assessment	Meeting notes and list of decisions taken	Mrauk-U
5	Before 31 March	Reporting, integration of inputs from partners	Draft and final report, incl. implementation schedule	Home Offices

Table 1: Summary of assignment tasks and outputs

³ See ILO Myanmar (2015-1), ILO Myanmar (2015-2) and ILO Myanmar (2016).

2.3 Tourism Value Chain Approach

Value chains are a way of representing the series of transactions from the provision of inputs for a primary product to primary production, transformation, marketing to final consumption and subsequent recycling.

In addition to representing a sequence of production processes, value chains can also be considered:

- a tool to describe the inter-relationships between a range of functional activities, service providers, customers, supporting institutions and supply chains;
- conceptualized as an institutional arrangement linking and coordinating input suppliers, processors, traders and distributors of a product or service; and
- regarded as an economic model, which describes how technology and factors of production may (or may not) be combined to allow producers to successfully access the market.

In a product value chain the product moves from one productive process to the next, always receiving a sort of transformation and value addition until it is ultimately consumed and in many cases recycled. Tourism, however, is not a product, but a complex set of complementary services, such as information provision, transportation, accommodation, food and beverages supply, entertainment and visit experiences. Since services cannot be stored or moved, production and consumption of services are usually happening simultaneously and take place at a specific geographical location, the tourist destination.

In the tourism sector the market (tourists) move to the product (the destination), which is the opposite pattern to what can be observed in conventional product value chains. This pattern is captured visually by human figures moving across a range of tourism services like in Figure 2. It is important to distinguish between domestic travellers and international tourists, since both types of tourists have different expectations and demand different kind of services, even though visiting the same locations.

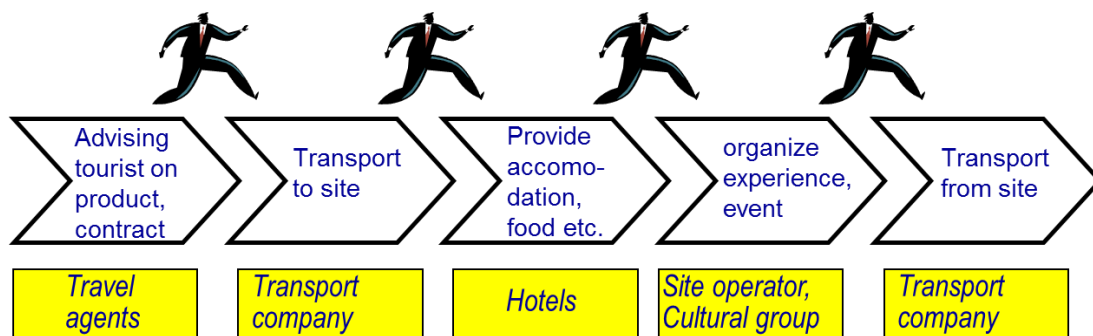


Figure 2: Simple Tourism Value Chain Map

The tourism value chain developed by the local team for Mrauk-U is shown in Figure 16 further below. In the value chain map, two value chains are depicted, the domestic and the international tourism value chains.

In line with UNWTO definition, a “tourist” is understood as any person travelling away from the usual place of residence for at least one night and a maximum of one year for whatever reason (business, leisure, adventure, health, religion etc.). This means tourists are not only holidaymakers. Accordingly, a “tourist” has a spatial condition (being away from home) plus

a temporal condition (> 1 day and < 1 year). A traveller who does not stay overnight is not a “tourist”, but a “same-day visitor”. Therefore, a conceptual definition is made between tourists and visitors. All tourists are visitors, but not all visitors are tourists.

2.4 Selection of pilot locations

In October 2014, during an initial preparatory phase of ILO’s tourism project a series of meetings and interviews in Yangon resulted in a set of selection criteria for pilot locations. Applying these criteria to current and emerging tourism destinations in Myanmar, the combinations of the two beach resorts Chaung Thar and Ngwe Saung, tightly followed by the ancient temple destination Bagan turned out to be the most suitable pilot destination to start tourism support activities by ILO (see map in Figure 3 below). According to the 2014 assessment these tourism destinations locations, including the third pilot location Kyaing Tong, performed positively on all selection criteria (see Table 2 below):

- ..good growth prospects for the tourism sector
- ..operation of a critical number of SMEs in different tourism sub-sectors
- ..little presence and attention by other development organizations and donors
- .. expected cooperativeness of public and private local stakeholders
- ..peace and security
- ..accessibility (for both tourists and the analysis team)
- ..in line with national and regional development planning

Selection Criteria	Bagan	Inle	Kalaw	Pyay	Mrauk-U (ass. In 2014)	Mrauk-U (ass. In 2017)	Hsipaw	Loikaw	Kyaingtong	Chaung Thar / Ngwe Saung	Mawlamyine
Growth Prospect	++	+		+	+	++	+	?	+	++	+
No. of SMEs	++	++		-	-	+	-	-	-	++	+
Donor Presence	JICA UNIDO	GIZ, PfC, PWC MIID ICIMOD	GIZ	UNESCO		ACTED, UNESCO PLAN Mercy Corp	GIZ	ITC / NTF	GIZ DFID	Univ. Sapienza	DFID ADB
Cooperativeness	+	+		?	?	++	?	?	?	+	?
Peace & Security	++	+		+	-	+	-	+	+	++	-
Accessibility	++	+		+	-	-	-	+	+	++	+
Development Planning	+	+		+	?	+	?	+	?	+	?

Table 2: Assessment of Potential Pilot Locations (in 2014)

Legend:

- ++ Strongly affirmative
- + Affirmative
- Negative

? More information needed

The tourism value chains in Chaung Thar and Ngwe Saung had been chosen as first pilot locations and analysed in late 2014. In 2015, after meetings with MTF, the Myanmar Hotel Association and Myanmar Restaurants Association, the ILO project has been requested to conduct similar analyses in the regions of Bagan and Kyaing Tong. Based on these previous experiences and following a request from the Minister of Hotels and Tourism, the SME Project has conducted another VCA in Myeik in 2016.

Mrauk-U has performed poorly during this initial assessment back in 2014. On the one hand, some criteria were difficult to assess, e.g. cooperativeness. On the other hand, the size of the SME sector was considered being under-critical, while security and safety risks preventing this destination to grow according to its potential (see Table 2 above). A reassessment of the tourism location in Mrauk-U in March 2017 together with the VCA team provided very different results. Growth prospects are very positive and the SME sector has expanded significantly. Peace and security in the tourism destination are not an issue. Authorities at all levels (state, district and township) work on planning the development of the location, particularly with regard to its (still poor) accessibility.

The Myanmar Tourism Master Plan is characterizing Mrauk-U as a destination that is suitable for cultural and creative tourism activities (MOHT 2013). Typical tourist activities would be sightseeing, cultural tours, festivals, heritage tours, pilgrimages, culinary tours, handicrafts, and meditation courses.

Assessment of the Tourism Value Chain in Mrauk-U, Myanmar



Figure 3: Tourism Map Myanmar
 Source: MOHT, 2013. Myanmar Tourism Master Plan 2013-2020

3. Methodology and Proceedings of the Analysis

The methodology that has been applied during the Value Chain Analysis is a rapid and participatory tourism value chain and market system assessment. It allows for:

1. assessing economic growth potential of the tourism sector and its sub-sectors in the pilot location where they operate
2. providing short- and long-term strategies and ways to overcome obstacles and tap into potentials
3. bringing local stakeholders together in a joint effort to strengthen the tourism sector.

To a certain extent, the methodology is informed by the PACA approach (Participatory Appraisal of Competitive Advantage)⁴, a well-tested rapid action research approach, involving local stakeholders in a participatory way and conducted by a team of mostly local members.

However, for the rapid tourism value chain specific assessment in Myanmar the PACA approach has been modified and enriched in different ways:

1. It has been taken into account that the tourism sector constitutes a service value chain, which means that (1) the structure of the value chain is significantly different than a product value chain and (2) that the final customers (domestic and international tourists) are present and thus can be surveyed directly. To acknowledge this situation, specific assessment formats have been used, such as a participatory tourism value chain mapping exercise (see value chain map in Figure 16), domestic and international tourist surveys and a hotel mini-survey (see Annexes 8 and 9).
2. Introduction of stronger market system logic than in traditional PACA exercises. This has been considered in different ways:
 - Introduction of the market system framework during the team training (*Extended Hypotheses Workshop*) and using it explicitly in the interview guidelines and the internal results workshop (see Figure 4);
 - Deeper reflection on considerations why the market system might not work in specific situations in order to develop long-term sustainable solutions. This can include market failures, but also government failures and network failures in the market support structures.
 - Choice of types of graphics and their interpretation when presenting the findings.
3. To some extent, the discussion of the regulatory and administrative environment is an integrated element of the rapid assessments. But still, specific attention has been paid to regulatory and administrative issues to assess the extent to which the current environment is helping or hindering tourism businesses. During fieldwork and here especially interviews perceptions and assessments towards the regulatory environment by tourism actors were collected in a structured and systematic way.

⁴ See <http://www.mesopartner.com/services/tools/paca/>

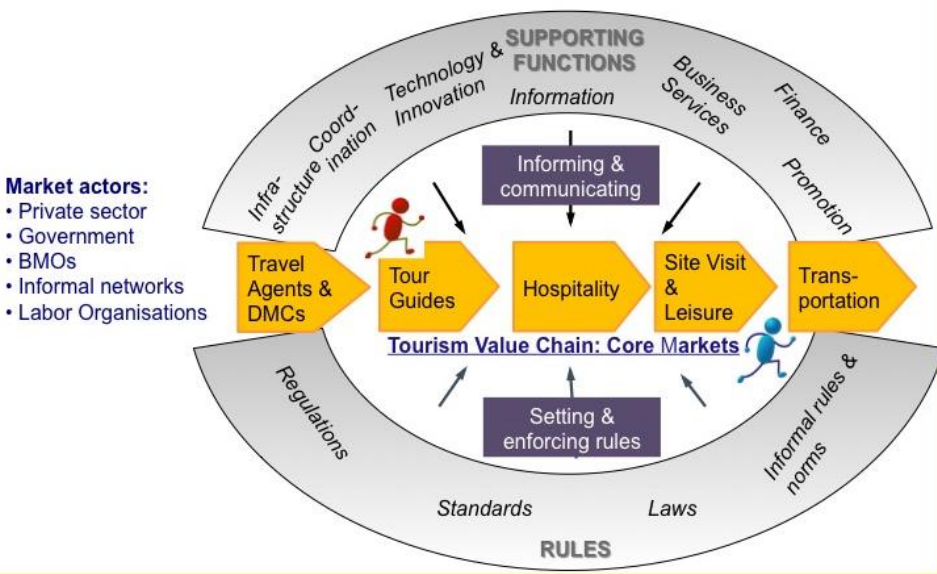


Figure 4: Value Chains and the Market System Framework
 Source: Herr, M. et al. (2009), modified by the consultant

During the VCA preparation, the ILO project ensured that one local organisation is committed to become the host of the tourism VCA, i.e. taking the lead in organising and following-up on the analysis and its results. As in all previous tourism VCAs, the local branch of the Myanmar Hoteliers Association (MHA) agreed to act as host organisation. Jointly with the ILO project, local representatives of MHA were involved in organising the exercise. MHA in cooperation with the Regional Tour Guide Society are also expected to take a lead role in implementing a wide range of suggested proposals for action as practical follow-up to the diagnosis.

The success of participatory action research crucially depends on the quality and knowledge of the members on the analysis team, which consisted of local and external members. For the rapid tourism value chain research in Mrauk-U 18 local team members were selected according to a list of basic requirements, which are:

- available for 100% of time during the analysis
- certain prestige and standing in the local community, not too junior
- good understanding of the local tourism sector situation and the economic situation in general
- from public sector, business sector, NGOs or specialized institutions
- special attempts should be made to include some female representatives into the VCA team.

Out of the total number of 21 permanent members, 18 were from Mrauk-U (including one local consultant) and 3 external team members from Yangon, Bagan and abroad (international team leader, national consultant). Annex 4 provides details on the team composition.

Through this composition, the team included private and public local perspectives as well as national and international experience relevant for the assessment. The national and the local consultants had previously participated in SIYB trainings, ILO’s business management training tools. Each local team member was able to give valuable input on various issues related to development and promotion of tourism and its different sub-sectors in Mrauk-U. Local team members did not only participate in the rapid assessment, but some of them are also

expected to play an important role in the implementation and sustaining of practical activities.

Figure 5 shows the main steps in the participatory tourism value chain assessment. For a more detailed agenda of the tourism VCA see Annex 3.

- Preparation and Organisation of the exercise (3-4 weeks in advance)
- Hypotheses Workshop, brief training of the team and final preparation (days 1-3)
- Kick-off workshop (morning), final preparation of field work (afternoon) (day 4)
- Fieldwork: mini-workshops, interviews, mini-surveys, interim assessments (days 5-8)
- Results workshop (day 9 and 10)
- Presentation event and Way-forward workshop (afternoon) (day 11)

It was important to start the preparation of the fieldwork about 3 to 4 weeks prior to the assessment. The national consultant supported the designated ILO staff of the Tourism Project to steer the preparation process on site in Mrauk-U and from Yangon.

During the 3-day “Extended Hypotheses Workshop” the local team members learned the methodologies to be used, including participatory appraisal techniques, tourism actor mapping, value chain mapping etc. Although not sufficient time was available to go for an intensive training prior to the VCA, this rather short combination of team training and formulation of hypotheses proved again to be very useful for preparing the team for its multiple tasks. Such a Hypotheses Workshop is a good environment for the local team members to acquire some key skills and knowledge, in particular facilitation and presentation skills, an understanding of the value chain perspective, the rapid appraisal process and the tourism sector. The team leader made sure that in the course of the three days, each team member was actually facilitating and spending time in front of the colleagues.

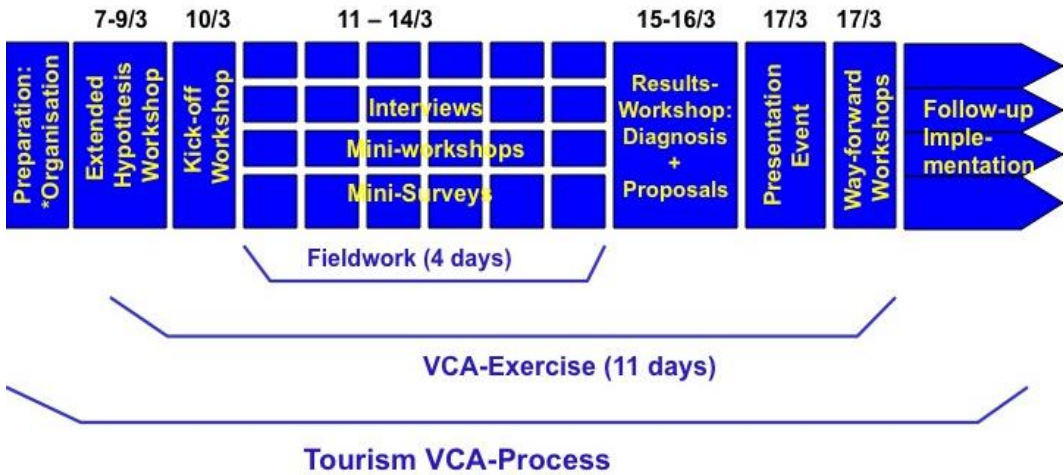


Figure 5: Process of Rapid Assessment of Tourism Value Chain in Mrauk-U in March 2017

During the participatory assessment process information and perceptions from supply and demand side of the tourism sector have been collected and analysed. Actors included in the assessments were representative of tourism SMEs (hotels, guesthouses, restaurants, souvenir shops, boat and motorbike taxis, and trishaws), public and private business support providers (as far as available), other international development projects, local government

(township, district), business associations, such as MHA and Regional Guide Society, as well as tourists. The information has been collected through mini-workshops, interviews (using specific interview guidelines containing the Market System Framework and Michael Porter’s 5-Forces model), combined with on-site visits to businesses and support institutions, as well as mini-surveys (hotel survey, tourist survey). Domestic and international tourists have been surveyed to get a deeper insight into the final demand perspective of the tourism value chain (sample size 86). Hotels of different categories have been surveyed to collect information and perceptions from key tourism SMEs in a standardized format (sample size 18). For both types of mini-surveys the team chose direct, questionnaire-based interviews as survey method (see questionnaires in Annexes 8 and 9). The fieldwork took place between two major workshops (Kick-off Workshop, Presentation Event) and a final Way-forward Workshop.

During the internal Results Workshop the information collected by the VCA team was reviewed and turned into a diagnostic of all sub-sectors of the tourism value chain, its support functions and the rules and regulations surrounding it. The market system framework was the main tool structuring the discussions during the results workshop (see Annex 12). The diagnostic of the tourism sector provided orientation for formulating proposals of actions to improve the performance of tourism SMEs in Mrauk-U.

The two final events that followed, Presentation Event (Annex 13) and Way-forward Workshop, helped to convene and unite selected tourism actors for joint brainstorming and participatory planning of solutions and interventions to strengthen the tourism value chain or particular sub-sectors within it.

Data Collection through...	Total
Interviews	122
Mini-Workshops	3
Tourist Survey	86
Hotel Survey	18

Table 3: Number of Fieldwork Activities during Tourism VCA in Mrauk-U

Gender issues have been given consideration, which is partly reflected in the outputs. Data collected for the sector assessment are disaggregated wherever possible, which was mainly possible for the primary data gained through interviews, mini-workshops and surveys. Official statistics, such as tourist statistics in Myanmar are only partly sex-disaggregated (see Annex 7). The participatory VCA tried to ensure that both women and men respondents are included in a meaningful way. In the end, more than a third (35%) of all respondents were female (see The attempt was made to put male and female members on the analysis team. However, in the end only 3 out of 21 permanent team members (14%) were female (see Annex 4). Specific women organizations directly involved in the tourism sector in Mrauk-U could not be identified.

4. Results of Participatory Tourism Value Chain Analysis in Mrauk-U

4.1 General Results of the Participatory Tourism VCA in Mrauk-U

During interviews and mini-workshops with tourists and local tourism actors in Mrauk-U, the

team had encountered a variety of findings, which were surprising and unexpected for most team members. The surprises are:

- The interest in the tourism VCA was modest at the beginning, but then become overwhelming. For instance, more than 100 rickshaw drivers arrived for the VCA mini-workshop on non-motorized tourist transport with the intention to actively participate. As the maximum number of mini-workshop amounts to 15, the VCA team could only allow a few of them to participate and share their concerns and ideas.
- Despite the poor accessibility of Mrauk-U for travellers, there is no daily speedboat from Mrauk-U to Sittwe operating.
- The budget constraints at the township level are so severe that the municipality can replace street light bulbs only every two years. If a bulb does not survive a two-year period, it has to wait for its replacement.
- The town park is supposed to offer entertainment value for tourists. From an international perspective, however, the site is hardly recognizable as a park due to its small size and the lack of facilities.
- Most tour guides operating in Mrauk-U have never learned English in professional courses, but rather through self-study and interacting with tourists.
- The river system around Mrauk-U sometimes offers the rare opportunity to observe river dolphins
- Land use rights of guesthouses are often not extended after expiring, which puts them into a difficult situation with regard to reapplying for licenses and to remain credit worthy.
- Given that Mrauk-U town and the surrounding villages have a garbage disposal and collection problem, it is surprising that the town has only six large garbage bins (660 litres) available, but would need at least 30 of them. As a consequence, citizens throw garbage into rivers from bridges and riverbanks. As another consequence, some hotels operate dumpsites on their ground, hardly hidden from their guests. Moreover, villagers burn parts of the waste, mainly dry leaves and plastic, openly leading to pungent smog smothering the town every morning.
- To finance additional garbage collection equipment would require increasing the currently very low waste collection fees. The township development committee, however, is seriously worried that such a fee increase could lead to “strikes in the streets”.
- During annual festivals the famous boat racing events take place in rivers filled with trash (as a consequence of
- Although Mrauk-U is hopeful to become a designated UNESCO world heritage site in the future, recent restoration work in some temples and pagodas are made with inexpensive concrete and look shoddy, even for layman’s eyes.
- Most parts of Rakhine state, including the tourism destination Mrauk-U, are suffering from security and safety concerns caused by the persecution of the Rohingya minority in the far West of the state. Since 2012, tourist numbers have taken a slump and recovered only slightly since then (see **Error! Reference source not found.**). However, the security situation in Mrauk-U and surrounding is unproblematic. Hence, the tourism destination suffers from an image problem only.

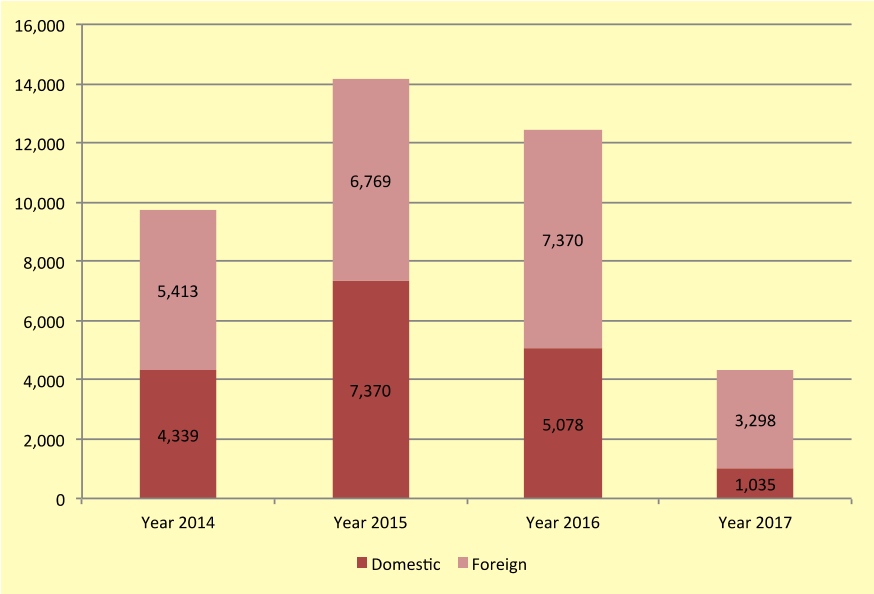


Figure 6: Foreign and Domestic Tourist Arrivals in Mrauk-U
 Year 2017: January to March
 Source: MOHT, Mrauk-U

The numbers provided by MOHT (Figure 6) and the Immigration Department (Figure 7) are hugely different, although both sets of data are based on the information of guest registrations in hotels and guesthouses. However, both data sets show that 2015 was the year with the highest number of visitors during the last 4 years (about 14,000 according to MOHT). In 2016, MOHT counts 7,370 foreign visitors and the Department of Immigration 3,486, of which about half is male and female each. Depending on the year, the share of domestic and international tourists visiting Mrauk-U is almost identical or like in 2016 foreigners even have predominance, which is different compared to other tourism locations in Myanmar. The majority of tourists spending time in Bagan, Myeik or beach resorts are domestic visitors. Annex 7 shows more detailed tourist arrival data.

