

POLICY AND PLANNING OF TOURISM PRODUCT

TOURISM PRODUCT DEVELOPMENT IN CAMBODIA

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Abstract

In the early 1990s, Cambodia reopened its borders to the world and is now beginning to attract visitors for both recreational activities and business. The number of foreign tourist visiting Cambodia has grown remarkably since 1993, generating millions of dollars in incoming and employing tens of thousands people. Until 1996, expansion in the tourism industry was particularly rapid, with annual growth rates ranging from 30 to 40 percent per year. Unfortunately political turmoil, which ended in a few days of fighting in 1997, slowed the foreign tourists. But Cambodia's political and security situation have improved markedly since the ending of 1998 National Election and the final collapse of the Khmer Rouge a few month later. This demonstrate of national stability, with the 1997 " Open Sky Policy " that allowed international airlines to fly directly into Siem Reap, again stimulated rapid growth rates in tourist arrivals at an average of about 30 percent per annum over of the period 1998-2002.

Tourist attraction can be generally categorized as features related to the natural environment, history and culture and special type of attractions. These features may exist as resources but can only be considered as attractions when they have been properly conserved where appropriate, developed with visitor facilities and conveniently accessible. However, most of the major attractions that are expected to be developed for tourism in the near future were examined by the team. Cambodia has many attractions for developing tourism. The infrastructure for tourism includes transportation to serve tourism development areas, water supply, electric power, telecommunications and drainage.

Due to the "Open Sky Policy" set out by the Royal Government of Cambodia, nowadays we have many international airline companies operate their flights to and from Cambodia. The waterway from neighboring countries and the world. The international Sihanoukville seaport and the Mekong river port, Phnom Penh, are two main gateways of Cambodia. The International highway (RN1, RN5) and national road to tourism area(RN6, RN7, RN4) and the railway (Poi Pet-Phnom Penh and Phnom Penh-Sihanouk Ville) are also developing and develop plan of Cambodia.

The cooperation and exchange for tourism training. Tourism is an industry based on people, hence we can say that people are the most important resource in the tourism industry. In Cambodia our strategy for human resource development includes:

Continuing the human resource development plan of the private and public sectors. And train tourist guides and tourism professionals.

Strengthen the administration of professional tourism college with objective of improving the quality of academic profession.

1-INTRODUCTION

South East Asia is a region with rich and diverse cultural heritage, especially in the case of our country, Cambodia. We have many cultural and historical sites built thousands of years ago by our ancestors, especially the famous *Angkor Temples*, - that are the products of grand architecture and sculpture in the history of mankind arts. As you may be aware, that during the *Angkor Era* Cambodia reached its peak of prosperity. All visitors who are fortunate to see the Angkor fall under the spell of its beauty and greatness and forever, love, enjoy and appreciate the monuments.

At the same time, Cambodia also has many other natural, recreation and eco-tourist sites, and we are working hard to develop them into wonderful recreation venues. These are geographic sites that are rich in unique natural and cultural attractions. Given these favorable attractions, the Royal Government has committed to the development of Cambodia as a “*Cultural and Natural Tourism*” destination. The potential will play the role of helping catalyze the take-off of the Cambodian economy. Thus it is not by accident when the Royal Government considered tourism as one of the six priority thrusts in its strategy to promote economic growth and poverty reduction.

The Royal Government has adopted policies that facilitate tourism – such as the provision of “*Visas on Arrival*” at the international borders, the Policy of Openness (“*Open Skies*”, “*Open Waters*” and “*Open Inland Borders*”), the rehabilitation and the development of crucial infrastructure such as roads, bridges, airports and other physical facilities such as water supply, electricity, telecommunications, hotels and other tourism facilities, all of which are prerequisites for realizing the great potentials and comparative advantages of tourism development.

However, in the early 1990s, Cambodia reopened its borders to the world and is now beginning to attract visitors for both recreational activities and business. The number of foreign tourist visiting Cambodia has grown remarkably since 1993, generating millions of dollars in incoming and employing tens of thousands people. Until 1996, expansion in the tourism industry was particularly rapid, with annual growth rates ranging from 30 to 40 percent per year. Unfortunately political turmoil, which ended in a few days of fighting in 1997, slowed the foreign tourists. But Cambodia’s political and security situation have improved markedly since the ending of 1998 National Election and the final collapse of the Khmer Rouge a few month later. This demonstrate of national stability, with the 1997 “*Open Sky Policy*” that allowed international airlines to fly directly into Siem Reap, again stimulated rapid growth rates in tourist arrivals at an average of about 30 percent per annum over of the period 1998-2002.

In 2002, the number of visitor arrivals to Cambodia surpassed all previous records from 1998 and reached 786,524. Comparing with 2001 this represents increase of 30.02%. Arrivals by air increased by 28.06%, and 34.09% by land and boat.

1-RESEARCH FRAMEWORK

1.1-Concept of Practicality

In these concepts from researchers to the government practice and implementation, for developing countries, such as some conceptions bellow:

- Enhance the priority of tourism development within the national development plan.
- Formulation of tourism master plan
- Establishment of mechanisms to ensure intersectoral cooperation among agencies involved in tourism development
- Pursue policies to promote types of tourism which would spread its economic benefits to wide segments of society
- Integrate environmental and socio-cultural considerations into tourism planning and development
- Improvement of air transport and other tourism related infrastructure
- Strengthen efforts to create a favorable investment climate
- Strengthen cooperation with various segments of the tourism industry
- Strengthen efforts to facilitate travel
- Strengthen efforts in tourism education and training
- Intergovernment and expert group meeting, workshops and seminars.
- Collection, analysis and dissemination of data/information.
- Promotion of regional and subregional cooperation.
- Provision of advisory services.
- Collaboration with agencies

1.2-Concept of Asian Cohesion

The Royal Government of Cambodia, and the member state of ASEAN and ASIAN and neighboring countries, endorsed the philosophy of development country for tourism industry. Articles of note in the agreement with the ASEAN that are appropriate to today's topic include:

- Encouraging visitors to learn, respect and help preserve the natural, cultural and historical heritage of member state.
- Strengthening measures to prevent tourism related threats on, and exploitation of, cultural heritage and natural resources.
- Encouraging where appropriate the adoption of environmental management standards and certification programs for sustainable tourism.