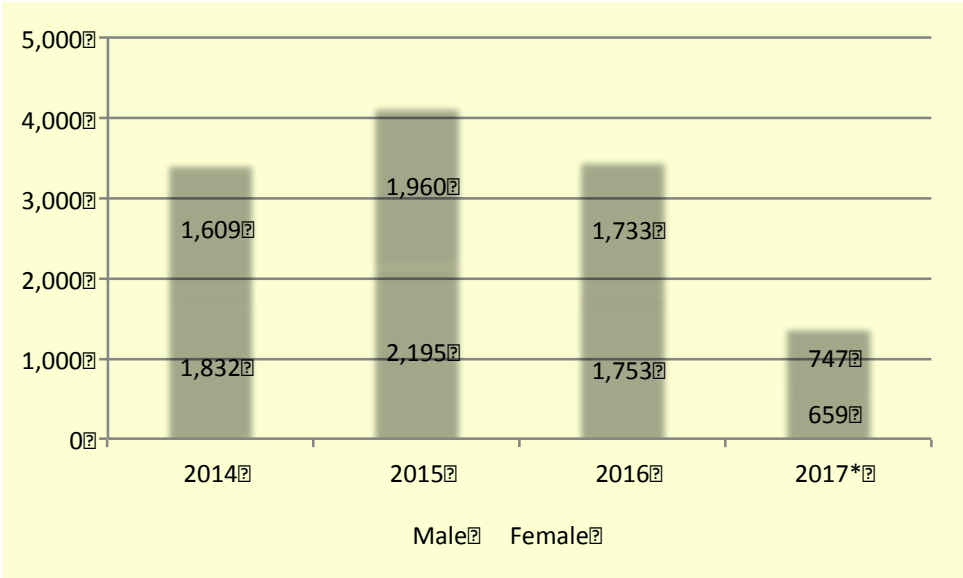
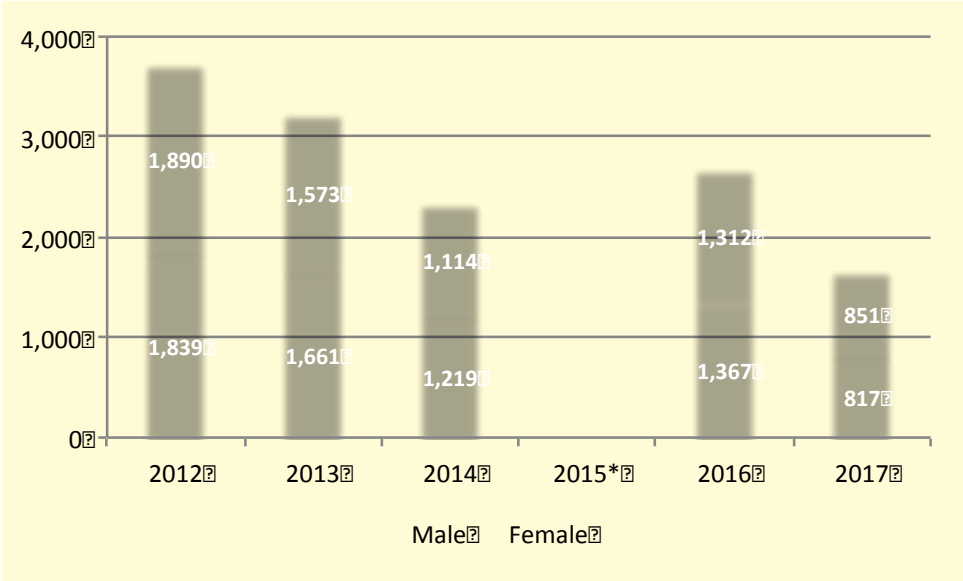


Figure 7: Annual Foreign Tourist Arrivals 2014-2017 by sex
 * January to March 2017
 Source: Immigration Department Mrauk-U

The Department of Archaeology in Mrauk-U also provides statistics of international and domestic tourist arrivals, which show that between 2012 and 2014 the numbers of both international and domestic tourists was strongly decreasing. This was presumably because of the on-going Rohingya refugee crisis, which experienced a first peak in 2012, and the entailing damage to the image of Rakhine state as tourist destination. Until 2015 the numbers were slowly growing again, but experienced a modest reduction in 2016 in line with the national trend. Apparently, only a certain share of tourists visiting Mrauk-U pay a visit to Shite Taung temple or pass by the Department of Archaeology booth at the jetty, where the Archaeological Zone tickets are sold. This is why visitors counted by the Department of Archaeology are lower than those recorded by other institutions.



below).

Data Collection through...	Total Respondents	% Female Respondents	% Male Respondents
Interviews	122	30%	70%
Mini-Workshops	36	42%	58%
Tourist Survey	86	44%	56%
Hotel Survey	18	22%	78%
TOTAL	262	35%	65%

Table 4: Share of Female & Male Respondents during Fieldwork

The attempt was made to put male and female members on the analysis team. However, in the end only 3 out of 21 permanent team members (14%) were female (see Annex 4). Specific women organizations directly involved in the tourism sector in Mrauk-U could not be identified.

5. Results of Participatory Tourism Value Chain Analysis in Mrauk-U

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Assessment of the Tourism Value Chain in Mrauk-U, Myanmar

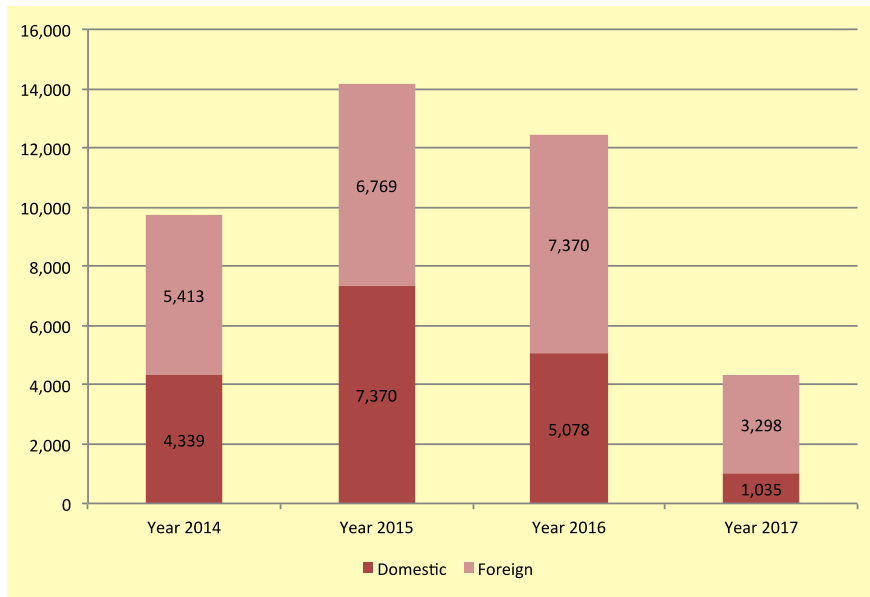


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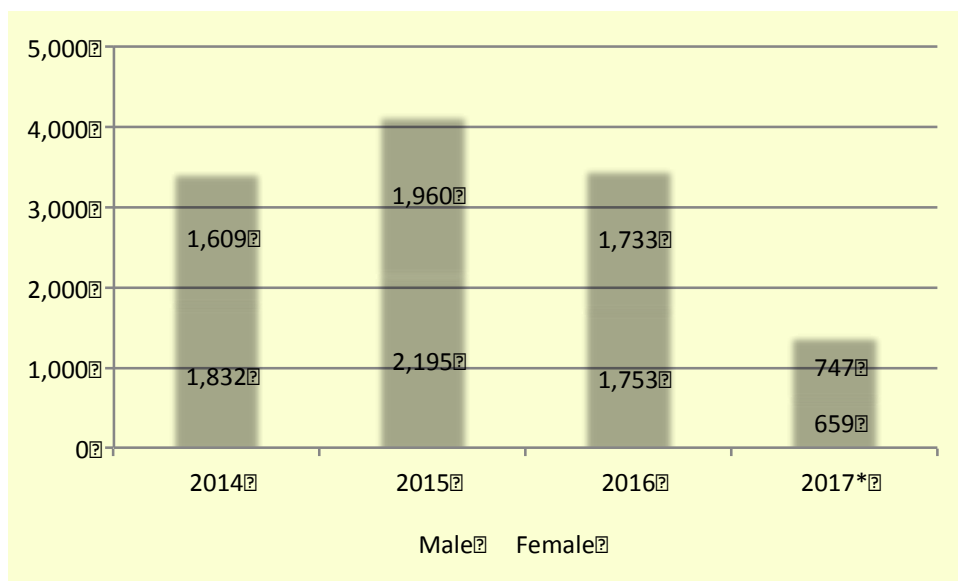


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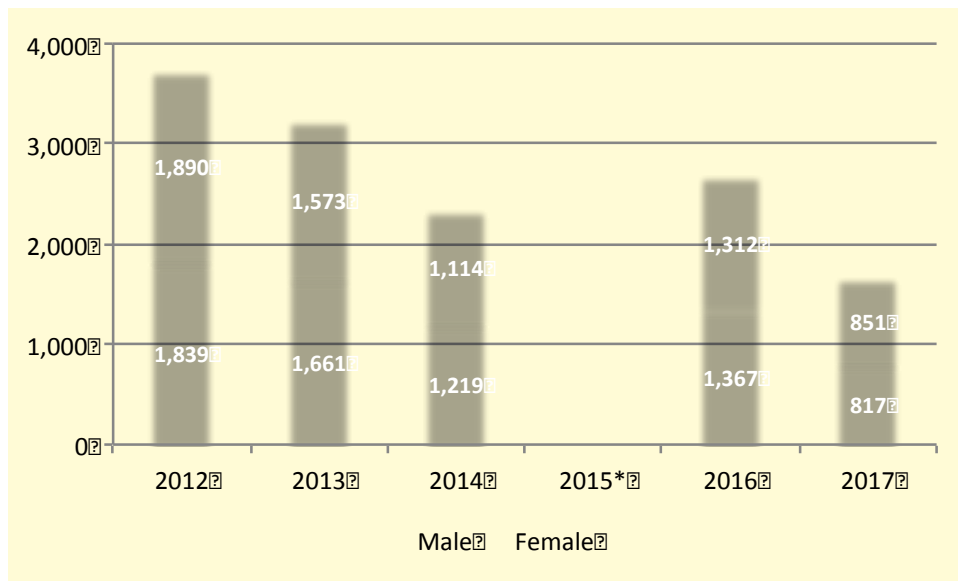


Figure 8: Foreign Tourist Arrivals in Mrauk-U by sex
 * 2015 data are not available
 Source: Archaeological Department, Mrauk-U

The hotel survey conducted during the rapid tourism VCA investigated the origin of travellers visiting Mrauk-U. Over the whole year 2016, according to this survey 37% of hotel guests were foreigners with a larger share (29%) being non-ASEAN internationals. Here, 63% of visitors are Myanmar nationalities (see Figure 9 for details).

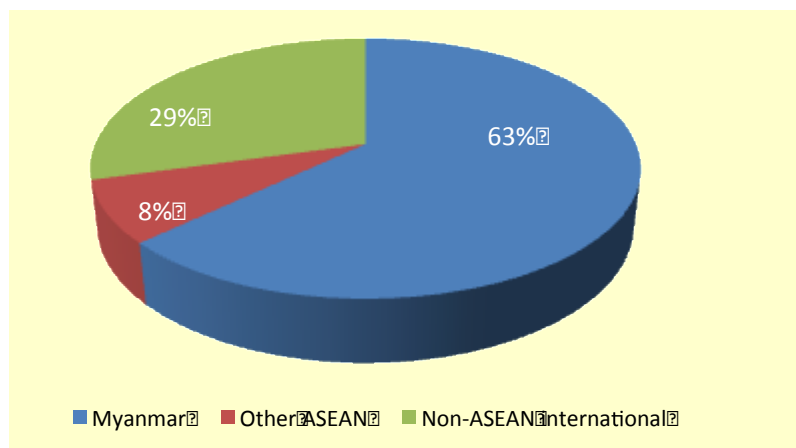


Figure 9: Nationality of Hotel Guests in Mrauk-U in 2016
 Source: VCA Hotel Survey March 2017

Statistics provided by the Department of Archaeological Department based on ticket sales to the visit the archaeological zone show an even more differentiated picture of the origin of foreign visitors to Mrauk-U (see Table 12 in Annex 7). Between 2012 and the first quarter of 2017, the most frequent visitors are from France, Germany, Italy and USA, followed by Australia and a few other European countries. Visitors from neighbouring countries like Thailand (rank 13), China (16) and India (24), although potentially interested for religious purposes, are much less frequent. Also Japanese (10), Taiwanese (21) and Koreans (26), who visit other places in Myanmar in considerable numbers, largely avoid Mrauk-U so far.

Looking at the seasonal occupancy rates (see Figure 10) the hotel survey suggests that on average in 2015/2016 in Mrauk-U the rate reaches 48%. This result is considerably higher than the occupancy rates of hotels in Chaung Thar and Ngwe Saung, Bagan and Myeik (around 40% each) as identified during previous VCAs. The occupancy rate during the high season in Mrauk-U (November 2015 to April 2016) reaching 61% was more than two times higher than in the following low season (May to October 2016), which was 28%.

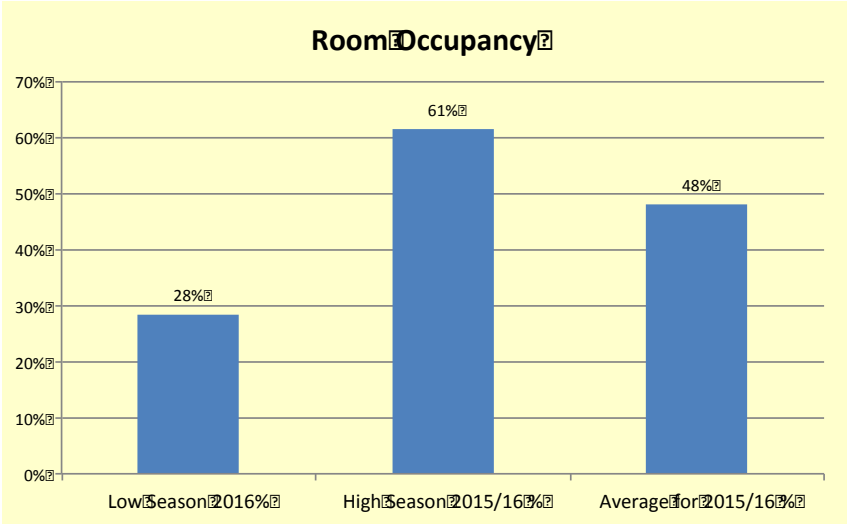


Figure 10: Room Occupancy Rates in Mrauk-U in 2015/2016
 Source: VCA Hotel Survey March 2017

The tour operator bookings in Mrauk-U hotels and guesthouses amount to 34%, which demonstrates that Mrauk-U is offered by only a part of the tour operators in Myanmar as standard destination in their established tours. For instance, Bagan as a key destination in organised tours in Myanmar shows a much higher rate of tour bookings in hotels (52%). Domestic travellers coming to Mrauk-U hardly book tours (only 8%). They rather come as couples (37%) or with friends or family (43%) for religious and cultural purposes (26%) or for visiting friends or relatives (19%). They predominantly arrive by car (68%) and stay for 2 nights (40%), 3 nights (17%) or even 4 nights (11%) in Mrauk-U.

By contrast, international tourists travel individually (31%), as couples (25%), with family and friends (20%) or as part of a tour group (20%). They arrive by boat from Sittwe (51%) or by bus from Bagan or Yangon (35%). They usually stay 2 nights (33%) or 3 nights (55%).

In Mrauk-U, all six hotels are members of MHA. Before the VCA, MHA in Mrauk-U was rather inactive and dormant. When selected as host organisation for the VCA, the association de-

signed a new logo and convened for various meetings to set the stage for the analysis of the tourism sector. In absence of a guesthouse association, the 13 currently operating guesthouses did not belong to any association before the VCA started.

By contrast to tourism locations like Ngwe Saung/Chaung Thar or Bagan, but similar to Myeik, hotels and guesthouses in Mrauk-U continue operating with the same or almost the same number of staff during low season. This is an indication that Mrauk-U is still rather an “exotic” tourist destination in Myanmar that depends less on seasonal tourist movements. Comparing staff salaries to the results of the previous VCAs, all types of salaries are comparable to Bagan in 2015, but significantly lower than in Myeik in 2016 (see Table 5), except monthly salary of managers. Compared to the survey results in 2014, the introduction of a minimum wage in early September 2015 (3,600 Kyat for 8-hour work day) did obviously show its effect. But still, hotel and guesthouse staff in Mrauk-U seems to not receiving much more than this minimum salary.

Monthly Salary Average (MMK)	Mrauk-U 2017	Comparison Myeik 2016	Comparison Bagan 2015	Comparison: CT/NS 2014
Management	171,000	137,000	195,000	155,000
Room staff	94,000	106,500	93,000	53,000
Restaurant staff	80,000	116,000	89,000	47,000
Other staff	92,000	130,000	105,000	43,000

Table 5: Average Monthly Staff Salaries in Hotels and Guesthouses

Sources: VCA Hotel Surveys 2017, 2016, 2015, 2014

On average, in Mrauk-U the vast majority of the staff originates from the town or local surrounding areas (80%) and the rest from Yangon and other areas in Myanmar or abroad (5% each). About 70% of F&B supply is sourced locally, which includes most fish and seafood. 30% of food and drink supply is brought in from Yangon.

In 2016 in Mrauk-U hotels and guesthouses on average almost half of the operating costs (43%) was spent for staff payment, 18% for F&B supply, 14% for power and utilities, and around 19% for other costs.

In terms of **business support services (BSS)** required by hotels and guesthouses, the hotel survey provides interesting results as demonstrated in Figure 11 below. On the one hand, the meso level of business support institutions in Mrauk-U is basically non-existent, as interviews, internal VCA team discussion and the local actor mapping exercise have shown. Tourism SMEs like hotels, guesthouses or tour operators have problems to access any type of business service, as the size of the SME sector seems to be under-critical for any business service providers to operate locally. On the other hand, tourism SMEs like hotels seem to need such services in order to perform better and become more competitive.

The dominating need for business services is related to hospitality training (94%), entrepreneurship and business skills training and marketing services (both 50%), audit & taxation, Computer & IT Services and other technical training (all 39%). Still a third (33%) of respondents indicated a need for human resource consultancy, engineering consultancy and work safety and health.

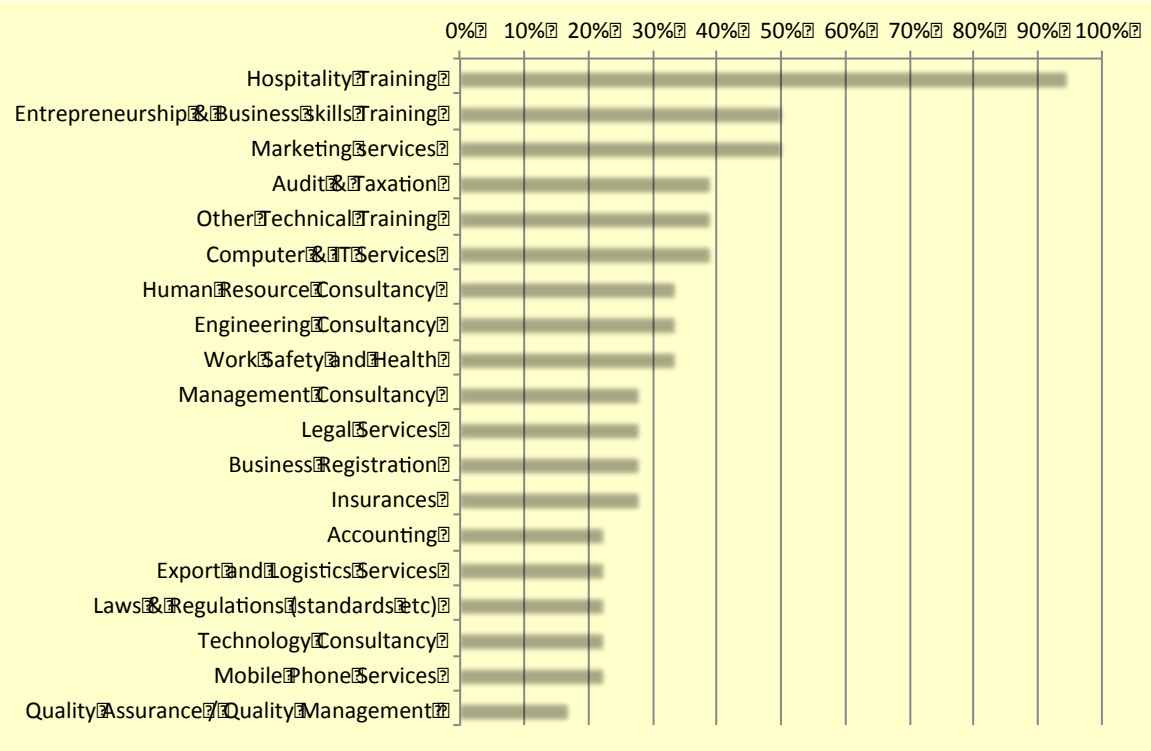


Figure 11: Business Support Services (BSS) Needed by Hotels and Guesthouses
 Source: VCA Hotel Survey March 2017

Additionally, the respondents to the hotel survey were asked to assess not only their own service needs, but also those of their suppliers and service providers with which they typically interact closely and frequently. This question was not easy to answer for hotel/guesthouse managers/owners and some were avoiding giving an answer at all. But still, the answers provided give an indication on further business service needs of those enterprises supplying and servicing tourism SMEs (see Figure 12).

Here the priorities of service needs are slightly different. Entrepreneurship and business skills training ranks highest (22%), followed by marketing services, human resource consultancy, engineering consultancy and computer & IT services (all 17%). Accounting and technology consultancy services (11% each) are also relevant for suppliers and service providers of hotels and guesthouses.