1.3-Concept of Multi-destination

As integral part to the development of eco-tourism, a cultural tourism program is also being designed to provide visitors with opportunity to learn about our culture, heritage and distinct character as Cambodian. Cultural tourism has been identified as “travel geared toward experiencing the traditions, arts, dances, music, cuisine, heritage and distinctive character of a place”. It is regarded as a tool for developing awareness,

appreciation and understanding as well as the promotion of peace and mutual understanding among people and civilization.

An inventory of cultural tourism resources in the country in the form of a handbook has been undertaken to provide a listing of cultural repositories (museums, galleries, monuments and sites), festivals / events, cultural villages and traditional arts as well as traditional delicacies and food outlets. The handbook will make cultural information readily available to interested parties for do-it yourself tours.

Cultural carrying capacity

The world is full of a diversity of cultures and to travel to experience them is one of the joys of becoming a tourist. How many foreign visitors a local population will tolerate will very much depend on how much previous exposure it has had to foreigners and also on how much the local population benefits from tourism activities.

If a Cambodian craftsman has learned to understand the economic and social background of his foreign customers he is in a better position to understand why tourists act the way they do. At the same time, if tourists understand the cultural and economic background of the person they are dealing with in a hotel, restaurant, airline counter or souvenir shop they will be in a much better position to appreciate the way that person in conducting himself.

Realization of Cambodia's broad potential for sustainable tourism development is an important means of achieving economic growth with equity and the reduction of poverty. This annex examines the cultural and natural heritage assets that constitute the foundation of tourism development potential; briefly reviews tourism development issues.

Cambodia's tourism development potential is based on both cultural and natural assets. The premier attraction is the Angkor ruins near Siem Reap, which is now served by direct international flights via Bangkok and Singapore. This built cultural heritage resource has the UNESCO status of a World Heritage site, and its controlled development will facilitate tourism expansion without site degradation. Supplementing this attraction, the capital, Phnom Penh, has architectural, cultural and scenic assets attractive to tourists, and is also served by an international airport that is being upgraded to permit increasing visitor numbers. The southern coast near Sihanoukville was a popular recreational and tourist destination during the 1960s and early 1970s, and rehabilitation and development of facilities there would facilitate increased visitation. In the longer term, the northern and north-eastern province offer opportunities for nature-based tourism and cultural tourism development; and there is the possibility of developing river-based tourism on the lower and upper Mekong and the Tonle Sap. Interest in nature-based tourism is increasing, as Cambodia has a number of species that are endangered and whose numbers have declined in other parts of Asia, and possesses areas of natural beauty that could also become accessible through the development of national parks and marine areas, and wildlife reserves would appeal to a substantial number of travelers.

Eco-tourism

Eco-tourism has been a priority tool of the government to ensure the sustainable management and development of the country's natural and cultural resources. We have defined eco-tourism as "a form of sustainable participation, protection and management of natural resources, cultural education and indigenous knowledge, systems and practices, environmental education and ethics, as well as economic benefits are fostered and pursued for the enrichment of host communities and the satisfaction of visitors."

Developing eco-tourism

In the promoting and mobilizing support for eco-tourism from all sectors governments, businesses and general populace through cooperation and partnership for developing the key eco-tourism sites.

Developing a culture of tourism among the local people by making them aware of the need to conserve resources while generating gainful benefits such as livelihood, business and employment.

Institutionalizing community participation in planning, development, implementation and monitoring of eco-tourism projects recognizing that communities have greater stake to lead and manage resources if they will be given opportunity.

Promoting environmental education and ethics to build a constituent or cadre of people who recognize and are able to work for conservation and sustainable management of resources.

Developing capability of local government units and local entrepreneurs to plan, develop and monitor eco-tourism projects through skills training and exchange programs.

Facilitating domestic and foreign investments to fill in facilities requirements by allowing public private sector partnership or providing incentives for local and foreign business to manage conservation areas.

Developing globally competitive eco-tourism products for quality visitor experience thus, continually ensuring long-term economic benefits for communities and the country, and ensuring that benefits redound to the local community since the essence of eco-tourism is sustaining the environment for long-term economic gains of the local residents.

Other important temples such as Preah Vihear in the north, Wat Phnom in Phnom Penh, and Ta Prohm and Angkor Borei in the south and archaeological sites such as Banteay Chhmar and Sambor Prey Kuk are identified as significant attraction for tourism. These will require proper conservation where needed, and provision of adequate access and development of visitor facilities including site interpretation.

Traditional markets

The traditional markets in the cities, towns and village are of much interest to tourists. It is important that accurate explanations are provided to tourists of Market items and activities.

Khmer classical and folkloric dance, music and drama and especially Apsara dancing are of much interest to tourists performances should be scheduled frequently in the tourism areas so that more tourists can view them, but with high quality standards maintained. Traditional architectural styles seen in the villages are of tourist interest as are traditional village activities, customs, and agricultural and fishing techniques. More emphasis should be given to visits of tourists to the village with good explanations of village life. Of special interest to cultural tourists are the ethnic patterns of the hill tribe groups living in the eastern mountains of the country. As referred to previously, visit to the hill tribe can be combined with visits to the national Park and wildlife sanctuaries to develop carefully controlled eco-tourism.

Floating villages

Particularly unusual traditional village are the floating villages (with building constricted on stilts over the water) on Tonle Sap Lake. These fishing villages can be reached by boat from the lakeshore. Providing good explanations of village life is important to make the village tours meaningful.

Traditional crafts and contemporary arts

Arts and crafts are an important attraction for tourists and source of income for Cambodians. The country offers some fine traditional crafts especially uniquely patterned textiles, often woven in silk, and silverwork Also important crafts are wood carvings, and other items. Local gemstones, Jewelry and Chinese style ceramics are available. The hill tribe groups produce their own distinctive craft, especially textiles and basketwork. Crafts are available in shops but a well designed and integrated crafts market, including demonstrations of crafts-making should be developed in Phnom Penh. Crafts market (or sections of general markets) should also be developed in other major tourism areas such as Siem Reap and Sihanoukville. The main market in Banlung in Ratankiri should include a section on hill tribe crafts. The quality of traditional crafts should be maintained but designs can be adapted to items desired by tourists. There are good artists of contemporary style paintings in Cambodia and their works are available in art galleries. These are also of interest to tourists and should be promoted both as a tourist attraction and means of support for artists.