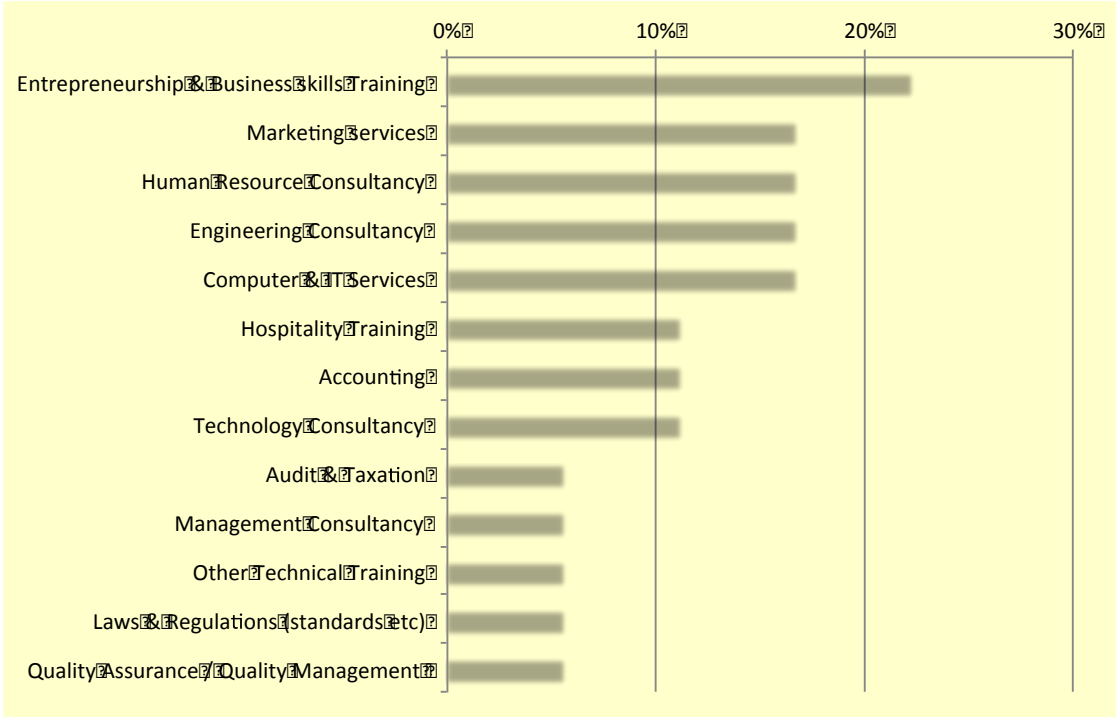


Figure 12: BSS Needed by Suppliers/Service Providers of Hotels/Guesthouses
 Source: VCA Hotel Survey March 2017

Finally, the hotel survey included a training needs assessment (TNA) of hotels for management and work floor staff level. About a third of hotels and guesthouses have conducted training activities during the last 2 to 3 years on management and work floor topics, such as housekeeping, front office or F&B.

The self-assessment of hotels with regard to certain areas of expertise important for hotel operation is shown in Figure 13. On average, no expertise has been assessed higher than a reasonable level. Most professional skills are assessed being between medium low and reasonable. Hospitality (2.1), housekeeping, front office and security/safety (all 2.0) are at a reasonable level, while all other skills are below. IT and computer skills are ranking lowest (1.7). The recommendation that could be derived from the TNA is that particularly those types of expertise that are ranking below reasonable (< 2.0) are to be selected for capacity development. However, this recommendation needs to be verified with potentially participating enterprises.

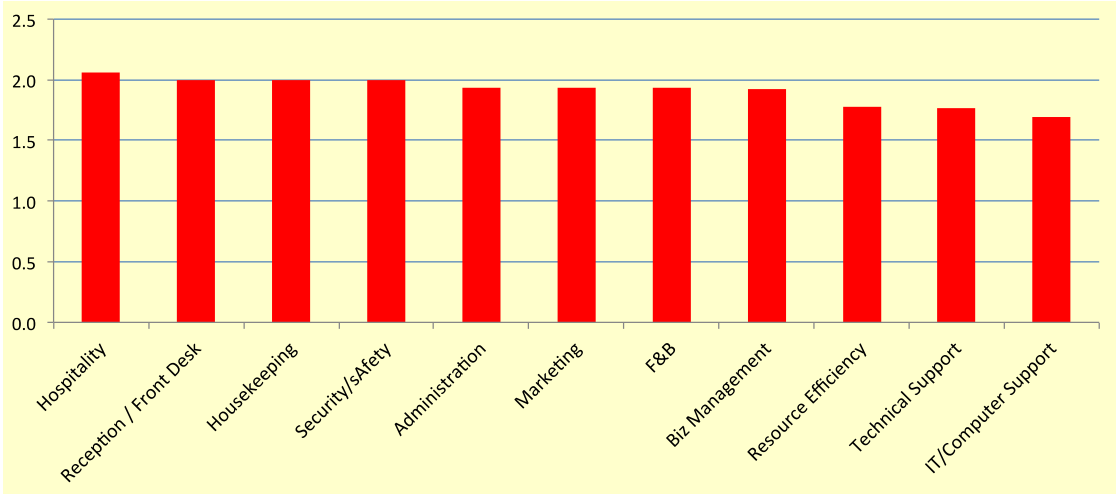


Figure 13: Self-Assessment of level of knowledge/expertise by Hotels/Guesthouses
 Source: VCA Hotel Survey March 2017

Legend:

- 1 Low
- 2 Reasonable
- 3 Advanced

To strengthen all possible areas of expertise, the accessibility and affordability of respective training services in Mrauk-U are confirmed by 72% and 54% respectively. About a third (36%) state that those trainings are only partly available and the same share consider them only partially affordable. 21% negate the accessibility of such training offers. 41% of respondents simply do not know whether such training offers are affordable to them. These results are not surprising, as the choice of training offers in Mrauk-U is rather limited. Only a few trainings in hospitality (jointly organised by MOHT and MHA) were accessible in recent years - and then mostly for hotels and less for guesthouses.

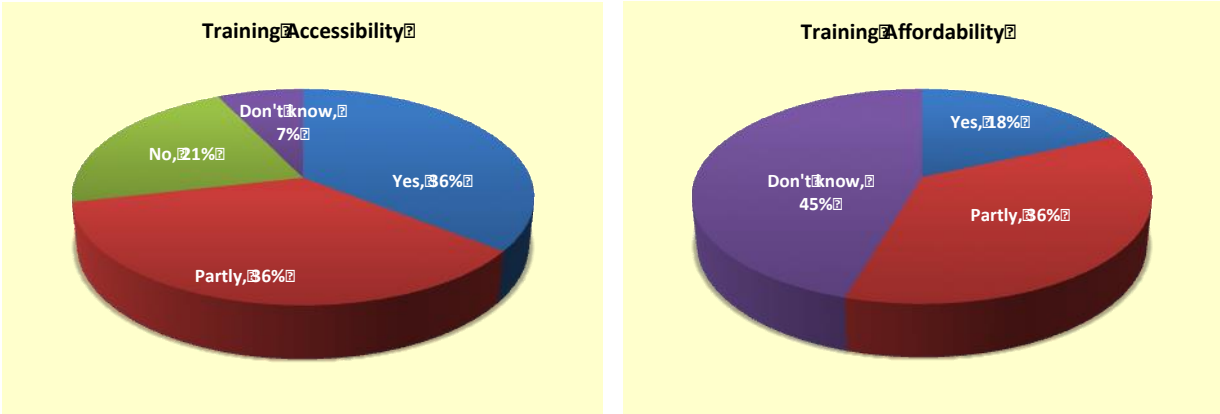


Figure 14: Accessibility and Affordability of Training Services
 Source: Hotel Survey March 2017

An assessment of the current supporting functions of the tourism value chain was part of the VCA fieldwork and internal results workshop. Applying the logic of the Market System Framework (see Figure 4), the supporting functions are analysed below for both locations.

The support functions comprise infrastructure, coordination, information, skills and capacities, destination marketing as well as related business and financial services.

Infrastructure conditions in Mrauk-U are generally poor. Particularly, tourists and tour operators rate the accessibility of Mrauk-U as a major weakness. Mrauk-U can be reached by road from Yangon or from Bagan or by plane via Sittwe, followed by a tough road or boat trip. There are currently planning efforts underway to improve the transport connection, e.g. building an airport in Mrauk-U and developing the road link Bagan to Mrauk-U to a highway. However, financial resources are scarce, which is why the time until these projects materialize might be long. In order to accelerate the process, discussions are going on that consider to include private sector funding for these projects.

Hotel and guesthouse owners complain about shortages of both power supply and water supply. A sewage system is missing altogether, with the consequence that wastewater flows untreated into rivers and lakes. Further infrastructural weaknesses are the poor street lighting, a poor communication infrastructure particularly in terms of Internet access and the mostly missing signage of streets and pagodas/temples.

Currently, Mrauk-U operates a small jetty for boats arriving from and leaving to Sittwe. Particularly, during rush hours this jetty does not offer enough docking space. Jetties for other purposes, such as boat transport to Chin villages, are not available.

The support function **Coordination** around the tourism market is still in an early stage of development. Only a few tourism-related associations are operating in Mrauk-U, which are MHA, the regional tour guide society (RGS), a taxi association and a boat association. There is weak cooperation of groups producing same souvenir products (e.g. bronze sculptures, weavers etc.) or the same tourism services (e.g. dance groups), even on an informal basis. Even the cooperation between hotels, on the one hand, and guesthouses, on the other hand, is rather weak. But then again, the way the different organisations having been represented on the VCA team showed that in general public-private willingness to cooperate is strong.

No official tourist **information** counter is operating in Mrauk-U, neither at the jetty or anywhere else in town. It is also difficult to get hold of a tourist map (the only one available in selected hotels is a combined Sittwe and Mrauk-U map sponsored by a famous Myanmar brewery). Being in Mrauk-U the Internet connection in accommodation places is often too weak and unstable to search other websites for relevant information on Mrauk-U. All this is a matter of complains by foreign tourists visiting the town. In the tourist survey, availability of information received the lowest scoring after cleanliness of facilities and environment (see Figure 15 below).

But also information provided to local citizens needs improvement. The public, particularly local villagers, has a rather weak awareness about the archaeological heritage and its tourism potential and the need for preservation. In order to address this issue, there are joint efforts by support institutions, such as the GAD, Department of Agriculture, Department of Tourism and others, to explain tourism and heritage importance to villagers. Another problem is that even pagoda trustee are lacking the archaeological knowledge they should ideally have.

Upgrading the **skills and capacities** of human resources is usually a key support function of a market system. In the tourism value chain of Mrauk-U about 40% of hotels and guesthouses

tourism enterprises have conducted training activities for their staff at work floor level and in various cases also for the management level during the last 3 years.

As mention further above, the meso level in Mrauk—U is rather thin. There is no private language centre or business training school available. IT skills training is rather limited. One of the few IT training centres (operated by U Thaung Shwe) announced during the tourism VCA to offer a 40% discount for tourism SMEs.

Training for hotels is organized by MHA in cooperation with MOHT. Such training includes hospitality, languages and computer skills. MHA has to pay 15 lakhs per training course to MOHT that sends the trainers. Usually, 20 participants take part in one training course. 20 Laptops provided by union level to Rakhine state can be used in the computer training. The four larger MHA members cover all costs so far, i.e. large hotels subsidize the training of smaller hotels at this point. In parallel, the Myanmar-Luxembourg development cooperation is addressing the need of hospitality training in Mrauk-U by providing training courses through MOHT that also include guesthouses.

The Regional Guide Society supports primary education of Chin communities, compensating for community-base tourism (CBT) services offered by the six Chin villages close to Mrauk-U. 90% of Mrauk-U tourists visit Chin villages as a CBT activity to see and take photos of chin ladies with their famous tattoo faces and jointly conduct village activities. There is no money paid to the villagers except donations from tourists for supporting primary education. The donations are used for school upgrade and teacher payment.

In Mrauk-U there is a limited availability and accessibility of **non-financial and financial business services** for tourism enterprises. The availability of BDS providers is limited to IT support, commercial loans and micro-finance. Microfinance loans are provided through the Myat Thazin Microfinance and Arakhadana Livelihood Development Foundation or the Co-operative Department. Both organisations are offering loans to cooperatives and micro-enterprises. The non-extension of land use rights for guesthouses endangers the initial provision of bank loans to those tourism enterprises.

When it comes to typical **public services**, Mrauk-U needs considerable improvement in order to reach the usual standards of a tourism location. There is no public tourism promotion of Mrauk-U conducted at district, state or Union level. Only MTF and private tour operators are promoting the destination to domestic and international travellers. One of the key supporting services for tourists are health services, which in Mrauk-U are only insufficiently available and do not meet international standards, as would be expected by international tourists.

The cleanliness of the environment is criticised by most international tourists and many domestic tourists. It ranks lowest in the assessment of characteristics of the tourism destination Mrauk-U (see Figure 15 below). The Township Development Committee (Municipal) is in charge of waste collection. The collected waste collection and cleaning fee revenue is only enough to cover 40% (43 lakhs) of the expenditures for that purpose (138 lakhs per year). The waste collection happens on 6 days per week twice (morning/afternoon) by two trucks (each with 3 staff). Street cleaning only happens on main roads, leaving side roads dirty. In addition, the waste collection system depends on the availability of garbage bins. Now the town has 49 bins (6 bins of 660 litre and 44 bins with 43 litters). The municipal head reckons that another 30 large bins would be needed to improve the situation notably.

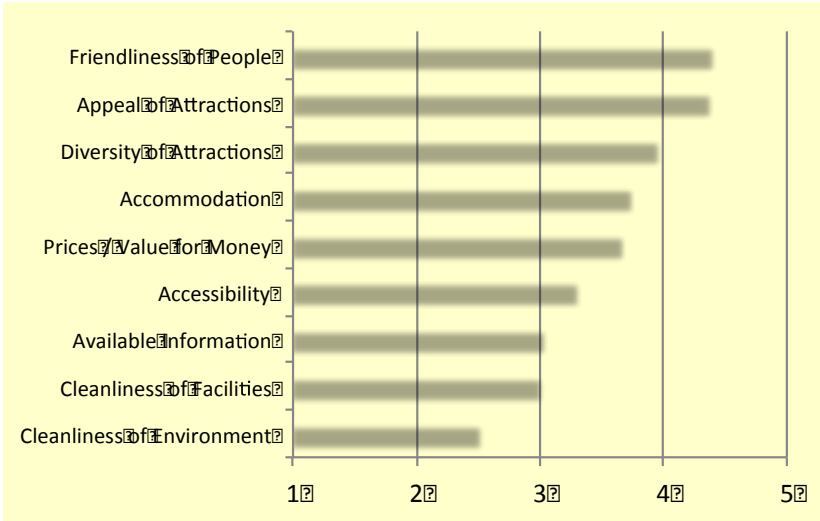


Figure 15: Tourist Rating of Tourism Destination Features in Mrauk-U
 Source: Tourist Survey March 2017

5.2 Specific Results of the Participatory Tourism VCA in Mrauk-U

The diagnostics of the strengths/opportunities and bottlenecks in the tourism value chain in Mrauk-U followed the logic of the value chain map as basic research instrument. Local team members crated the value chain map for Mrauk-U in a participatory way during the initial three training days. Thereafter, the map was discussed and improved with participants at each mini-workshop. The map not only shows the logical flow of services to tourists (value chain functions), but also the types and numbers of service providers operating in each function and institutions supporting or regulating tourism SMEs in the respective functions. The following brief analysis of each major function follows the sequence as depicted in the tourism value chain map of Mrauk-U, which is shown in Figure 16 below.

There is a large variety of **transportation** means options to get around in Mrauk-U and surroundings, which includes buses, taxis, took-took, small boats, speed boats, motorbikes, trishaws and rented bicycles. The service quality and the charges are reasonable. The drivers know the various tourist attractions, although they often have difficulties to read maps and their English language skills are rather poor. However, drivers are perfectly able to pass mostly bumpy, slippery roads to access temples and pagodas even in remote locations. Particularly, buses, bike rental and trishaws are cheap varieties of getting around for low-budget tourists. Though more expensive, speedboats and taxis are easy to rent at any hotel reception. Pony carts have almost disappeared and only a small number operates during high season. Reasons are the limited demand and the continuous necessity to supply expensive food and medicine for the ponies.

In order to arrive to Mrauk-U the options are rather limited. It is possible to travel by car or bus from Yangon or Bagan or by plane from Yangon to Sittwe combined with a multi-hour boat trip or car ride to the final destination Mrauk-U. The small and big boats leaving from Mrauk-U to Sittwe often start with delay, which makes it difficult for tourists to properly plan their connecting travels from Sittwe.

On the downside, the transport charges are rarely updated in travel books, which make some tourists assume that the drivers cheat them. Due to a lack of access to credits, many trishaws are lacking proper replacement and maintenance. When leaving for a boat trip to a

chin village tourist need to enter the small boats from the bankside of the river, since a specialised jetty is missing.

There are only five tour operators and branches of Yangon travel agencies active in Mrauk-U, able to arrange different tour packages and flexible itineraries. The tours are offered at mostly high costs, which drives the prices up. Outbound tours are not designed and offered to local citizens, although there is increasing demand. Tour operators admit that they have only limited IT knowledge. They usually do not participate in national and international travel exhibition and fairs and have weak connection to tour operators at national and international level. Also there are hardly any relations to UMTA, MGA and MOHT.

Out of the 30 trained and certified regional **tour guides** and one national tour guide, about 20 are active. In general, they have a good knowledge of the region and its history. They try to address the travellers' problems and are service-oriented. All tour guides are associated in the Regional Guide Society, founded in 2012 after the first tour guide training in the region (Sittwe). The Regional Guide Society is a branch of MTGA. No membership fees are paid, but if needed donations are collected from its members and from other tourism actors.

However, tour guides have limited language skills other than English. They have difficulties to access proper training. Their networking with guides from other regions is rather poor. Also, the promotion and marketing of their own services is weak and underdeveloped.

Mrauk-U offers 6 hotels and 13 guesthouses. 3 out of 13 guesthouses have pending licences, but are operating with a special permission. In 9 out of the 13 guesthouses foreign travellers are allowed to stay. According to the hotel and guesthouse survey there are 355 hotel rooms and 655 beds in town. Hotels offer 144 rooms 211 beds, guesthouses 282 rooms and 417 beds. Additional **accommodation** options are monasteries (35), temples and rest houses (1) and homestays (about 50) where domestic travellers can spend the night for little money or for free.

The accommodation places are located close to main attractions. The staff is usually respectful and friendly with customers. On the other hand, the tourist survey showed that hotels and guesthouses not always offer value for money. More often than not, they lack hospitality and language skills. Tourists complain about the poor or missing Internet connection in accommodation places and the lack of information for tourists that these places can offer.

Accommodation comes in various quality and price categories, from luxury to budget rooms and dormitories. For all types of accommodation, price differences between the seasons are marginal and not as severe as in Bagan or Myanmar's beach locations. During peak seasons like Western New Year or the annual water festival, Mrauk-U is (not yet) a popular destination. Among the surveyed hotels and guesthouses prices range between 2,000 and 150,000 MMK for domestic travellers and 8 to 250 USD for international travellers.

The average occupancy rates of surveyed hotels and guesthouses are relatively high during high season (61%), but moderate in low season (28% on average). As almost all of hotel staff is recruited (85%) among the local population, the accommodation sector is offering high employment opportunities for locals. However, the spiral of competition for qualified staff between hotels and resulting continual payment increases has not started yet in Mrauk-U.

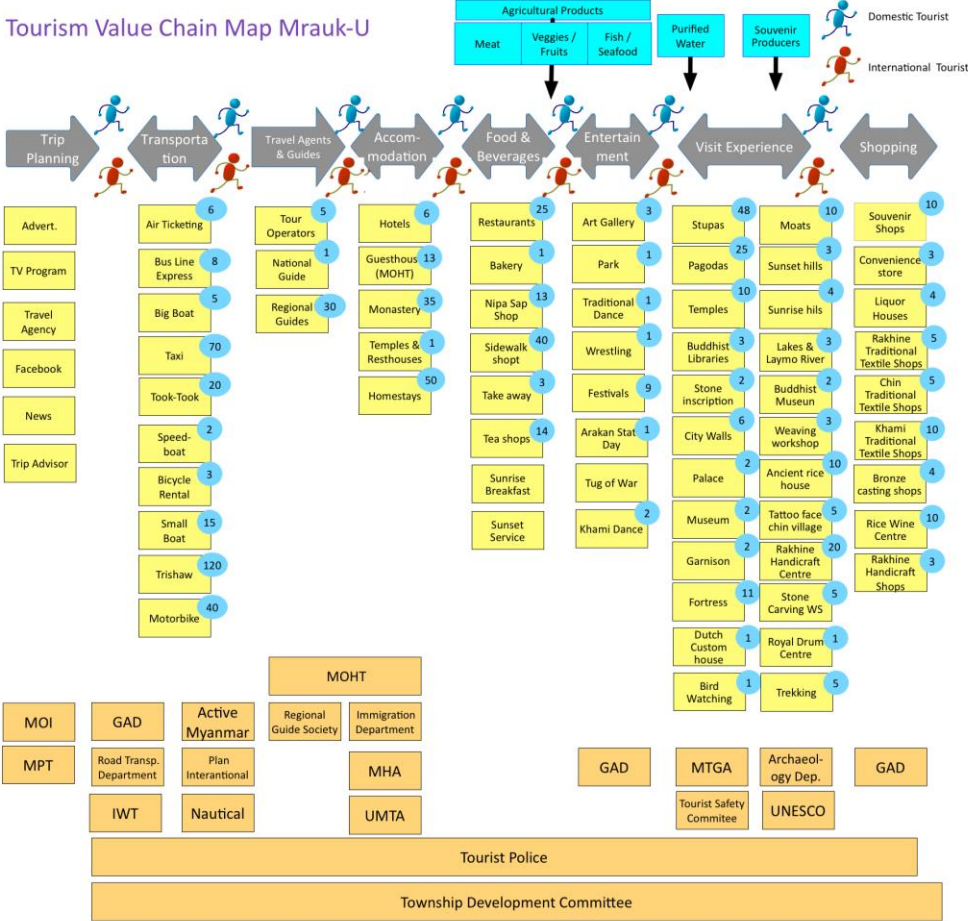


Figure 16: Tourism Value Chain Map of Mrauk-U

Strengths of the **food and beverages (F&B)** sub-sector are that the 25 restaurants in Mrauk-U and the food stalls process meat, seafood and vegetables that are fresh as about 70% is sourced in the local surrounding. Speciality dishes are offered, such as Rakhine traditional rice soup and salad, the Rakhine traditional chicken soup or the potato paste curry.

The downside of this subsector is that some ingredients like meat are relatively expensive. Guest services are often weak, which is partly due to the fact that there is a lack of regular staff. Among the 25 restaurants not many qualify as appropriate for the typical international tourist. They are often not neat and tidy. International coffee shops are missing completely.

The sub-sector **visit experiences** for tourists offer plenty of ancient pagodas, temples and other monuments, making it the second most attractive destination for heritage tourism in Myanmar after Bagan. Historical sites are quiet and peaceful and provide a high level of safety. There is an absence of thieves or pickpockets. Beggars are very rare.