Natural features

Natural parks, wildlife sanctuaries and other protected areas. A substantial portion of the country has been designated for various types of protected areas: seven national parks, ten wildlife sanctuaries, three multiple use management areas (related to important being used for economic purposes). The national parks contain scenic, mostly

forested landscapes, and wildlife, and the wildlife sanctuaries particularly contain important wildlife. Viraekchey National Park and Lumphat wildlife sanctuary in the northeast contain, for example elephants, tigers, black bears, wild buffalo, deer, a variety of monkeys, and many birds including some unusual species. The endangered and rare species of wild ox Known as Kou prey live in Lumphat. The national parks and wildlife sanctuaries provide the basis for nature and eco-tourism development for both international and domestic tourists.

The national parks and wildlife sanctuaries have no development of adequate access visitor facilities or very limited development such as at Ream national park. However, plans and programmes are underway for application of proper conservation measure and provision of access and visitor facilities at some of the parks and sanctuaries through international assistance programmes. Of particular concern in conservation of these places is control of deforestation from logging operation and slash and burn agricultural practices. A tourism development strategy based on eco tourism has been prepared by the UNDP/WTO project for Ratanakiri based on the protected areas located there combined with cultures of the ethnic minority (hill tribe) groups.

Other scenic and natural features

In addition to the designated protected areas are generally scenic hill mountain landscapes and specific features including waterfalls, lakes and unusual geologic formation. View of the Mekong river and Tonle Sap river and lake and boating on these rivers and lake are important for tourist activities. Yak Laom lake in Ratanakiri is very scenic and suitable for recreation activities. All of these features should be protected at the national or local levels so that they are conserved and developed with visitor facilities. Some natural features, such as Tonle Bati, South of Phnom Penh, have been developed with local recreation facilities and services.

Beaches and marine areas and Mekong River

Good to excellent beaches are found along the coast at Kampot/Kep area, Sihanoukville and the northern coast. The offshore islands, especially the Koh Rong islands near Sihanoukville and Koh Kong Island further north, offer some excellent protected beaches and swimming areas. Often associated with the beaches and Islands are underwater gardens of colorful coral and fish very suitable for diving activities. These beaches and marine areas provide the opportunity for development of beach resorts and related marine activities. There is also some potential for game sport fishing in these marine areas. Some beach resorts were previously but are now deteriorated.

The Mekong River offers great potential for developing river cruises, based in Phnom Penh that could extend up the river into neighboring countries with stops at interesting places along the river.

1.4-Concept of Sustainable Development

Greater consciousness is currently being exerted by governments both at the national and local levels to conserve, protect, and preserve the natural and cultural resources of

their destinations from where tourist products are designed and developed. Partnership with civil society and private sector has also been forged and mobilized at the national and local levels to ensure the sustainable development of the tourism products.

Communities have been recognized to possess the knowledge and systems based on their traditions and culture that will enhance efforts to properly manage tourism resources. If a tourism product is to be developed, therefore, communities must have a strong stake in its conceptualization and planning to integrate the appropriate knowledge and information that will provide not only an experience, but an educational and life-long learning for travelers. Action for sustainable growth of tourism.

There are a variety of tourism products as there are different preferences and types of travelers. Today, various categories of tourism products are existing in the global tourism market that try to outdo each other in terms of packaging and interpretation. These products, though varying in interpretation and presentation have a common denominator.

Sustainable tourism is about connecting tourists and providers of tourist services with advocate of environmental and cultural protection along with communities who desire appropriate tourism development. The application of the principles of sustainability and long-term, integrated planning and management is the key to ensuring the sustainability of the industry. It is vital that all stakeholders of the tourism industry, in particular regional and local communities, understand firstly the importance of tourism to our country, and at the same time appreciate that it is critical that they implement and utilize sustainable practices.

2.POLICY RECOMMENDATION

2.1-Infrastructure Development and Legislative Improvement

Airports

PHNOM PENH – Actively developed by constructing a new international standard terminal facility for international travelers.

SIEM REAP – previously the airport could not handle night operations however it has now been upgraded and night operations are possible. At present, the airport runway is being developed and both the Domestic and International waiting rooms improved
SIHANOUK VILLE – initial stages of redevelopment are completed (by Ariston Company) to enable ATR 72 operations and it has not yet been operated however still to be completed are works for:

Land Ports

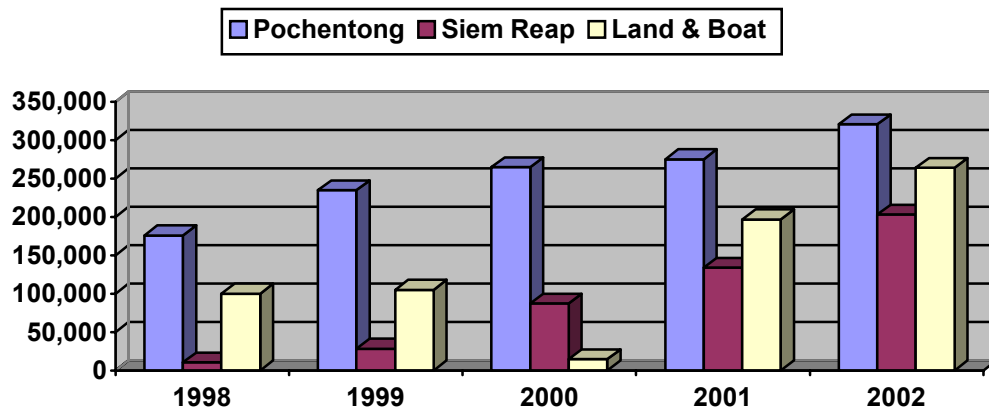
POI PET – (visa on arrivals) , from Thailand
CHAM YEAM - (visa on arrivals) , from Thailand
OSMACH- (visa on arrivals) , from Thailand
PHNOM DEN - , from Thailand

Water Ports

CHAM YEAM -(visa on arrivals) , from Thailand
 SIHANOUK VILLE -from Thailand
 DON KRALOR- from Lao
 KAAM SOMNOR - (visa on arrivals) , from Vietnam

Table 4: Visitor Arrivals to Cambodia in the Last Five Years 1998-2002 (By Mode of Arrival)

Year	1998	1999	Change%	2000	Change%	2001	2002	Change%
Mode of Arrival			99/98		00/99			2002/01
Pochentong	175,910	234,382	33.24	264,649	12.91	274,689	320,187	16.56
Siem Reap Direct Flight	10,423	28,525	173.67	87,012	205.04	133,688	202,791	51.69
Sub-Total By Air	186,333	262,907	41.10	351,661	33.76	408,377	522,978	28.06
Land & Boat	100,191	104,836	4.64	114,704	9.41	196,542	263,546	34.09
Total	286,524	367,743	28.35	466,365	26.82	604,919	786,524	30.02



Source: Report Year Book 2002, Ministry of Tourism

Development of tourism markets depends largely on improved access to, and movement within, Cambodia. Direct flights from existing sources will be increased and direct flights from other sources (regional and long-haul) will be expanded where possible. Airport construction projects at Phnom Penh International Airport (PNH) and Siem Reap (REP) will be completed in late 2001. Building of another international airport is planned for Kompong Chhnang province in 2002. Domestic flights will be diversified

to provide tourist access to a wider range of tourism destinations. including Shanoukville with construction of a regional airport in 2002. Major provincial airports such as those in Rattanakiri and Mondulkiri provinces will be upgraded. Regular flights to Battambang and Koh Kong are water routes should be opened between Kampot province and Krieng Yang province in Vietnam, and Keb municipality and Krieng Yang.

Road Development Section

-National Roads

-Roads to Major Tourist Destinations

-International Roads

- National Road One (Asean road): Phnom Penh – Bavet (Vietnamese border)
- National Road Five: Phnom Penh – Battambang – Poipet (Thai border)
- National Road Six: Sisophon – Siem Reap
- National Road Thirteen: Snoul - Kratie – Stoeung Treng (Lao border)

Planned improvements to water access are also proposed. These include the construction of tourism ports in Phnom Penh, Phnom Krom and Sihanoukville, and the opening of three new water routes :

- The Vietnamese Border (along the Mekong Krom and Basac) through Phnom Penh straight to Phnom Krom (to Siem Reap) :
- Vietnamese Border through Phnom Penh to Kampong Cham to Kratie to Stung Treng province
- And the sea route from the Thai coast to Koh Kong and Sihanoukville.

In the area of information technology, there is an urgent need to upgrade the capacity of the international link to the Internet Backbone (that is, the major Internet routes). This upgrading would cost approximately 50.5 million.

Upgrading of National Road RN 1

National road RN 1 has 167 km of distance with 2 lanes of carriage way, which connects Viet Nam with Phnom Penh through Svay Rieng. The RN1 is, currently, relatively good surface condition under rehabilitation. However, since width of the road is 5 to 6 meters, it seems insufficient capacity for future traffic volume. In accordance with a future regional development strategy, “ East-West Corridor” along the RN 1 is one of most potential areas, accordingly, upgrading of the RN 1 will have high priority among road upgrading projects.

Expected Impact

The project provides enough capacity of traffic volume for the national road, linking with Ho Chi Minh of Viet Nam through Viet Nam. The construction work will provide huge number of employment for local people.

Upgrading of National Road RN 4

National road RN 4 has 226 km of distance, which connects Kompong Som with Phnom Penh. The RN 4 was developed by assistance from USA, which has 7 meters width of 2 lanes. It is, currently, relatively good surface condition. Because it plays important role of connecting capital city and international port with large traffic volume, it seems to be insufficient for future traffic volume to pass bridges on the road. In accordance with a future regional development strategy, “South Corridor” along the RN 4 is one of most potential areas, accordingly, upgrading of the RN 4, particularly, replacement of the bridges will have high priority.

Expected Impact:

The project provides enough capacity of traffic volume for the national road, linking with international port of Kompong Som. It will contribute to an international trade. The construction work will provide huge number of employment for local peoples.

Upgrading of National Road RN 5

National road RN 5 has 407 km of distance, which connects Thailand with Phnom Penh through Sisophon, Battambang. The RN 5 was developed with 5 to 6 meters width of 2 lanes, however, most of the road has destroyed during the civil war. Depended on its importance regarding linking with Thailand, it is currently under quick rehabilitation. From the economic development point of view, Cambodia needs to receive influence of Thai economy. For this end, strengthening of RN % will be significant. In line with this, it seems that traffic volume of the road will drastically increase, accordingly, upgrading of the RN 5 will have high priority among road upgrading projects.

Expected Impact:

The project provides enough capacity of traffic volume for the national road, linking with Thailand through Battambang. It will contribute to not only an international trade but also tourism development of Angkot Wat. The construction work will provide huge number of employment for local people.

Upgrading of National Road RN 6

National road RN 6 has 385 km of distance, which connects Sisophon with Kompong Cham through Kompong Thom. The RN 6 was developed with 5 to 6 meters width of 2 lanes; however, most of the road surface has destroyed during the civil war. From the economic development point of view, the road is important for an internal trade of agriculture products. To support agricultural development at the eastern region, which has highest potentials on agricultural development, strengthening of the RN 6 will be significant.

Expected Impact:

The project provides enough capacity of traffic volume for the national road, linking with Sisophon and Kompong Thom, and Kompong Cham. It will contribute to internal trade especially agricultural products. The construction work will provide huge number of employment for local people.