Sunset and sunrise can be observed from specialised hill viewpoints. Apart from historical sites and museums, there is the opportunity to visit traditional workshops or the Rakhine handicraft centre producing bronze sculptures or woven clothes and bags. Traditional handicraft is nice and cheap, being suitable as souvenir for tourists.

The Mrauk-U surrounding offers a variety of other visit experiences, such as the very popular boat trip to Chin villages, trekking or bird watching. More tourist products are currently in the design phase.

However, the advertisement of places of interest to the tourist is weak and unprofessional. Almost everywhere, English language skills of staff are poor. Also, tourists criticise that they miss any place for resting between the activities or site visits.

There are a few **entertainment** options available, such as art galleries operated by painters with international recognition, the performance by professional dance teams, washing of Buddha sculptures by villagers and incense ceremonies during New Year and traditional boat races. In addition there are nine different festivals celebrated around the year, attracting visitors from outside. This includes for instance the boat racing festival, the water festival, the Shite Taung festival or the Wai Thar Li festival.

On the downside, the traditional dances are not really promoted and there is no cooperation between the different dance groups. There is no sport arena available for the traditional Mrauk-U wrestling. As a consequence, performances are only happening rarely during festivals, but not constantly as tourist attraction. There is a lack of practicing time for traditional Rakhine boat races, which then take place in dirty rivers filled with rubbish due to problems of waste collection and clean up. Art exhibitions are limited, including photo exhibitions (only one photo gallery operating).

A considerable number of shops selling handicraft and souvenirs (almost 40) are targeting the **shopping** experiences of domestic and international travellers. Among those, 20 are specialised in textile products of specific ethnic groups (Rakhine, Chin, Kami) that all produce their handicraft manually. Bronze casting workshops use traditional techniques that make replicas often look ancient. The visitors can observe the production process (e.g. weaving, fan production), which ideally combines shopping with visit experience. However, shops observe an increasing number of visitors to workshops, but less buyers. Though the products are of good quality, the tourists often consider them too expensive. In addition, producers and traders use the opportunity to sell their traditional handicraft at the various festivals around the year. Some products face the problem of a lack of raw material, such as the fans produced from a specific grass variety that only grows wild in forests.

In a tourism value chain, the **domestic and international tourists** are the final customers and the point of orientation of all services and their providers. The tourists are representing the final market, targeted by tourism SMEs. Hence, tourists need to receive special attention when analysing a tourism value chain. By contrast to product value chains, the final customer of tourism services is physically present at the production site of those services and thus can be asked for his or her assessment and perceptions. As part of the tourism value chain analysis in Mrauk-U the VCA team ran a tourist mini-survey with 86 respondents of which 51 were foreigners and 35 Myanmar domestic travellers (see the survey questionnaire in Annex 8). The following analysis of the behaviour, preferences and perceptions of tourists are partly based on interviews with tourism SMEs and partly on the results of the tourist survey.

International tourist arrivals alone have reached more than 7,300 in 2016 and hence grew by 36% compared to 2014 (see Annex 7). International tourist numbers will potentially grow further in the future, particularly if the accessibility is improved and if targeting promotion efforts manage to improve the image of Mrauk-U as safe and secure destination. Also the domestic religious and heritage tourist numbers will prospectively further increase.

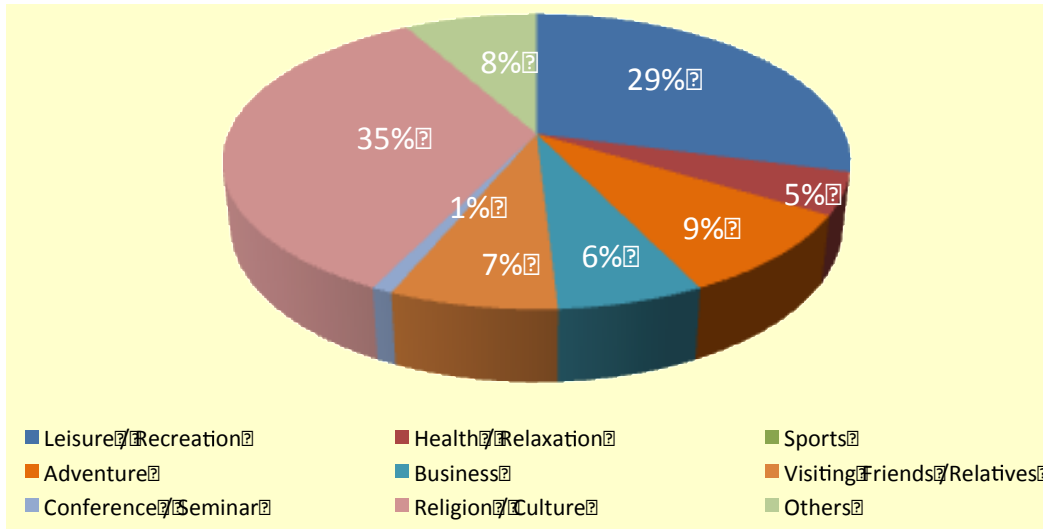


Figure 17: Purpose of visiting Mrauk-U
Source: Tourist Survey March 2017

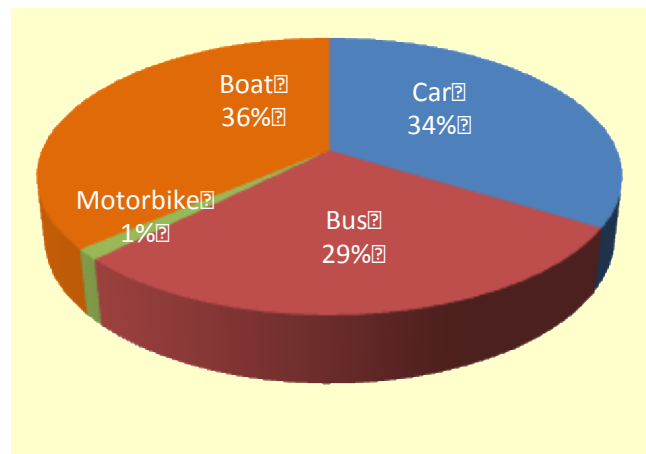


Figure 18: Mode of Transport to Mrauk-U
Source: Tourist Survey March 2017

Figure 17 and Figure 18 are results of the tourist survey in Mrauk-U and reveal the profiles of tourists coming to the location. The majority of domestic tourist travels by car (68% of domestic travellers) and for religious and cultural reasons (26%) and to visit friends and relatives (19%). Travelling as individual travellers (31%), as couple (25%), with friends and family (20%), and tour groups (20%) are mostly foreigners who typically arrive by boat (51% of foreign tourists) or bus (35%).

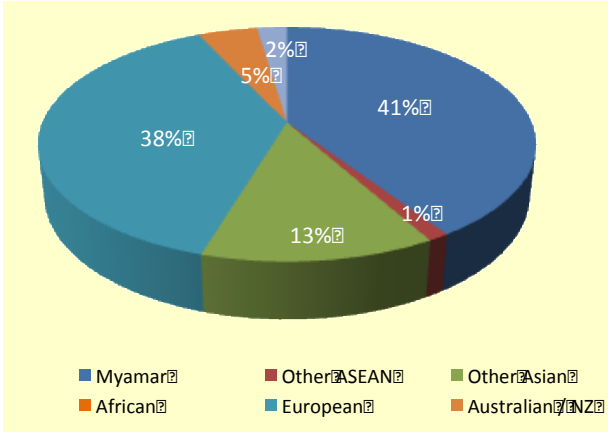


Figure 19: Origin of Tourists in Mrauk-U
Source: Tourist Survey March 2017

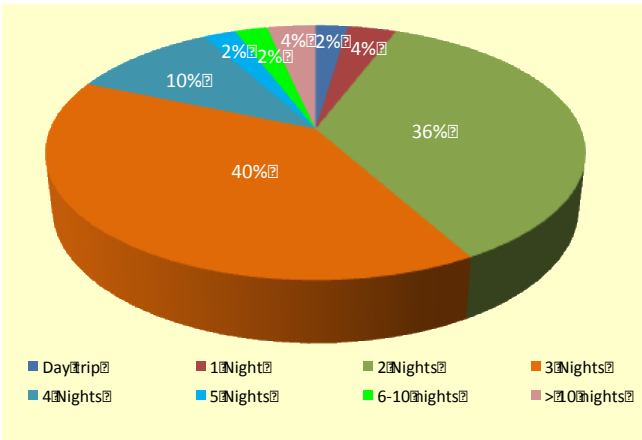


Figure 20: Average No. of nights spent in Mrauk-U
Source: Tourist Survey March 2017

Among the tourists interviewed, 41% are from Myanmar and 59% from abroad (38% from Europe and 19% non-ASEAN Asian)⁵. About three quarters of all visitors spend between 2 and 3 nights in Mrauk-U (36% and 40% respectively). Long-staying visitors, staying 6-10 nights (2%) or even more than 10 nights (4%), are rather rare. Long-staying visitors are mostly working in development.

⁵ The ratio domestic travellers versus foreign travellers in the survey does not necessarily match the actual share of each type of travellers arriving in Mrauk-U.

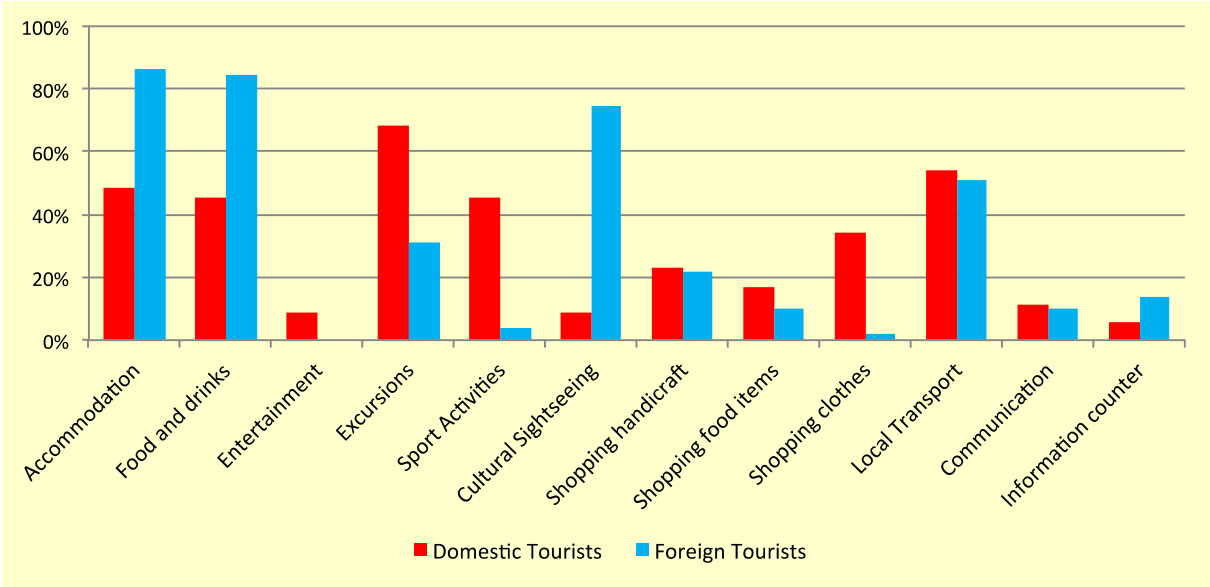


Figure 21: Tourism services used by tourists in Mrauk-U
 Source: Tourist Survey March 2017

Figure 21 shows that apart from shopping handicraft, local transport and communication, the patterns of tourism services used are very different between domestic and international tourists. Almost half of domestic travellers stay in the house of a friend or relative. They indicate that they like excursions, sport activities and shopping clothes. Domestic travellers are spending 115,000 MMK on average per trip per person (average trip length 3.2 days). Foreigners typically stay 2.9 nights on average and spend about 175 USD per person including accommodation during that time. Foreign travellers particularly like excursions, cultural sightseeing and shopping handicraft.

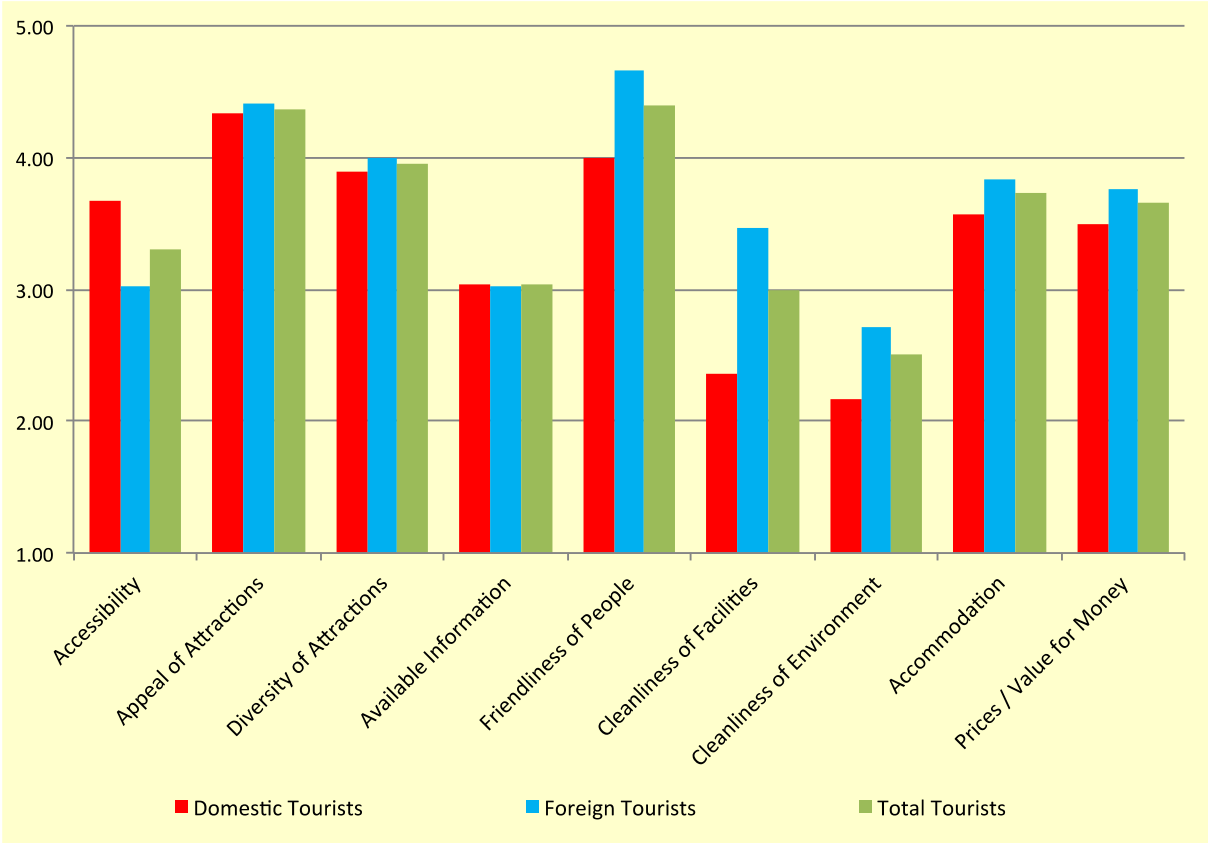


Figure 22: Assessment of the tourist location Mrauk-U
 Source: Tourist Survey March 2017

If staying in hotels or guesthouses, the average domestic traveller spends 34,000 MMK for a room per night. In the case of foreign travellers, this is 22,000 MMK (if paid in Kyat) or 38 USD (if paid in USD). 74% of all tourist surveyed consider their accommodation being satisfactory (3.7 on a 1-to-5 scale⁶) and offering value for money (also 3.7 rating).

The features ‘friendliness of people’ and ‘appeal of attractions’ (both 4.4) receive the most positive assessment. As discussed further above, tourists assess the accessibility (3.3), availability of information (3.0) and cleanliness of facilities (3.0) less positively. The cleanliness of the environment (2.5) is clearly assessed negatively.

⁶ 1 = very poor / 5 = excellent

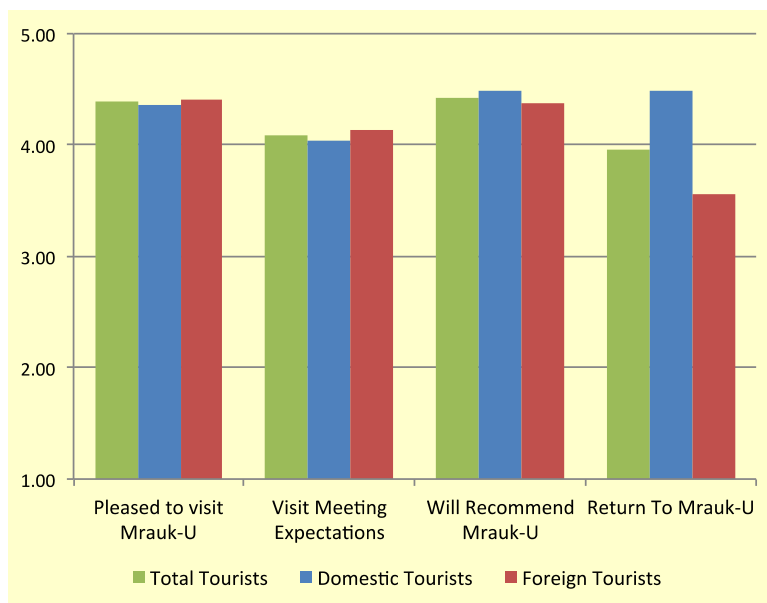


Figure 23: Overall satisfaction of tourists visiting Mrauk-U
Source: Tourist Survey March 2017

On average, tourists agree or fully agree with the statement that they are pleased with their decision to visit Mrauk-U (4.4 on a 1-to-5 scale⁷). The statement ‘I will recommend friends/relatives to visit Mrauk-U’ receives the same score. Slightly lower (4.1) is the assessment of the question whether expectations have been met by the visit. Even the consideration to return to Mrauk-U one day in the future rates with 4.0 very high, although domestic tourists provide here a much higher scoring (4.5) than foreigners (3.6). All these results are excellent for a tourist destination and provide a strong indication that Mrauk-U has a great future potential, if current problems are addressed.

Many of these problems have been discussed above and are again criticised by tourists when answering the tourist survey. This includes the availability of information (tourist information centre, tourist map, sign boards), transportation options to the place (including airport), Internet access and quality, rubbish collection and clean up of the environment and a proper maintenance of the monuments.

⁷ 1 = “I fully disagree” / 5 = “I fully agree”

6. Analysis of the Legal and Regulatory Environment of the Tourism Sector

The following regulatory environment assessment is an update of an earlier analysis presented in the previous VCA reports of the Chaung Thar/Ngwe Saung exercise in 2014 (ILO 2015-1), Bagan in 2015 (ILO 2015-2) and Myeik (ILO 2016). Hence, it is an advanced attempt to identify core issues linked to tourism enterprise start up and operation and to flag possible problems related to the policy and regulatory environment. The required information and perceptions were generated through both literature study and discussions in Yangon, Chaung Thar/Ngwe Saung, Bagan, Myeik and Mrauk-U between 2014 and 2017.

6.1 Analysis of the General Legal and Regulatory Environment in Myanmar

Typical for a country like Myanmar that just recently started a transformation process after decades of isolation, business opportunities are abundant, but at the same time entrepreneurial attitude, experience and support structures are severely lacking. This situation is reflected in international indices and surveys. In the Global Competitiveness Index (GCI) of the World Economic Forum, Myanmar ranks 134 out of 144 countries in 2014 (World Economic Forum, 2014), only slightly improving to rank 131 in 2015 (World Economic Forum, 2015)⁸. The Doing Business Survey recognizes that in Myanmar it is still very difficult to start a business among all countries covered by the survey (rank 177 out of 189 in 2015) (World Bank Group, 2014), although Myanmar has left the bottom of the table since 2014 and climbed up a few positions to rank 167 in 2016 (World Bank Group, 2015), only to slide back to position 170 in 2017 (World Bank Group, 2016). Moreover, the financial sector has improved in recent years, but is still not fully developed and hence not able to fulfil its role as intermediary properly. Particularly, the very tight definition of collaterals hampers access to formal finance sources. The training and education sector does not meet regional or international standards. There is a serious mismatch between vocational training offers and the actual skills demand of the enterprise sector.

On the individual enterprise level, entrepreneurs in Myanmar are battling with all possible challenges. In many cases, they lack experience, business skills and the necessary entrepreneurial attitude and spirit that typically drive growth-oriented enterprises. Land price inflation and the legal access to land prevent enterprises from operating in their preferred locations. Professional business support services are either not available, particularly outside the main urban centres, or enterprises are not aware of them and of their quality. For many enterprises it is difficult to find the right level and types of skills of the work force, which together with an underinvestment in capital goods leads to one of the lowest labour productivity levels in Asia. For instance, in 2016 garment producers recognised that Myanmar's labour productivity is about 50-70% of China, and lagging behind Vietnam and Bangladesh⁹. The regulatory and administrative business environment is highly uncertain and not conducive for enterprises, which is one of the reasons why capital investment is lacking. In addition, the infrastructure is still in a poor condition (power supply, road networks and communication) with only slow progress made so far.

⁸ In 2016, the GCI survey was not completed to minimum requirements in Myanmar. For this reason, Myanmar is not included in the 2016-17 edition of the Global Competitiveness Report (World Economic Forum, 2016).

⁹ <http://economists-pick-research.hktdc.com/business-news/article/Research-Articles/Myanmar-Rising-Opportunities-in-Asia-s-Final-Production-Frontier/rp/en/1/1X000000/1X0A6C1Z.htm>

In the light of the concept of Systemic Competitiveness (Meyer-Stamer, J. 2007) needs and challenges of Myanmar entrepreneurs can be identified on all systemic levels, where they influence and reinforce each other. Analysing particularly the legal and regulatory framework, the focus here lies on the macro and the meso level (see Figure 24).