Upgrading of National Road RN 7, Kompong Cham-Phnom Penh

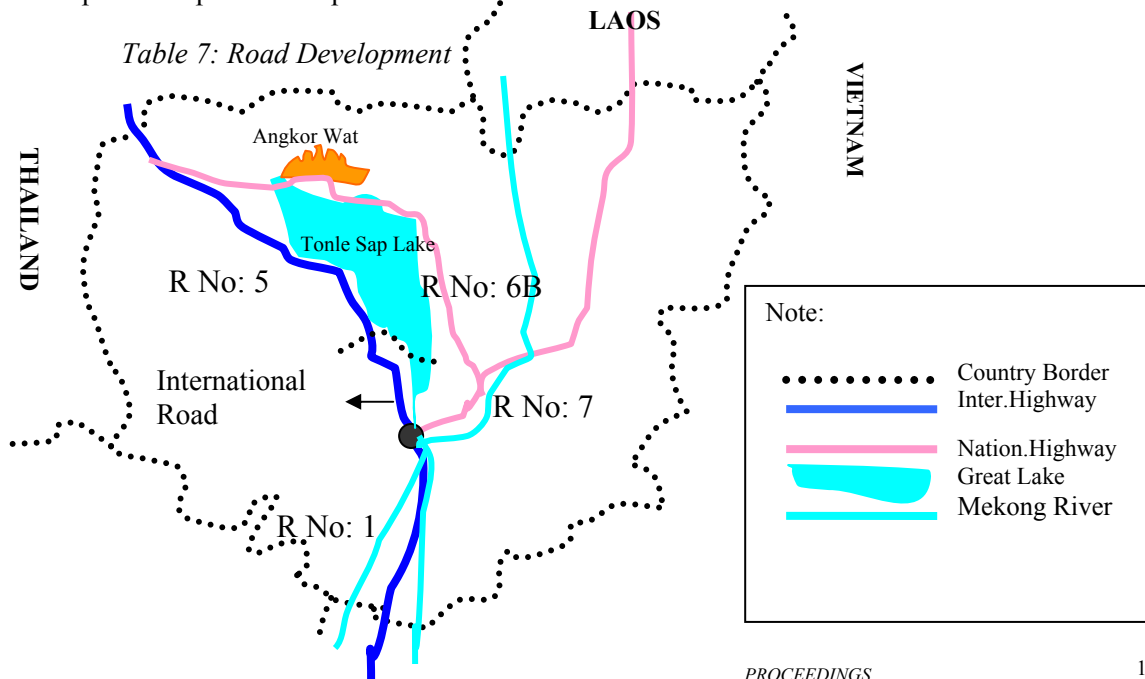
National road RN 7 from Skun to Kompong Cham has 44 km of distance, which connects Kompong Cham with Phnom Penh. The RN 7 was developed with 5 to 6 meters width of 2 lanes; however, most of the road surface has destroyed during the civil war. From the economic development point of view, the road is important for an internal trade of agriculture products. Furthermore, Kompong Cham is expected to be a “Growth Pole” on the basis of agricultural trade and agro-industry. Therefore, strengthening of the RN 7 will be significant.

Expected Impact:

The project provides enough capacity of traffic volume for the national road, linking with Sisophon and Kompong Thom, and Kompong Cham. It will contribute to internal trade especially agricultural products. The construction work will provide huge number of employment for local people.

Construction of Asian Highways in Cambodia

After completion of nation wide road network, large traffic volume with high speed will be an issue on one hand, and connecting with neighboring countries with higher standard road will be also an issue on the other hand. In line with this, realization of Asian Highway will be taken place. Asian Highway network is supposed approximately 1,700 km in Cambodia. Expected Impact: International highway network bounded for Thailand, Viet Nam, Lao will make Cambodia economy more internationalized with smooth transport of export and import commodities.



Railway

The Cambodian railway system operates two single line of one meter gauge from the capital Phnom Penh. One line runs in a generally north-west direction called “the old line” through the localities of Kandal, Kampong Speu, Kampong Chhnang, Pursat, Battambang, and Banteay Mean Chey. This line was built in four steps of the total length 386km. The other line used to run in a generally south west direction call “the new line” through the localities of Kandal, Kampong Speu, Kampot, and Kampong Som. This line total 262km was built in 1960-1969.

In the future will upgrad the railway for international high way from Pio Pet (Thailand border) to Phnom Penh and continue to Bavet (Vietnam boder).

Table 8: Railway in Cambodia



Note:	
.....	Country Border
- - - - -	International Railway
- - - - -	Will construct in the future
■	Great Lake
—	Mekong River

Transportation Development Section

Airline

In 2002, there were 296,114 international visitors arriving in Siem Reap by air, an increase of 44.59% when compared to 2001 (204,795) tourists.

Due to the “Open Sky Policy” set out by the Royal Government of Cambodia, nowadays we have many international airline companies operate their flights to and from Cambodia. Three airline companies operate indeed domestic flights.

The newly renovated Phnom Penh International Airport and Siem Reap Airport can provide all service for passengers from all flights. By air is a significant service and a key determinant of tourism development:

In 2002, there were many airline companies operating international services from the International Airport of Cambodia.

Land and Waterway

In 2002, there were 157, 034 visitors arriving in Cambodia via overland and waterways; an increase of 264% when compared to 2001 (59,266 tourists). Within this figure are visitors traveling from Poi Pet to Siem Reap, and there has been considerable annual growth on this route. In 2002 there were 110,704 visitors, an increase of 398% when compared to 2001 (27,776 tourists).

In January 2003, the increase of international visitors was 30% (equal to 76,255 tourists). The event of 29 January 2003 did not adversely affect the influx of tourists, although the number of Thai visitors naturally declined. The number of non-Thai international visitors during this period maintained incremental growth. In February 2003, with the looming threat of war in Iraq, there was a noticeable decline in the number of international visitors to Cambodia as fear and uncertainty regarding global security and safety increased leading to cancellations of travel. In Cambodia there was a decline of 20% in the number of international visitors when compared to February 2001. Since 20 March 2003, which was the commencement date of the war in Iraq, the number of international visitors arriving in Cambodia declined by 25%-30% compared to the same period of 2001. Only when the effects of the war are more fully evolved will it be possible to reorganize new marketing and promotional programs. Early indications are that the war in Iraq will only affect the Cambodian tourism industry for a short period; however, war in Iraq may postpone the tourism growth but will not cause collapse (WTO 21 March 2003).

Lodging and Food Services

Hotel

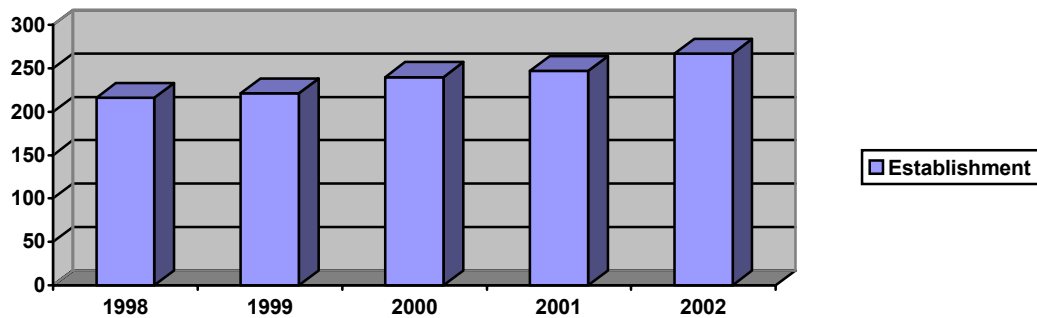
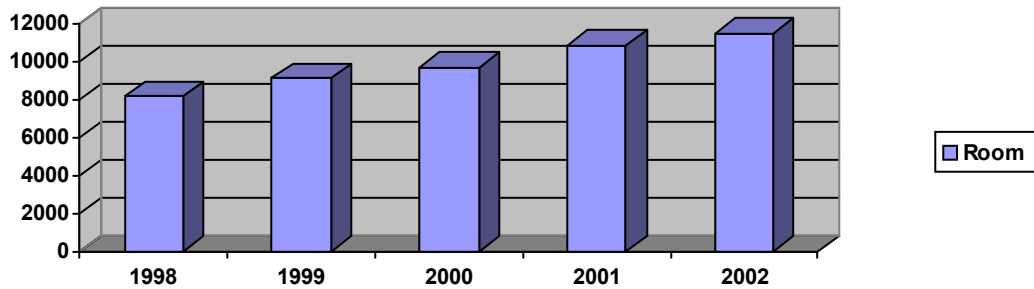
The influence of the regional economic crisis in late 1997 adversely affected the activities of the Cambodian tourism industry, e.g. some hotels in Phnom Penh have

ceased operations. To achieve and restore this situation, the Royal Government of Cambodia has implemented the Open Skies Policy by authorizing direct flights of neighboring countries to Siem Reap region. The first direct flight was from Bangkok, which is a major source market for tourism in Cambodia. The Open Skies Policy has had a positive influence for tourism arrivals. As a result the accommodation and food services in Siem Reap have improved with a positive flow-on effect to services in Phnom Penh.

The entire entry – number of hotels and the number of hotel-rooms:

- In 1998 There were 216 hotels equating to 8,147 hotel-rooms;
- In 1999 There were 221 hotels (+2.31%) equating to 9,114 hotel-rooms;
- In 2000 there were 240 hotels (+8.60%) equating to 9,673 hotel-rooms;
- In 2001 there were 247 hotels (+2.92%) equating to 10,840 hotel-rooms;
- In 2002 there were 267 hotels (+8.10%) equating to 11,426 hotel-rooms;

Table 6: Establishment of Hotel Building and Number of Room



Guesthouse

Notably, there were no business closures of guesthouses in the prioritized areas of Phnom Penh, Siem Reap and Sihanoukville. By contrast, the number of such business operations has increased significantly including the construction of new guesthouses.

In 1998 throughout the country there were 147 guesthouses equating to 1,510 rooms;

In 1999 there were 186 guesthouses (+26.53%) equating to 1,897 room;

In 2000 there were 292 guesthouses (+56.99%) equating to 3,233 room;
In 2001 there were 370 guesthouses (+25.00%) equating to 3,899 room;
In 2002 there were 489 guesthouses (+32.16%) equating to 5,748 room;

Food Services

In 1998 throughout the country there were 622 restaurants
In 1999 throughout the country there were 400 restaurants (-35.70%)
In 2000 throughout the country there were 408 restaurants (+0.20%)
In 2001 throughout the country there were 505 restaurants (+23.77%)
In 2002 throughout the country there were 624 restaurants (+23%)

Food Service Increase

A variety of cuisine is available in the restaurants including Khmer, Chinese, Korean, Japanese, Indian, Thai, European, French, American and Russian. There has been a great increase in the number of restaurants in recent years, especially development of restaurant and beer garden. The quality levels of restaurants range from standard to luxury.

Service of Tour Guide

Since 1998 there has been strenuous effort to select and train the tour-guides, especially English, French and Japanese speaking guides.

In 1998 there were 614 trainees and 280 licensed tour guides
In 1999 there were 1,031 trainees and 419 tour-guides licensed
In 2000 there were 1,450 trainees and 527 tour-guides licensed
In 2001 there were 1,980 trainees and 727 tour-guides licensed

Siem Reap

In 1998 there were 480 trainees and 280 licensed tour guides
In 1999 there were 1,031 trainees and 316 licensed tour guides
In 2000 there were 919 trainees and 415 licensed tour guides
In 2002 there were 1,341 trainees and 603 licensed tour guides

Travel Agencies

As with other tourism related services, the number of travel agencies has increased annually. Remarkably, at the beginning of 2001, there were some travel agencies established at Poi Pet.

Phnom Penh – in 2002 there were 147 travel agencies (138 head-offices and 9 branch offices.)

Siem Reap – in 2002 there were 88 travel agencies (28 travel agencies and 60 branch offices.)

Battambang Poi Pet – in 2002 there were 10 travel agencies (8 head-offices and 2 branch-offices)

2.2-International Collaboration and Marketing Strategies

ASEAN Tourism Agreement by focusing on key aspects, such as : the facilitation of free movement of tourists across ASEAN countries, security and safety for tourists, the strengthened ASEAN tourism market, expanded market share of ASEAN in world tourism, and the conservation of cultural heritage and natural resources.