- On the meso level, enterprises severely battle with access to finance and basic and economic infrastructure problems (power supply, water supply, wastewater drainage, transport) as well as poor ICT services. According to the Logistics Performance Index (LPI) published by the World Bank, Myanmar was ranked 113 out of 160 in 2016 (up from rank 145 in 2014), comparing to Thailand 45, Indonesia 63, Vietnam 64, Cambodia 73, and Bangladesh 87 (World Bank 2016). Important meso-institutions are not present or in a nascent stage, such as private or public BSS providers. There are only a few professional business associations that potentially could offer services and lobbying power to their members. Most associations are top-down driven, more steered by the interest of Government than its enterprise members. The SME Centre and its newly established branches at regional level are so far under-capacitated and lack the experience to act as public BSS provider or to coordinate the service provision of private BSS providers to enterprises. Start-up promotion, i.e. facilitating the initial step of an enterprise from a business idea to start-up operation, is hardly existent and so far only supported by private companies with the funds of international donors.
- On the macro level, non-decentralised decision-making and a non-conducive regulatory environment, as demonstrated by the continuously low Doing Business Survey ranking, make it seriously difficult for enterprises to start up and operate. Business registration is lengthy and expensive. In terms of labour cost, the country's first minimum wage of Kyat 3,600 was introduced in September 2015 for employees working a standard eight-hour day, which translates to a monthly wage of Kyat 108,000 (US\$93). The minimum wage only concerns companies with a minimum of 15 employees. Hence, most small tourism enterprises are not concerned.

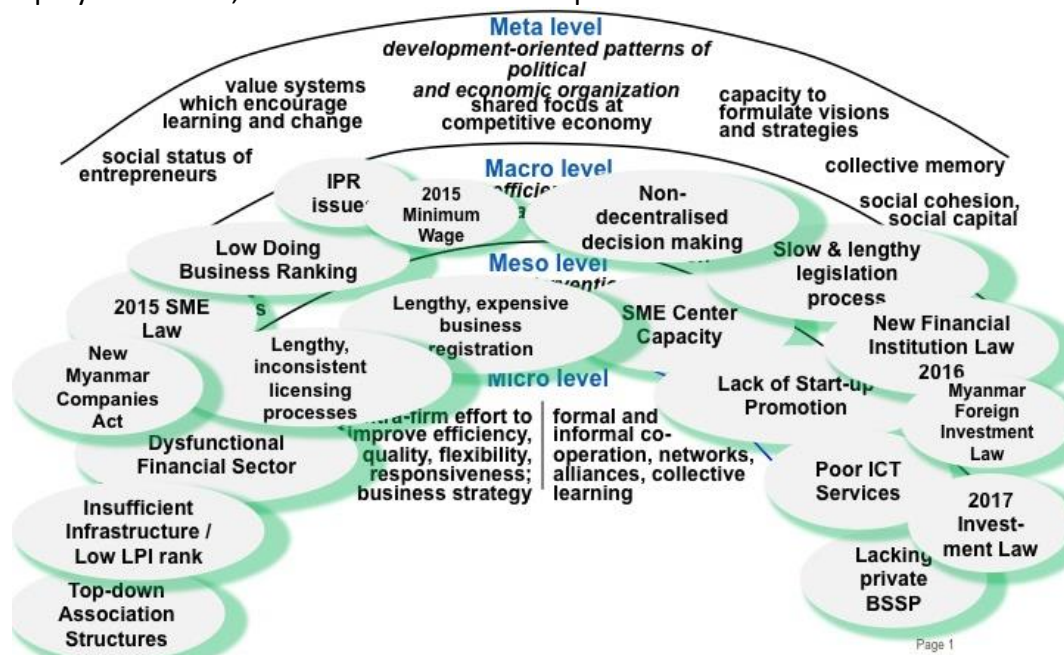


Figure 24: Structuring Regulatory & Administrative Challenges in Myanmar - Using Systemic Competitiveness

Lengthy legislation processes slow down the launch of new favourable laws and regulations. However, a few new laws have already or are expected to improve the situation to some extent: the Myanmar Foreign Investment Law (2012), a new SME Law (2015) and the new Financial Institution Law (2016).

Since late 2013, the new SME law went through a drafting process with several ministries, including the Ministry of Industry and the Ministry of Finance and Revenue, providing input. The drafting committee has also received advice from foreign advisors, economic experts and business associations. The new SME law was finally launched on 9 April 2015. It is expected to help SMEs overcome obstacles by defining special regulations and incentives with regard to business registration, legal advice, financial support, promotion measures and investment activities etc. In general, the new SME law is expected to “aim at preventing small businesses from being crushed by bigger competitors and allows them to deploy their creative potential and generate valuable job opportunities”¹⁰.

The 2015 SME law classifies service industries, like the tourism industry, with an annual turnover of MMK 5 million under the ‘small’ category and ones with an annual turnover between MMK 5.1 and 10 million are under the ‘medium’ category. This is a notable shift from the standards of the 2011 Private Industry Law, which defined all business with a capital investment or annual production of over MMK 5 million as ‘large’ industries.

A new Myanmar Investment Law (MIL) has been passed by Myanmar’s legislature and signed by the President in October 2016, and will be launched in April 2017. The MIL is expected to consolidate and replace the Myanmar Foreign Investment Law (MFIL) enacted in 2012 and the Myanmar Citizens Investment Law (MCIL) enacted in 2013. The law designed to promote and facilitate both foreign and domestic investment in the economy and open more economic sectors to private investment. The existing Companies Act, launched a century ago in 1914, is also being reformed. The new Myanmar Companies Act will form a foundation to facilitate economic reform initiatives in the banking sector, which is crucial for SME development.

The Myanmar Investment Commission (MIC)¹¹ is responsible for approving investment proposals and issuing permits for all foreign investors who intend to carry out direct investment in Myanmar. Once MCI has received an FDI proposal, the commission will review and decide within 90 days (down from 6 to 12 months before 2012).

6.2 Analysis of the Tourism Sector-specific Legal and Regulatory Environment

Tourism development is considered one of Myanmar’s priority sectors and has thus been prioritized in the Government’s overarching ‘Framework for Economic and Social Reforms (FESR)’. In addition, Myanmar has developed a number of policies that frame the development of the tourism sector. These policies include, most importantly, the Responsible Tourism Policy 2012, the Policy on Community Involvement in Tourism 2013 and the Tourism Master Plan 2013-2020. These frameworks are supported by policies, standards and strategies that address particular issues, including ecotourism, land use, biodiversity conservation, homestay and bed & breakfast accommodation (MCRB 2015).

¹⁰ See <http://www.mmtimes.com/index.php/business/7672-new-sme-law-could-transform-the-economy-analysis.html>

¹¹ see <http://www.dica.gov.mm/>

Table 6 shows the most institutions steering the tourism sector in Myanmar. Some of them are currently active, others had been proposed by the Tourism Master Plan, but not set-up yet.

Active Institutions	Main Functions
Myanmar Tourism Federation (MTF)	Facilitating communication between government and private sector about tourism sector-related challenges
Ministry of Hotels and Tourism (MOHT)	Lead government body with responsibility for tourism development
Hotels and Tourism Working Group under Myanmar Business Forum	Preparation of position papers with recommendations to the Union government
Tourism Sector Working Group (between Union Government and Development Partners)	Development and support of sustainable and responsible tourism
Tourism Development Central Committee	Planning and coordinating the tourism sector
Proposed Institutions (in Tourism Master Plan)	Proposed Functions
Tourism Advisory Body	Support strategic decision making by the Tourism Executive Coordination Board
Tourism Executive Coordination Board	Oversee tourism development and coordinate plans and programs of the government and private sector
National Responsible Tourism Research Centre (tentatively at Yangon University)	Research focus on visitor management, community participation, environmental management
Tourism Technical Authority	Performance monitoring and analytic tourism value chain analysis
State and Regional Tourism Councils	Tourism planning and management at the sub-national level
Destination Management Organizations	Tourism planning and management at destinations and sites

Table 6: Institutional Landscape of the Tourism Sector in Myanmar
Source: MCRB 2015

Looking at the tourism sector in Myanmar, it becomes obvious that at the micro level tourism SMEs in various sub-sectors and locations are developing and growing at considerable pace, even though often lacking the necessary business skills, and that at the macro level the MOHT, Ministry of Culture and other union ministries (represented in the Tourism Development Central Committee) are in charge. The meso level in between is hardly developed. MTF and its eleven member associations like MHA or MTGA are often operating rather on the macro level, fulfilling tasks delegated by the MOHT, such as marketing Myanmar as tourism destination internationally through Myanmar Tourism Marketing (MTM). Only in some cases, tourism associations conduct training activities designed and offered to their members or lobbying activities voicing the interest of members towards government. Suitable BSS providers, such as NGOs, CSO or specialised consultancies that could train and coach emerging tourism SMEs are hardly available. Also organisations facilitating the dialogue between tourism enterprises and government at all administrative levels are lacking. There is no tradition

and practice in the country to operate councils representing public, private and civic actors to facilitate participatory decision-making.¹²

The key authority to regulate and service tourism SMEs is the Ministry of Hotels and Tourism (MOHT) with organisational lines going down to the township level. Figure 25 shows the current organisational structure of MOHT of the new civilian Government. Initially, the position of two Deputy Ministers had been envisaged, but later removed. There is the Permanent Secretary and the Deputy Permanent Secretary with five Directors and one Assistant Director in the Minister's Office. There is only one Director General of the Directorate of Hotels and Tourism (DHT) with four Deputy Directors General: one for Upper Myanmar, the other one for Lower Myanmar and the two Deputy Directors General to oversee the six Departments respectively under the DHT. The branch offices like Patheingyi, Bagan, Kyaing Tong or Dawei etc. now come under this Directorate.

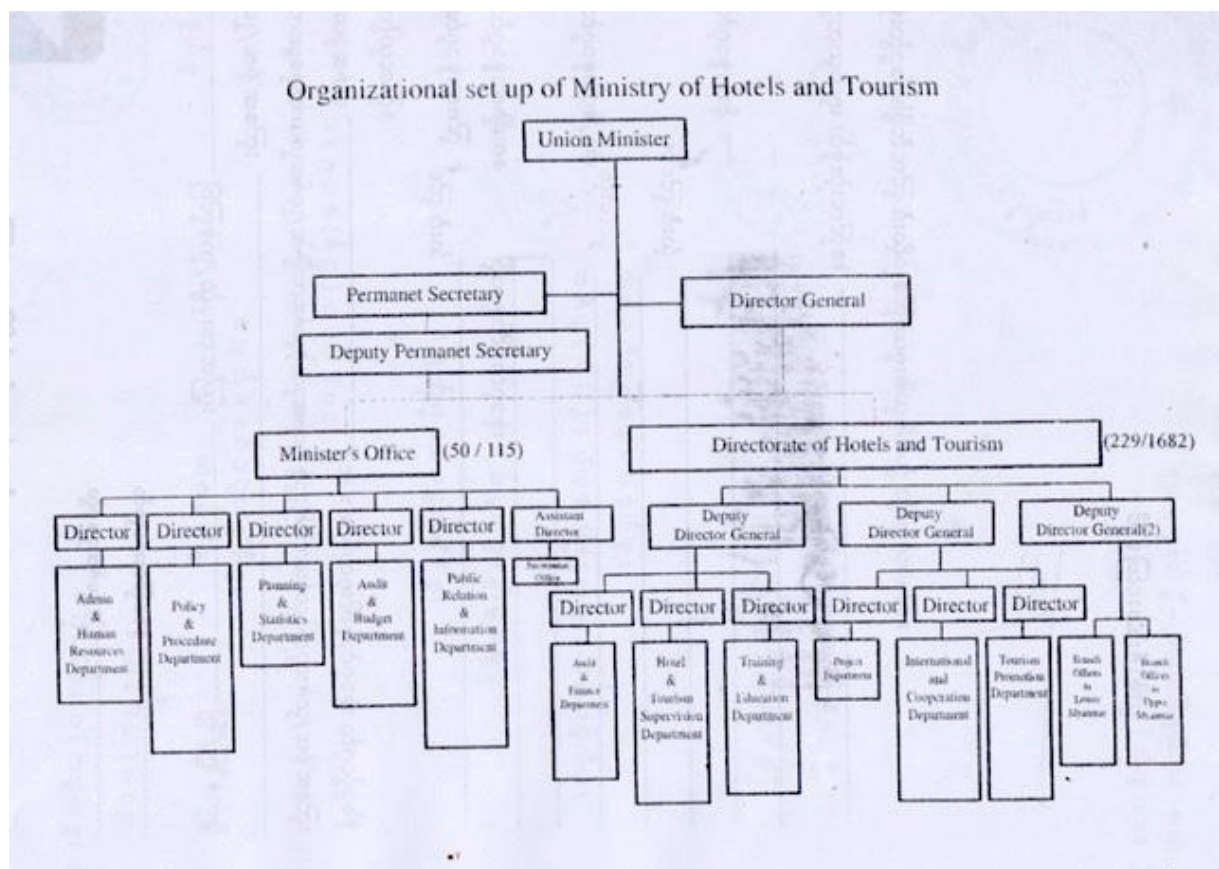


Figure 25: Organisational Structure of MOHT in Myanmar (2017)

Source: MOHT Nay Pyi Taw

MOHT is mandated to regulate and to develop domestic and international tourism in Myanmar. The non-administrative departments under the Office of the Permanent Secretary and the Directorate indicate the task portfolio of MOHT. This includes licensing, planning, regional cooperation in the ASEAN context, tourism promotion and policy. Tourism development comprises human resource development, monitoring of hotels, transportation, tours and tour guides, providing information and doing research.

¹² For a more comprehensive and general overview of the tourism sector in Myanmar, see Schoen, C. 2014, Progress Report.

MOHT is in charge of issuing work permits for hotels and guesthouses and licenses for hotels and guesthouses, transport services, and tour guide services. It established an online service where application can be sent through the website <http://elicense.tourism.gov.mm>. MOHT is now also issuing temporary licenses to prevent delays in the work process.¹³

Currently, the government is preparing to set up a new the Tourism Development Department under MOHT in order to enable Myanmar tourism sector to compete with neighbouring countries, to explore new tourist destinations and extend research programs.¹⁴

The new Government also reformed the Tourism Development Central Committee under the leadership of the second Vice-President. The Tourism Development Central Committee was formed in April 2014 by the Union government to plan and coordinate the tourism sector. The Central Committee encompasses a number of ministries. The Culture Ministry plays a particularly important role in the development of tourism in Bagan, Mrauk-U and other heritage sites. The Central Committee comprises the Vice President, the ministers for Hotels and Tourism, Home Affairs, Foreign Affairs, Cooperatives, Communication and Information Technology, Transport, Environmental Conservation and Forestry (MOECAF), Immigration and Population, Culture, Finance, National Planning and Economic Development and Rail Transportation as well as the Region/State Chief Ministers and officials from the Myanmar Tourism Federation (MTF) and the Republic of the Union of Myanmar Federation of Chambers of Commerce and Industry.

Interviews with MOHT at district level in Mrauk-U revealed that MOHT at this local level mainly has the mandate together with the Immigration Department to collect numbers of international tourist arrivals at the jetty and bus terminals as well as to receive and process information on overnight stays of all visitors from hotels and guesthouses. Moreover, MOHT organises training courses for enterprises in the tourism sector. MOHT would be in charge of operating a tourist information centre in Mrauk-U, which it foregoes so far.

During the Hypotheses Workshop of the tourism VCA the team reviewed the few tourism support activities that are already on-going in Mrauk-U or that had been implemented in the recent past. Most on-going support activities are related to supporting functions and services, such as hospitality training, regional tour guide or tour operator training (all provided by MOHT), extension of stay permits / visas by the immigration department, extending the archaeological museum and zoning the archaeological areas by the Department of Archaeology and conducting an assessment of Mrauk-U by UNESCO for preparing the tentative list of future World Heritage Sites. Moreover, the Rakhine state government has drawn a hotel zone plan (outside the archaeological zone) and the General Administration Department (GAD) is trying to further the construction of the Mrauk-U airport (at slow pace, as financing is not secured). CB bank would be interested to invest into both infrastructure projects, provided that tourist numbers will increase significantly in future.

A more comprehensive assessment of the current regulatory environment of the tourism value chain has been done during the internal results workshop in Mrauk-U and presented to the local community during the Presentation Event. Following the logic of the Market Sys-

¹³ See <http://www.moi.gov.mm/moi:eng/?q=news/23/03/2017/id-10302>

¹⁴ The Global Light New Light of Myanmar: „Ministry of Hotels and Tourism: Moving forward with success all along the road“, Performances in One-Year Period, 23 March 2017.

tem Framework (see Figure 4), the business environment of rules and regulations is analysed below for Mrauk-U.

Laws & Regulations	Main Objectives
Hotels and Tourism Law (1993 / currently under revision)	Setting out rules, regulations, systematic procedures and principles for tourism development and licensing
Immigration and Visa Regulations	Easing of barriers to visitor entry and internal travel
Protection and Preservation of Cultural Heritage Regions Law (1998)	Protect and preserve the cultural heritage regions

Table 7: Key Laws and Regulations for the Tourism Sector in Myanmar

Source: MCRB 2015

A variety of **regulations** apply for tourism businesses at local level, such as the Order for Licensing Hotels and Lodging-House Businesses (by MOHT, launched in September 2011), the Construction Regulation, the Restaurant and Shops Regulation, the Tour Guide Regulation as well as Local Laws and Orders by the GAD (a line structure under the Ministry of Home Affairs).

Depending on the type of tourism enterprise, different business registration regulations apply. Domestic tour operators, for instance, need to register first as company and then as tour operator. A company registration, however, is expensive for a small start-up enterprise (company registration fee is amounting to 1 million MMK, taxes 200,000 MMK and another 200,000 MMK for a registration agent, if one is contracted). In addition, a tour operator would need to pay another 300,000 MMK for a domestic tour operator license. Domestic enterprises can submit their registration application locally, e.g. in the regional capital Dawei. Only FDI and joint ventures need to go through Nay Pyi Daw directly. The registration of hotels and guesthouses is regulated in the “Order for Licensing of Hotel and Lodging-House Businesses” from September 2011. According to this regulation a hotel must have not less than 20 rooms or 40 beds and needs to offer food and beverages as well. A lodging-house (guesthouse) must have not less than 10 rooms or 20 beds. The amount of the hotel license fee depends on whether the hotel is locally owned or with foreign participation (foreign owned or joint venture) and it depends on the number of rooms provided. A local business needs to pay between 500,000 MMK (20 rooms) and 1.9 million MMK (101 rooms and above) to receive a licence that is valid for two years. Foreign hotel businesses need to spend between 5,000 USD (minimum of 50 rooms) and 9,000 USD (101 rooms and above) every two years. The licence of a guesthouse would cost between 200,000 MMK (20 rooms) and 300,000 MMK (51 rooms and above), also on a biannual basis.

Local hotels and restaurants can submit their applications to the city development committees / municipalities, whereas foreign hotel applicants need to go through MOHT. The same applies for tour operators: domestic tour operators apply at the city/municipality, international tour operators at MOHT.

Other local regulations, important for Mrauk-U as tourism destination, such as safety rules and regulation for passenger boat trips, traffic and transport regulation, restaurant hygiene regulations, noise disturbance regulation or regulation on littering the city and environment are not enforced properly.

Besides, one specific type of regulation is hampering tourism development in Mrauk-U (and in Myanmar in general). Government policy on visitor accommodation is contradicting the one for community-based tourism (CBT). The regulation excluding foreigners from staying at home stays or bed and breakfast (B&B) is preventing CBT to develop in Myanmar. CBT would also be an interesting option for Chin communities around Mrauk-U to tap into an additional source of income. Amending those regulations could have systemic impact on the tourism sector, unleashing its full potential.

In addition, there are **laws** in place, such as the Hotels and Tourism laws (by MOHT / launched in October 1993, currently under revision), the new investment law, the municipal law, the village law and the antique law (launched in 1957 and amended in 2014) and the Protection and Preservation of Monument Law of 1998. A problem is that there is lack of public awareness and knowledge about laws and regulations. As a consequence, tourism actors do not necessarily comply with them. Enforcement by the authorities usually does not take place. For instance, domestic tour operators are usually registered neither as company nor as tour operator for costs reasons (as interviews in Yangon in October 2014 have shown). The authorities do not enforce the two types of registrations for a domestic tour operator, which are compulsory in principle.

In terms of standards, the star rating and hotel standards assessed and applied by MOHT and the guesthouse standards assessed and applied by the municipality are particularly relevant for the tourism sector. Obviously, star rating is an important public service for hotels. Targeting the international tourist market intensively, hotels in Mrauk-U need to provide their star rating to tour operators, booking websites and tourists directly. Another important and rather informal source of assessment of hotels and restaurants are review assessments by other tourists in Trip Adviser, Agoda and other online travel services. Independent travellers increasingly look at reviews of other tourists before making booking decisions. No tourism enterprise in Mrauk-U, has so far adopted any Green/ECO standards (such as Travelife¹⁵), nor has the tourism destination Mrauk-U indicated interest to undergo the Global Sustainable Tourism Council (GSTC)¹⁶ assessment and certification of sustainable tourism destinations.

In tourism, also the regional guide and national guide standards (defined by MOHT) are important. The same applies to food and hygiene standards for restaurants, which are set, but not quality-controlled by the Food and Drug Administration (FDA). Mrauk-U restaurants do not experience hygiene and health inspections, as the team has learned during interviews with restaurants.

As Mrauk-U and particularly its surroundings will be an interesting location for eco-tourism, including community based tourism (CBT) in future the Myanmar ecotourism policy and management strategy for protected areas (MOECA 2016) as well as the ASEAN Community Based Tourism Standard need to be applied and respected widely (ASEAN 2016).

As in many sectors, also in tourism **informal rules and norms** play an important role and shape the behaviour of the actors involved. In Mrauk-U, this includes for instance the code of conduct on how to behave in pagodas and temples (not wearing shoes, short pants or

¹⁵ The Travelife label employs 425 different indicators for responsible tourism certification of hotels and accommodation, and for travel agents and tour operators. <http://www.travelife.org>

¹⁶ <https://www.gstcouncil.org/en/>

skirts, smoking, making noise etc.). Informal agreements among local tourism actors and villagers to keep tourism-relevant areas such as areas around cultural sites and traditional villages clean will become increasingly important to increase the reputation and attraction of the destination

7. Proposals for Action to Strengthen Tourism SMEs in Mrauk-U

7.1 Presentation of proposed activities

In order to come up with a manageable number of sensible proposals for action that are suitable to address current shortcomings and tap into opportunities and potentials the VCA team applied three key criteria during the internal results workshop (see Annex 12 for details of Results Workshop). Using this set of 3-criteria along a longer list of ideas for action increases the likeliness that proposals will actually be implemented in the future:

- Realistic and feasible to implement an activity with available resources (motivation, skills, time, funds)
- Suitable to be implemented quickly (starting in next 2 weeks)
- Suitable to show visible, tangible effects within 3 to 6 months

In the end, 18 activities qualified to be proposed to the local tourism community. The project champions mentioned for each proposal are actors who generally need to agree to be in charge of implementing a project idea. Many proposals will be driven or supported by MHA as well as the Regional Tour Guide Society. Two members each represented both associations in the VCA team. With regard to other proposed project champions internal team discussions strongly suggested that they are willing and able to drive the project ideas. During the VCA Way-forward Workshop project champions for some of the proposals could be confirmed or newly identified.

For each proposal not only the **'who'** (project champion), but also the **'what'** and **'how'** are briefly described below. Each proposal needs to be discussed and planned in detail with the respective project champions and necessary collaborators to turn a proposal into reality. Those planning discussions can modify an initial proposal significantly and make it more practical and hence implementable. Planning discussions of project proposals are typically happening during moderated Way-forward Workshops. A first and major Way-forward Workshop took place on 17 March in the afternoon in Mrauk-U and addressed 12 out of 18 proposals (see structure of Way-forward Workshop in Annex 14). The results are presented at the end of this chapter.

Proposal 1: Business Management Training

- **What:** Tourism Business Management Training of Tourism SMEs through a local trainer network approach.
- **How:** Utilizing the network of trained SYIB trainers in Myanmar using ILO's business management training tool for existing businesses (IYB for tourism enterprises). Trainings will be fee-based. Fees will depend on affordability and willingness to pay.
- **Who:** MHA in cooperation with ILO

Proposal 2: Private Training and Hospitality Training Centre

- **What:** Private Training and Hospitality Training Centre

- **How:** Cooperation with MHA, MOHT, HTTC for hospitality training. Teachers for German and French classes to be hired. English classes will be coordinated with Mrauk-U Regional Guide Society. Initially, trainings can take place in monasteries. the participants' fees Costs are recovered.
- **Who:** Skymates Travel & Tours, Kisspa Nadi Travel & Tours, MOHT, MHA, HTTC.

Proposal 3: MOHT Hospitality Training

- **What:** Provision of Hospitality training courses in low season
- **How:** MOHT will invite private training schools from Yangon and MPHA to provide these courses in Mrauk-U at discounted prices. The remaining expenditures will be borne by the trainees (respectively their hotel sponsors) and by MHA
- **Who:** MOHT, MHA, MHPA and private hospitality training schools

Proposal 4: Tourism Information Centre

- **What:** Tourism Information Centre
- **How:** Coordinate with MOHT for Mrauk-U data and information documents. Coordinate with Archaeological Department to receive the mostly unused building opposite to the jetty to transform into a Tourism Information Centre. Volunteering tour guides with English language skills will staff the TIC.
- **Who:** MOHT, Regional Guide Society, Department of Archaeology, Tour Operators



Potential building for new Tourist Information Center in Mrauk-U

Proposal 5: Improvement of Municipal Waste Management

- **What:** Improvement of Municipal Waste Management
- **How:** Running awareness campaign among villagers and citizens about the conflicts between careless garbage disposal and tourism. Effort to get support from Nagata Org. (an investor of billboards and waste management in Bagan) to buy the 30 large (660 litres) garbage bins
- **Who:** Municipal, Department of Archaeology, CBO, Regional Guide Society, MHA, Daw Chaw Su Hlaing, Nagata

Proposal 6: Clean-up Campaign

- **What:** Regularly picking plastic and cleaning-up

- **How:** After identifying the most relevant areas of town (around monuments, around villages, river banks, side streets), the team of volunteers will pick-up plastic thoroughly. The team of volunteers is expected to grow over time. At the beginning one event per month is planned, which could become more frequent if needed
- **Who:** MOHT, MHA, Regional Tour Guide Association, Trustees and Town Elders



Dump site near pagoda in Mrauk-U requiring clean-up

Proposal 7: Guesthouse Owner Association

- **What:** Mrauk-U Guesthouse Owner Association on request and interest of guesthouses
- **How:** Starting from a core group of at least 5 guesthouses, the guesthouse owners will organise the forming of an association and will try to convince the remaining guesthouses about the benefits to become member
- **Who:** 5 guesthouses as initial founding members, Township Development Committee

Proposal 8: Upgrade path to Sunset / sunrise hill

- **What:** Shwe Taung sunrise and sunset is a must-do-experience in Mrauk-U, but the provision of the necessary facilities is required. The pathway to the top needs to be maintained and cleaned regularly from rubbish and bushes
- **How:** MHA and RGS will first meet the villagers and explain the importance of Shwe Taung Pagoda. MHA and RGA will provide food during working process, otherwise the activity is implemented by volunteers (youth, guides, taxi drivers)
- **Who:** MHA, RGS, monks and villagers from Shwe Taung

Proposal 9: New Jetty for Chin Village Trips

- **What:** Building a new jetty that is needed for the embarking and disembarking of tourists visiting Chin villages
- **How:** Building a new jetty from bamboo and wood and thus at low material prices. The material could be provided by the District Department for Rural Development or alternatively by the Boat Association. Manual construction work will be done by the boat drivers
- **Who:** Boat Association, Department of Rural Development

Proposal 10: Loans For Trishaw Drivers

- **What:** Providing loans to trishaw drivers
- **How:** The Arakhadana Livelihood Development Foundation has so far provided micro loans to poor farmers, but could easily do the same with trishaw drivers, who need money for maintenance, decoration or new investment into trishaws. Monthly interest rate is 1.5% and the loan needs to be repaid within 6 months.
- **Who:** Arakhadana Livelihood Development Foundation



Site for developing new tourist products: Letseken lake

Proposal 11: New Tourist Products

- **What:** Developing new tourist products in and around Letseken lake close to the outer city wall.
- **How:** Developing a trekking route around the lake by cleaning and preparing the path for trekking. Bringing new, comfortable small boats into the lake next to the former city wall for boat trips on the lake. Agree with boat drivers on availability and price.
- **Who:** Trekking guides, Prince hotel, tour operators

Proposal 12: TV promotion clip

- **What:** TV promotion clip about Mrauk-U to be produced and broadcasted by Myanmar TV (MTV)
- **How:** MHA will fund the estimated production cost of 10 lakhs MMK. MOHT will offi-

cially contact MOI to facilitate the implementation. Local dancers and actors will volunteer for the film production

- **Who:** MHA, MOI, GAD and MOHT

Proposal 13: Forming Traditional Dance Team

- **What:** Traditional dance groups operate in isolation. For efficient and easy access to traditional dance and regular joint basic training a different way of cooperation among the groups is needed
- **How:** Many small groups are interested to join forces for a better organisation of the sub-sector. Some individuals and organisations are keen on technically and financially supporting the network of dance teams
- **Who:** Dance groups, U Bo Chay, Town Elders

Proposal 14: English Language Training for Souvenir Shops

- **What:** English Language Training for Souvenir Shops
- **How:** Tour guides volunteer to teach souvenir shops sellers and owners basic English skills that are necessary to communicate with tourists about souvenir products and the sales process. Tour guides charge small fees for the training, below the market price.
- **Who:** Tour guides, souvenir sellers

Proposal 15: Tourism Destination Promotion Mrauk-U

- **What:** Joint public-private tourism destination promotion in Mrauk-U
- **How:** Development of a promotion concept between MOHT, MHA and RTGS about instruments and funding options for the promotion campaign. Instruments could be a (regularly updated) Mrauk-U tourism website, the organisation and invitation of Yangon and foreign tour operators to a familiarization trip and possibly the visit to travel fairs in Yangon. Proposal 12 (TV promotion clip) will support this activity too.
- **Who:** MOHT, MHA and Regional Tour Guide Society

Proposal 16: Tourist Map Mrauk-U

- **What:** Design, print and distribution of new Mrauk-U tourist map
- **How:** Run a crowd financing campaign among tourism enterprises for the tourist map. Contributing SMEs can add their advertisement onto the map. Design and printing is out contracted to service providers in Sittwe or Yangon. Content of the map will be discussed among key tourism actors and Department of Archaeology.
- **Who:** MHA, MOHT, RTGs and advertising companies

Proposal 17: Regular Tourist Surveys

- **What:** Running regular surveys of domestic and foreign tourists to learn about their expectations, level of satisfaction, economic impact etc.
- **How:** After having experienced on how to run tourist surveys, the VCA team can repeat this exercise annually to learn about their customer viewpoint and adjust services accordingly in order to stay competitive. The results need to be published widely to inform the whole tourism community.
- **Who:** MOHT, RTS and MHA

Proposal 18: Mrauk-U Tourism Value Chain Association

- **What:** Founding of Mrauk-U Tourism Value Chain Association in order to connect all tourism sub-sectors
- **How:** MHA, Regional Tour Guide and taxi association join forces in one working group. Individuals can join as well to benefit from association services and its lobbying power towards government.
- **Who:** MHA, Regional Tour Guide association and Taxi association will start the invitation and invite more organisations to join.

7.2 Feedback and Way-forward Workshop results

Following the PowerPoint presentation on the diagnostic of the tourism value chain in Mrauk-U and the proposals for action participants had the chance to provide feedback, comments, proposals and critique on the results and particularly the proposals. In general, the feedback with regard to relevance and importance of proposals was positive and affirmative. The participants highlighted a few proposals to be particularly important and added a few additional suggestions for activities.

The proposals being particularly crucial include the formation of a group that leads the change process of the tourism destination Mrauk-U, which is very close to proposal 18 'Mrauk-U Tourism Value Chain Association'. Moreover, the importance of the 'Improvement of Municipal Waste Management' and the 'Clean-up Campaign' (proposals 5 and 6), the need for business management, hospitality and language training, particularly French and English languages (proposals 1, 2 and 3), the design of new tourism products, particularly eco tours (proposal 11) and the worldwide promotion of the destination Mrauk-U (proposal 15) were emphasised by the audience.

In addition, participants suggested updating Mrauk-U Guide books more frequently, opening a night bazaar, improving water supply, starting a couple of schools (culture, handicraft) and a library for Rakhine and Mrauk-U culture and history, and extending the choice of restaurants, including Chinese, European and American cuisine. In terms of infrastructure it would be essential to install signboards, put in place public toilets, accelerate the process of building the airport, improve street lighting, pave downtown roads smoothly and repair access roads to pagodas and temples.

In general, participants suggested finding ways to ease the access to credits for handicraft producers like "Mro" traditional weavers or for investing into bronze and copper moulding machines

Potential project champions and collaborators for the 18 proposals had been invited to the Way-forward Workshop on 17 March in the afternoon. The attendance was satisfying, but time was too short to discuss and plan all proposals, although the VCA team split up into several facilitation sub-teams and discussed the practical implementation of proposals in parallel. In the end, 10 proposals could be discussed and planned in detail. The results are shown in below table. Each of the six questions presented in the head row of the table had been discussed with the participants and jointly decided on how to go about them (for details see agenda of Way-forward Workshop in Annex 14).

Proposals	1. How to implement?	2. Who is responsible?	3. Who needs to collaborate?	4. What resources do we need?	5. When do we start?	6. How to know that we have started?
Proposal 1: Business Management Training	<ul style="list-style-type: none"> Announcement by module - selection to discuss depending on potential participants: Marketing Productivity HR Record Keeping 	<ul style="list-style-type: none"> U Htun Shwe 	<ul style="list-style-type: none"> MHA, MOHT Myo Than Naing 	<ul style="list-style-type: none"> Location: Princess Hotel 	<ul style="list-style-type: none"> 2nd week of June, duration 3 days 	<ul style="list-style-type: none"> On 6 July 2017
Proposal 2 (combined with 3) Private Training and Hospitality Training Center	<ul style="list-style-type: none"> Advertise for the English Language Training class Placement test for training class Accept fees Hotel Hospitality Training F&B production F&B Services Front Office Housekeeping 	<ul style="list-style-type: none"> Myo Than Naing (Travels & Tours) 	<ul style="list-style-type: none"> Aung Zaw Lin (MHA) RGA (U Rocky) U Htun Shwe MOHT Regional Guides Guest Houses Tour Operators 	<ul style="list-style-type: none"> Monastery Arranges by MHA 	<ul style="list-style-type: none"> 1st week of July Basic Class 2 hours 5 Days a week for 1 Month First week of August for 1 month 	
Proposal 5 Improvement of Municipal waste Management	<ul style="list-style-type: none"> Collect good practice examples from elsewhere Knowledge & awareness to villagers Distinction between different type of waste Equipping the town with garbage bins Hotels 	<ul style="list-style-type: none"> U Aung Htun Hla (09421734007) 	<ul style="list-style-type: none"> Municipal Chaw Su Hlaing connect to NAGATA Company Village masters U Shwe Than (Town Elder) Daw Nu Aye Khaing U Aung Zaw Lin (MHA) Trishaw Association 	<ul style="list-style-type: none"> Time for Campaign 1 day Cost (50,000 MMK) 2 per month for 1 year Budget for bins 	<ul style="list-style-type: none"> 26.3.2017 (1:00 PM): Collaborator Meeting in Shwe Thazin Hotel 22.3.17 Chaw Su Hlaing contacts with NAGATA 	<ul style="list-style-type: none"> 30.4.2017 1st awareness

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	<ul style="list-style-type: none"> commit to buy 660 litter bins • Set-up warning signboards in coop. with NAGATA company • Identify locations for garbage bins • Donations for bins collected by city Elders 					
Proposal 6 Clean-up Campaign	<ul style="list-style-type: none"> • Discussion on township clean-up • Convince township people to be cooperate (U Shwe Than) • Win all travel agents to cooperate (Skymates Myo than Naing) • U Shwe Hla to organize all hotels & guesthouse 	<ul style="list-style-type: none"> • MHA (Aung Zaw Lin) 	<ul style="list-style-type: none"> • -MOHT • Municipal • Township people • MHA • Tour Operators • Mrauk –U Palace Hotel • Kistna Nady (U Sein Hla Win) • Mya Nan Theingi (U Htun Oo) • Golden Mrauk-U • Nan Myo Taw • Regional Tour Guide Society 	<ul style="list-style-type: none"> • People • Budget • Shwe Tha Zin Hotel 	<ul style="list-style-type: none"> • 26.3.2017 (in the afternoon 1:00 PM) 	<ul style="list-style-type: none"> •
Proposal 7 Guest House Owner Association	<ul style="list-style-type: none"> • Start with meeting of guesthouse owners 	<ul style="list-style-type: none"> • U Sein Hla Win 	<ul style="list-style-type: none"> • 13 guest-houses • Municipal 	<ul style="list-style-type: none"> • Location: Mrauk-U Palace Hotel 	<ul style="list-style-type: none"> • 1st meeting on 1st April 2017 	<ul style="list-style-type: none"> • By Email or Phone
Proposal 9 New Jetty for Chin Village Trips	<ul style="list-style-type: none"> • Group speed boat team (5 members / 8 boats) • Repair village road • Collect available wood and bamboo • Build stairs 	<ul style="list-style-type: none"> • Daw Khin Mar Cho 	<ul style="list-style-type: none"> • Strong Boat team 	<ul style="list-style-type: none"> • Wood and bamboo material • Workers 	<ul style="list-style-type: none"> • Start on 1st week of May 2017 	<ul style="list-style-type: none"> • Facebook

	<ul style="list-style-type: none"> • Build new boat stop • Build new floating jetty 					
Proposal 10	<ul style="list-style-type: none"> • Grouping Mrauk-U trishaw team (120) into 8 smaller teams • Discuss what for they need loan (e.g. repair trishaw or buy new) • Inform on loan procedures and requirements (e.g. responsible for family, member of trishaw team, holding trishaw license) 	<ul style="list-style-type: none"> • Selected member of trishaw team 	<ul style="list-style-type: none"> • ARAK-HADANA (Micro-finance) 	<ul style="list-style-type: none"> • National Registration Card 	<ul style="list-style-type: none"> • Start to give loans on 31.3.2017 	<ul style="list-style-type: none"> • Settlement by people to people
Proposal 12 TV Promotion Clip	<ul style="list-style-type: none"> • Produce clips of Rakhine , Myo, Khami, Chin popular F&B, traditional "Mro " costume • .. clips of workshops, e.g. weaving or hat production • ..clips of pagodas , temples • Show on TV, Face book, magazines, Internet 	<ul style="list-style-type: none"> • MHA and Mrauk-U hotels owners 	<ul style="list-style-type: none"> • MRG • MOHT • MOI • Daw Ma Than Sein (leader of weavers • Daw May Chein (leader of fan factory) • Daw Su Su Hlaing (leader of natural material factory) 	<ul style="list-style-type: none"> • And more we need the to taking the movies and actor and actress then composer and vocalist -Finance and Video camera and Director 	<ul style="list-style-type: none"> • 4th June 2017 	<ul style="list-style-type: none"> • Contact to all involved
Proposal 14 English Language Training for	<ul style="list-style-type: none"> • Organise training in low season • 2 days a week (Mon- 	<ul style="list-style-type: none"> • Mr Rocky (U Shwe Hla Maung, chairman of RTGA) 	<ul style="list-style-type: none"> • Daw Cho Mar Aung (to organise at least 10 people to 	<ul style="list-style-type: none"> • Stationary cost (paid by trainers • Place (Kyat Zay school 	<ul style="list-style-type: none"> • 4th April 2017 	<ul style="list-style-type: none"> • Communication by phone

Souvenir Shop	Sat / 7 to 8 am), duration about 1 month, or 7 PM <ul style="list-style-type: none"> Alternative duration: 3 weeks (daily 7:30 to 8 AM) 		attend) <ul style="list-style-type: none"> Mrauk-U RTGA Theingi Shwe Ye souvenir (6 people) 	<ul style="list-style-type: none"> ANDAW THEIN White board and pen 		
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Table 8: Results of Way-forward Workshop on 17 March 2017

Due to the lack of attendance of potential project champions, the proposals 4, 8, 11, 13 and 15 to 18 could not be discussed during the first way-forward workshop. At least one further Way-forward Workshop should follow to take these eight proposals forward.

8. Conclusions and Recommendations

The rapid and participatory tourism VCA in the tourist destination Mrauk-U has produced a comprehensive picture of the challenges and opportunities local tourism SMEs and other tourism actors are facing. The VCA team has identified 18 proposals for action that address the kind of support local tourism companies and potential entrepreneurs would need to develop their entrepreneurship potential and become more competitive. The set of criteria used for defining the proposals increases the likeliness that they will actually be implemented.

The proposals are partly targeting activities within the tourism value chain itself and partly within its supporting functions. Some of the proposed actions are considered particularly important, because they are expected to cause systemic impact through positive multiplication effects throughout the whole tourism value chain and related product value chains in Mrauk-U. This particularly includes the proposals No. 1 “Business Management Training”, No. 2 “Private Training and Hospitality Training Centre”, No. 3 “MOHT Hospitality Training” and No. 15 “Tourism Destination Promotion Mrauk-U”.

The business management training of tourism SMEs (hotels, guesthouses, tour operators, restaurants) would most importantly improve the capacity of managers and decision makers in tourism enterprises to identify, target and solve their individual enterprise problems and, having obtained these skills, ideally tackle also joint problems of the tourism community, in general. Dependency on outside support would significantly decrease. A manager is a problem solver in the first place, who typically observes what is going on around him/her, identifies opportunities and challenges and then takes the decisions on addressing them. The business management training proposed here would develop and sharpen these skills by using the Improve Your Business (IYB) training approach of the ILO, specifically adapted to the tourism businesses in Myanmar. However, the ILO would only use a facilitative approach and not train a large number of tourism SMEs directly. In the absence of meso level institutions, a trainer-network-approach would be a suitable solution as pursued by ILO in Myanmar. Two recently trained SIYB trainers are available in Mrauk-u. Both work in the tourism sector and both have been part of the tourism VCA team. Very importantly, the business management training needs to be fee-based to make participants understand that value is created and a mutual benefit for everyone generated. Studies commissioned by the ILO (Wijesena, G. et al. 2014) and GIZ (PEM GmbH 2014) in Myanmar in 2014 have shown that en-

enterprises in principle show willingness to pay for business services, as far as the promise to help generating higher revenue, the business services are of good quality and prices are affordable. Also the other training-related proposals No. 2 and 3 need to be driven by local partners, even though outside organisations like HTTC or external private hospitality training schools might provide training tools and trainers, at least at the beginning.

The proposal No. 15 “Tourism Destination Promotion Mrauk-U” addresses the issue that the heritage destination Mrauk-U does not receive the attention by tourists that it deserves and that the number of visitors is disproportionate to the attractions it has to offer. A professionally designed tourism destination campaign for Mrauk-U could significantly improve its image as a safe and secure place (although being located in Northern Rakhine state), promote its status as most important heritage site in Myanmar after Bagan and advertise its beautiful temples, pagodas and landscape. This could ideally result in a virtuous cycle of higher interest by tourists and tour operators, attention by government and private investors, more investment into hotels and tourism infrastructure, upgrade of basic infrastructure and transport accessibility, acceleration of airport construction (partly financed through private investors), which all again leads to further growing tourist numbers and so forth. Private and also public funds would in principles be available (as VCA interviews have shown), but the current number of visitors and their annual growth rates are too low to open these funding channels. This could change, if Mrauk-U is promoted professionally and widely.

Usually, a participatory VCA exercise tries to avoid suggesting proposals that local actors cannot easily implement with their own means and resources. The Mrauk-U VCA proposals 5 “Improvement of Municipal Waste Management” and 12 “TV promotion clip”, however, require a strong willingness for cooperation and support by outside organisations, like a private investor (Nagata) and superior Government authorities (Ministry of Information in coordination with Myanmar TV). For both proposals well-planned and persistent lobbying efforts are necessary to be successfully implemented.

The proposals No. 7 and 18 suggest the founding of associations (Guesthouse Owner Association, Mrauk-U Tourism Value Chain Association) in Mrauk-U. Both proposals scored relatively high during the team assessment due to the strong interest and firm conviction of local VCA team members that both associations are needed by its future members and that there is a critical number of enterprises or individuals in each case that would drive the founding process. In other words, the foundation of these associations would be the result of a bottom-up and not a top down process. The author of this report rather believes that a well-working informal network, like in the case of souvenir producers and shops in Mrauk-U, is sufficient for productive cooperation among enterprises. Formalization would then not be necessary in the Myanmar context. However, the Mrauk-U Tourism Value Chain Association would not be a typical association, but rather a collaborative group of like-minded organisations and individuals who are interested to drive a change process in the tourism sector in Mrauk-U to make it more attractive, sustainable and economically successful. The core members of the Mrauk-U Tourism Value Chain Association are all VCA team member, who have become convinced that they can make a difference with own skills and resources.

After the first way-forward workshop held on 17 March, which was discussing and planning 12 proposed activities, at least one additional way-forward workshop should take place to discuss the remaining proposals 4, 8, 11, 13 and 15 to 18. The date for this additional follow-up meeting with selected participants (potential project champions) relevant for the respective proposals should happen rather soon after Myanmar New Year 2017 to utilize the moti-

vation and dynamics created through the participatory tourism VCA in Mrauk-U. Local VCA team members are easily able to facilitate this workshop. MHA could organize this second way-forward workshop.

Even if not directly involved in the implementation of most activities (apart from some oversight of the business management training from the distance), the ILO tourism project (as long as being active) should liaise with the local project champions, keep an overview of the on-going progress and continue motivating and stimulating the local tourism initiative.