The government has adopted policies that facilitate tourism – such as the provision of “Visas on Arrival” at the international borders, the Policies of Openness “Open Skies, Open Waters, and Open Inland borders”, all of which are prerequisites for realizing the great potentials and comparative advantages of tourism development.

The government has implemented and the future plan :

- Cooperation to attract foreign.
- Local investment to product the facilities for tourism destination.
- Asian Product for Asian destination.
- Cooperation of Asian Planning of Tourism.
- Development of tourism infrastructure.
- Conservation and Protection of Cultural and Natural Assets.
- Human Resources Development and enhancement each other in Asian Countries.

2.3-Product Quality Assurance

Museum, Monuments, Royal palace and Historic Buildings : The major museum in the country is the National Museum in Phnom Penh. Containing a large number of important artifacts, this museum has been expanded and renovated to provide a comprehensive. Architecturally interesting and important buildings include the Royal Palace in Phnom Penh and French colonial buildings, especially in Phnom Penh and also in some of provincial towns such as Siem Reap, etc.

The Angkor Complex and other Important Temples : The national tourism development plan for Cambodia, which we have developed with assistance from the UNDP and the World Tourism Organization, aims to position Cambodia as a leading destination for cultural and nature based tourism. The development plan and master plan for Siem Reap, Angkor has worked in collaboration with the Government of Singapore, UNESCO and the Asian Development Bank.

Traditional Crafts and Contemporary Arts are an important attraction for tourists and a source of income for Cambodians. The country offers come fine traditional crafts especially uniquely patterned textiles, often woven in silk and silver work. Other important crafts are wood carving and basketwork. The hill tribe groups produce their own distinctive crafts, especially textiles and woven baskets.

While Cambodia has different forms of locally made products such as traditional silk cloth, silver products, hand-made baskets and so forth, some of the handicrafts are

produced in neighboring countries. While the handicrafts that are available in Cambodia have the potential to meet the visitors' needs, it is acknowledged that there is a requirement to further develop the quality, uniqueness and design of these objects.

There are a number of initiatives that the handicraft cooperatives could undertake :

- Create a village-based handicraft cooperative program with the specific objective of promoting handicraft product from various communities.
- Enhance the skill and knowledge of local community cooperative in product quality development for market demand.
- Ensure sustainable marketing for handicraft products and the quality of the product.
- Establish a network with international organizations to assist in obtaining funding and in market and product development and training and promotion.

Festivals and other events : There is growing interest in events and festivals both of a national significance as well as of local interest. Several festivals are held annually which are of interest to both international and domestic tourists.

Tribe villages (Eco-and cultural Tourism) : Enhance of tribe group for livelihood, and conservation their traditional, culture.

While Cambodia has different forms of locally made products such as traditional silk cloth, silver products, hand-made baskets and so forth, some of the handicrafts are produced in neighboring countries. While the handicrafts that are available in Cambodia require a requirement to further develop the quality, and design of these objects.

Tourism Product Development

Our aim in product reformation is to create a memorable destination that is world-class and yet customer-oriented. To achieve this, it is recommended that the following be addressed: Develop a unifying character for existing products; Create more and better events; Promote concept of tourism workers as cast members; Encourage seamless inter-modal transfers; Improve efficiency of transactions; Extend product offerings to include those in the region.

Often, cities that leave the most indelible impressions on their visitors are those with distinct areas that exude an irresistible appeal. Cambodia itself is still not generally perceived to be a distinctive and multi-faceted destination because our various attractions, some of which are not world-class, lack a unifying character that will create that subtle and yet pervasive sense of place. Therefore, to make our visitors stay in Cambodia truly memorable, longer stay the evolution and development of a unifying character of themes for our existing areas is essential.

There is so much we already have. Angkor complex in Siem Reap, Phnom Penh as the “capital city”, adding urban-based attractions such as museums, a rich palace experience and tours of building of architectural, national, political or religious importance, And coastal areas in Sihanoukville are all attractions which draw large number of tourists every day. We can build on these to make them even better. This can be done by targeting opportunity areas around suitable existing attractions and sites with a unifying character or theme that will be strongly reflected in terms of the activity clusters, services, facilities and even street furniture.

This approach, based on the Master Plan of Eco-tourism Development (Ratanakiri and Mondulokiri provinces) as recommended could add value to the Angkor Plus theme. However, in the same way that large number of tourist may cause damage to monuments, eco-tourism may also adversely impact on Cambodia’s natural eco-attractions. Therefore careful segmented planning for mass tourism is required.

In addition, to enhance brand recall, a “National Tree”, “National Flower” and “National Insect” could be institutionalized to strengthen Cambodia’s identity, spirit and nationalism. There is potential for such an icon to be commercialized as a tourism souvenir.

The Great Tonle Sap Lake located within close proximity to the Angkor temples. This natural biosphere offers a fascinating story of hydrology and ecological diversity and can easily be integrated into a visit to the region.

It is strongly recommended that a “Tonle Sap Visitor Center” be established which will immediately remove the visitor’s current dependency upon the weather the season and time of day.

The creation of Tonle Sap Visitor Center will benefit both Cambodia and help increase visitor in terms of arrival figures, tourism receipts earned and extended length of stay.

Product Policy

It is important that the strategic approaches should be kept “top of mind” in planning the future of tourism in Cambodia. The strategic approaches form the basis for a “How to Implement Plan”, and can assist in determining the use of national resources such as land, funding and development rights. Cambodia has not made the mistakes that other countries have made.

While large investment in hotels, airport and infrastructure are positive developments; big investments in tourism attractions should be approached with caution. For hotel developments, the establishment of high-end hotels should be encouraged first, subsequently leaving market forces to determine if the other classes should be developed. Tourism developments have to be integrated with the daily lives of the Cambodian community. The establishment and empowering of APSARA Authority as the single point of contact for all matters pertaining to the Angkor site have worked well and must continue. Until Cambodia’s local population has sufficient disposable funds

and tourism numbers are adequate to sustain costly attractions, compromises in standards may result in more negative than positive visitor experiences.