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[Tourism Plan: Improving Sector In Kayah State](#)

[Southeast Asia Tourism Monitor](#) (sea-tm)

[Vocational Skills Development Project](#) (Swisscontact, SDC)

Annex 3: Schedule of Tourism VCA in Mrauk-U

DAY	TIME	ACTIVITY
6.3 Monday	9h00 16h00	Briefing of consultants at ILO office Arrival of ILO team / Consultants from Yangon
7.3 Tuesday	8h30	Extended Hypothesis workshop / Training Input (VCA team only!)
8.3 Wednesday	8h30	Extended Hypothesis workshop / Training Input (VCA team only! / tourism VC mapping)
9.3 Thursday	8h30 16h00	Extended Hypothesis workshop / Training Input (VCA team only!) Preparation of Kick-off Workshop
10.3 Friday	8h30 13h30	KICK-OFF WORKSHOP Detailed planning of fieldwork
11.3 Saturday	8h30 14h00 16h30	/ parallel Interviews Interviews
12.3 Sunday	9h00	Interviews
13.3 Monday	9h00 13h00 16h30	Mini-workshop (hotels) Mini-workshop (restaurants) parallel Interviews Interim Assessment (refining of value chain map)
14.3 Tuesday	8h00 13h00 16h00	Mini-workshop (transport) / parallel Interviews Mini-workshop (souvenir shops) & (support institutions) Interviews
15.3 Wednesday	8h00	RESULTS WORKSHOP – 1
16.3 Thursday	8h00 17h30	RESULTS WORKSHOP – 2 Preparation of Final Presentation
17.3 Friday	8h30 14h00	PRESENTATION EVENT Way-forward workshops
18.3 Saturday	09h00 19h10	Departure of ILO team / Consultants to Sittwe/Yangon Departure of International Consultant to Vietnam

Annex 4: List of Members of the Value Chain Analysis Team in Mrauk-U

No.	Name	Position	Organization
1	U Tin Tun Aung	Staff Officer	General Administration Department
2	U Zaw Zaw Myint	Deputy Staff Officer	Township Administration Department
3	U Min Soe Aung	Assistant Director	Ministry of Hotel and Tourism (MOHT)
4	U Shwe Than	Chairman	Mrauk-U Town's Elder
5	U Win Htay	Deputy Immigration Officer	Department of Immigration
6	U Zayar Phyo	Staff Officer	Township Development Committee
7	U Aung Htun Hla	Staff Officer	Department of Archaeology & National Museum
8	U Thaug Shwe	Vice Chairman	Blood Donor Association
9	U Aung Zaw Linn	Secretary	Myanmar Hotelier Association
10	U Mya Than	Regional Tour Guide	Guide Association, Mrauk-U
11	Nu Aye Khine	Staff	Ahya Kate Sana Livelihood Development Foundation
12	U Tun Soe	Owner	Kaung Thant Restaurant
13	U Maung Than	Owner	Souvenir Shop
14	U Myo Then Naing (Bryan)	Owner	Travel & Tours Agency
15	U Kyaw Hla Maung	Regional Tour Guide	Tour Guide Association
16	U Kyaw Win Tin	Guest Relation Officer	Mrauk-U Princess Hotel
17	U Myo Than	Manager	Kiccepanadi Travels & Tours
18	U Htun Shwe	Local Consultant	Prince Hotel Mrauk-U
19	Chaw Su Hlaing	National Consultant	Freelancer
20	Naw Annie Sweet	Education & Training Coordinator	ILO
21	Mr Christian Schoen	International Consultant	Mesopartner, Germany
22	Daw Kyi Kyi Aye	National Project Coordinator (Tourism)	ILO
23	Mr Michel Jamar	CTA ILO Tourism Project	ILO

Annex 5: List of Interviews during Tourism VCA

List of interviews held during tourism VCA in Mrauk-U between 11 and 14 March 2017

No	M/F	Name	Position	Organization	Interview date
Hotels and Guesthouses					
1	U	Thant Sein Aung	Manager	Mrauk-U Hotel	11.3.2017
2	Daw	Thin Thin Hlaing	General Manager	Mrauk-U Princess Hotel	11.3.2017
3	Daw	Theingi Myint	General Manager	Nawarat Hotel	12.3.2017
4	U	Htun Shwe	Owner	Prince Hotel	13.3.2017
5	U	Aung Zaw Lin	Owner	Shwe Thazin Hotel	13.3.2017
6	U	tin Win Aung	Manager	Kyaw Soe Guest house	13.3.2017
7	U	Maung kan Htun	Owner	Myint Moe'	13.3.2017
8	Daw	Ma Saw Yin	Owner	Kein Guest House	13.3.2017
9	U	Nyi Nyi Htun	Manager	Waisarli Hotel	12.3.2017
10	Daw	Saw Htay Ye	Owner	Shwe Mrauk-U Guest House	13.3.2017
11	U	Zaw Lin Oo	Manager	Mrauk-U Palace	13.3.2017
12	U	Sein Hla Win	Owner	Aeitsanadi Guest House	12.3.2017
13	U	Myint Aung	Owner	Wadi Htut Guest House	12.3.2017
14	Daw	Cho Cho Hlaing	Owner	Shwe Sin kyi Guest House	12.3.2017
15	Daw	Saw Hla Phyu	Owner	Kant kaw Phue Guest house	12.3.2017
16	U	Htun Aye Kyaing	Owner	Lay Nadi Guest House	12.3.2017
17	U	Htun Oo	Owner	Mya Nan Theingi Hotel	13.3.2017
Restaurants					
18	Daw	Mi Shwe Phyu	Owner	Moe Cherry Restaurant	12.3.2017
19	U	Maung Maung	Owner	Pyi Wa Restaurant	14.3.2017
20	Daw	Ngwe Ni Aung	Owner	Nice Meal restaurant	13.3.2017
21	U	than Win	Owner	Nice Meal Restaurant	13.3.2017
22	U	Kyaw Nyein	Owner	Nice Meal Restaurant (Ale Zay)	13.3.2017
23	U	Maung Thein Shwe	Owner	Tripple One	13.3.2017

Visit Experience					
24	U	Zaw Zaw Htun	Professional	Rakhine Bronze workshop	14.3.2017
25	U	Zaw Khin Oo	Professional	Rakhine Bronze workshop	14.3.2017
26	U	Maung Maung Htoo	Professional	Rakhine Bronze workshop	14.3.2017
27	U	Maung Lone	Professional	Rakhine Bronze workshop	14.3.2017
28	U	Hla Gyi	Workshop	Rakhine Sand Stone	14.3.2017
29	Daw	Pu	Owner	Rakhine Bamboo hat	14.3.2017
30	Daw	Aye Than	Owner	Rakhine Bamboo hat	14.3.2017
31	Daw	Ma Kyawt	Owner	Rakhine Handicraft Fun	14.3.2017
32	Daw	San San Ye	Owner	Rakhine Handicraft Fun	14.3.2017
33	Daw	Hla Shwe	Owner	Rakhine Handicraft Fun	14.3.2017
34	Daw	Hla Saw Yin	Owner	Rakhine Handicraft Fun	14.3.2017
35	Daw	Kya Au	Owner	Cotton Weaving	12.3.2017
36	U	Maung Thar Aye	Owner	Rakhine Drum	13.3.2017
37	Daw	May Ye	Owner	Cotton Weaving	13.3.2017
38	Daw	Ma Nyunt	Owner	Cotton Weaving	13.3.2017
39	Daw	Cho Mar Aung	Weaving	Mro Weaving Factory	13.3.2017
40	Daw	Khaing Sein Yin	Weaving	Rakhine Weaving factory	13.3.2017
Shopping					
41	Daw	Thein Gi Soe	Shop	Khame Traditional shop	11.3.2017
42	Daw	Ma Than Sein	Work Shop	Cotton Weaving	11.3.2017
43	Daw	Ma Thar Hla	Shop	Chin Traditional Shop	12.3.2017
44	U	U Maung	Shop	Souvenir	13.3.2017
45	U	Kyaw Aye Myat	Shop	Souvenir	13.3.2017
46	U	Maung Than	Shop	Souvenir	11.3.2017
47	Daw	Nwe New	Shop	Traditional Handicraft Shop	11.3.2017
48	Daw	Nwt Nwt	Shop	Souvenir	11.3.2017

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49	U	Aung Htay Soe	Shop	Store	12.3.2017
50	U	Maung Hla Myint	Shop	Liquor House	12.3.2017
51	U	Maung Htun Aye	Shop	Liquor House	12.3.2017
52	U	Maung lone	Work Shop	Bronze Work shop	12.3.2017
53	U	Maung Aye Win	Work Shop	Bronze Work shop	12.3.2017
54	U	Maung Win Thar	Work Shop	Bronze Work shop	12.3.2017
55	Daw	San San yin	Work Shop	Rakhine Fun work shop	12.3.2017
56	Daw	Phyu Ma	Shop	Traditional Orchestra Accessories Shop	12.3.2017
57	Daw	Kyi Kyi Win	Shop	National dress Shop	11.3.2017
58	U	Maung Win Naing	Shop	Rakhine Traditional Dress Shop	11.3.2017
59	Daw	Khin Moe San	Shop	Rakhine Traditional Dress Shop	11.3.2017
60	Daw	Ma Thar Hla	Liquor shop	Rice Wine	13.3.2017
61	U	Maung Kyaw Aye	Work Shop	Liquor Product	12.3.2017
Entertainment					
62	U	Phyu Chaw		Traditional Dance	11.3.2017
63	U	Khaing Min Htun	Artist	Art Gallery	11.3.2017
64	U	Maung Thein Mya		Thin KyeiktPagodaF-estival	13.3.2017
65	U	San Thar Kyaw		Wasarli Pagoda Festival	13.3.2017
66	U	Bo Chae		Boat racing	12.3.2017
67	U	Maung Myint Kyie	Photographer	Photo Gallery	12.3.2017
68	U	Kyaw Win		Water Festival	13.3.2017
69	U	Than Kyaw		Traditional Kyin	13.3.2017
Tour Operators & Travel Agents					
70	Daw	Shwe Ni U	Tour Operator		14.3.2017
71	U	Aung Soe Myint	Station	Travel Agent	11.3.2017
72	U	Myo Thant	Station	Travel Agent	12.3.2017
73	U	Myo Than Naing	Travel Agent	Skymates Travels	13.3.2017
Tour Guides					

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74	U	Kyaw Hla Maung (Rocky)	MRGuide	Regional Guide Society	13.3.2017
75	U	Myint Zaw	MRGuide	Regional Guide Society	13.3.2017
76	U	Mya Than	MRGuide	Regional Guide Society	12.3.2017
77	U	Kyaw Moe	MRGuide	Regional Guide Society	12.3.2017
78	U	Than Htike	MRGuide	Regional Guide Society	13.3.2017
79	U	Aung Myint	MRGuide	Regional Guide Society	13.3.2017
80	U	Aye Kyaw	MRGuide	Regional Guide Society	12.3.2017
81	U	Hla Win Zaw	MRGuide	Regional Guide Society	13.3.2017
82	U	Nyi Nyi Tun	MRGuide	Regional Guide Society	13.3.2017
83	U	Lin Lin	MRGuide	Regional Guide Society	13.3.2017
84	U	Paul Shay	MRGuide	Regional Guide Society	13.3.2017
85	U	Than Tun	National Tour Guide	Regional Guide Society	11.3.2017
Transport					
86	U	Hla Kyaw	Owner /Driver	Pony Cart	12.3.2017
87	Daw	Shay	Shop	Bike Rental Service and Selling shop	12.3.2017
88	Daw	Mya Aye Thu	Shop	Bike Rental service and selling Shop	12.3.2017
89	U	Tun Maung	Big Boat Owner	Boat to Sittwe	12.3.2017
90	U	Taung Tin	Small Boat owner	Boat trip to Chin Village	12.3.2017
91	U	Maung Maung San	Driver/Owner	Motor Bike	13.3.2017
92	U	Kyaw Hlaing Chay	Driver /Owner	Motor Bike	13.3.2017
93	U	San Naing Shein	Driver/Owner	Toke Toke (three wheels vehicle)	13.3.2017
94	U	Maung Kyi	Driver /Owner	Toke Toke(three wheels vehicle)	13.3.2017
95	U	Thar Htun Aye	Driver/Owner	Toke Toke(three wheels vehicle)	13.3.2017
96	U	Maung Thein Nyunt	Driver/Owner	Taxi	13.3.2017
97	U	Myo Win	Driver/Owner	Taxi	13.3.2017
98	U	Maung khin Myint	Driver/Owner	Taxi	13.3.2017
99	U	Aung Zaw	Owner	Shwe Moe Transpor-tations Service	13.3.2017

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100	U	Aung Myint	Driver	Tour car	12.3.2017
101	U	Aung Myint	Owner	Tour Car	12.3.2017
102	U	Maung Myint Kyaw	Owner	Air Ticketing Service (Royal Thazin Lin)	13.3.2017
103	U	Thar Htun Win	Trishaw Owner /Driver	Trishaw Association	12.3.2017
104	U	Maung Than	Trishaw Owner /Driver	Trishaw Association	12.3.2017
105	U	San Htun Kyaw	Trishaw Owner /Driver	Trishaw Association	12.3.2017
106	U	Ni Htun Aye	Trishaw Owner /Driver	Trishaw Association	12.3.2017
107	U	Hla Paw Htun	Trishaw Owner /Driver	Trishaw Association	12.3.2017
108	U	Moe Hlaing	Trishaw Owner /Driver	Trishaw Association	12.3.2017
109	Daw	Khin Mar Cho	Boat Owner	Local & Tourist boat trip to village	13.3.2017
110	U	Kyaw Moe	Small Boat Owner	Boat to Chin Village	13.3.2017
Supporting Institutions					
111	U	Khin Maung Aung	Head	Immigration Depart- ment	11.3.2017
112	U	Thein Naing	Co-Founder	Heritage Trust	11.3.2017
113	U	Kyaw Khin Maung	Policemen	Local Police	11.3.2017
114	Daw	Hla Nwe Khine	Staff	Fee Collection Compa- ny	12.3.2017
115	U	Kyaw Hla Maung (Rocky)	Chairman	Regional Guide Society	12.3.2017
116	U	Zaw Hein	Head	Tourist Police	13.3.2017
117	U	Aung Mon Let	District Administrator	GAD District	13.3.2017
118	Mr	Henry Papst	Staff	Active Myanmar	13.3.2017
119	Daw	Khin Saw Wai	Head	Township Development Committee (Municipal)	13.3.2017
120	U	Bobo Min Thike	Township Administrator	GAD Township	14.3.2017
121	Daw	Saw Yu Khine	Field Office Coordinator	Mercy Corp.	14.3.2017
122	U	Than Naing	Chairman	MHA Mrauk-U	15.3.2017

Annex 6: List of Mini-Workshop Participants during Tourism VCA

List of mini-workshop participants at tourism VCA in Mrauk-U on 13 and 14 March 2017

Sub-sector: Accommodation (Hotels & Guest Houses) [13.03.2017]

No	U/Daw	Name	Position	Company
1	Daw	Myo Myat Maw	Assistant Manager	Nan Myo Taw Hotel
2	Daw	Wine Chay	Assistant Manager	Nan Myo Taw Manager
3	Daw	Thandr	Human Resources Manager	Mrauk –U Princess Hotel
4	Daw	New Ni Ni Naing	Shop In charge	Mrauk-U Princess Hotel
5	U	Soe Min	Owner	Wadihtut Guest House
6	U	Zaw Lin Oo	General Manager	Mrauk-U Palace
7	U	Kan Htun	Owner	Myuintmo Guest House
8	Daw	Saw Htay Yee	Manager	Golden Mrauk-U
9	U	Aung Zaw Linn	Owner	Shwe Thazin Hotel
10	Daw	Mya Tin Nu	Owner	Mya Nan Theingi Guest House

Sub-sector: Transportation [14.3.2017]

No	U/Daw	Name	Position	Organization
1	U	Thar Htun Win	Trishaw Driver	Trishaw Association
2	U	Htun Maung Thar	Trishaw Driver	Trishaw Association
3	U	Hla Paw Htun	Trishaw Driver	Trishaw Association
4	U	Maung Than	Trishaw Driver	Trishaw Association
5	U	Aung Thar Htwe	Trishaw Driver	Trishaw Association
6	U	Aye Win Htun	Trishaw Driver	Trishaw Association
7	U	Ni Htun Aye	Trishaw Driver	Trishaw Association
8	U	Sein Than Hlaing	Trishaw Driver	Trishaw Association
9	U	Htun Hla Aung	Trishaw Driver	Trishaw Association
10	U	San Htun Kyaw	Trishaw Driver	Trishaw Association
11	U	Htun Aye	Trishaw Driver	Trishaw Association
12	U	Saw Htun Thein	Trishaw Driver	Trishaw Association
13	U	Hla Kyaw	Pony Cart Driver	Pony Cart
14	Daw	Ma Shae	Owner	Bike Rental

Sub-sector: Shopping Experience [14.3.2017]

No	U/Daw	Name	Position	Organization
1	Daw	Shwe Kyar Oo	Weaving	Rakhine Traditional
2	Daw	Cho Mar Aung	Weaving	Rakhine Traditional
3	Daw	Khaing Sein Yin	Weaving	Rakhine Traditional
4	Daw	Theingi Soe	Owner	Souvenir
5	Daw	Khin Moe San	Owner	Rakhine Logyi
6	U	Kyaw Aye Myint	Owner	Rakhine Traditional Souvenir Shop
7	Daw	kyi Kyi Win	Owner	Yoe Yoe Lay Traditional Souvenir Shop
8	U	Aung Sein Htun	Owner	Bronze Handicraft
9	Daw	Phyu Phwe Khin	Owner	Souvenir Shop
10	U	Maung Win Thar	Owner	
11	Daw	Aye Yar Ma Than Sein		Weaving
12	U	Maung Aye Win		Weaving

Annex 7: Tourism Statistics in Mrauk-U

Month	Year 2014	Year 2015	Year 2016	Year 2017
January	292	412	406	534
February	297	328	411	501
March	556	626	438	
April	266	954	650	
May	277	664	527	
June	287	290	382	
July	280	354	254	
August	302	774	330	
September	321	436	291	
October	504	867	367	
November	431	943	406	
December	526	722	616	
Toatl	4,339	7,370	5,078	1,035

Table 9: Domestic Traveller Arrivals in Mrauk-U
Source: Ministry of Hotel and Tourism, Mrauk-U District

Month	Year 2014	Year 2015	Year 2016	Year 2017
January	847	1,182	1,032	1,473
February	820	1028	894	1,825
March	465	747	673	
April	131	327	171	
May	90	267	170	
June	89	119	126	
July	121	65	190	
August	148	80	249	
September	240	146	294	
October	507	690	674	
November	1,003	965	1546	
December	952	1,153	1,351	
Total	5,413	6,769	7,370	3,298

Table 10: International Tourist arrivals in Mrauk-U
Source: Ministry of Hotel and Tourism, Mrauk-U

Month	Year 2014			Year 2015			Year 2016		
	Male	Female	Total	Male	Female	Total	Male	Female	Total
January	348	342	690	474	416	890	409	423	832
February	321	249	570	392	343	735	350	352	702
March	194	182	376	213	190	403	65	70	135
April	38	45	83	42	34	76	38	19	57
May	31	15	46	32	28	60	19	26	45
June	20	12	32	14	10	24	53	42	95
July	36	20	56	4	6	10	35	36	71
August	28	16	44	15	1	16	69	76	145
September	57	52	109	32	34	66	76	67	143
October	110	100	210	135	118	253	151	147	298
November	297	264	561	415	375	790	239	214	453
December	352	312	664	427	405	832	249	261	510
Total	1.832	1.609	3.441	2.195	1.960	4.115	1.753	1.733	3.486

Table 11: Monthly Tourist Arrival List in Mrauk-U
Source: Immigration Department, Mrauk-U

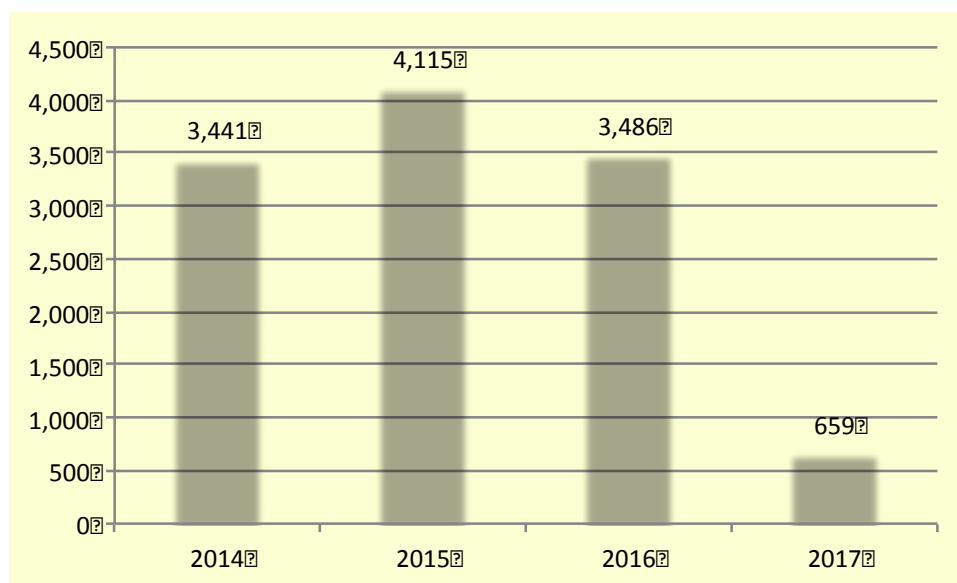


Figure 26: Total Tourist Arrivals in Mrauk-U (domestic and international)
* 2017: January & February

Source: Department of Immigration, Mrauk-U

No	Nationality	2012	2013	2014	2016	2017	Total
1	France	847	423	359	394	325	2,348
2	Germany	478	434	408	355	294	1,969
3	Italy	583	139	99	265	122	1,208
4	USA	65	402	312	195	120	1,094
5	Switzerland	255	233	143	135	107	873
6	Australia	218	200	49	157	71	695
7	Netherlands	22	249	127	144	64	606
8	United Kingdom		179	137	143	90	549
9	Poland	277	58	40	67	21	463
10	Japan	348	42	26	14	14	444
11	Russia	269	53	48	12	14	396
12	Spain	50	74	23	132	109	388
13	Thailand	41	46	57	177	59	380
14	Belgium		130	66	119	63	378
15	Canada	19	125	78	68	47	337
16	China	224	17	18	35	26	320
17	UK	14			143	90	247
18	Austria		102	95	0	0	197
19	Czech Republic		34	22	18	2	76
20	Sweden		52	14	6	0	72
21	Taiwan		2	52	11	3	68
22	Israel		20	5	33	7	65
23	Denmark		2	23	20	11	56
24	India	11	23	10	6	3	53
25	Singapore		21	16	7	9	53
26	Korea	5	10	15	6	15	51
27	Vietnam			7	31	5	43
28	Brazil		18	2	11	8	39
29	Portugal		16	5	12	0	33
30	Norway	3	11	9	6	2	31
31	Lithuania			4	6	19	29
32	Luxembourg		24	3	0	0	27
33	Malaysia		4	3	16	4	27
34	Ireland		6	9	6	4	25
35	New Zealand		6	7	11		24
	Others	0	77	44	62	28	211
	Total	3,729	3,232	2,335	2,823	1,756	-

Table 12: International Tourist Arrivals in Mrauk-U by Country of Origin (top 35 countries)
(2015 data are not available)

Source: Archaeological Department, Mrauk-U

Assessment of the Tourism Value Chain in Mrauk-U, Myanmar

Visitors by Nationality			
No.	Country	2016	%
	ASIA	864523	67.94
1	THAILAND	243443	19.13
2	CHINA	183886	14.45
3	JAPAN	100784	7.92
4	KOREA	64397	5.06
5	SINGAPORE	50198	3.94
6	VIETNAM	48869	3.84
7	MALAYSIA	43931	3.45
8	INDIA	38537	3.03
9	TAIWAN	36118	2.84
10	PHILIPPINE	16421	1.30
11	OTHERS	37939	2.98
	WEST EUROPE	237889	18.70
1	FRANCE	52304	4.11
2	U.K	51051	4.01
3	GERMANY	39044	3.07
4	ITALY	17969	1.41
5	NETHERLANDS	13950	1.10
6	SWITZERLAND	13897	1.10
7	SPAIN	12765	1.00
8	BELGIUM	7783	0.61
9	AUSTRIA	4857	0.38
10	OTHERS	24269	1.91
	NORTH AMERICA	91526	7.19
1	AMERICA	76502	6.01
2	CANADA	15024	1.18
	OCEANIA	39172	3.08
1	AUSTRALIA	34010	2.67
2	NEWZEALAND	5026	0.40
3	OTHERS	136	0.01
	EAST EUROPE	17568	1.37
1	RUSSIA	5487	0.43
2	OTHERS	12081	0.94
	OTHER AMERICA	10999	0.86
	MIDDLE EAST	7140	0.56
	AFRICA	3779	0.30
	TOTAL	1272596	100.00

Table 13: International Tourist Arrivals 2016 in Myanmar by Country of Origin
Source: Immigration Department

Annex 8: Tourist Survey Questionnaire

We are assessing the tourism sector in Mrauk-U to improve enterprise performance and tourism service quality. We would appreciate your time to answer below questions. Please answer all questions! Many thanks!

1. Personal Information

What is your Nationality?

- Myanmar Other ASEAN Other Asian (non ASEAN) African
 European Australian/NZ American (North, Central, South)

Where do you currently live (city / country)? _____ / _____

You are Female Male

Your age is <20 20-39 40-60 >60

2. Who did you come with to Mrauk-U?

- As an individual tourist
 As a couple
 With friend(s) / family / colleagues
 As part of an organized tour group
 Other (specify) _____

You came to **Mrauk-U** from _____ (last place of embarkation)

You arrived by Plane / Car / Bus / Motorbike / Boat

What were your sources of information about Mrauk-U prior to your visit?

- Friends / family members Travel guide book(s)
 Website (name: _____) Travel writing (magazines etc.)
 TV Travel agent
 Social Media Other sources, pls. specify:

3. What are the main purposes of your visit to Mrauk-U?

<input type="checkbox"/>	Leisure / recreation	<input type="checkbox"/>	Visiting friends / relatives
<input type="checkbox"/>	Health / relaxation	<input type="checkbox"/>	Attending conference, congress, seminar etc.
<input type="checkbox"/>	Sports	<input type="checkbox"/>	Religion / Culture
<input type="checkbox"/>	Adventure	<input type="checkbox"/>	Others:
<input type="checkbox"/>	Business	<input type="checkbox"/>	

Why did you choose **Mrauk-U** for a visit?

Is this your first visit to **Mrauk-U**? Yes No

IF 'No', how many times have you been here before? 1 / 2 / 3 / >3

4. What is the total number of nights you spend during your stay in Mrauk-U? (please tick one)

<input type="checkbox"/>	Only a day trip (w/o overnight stay)	<input type="checkbox"/>	4 nights
<input type="checkbox"/>	1 night	<input type="checkbox"/>	5 nights
<input type="checkbox"/>	2 nights	<input type="checkbox"/>	6 – 10 nights
<input type="checkbox"/>	3 nights	<input type="checkbox"/>	> 10 nights

5. What is the cost per room per night of your Mrauk-U accommodation?

\$_____ / MMK_____ per room per night.

What is the name of your accommodation: _____?

Is this a Hotel Guesthouse Home stay House of Friends/Relatives or other type, pls. specify.....

6. What tourism services have you used / are you intending to use in Mrauk-U? (Please tick)

<input type="checkbox"/>	Accommodation	<input type="checkbox"/>	Shopping handicraft
<input type="checkbox"/>	Food & Drinks	<input type="checkbox"/>	Shopping food items
<input type="checkbox"/>	Entertainment	<input type="checkbox"/>	Shopping clothes
<input type="checkbox"/>	Excursions	<input type="checkbox"/>	Local transport
<input type="checkbox"/>	Sport activities	<input type="checkbox"/>	Communication
<input type="checkbox"/>	Cultural sightseeing	<input type="checkbox"/>	Information counter

7. Please can you estimate your expenditures during your entire stay in Mrauk-U?

Estimated total expenditure? \$_____ / MMK_____

Please give the amount spent by you as individual. Or, if you give the amount spent as a couple, or by your group, please tells us the group size of _____ people

Approximately what share of the total expenditures are you spending for:			
%	Accommodation	%	On souvenirs and handi-craft
%	Food & Drinks	%	On shopping food items
%	Entertainment	%	On shopping clothes
%	Excursions	%	Local transport
%	Sport activities	%	Communication
%	Cultural sightseeing	%	Other

8. How would you rate the following characteristics of the tourism destination Mrauk-U?

	Excellent			Very poor		Don't know
	5	4	3	2	1	
Accessibility						
Appeal of attractions						
Diversity of attractions						
Information availability about destination						
Friendliness of people						
Cleanliness of facilities						
Cleanliness of environment						
Accommodation						
Prices (value for money)						
Other:						
Other:						

What services are you missing in Mrauk-U?

9. Overall Satisfaction

	I completely agree			I completely disagree		Don't know
	5	4	3	2	1	
I am pleased that I decided to visit Mrauk-U						
My experience visiting Mrauk-U fully meets my expectations						
I will recommend my friends / relatives to visit Mrauk-U						
I will certainly return to Mrauk-U						

Thank you!

Please return your form to the person who gave it to you.

Annex 9: Hotel Survey Questionnaire

Basic Information:

Name of Interviewee / Mobile Telephone #

...../.....

Position: Owner Manager

Sex: Female Male

Hotel / GH Name	Star Rating	No. of Rooms	No. of Beds

Years of Hotel/GH Operation:

< 3 Years	3 – 10 Years	> 10 years

Staff Number & Types:

Types:	Low Season Staff	High Season Staff	Monthly Salary Average (MMK)
Management			
Room staff			
Restaurant staff			
Other staff			
Total			

What is the occupancy rate?

Figures for 2015/16	Low Season 2016 in %	High Season 2015/16 in %	Average for 2015/16 in %
Room occupancy			

What % of your guests in 2016 was from?

Myanmar	Other ASEAN	Non-ASEAN international	Total
%	%	%	100%

What % of your guests is booked through tour operators?.....%

Room Prices

Typical prices for standard room:	Independent travellers		Tour operator bookings	
	MMK per room per day	US\$ per room per day	MMK per room per day	US\$ per room per day
High Season	MMK	\$	MMK	\$
Low Season	MMK	\$	MMK	\$
Average for 2016	MMK	\$	MMK	\$

Hotel Costs & Supplies:

% of total operating Costs in 2016		% of Supplies coming from				
		Local Surrounding	Yangon	Other Place in Myanmar	Bangladesh	From other places abroad
Staff	%	%	%	%	%	%
Food & Beverages	%	%	%	%	%	%
Power & utilities	%					
Debt payments	%					
Other	%					
Total Costs	MMK					

Hotel Revenue:

2016:	Revenue:
Room revenue	MMK
Food & beverages	MMK
Other revenues	MMK
Total	MMK

Is your business member of any business membership organisation (association or chamber)?

yes no

If yes, which association/chamber:.....

Business Services:

Which of the following business support services could help your hotel and/or your suppliers/service providers to become better performing and more competitive in the future? Please tick (✓).

	<i>Business Service</i>	<i>Your Hotel</i>	<i>Your Suppliers, Service Providers</i>
A.	Entrepreneurship & Business skills Training		
B.	Hospitality Training		
C.	Accounting		
D.	Audit & Taxation		
E.	Marketing services		
F.	Management Consultancy		
G.	Export and Logistics Services		
H.	Human Resource Consultancy		
I.	Other Technical Training		
J.	Legal Services		

K.	Laws & Regulations (standards etc.)		
L.	Business Registration		
M.	Insurances		
N.	Engineering Consultancy		
O.	Technology Consultancy		
P.	Computer & IT Services		
Q.	Mobile Phone Services		
R.	Quality Assurance / Quality Management		
S.	Work Safety and Health		

Training Issues:

In general, when was the last training course that staff of your hotel/guesthouse has attended?

For management staff on topical area....., year

For work floor staff on topical area....., year

How would you assess the level of knowledge/expertise of your staff in the following areas?

- | | | | |
|------------------------|------------------------------|-------------------------------------|-----------------------------------|
| Business Management | <input type="checkbox"/> Low | <input type="checkbox"/> Reasonable | <input type="checkbox"/> Advanced |
| Marketing | <input type="checkbox"/> Low | <input type="checkbox"/> Reasonable | <input type="checkbox"/> Advanced |
| Administration | <input type="checkbox"/> Low | <input type="checkbox"/> Reasonable | <input type="checkbox"/> Advanced |
| Hospitality | <input type="checkbox"/> Low | <input type="checkbox"/> Reasonable | <input type="checkbox"/> Advanced |
| F&B | <input type="checkbox"/> Low | <input type="checkbox"/> Reasonable | <input type="checkbox"/> Advanced |
| Reception / Front Desk | <input type="checkbox"/> Low | <input type="checkbox"/> Reasonable | <input type="checkbox"/> Advanced |
| Housekeeping | <input type="checkbox"/> Low | <input type="checkbox"/> Reasonable | <input type="checkbox"/> Advanced |
| Security / Safety | <input type="checkbox"/> Low | <input type="checkbox"/> Reasonable | <input type="checkbox"/> Advanced |
| Technical Support | <input type="checkbox"/> Low | <input type="checkbox"/> Reasonable | <input type="checkbox"/> Advanced |
| IT / Computer support | <input type="checkbox"/> Low | <input type="checkbox"/> Reasonable | <input type="checkbox"/> Advanced |
| Resource Efficiency | <input type="checkbox"/> Low | <input type="checkbox"/> Reasonable | <input type="checkbox"/> Advanced |
| Others: | <input type="checkbox"/> Low | <input type="checkbox"/> Reasonable | <input type="checkbox"/> Advanced |
| Others: | <input type="checkbox"/> Low | <input type="checkbox"/> Reasonable | <input type="checkbox"/> Advanced |

Are training offers in above areas of knowledge/expertise accessible and affordable in your location?

- | | | | | |
|------------|------------------------------|---------------------------------|-----------------------------|-------------------------------------|
| Accessible | <input type="checkbox"/> Yes | <input type="checkbox"/> Partly | <input type="checkbox"/> No | <input type="checkbox"/> Don't know |
| Affordable | <input type="checkbox"/> Yes | <input type="checkbox"/> Partly | <input type="checkbox"/> No | <input type="checkbox"/> Don't know |

Further ideas about how to make your hotel/guesthouse more competitive and successful? (Pls. try to come up with 3 proposals)

.....

.....

.....

Annex 10: Agenda of Extended Hypotheses Workshop & Interim Assessment

<i>Time</i>	<i>What?</i>	<i>Who facilitates?</i>	<i>How?</i>
Tuesday, 7 March 2017			
08:30	Welcome of participants; Brief presentation of the ILO Tourism Program	Christian Schoen Naw Annie Sweet	Oral
09:00	Presentation of participants: Name, organisation, position, experience with research/analysis, tourism experience	Christian Schoen National & Local Consultant	Mesocards
09:40	Explanation of Mesocards technique	Christian Schoen	Oral and prepared Mesocards
09:50	Mesocard: What are your personal expectations regarding this tourism VCA?	Christian Schoen, National or Local Consultant	Mesocards
10:30	Coffee break		
10:50	Contract of Collaboration	Christian Schoen National or Local Consultant	
11:10	Presentation of tentative VCA schedule / Q&A	Christian Schoen	PPT & Handout
11:30	Brief Presentation of proceedings and results of previous tourism VCA in CT/NS and Bagan / Q&A	Christian Schoen	PPT
12:30	Lunch		
13:30	Presentation of Research Questions / Q&A	Christian Schoen	
14:00	What are the competitive advantages of the tourism destination Mrauk-U? (grouping into natural resources, generic advantages, unique advantages)	Christian Schoen / National or Local Consultant	Mesocard
15:00	Re-clustering advantages into 3 categories & discussion	Christian Schoen National or Local Consultant	
15:30	Coffee break		
15:50	Intro to participatory research techniques	Christian Schoen	
16:30	Mesocard: What are past and on-going tourism support activities in Mrauk-U?	Naw Annie Sweet VCA Team member (volunteers)	Mesocards
17:30	Closing 1 st day		
Wednesday, 8 March 2017			
08:30	Brainstorming on sub-sectors of the tourism sector in Mrauk-U	Christian Schoen	Flipchart
09:00	Mapping of tourism actors in Mrauk-U	National & Local Consultant	Mapping on the sticky cloth

Assessment of the Tourism Value Chain in Mrauk-U, Myanmar

		VCA Team members	
10:30	Coffee break		
10:50	Discussion of results of mapping exercise	VCA team member (volunteer)	
11:10	Input on Def. of types of tourism & tourists / Discussion of types of tourists in Mrauk-U	Christian Schoen	Flipchart
11:30	Presentation of the value chain perspective and differences between product and tourism value chains	Christian Schoen	Cards / Flipchart
12:30	Lunch		
13:30	How to map a tourism value chain?	Christian Schoen	Flip Chart
14:00	Turning the tourism stakeholder map into tourism VC map	National or Local Consultant VCA Team members	Mapping on the sticky cloth
15:00	Presentation of tourism VC map for Mrauk-U / Discussion on No., profile, growth trends and products/services of tourism SMEs	VCA Team members	
15:30	Coffee break		
15:50	Discussing product value chains feeding into the tourism VC	Christian Schoen	
16:15	Introduction of the market system framework (“donut”)	Christian Schoen	Cards / Flipchart
17:10	Logistics for next day	Naw Annie Sweet	
Thursday, 9 March 2017			
08:30	Mesocard: What are the main difficulties tourism SMEs are battling with in Mrauk-U?	VCA Team members (volunteers)	Mesocards
09:45	Introduction to Porter’s 5 Forces concept / How to use the 5 Forces concept in a Workshop Setting	Christian Schoen	Flipchart / Cards
10:30	Coffee break		
10:50	5 Forces Mini-workshop on selected tourism sub-sector (hotels) in Mrauk-U	Christian Schoen, National and Local Consultant, Volunteers	Mesocards
12:30	Lunch		
13:30	Discussion of Types of Mini-WS	Christian Schoen	
14:15	Introduction of role of interviews in the VCA Exercise / Introduction to VCA interview guidelines	Christian Schoen	Flipchart / Cards
14:45	Interview Role Play. Tourism SMEs	One team member as interviewee (interviewed on own reality), two team members as interviewers	Fishbowl

Assessment of the Tourism Value Chain in Mrauk-U, Myanmar

15:30	Coffee Break		
15:45	Discussion: What did you observe during the role-play?	Christian Schoen, National or Local Consultant	Oral
16:15	Interview Role Play. Tourism SMEs	One team member as interviewee (interviewed on own reality), two team members as interviewers	Fishbowl
16:45	Discussion: What did you observe during the role-play?	Christian Schoen, National or Local Consultant	Oral
17:00	Discussion of Kick-off WS agenda, definition of roles in the Kick-off Workshop	Christian Schoen National or Local Consultant	
17:30	Preparation of Kick-off Workshop (incl. finalising PowerPoint)	VCA Team	

Friday, 10 March 2017 (after Kick-off Workshop)

13.30	Discussion of Kick-off Workshop	Christian Schoen	Oral
14:00	Brief Introduction of mini-survey of tourism SMEs and tourists	Christian Schoen	Oral
15:30	Detailed Planning of Mini-Workshops & Interviews / Revision of Agenda	Christian Schoen / National or Local Consultant	Oral

Interim Assessment (13 March 2017 late afternoon)

Monday, 13 March 2017

16:30	How did mini-Workshops & interviews go so far? What were the issues, if any? Changes on VC map? Photos taken?	Christian Schoen	Oral
16:40	What are the numbers?	Christian Schoen	Oral
16:50	Who else do we need to talk to?	Local Consultant 1 Volunteer	Cards
17:00	Discuss logistics of last field work day	Annie Sweet	

Annex 11: Structure of the Kick-off Workshop

Date: 10 March 2017
 Time: 08:30 – 11:30
 Location: Mrauk-U Hotel
 Participants: 45 guests + full VCA Team
 MC: U Myo Than Naing

Time	Activity	Who?
8:30	Formalities Opening	Michel Jamar, ILO U Aung Mon Latt (District Administrator)
	Short Break	
9:00	Explanation of the VCA process and the purpose of the Kick-off Workshop	Christian Schoen
9:30	Explanation of the Market System Framework	Christian Schoen
9:40	Explanation of 'Mesocard' rules and exercise	VCA Team
9:50	Division of participants into 3 groups	VCA Team
10.00	Who can do what activities to make tourism enterprises in Mrauk-U more competitive?	VCA Team
	Who can do what to make supporting functions (of tourism) in Mrauk-U more supportive?	VCA Team
	Who can do what to make rules & regulations and their enforcement (of tourism) in Mrauk-U more conducive?	VCA Team
11.00	Coffee Break	
11:20	Presentation of results of each group	Group Representatives
12:00	Closing of workshop	Kyaw Hla Maung (Regional Tour Guide Society)

Annex 12: Structure of Results Workshop

Wednesday, 15 March 2017			
09:00	What have we done?	Review of all activities and documentations	
09:45	Completing Mini-WS documentation Reading of minutes of meetings		
10:45	Coffee Break		
11:00	What are the biggest surprises for you?	Lead Facilitator National/Local Consultant	Cards
12:45	Lunch		
14:00	Strengths/ Weaknesses per Sub-sector of Tourism Value Chain	Discussions in Subteams	Results on Cards
14:45	Presentation of Strengths/ Weaknesses by Subteams	By Subteams	Cards on Board
16:00	Coffee Break		
16:20	Presentation of Strengths/ Weaknesses by Subteams – cont.	By Subteams	Cards on Board
Thursday, 16 March 2017			
08:30	Presentation of Strengths/ Weaknesses of Subsector Transportation		
09:30	Observations regarding Supporting Functions & Rules and Regulations	Discussions in Subteams	
10:30	Coffee Break		
10:45	Presentation: Observations reg. Supporting Functions / Rules & Regulations	By Subteams	Oral
11:30	Brainstorming on Proposals: <ul style="list-style-type: none"> • Proposals per Sub-sector and cross-cutting, which.. <ul style="list-style-type: none"> ○ ..can help tourism enterprises directly or indirectly ○ ..subteams consider most important and relevant ○ ..are realistic and feasible • Approx. 5 proposals per sub-team • Specify: What? How? Who? 	Discussions in Subteams	Results on Cards
12:30	Lunch		
13:30	Quick Presentation of Proposals	By Subteams	Cards on board
14:30	3-criteria assessment of proposals	Lead Facilitator	On prepared board
17:00	Agenda of Presentation Event Roles of each team member	Lead Facilitator	Oral
17:30	Preparation of Presentation	Lead Facilitator / ILO / National Consultant	In prepared PPT

Annex 13: Structure of the Presentation Event

Dates: 17 March 2017
 Time: 9:00 – 12:30
 Location: Mrauk-U Hotel
 Participants: 66 guests + full VCA Team
 MC: Naw Annie Sweet

<i>Time</i>	<i>Activity</i>	<i>Who?</i>
9:00 – 9:30	Welcoming of participants Opening speech	U Kyaw Aye Thein (State Minister, Rakhine State) Mr Rory Mungoven (ILO Liaison Officer)
9:30 – 9:50	PowerPoint Presentation, Part 1: Explanation of VCA, Scope of VCA Exercise, Activities Conducted	Christian Schoen Naw Annie Sweet
9:50 – 10:15	PowerPoint Presentation, Part 2: Diagnostic of tourism Value Chain in Mrauk-U	VCA Team member
10:15–10:45	PowerPoint Presentation, Part 3 Proposals to strengthen tourism SMEs in Mrauk-U	VCA Team member
10:45– 11:00	Coffee Break	
11:00–11:10	Distribute cards, explain purpose and rules of card writing	VCA Team member
11:10–11:30	Writing cards with feedback, comments, proposals, critique on presentation	Participants
11:30– 12:00	Facilitators organize and stick up the Mesocards Summarizing and commenting on feedback, discussion with participants	VCA Team member
12:00–12:20	Award Certificates	Rory Mungoven Christian Schoen VCA team members
12:20–12:30	Explanation of follow-up Closing	Michel Jamar (CTA / ILO)

Annex 14: Structure of Way-forward Workshop

Dates: 17 March 2017
 Time: 14:00 – 17:30
 Location: Mrauk-U Hotel
 Facilitators: VCA Team

The following agenda has been used for each proposal individually or for groups of related proposals. Some proposals had been discussed in parallel with different sub-teams facilitating.

<i>Minutes</i>	<i>Activity</i>
10'	Welcoming of participants
15'	Explanation of meaning, context and background of proposal(s) to be discussed
30'	Mesocard: <i>What is the objective of the proposal(s)?</i>
30'	Planning exercise: How will we implement the proposal(s)? – Address 6 questions: <ul style="list-style-type: none"> • Mesocard: <i>How exactly will we implement each sub-activity?</i> • Who is responsible? • Who has to collaborate? • What are the necessary resources? • When do we start? • How do we know that we have started?
5'	Explanation of follow-up Closing