What is worth emphasizing is the fact that rationalization is part and parcel of an overall national strategy to strengthen the domestic economy. Not only is regional tourism development geared towards enhancing Cambodia as an attractive destination and a cultural tourism center, it is also a key strategic thrust to evolve Cambodia into a tourism hub. Adopting a Tourism Unlimited perspective has allowed Cambodia to enlarge its tourism space, thereby, becoming more attractive tourism destination and a more competitive investment location. More importantly, it has enabled Cambodia to be positioned as a springboard to the rapidly growing region.

On the other hand, at the same time, Cambodia must continue to maintain its edge in logistics, telecommunications and physical infrastructure. For tourism industry in particular, efforts will have to focus on positioning Cambodia as the regional center for development, franchising and licensing of leisure and recreation.

A ‘win-win’ approach is essential in order for rationalization efforts to be sustainable. Increased tourism activities in the region must benefit the partners involved, and be sensitive to the cultural uniqueness and environmental well being of different countries, and hopefully lead to a regional tourism product, which is even more attractive. In other words, investment by Cambodia-owned companies in complementary tourism products in the region will mean that the host countries also benefit. Ultimately ‘collective attractiveness’ of the region is achieved.

With such regional activities, Cambodia companies will be a position to initiate joint promotions with regional countries to market the collective offerings of the region. The NTO will also work with tour operators to create innovative and memorable regional tour packages featuring the best experiences, which the region has to offer.

Linked Products

As we known, Cambodia has a lot of potential both cultural and natural resources almost cover all the country. As Cambodia companies’ investments in the region increase, Cambodia will eventually have a critical mass of tourism products which complement each other and which can be linked together to create more synergy. Tourists to the Asia-Pacific region will be drawn to these linked-products, as they will be able to offer a comprehensive yet seamless range of tourism products.

For the linked-products together all villages should have their own specialty product or activity that we can say “One village, One product ” to offer tourists. International marketing campaigns and loyalty programs can be developed jointly, between public and private sector partners, to offer these linked-products.

2.4-Service Quality Competitiveness

Tourism is an industry based on people, hence we can say that people are the most

important resource in the tourism industry. In Cambodia our strategy for human resource development includes:

Continuing the human resource development plan of the private and public sectors. And train tourist guides and tourism professionals.

Strengthen the administration of professional tourism college with objective of improving the quality of academic profession.

According to the cooperation among neighboring and Asian countries, Cambodia has the policy for exchange some productions such as: souvenir things, traditional handicrafts, and other facilities.....etc.

For a truly memorable Cambodia experience, service standards must match the quality of the products. Cambodia will try all her best to be a world-class cultural tourism destination that will delight even the most demanding travelers, offering value for money, quality service, well-packaged information and seamless travel. In short, Cambodia is a destination that offers good memorable experiences.

Human Resources and Product Exchange.

- Exchange the scholar for tourism course
- Guide training course for Asian countries
- Tourism training and Education
- Social safety, health care
- Training for Hospitality Service
- Community Caring
- Foreign aid funding

3.ROLE OF GOVERNMENT

The Royal Government of Cambodia clearly recognizes that physical infrastructure, including road, water, electricity, telecommunications and other services are crucial to significant and sustained growth not only of the tourism sector but the economy as a whole.

Due to the growth of tourism, Siem Reap has remarkably developed its infrastructures, including the airport, roads, traffic facilities, power, hotels, restaurants and recreational facilities. Indeed, tourism has promoted the development of all socio-economic sector of the province, with linkages to and positive impacts on surrounding and other priority tourism destinations. The government has exerted efforts to attract more tourists to Angkor Zone, while at the same time protecting and conserving the Angkor for sustainable development. The government has formed the APSARA Authority as a Special Authority to protect and conserve the Angkor cultural area. Efforts of the APSARA, in collaboration with the UNESCO and other international partners have moved beyond the rescue stage into a new era of conservation and development. The government is monitoring all developments in the Angkor area to keep track of both positive as well as negative impacts, and to facilitate corrective measures. A master plan

for the development of the Angkor area has been formulated with worldwide assistance and is now under implementation in terms of projects such as water and electricity supply, wastewater management and other infrastructures all toward the goal of preserving and developing the area into a sustainable cultural tourism destination that we can all be proud of.

And government is also focusing on the development of the areas surrounding the Angkor, particularly linked to the tourism cultural and natural destinations of neighboring countries such as Thailand and Laos PDR. The most important joint initiative between Cambodia, Laos PDR. and Thailand is the Emerald Triangle Development Program.

4. STRATEGIES OF TOURISM INDUSTRY

The decision of Cambodia to re-enter the tourism market after over two decades of destabilizing internal and external political strife reflects the country's resilience and the fact that, in international tourism terms, its product is still very much sought after. With the right approach and marketing and investment climate to overcome the negative image from which the country suffers internationally, economic recovery through the development of sustainable tourism is both realistic and achievable.

Following the identification of tourism as one of the foremost instruments of the country's development and a prime economic activity, the MOT is being assisted in its tourism development strategy, and it recognizes the importance attached to tourism by the Economic Cooperation in the Greater Mekong Subregion (GMS) initiative. This strategy will need to embrace all aspects of the industry. Tourism is shared responsibility and other sectors are also responsible for the success of tourism development. It is expected that the elaboration of a Tourism Development Plan incorporation an integrated tourism development and management strategy for Cambodia will be completed by June 199, to be immediately followed by a strategy implementation program. The strategy framework of the Plan will incorporate five main components:

4.1-Marketing and Promotion

Without clear and direct marketing, tourism development in Cambodia will be severely curtailed and may only occur at lower economic impact level which would lower national earnings and fail to attract quality investment. A defined marketing strategy encompassing image and quality will be structured and central to the Tourism Development Plan. The positioning of Phnom Penh, Siem Reap and Sihanoukville as the triangle offering the complete vacation experience, thereby increasing the length of stay and resulting in increased foreign exchange earnings, will be the main objective.

4.2-Product Development

The present physical product in terms of quality and standards is of concern to Government. The master plans for Siem Reap and Sihanoukville are designed to

upgrade and create tourism enclaves of high quality, as well as catering for the domestic demand. The immediate short term priority is the upgrading of the existing product in terms of standards in all areas of tourist activity: in hotels, restaurants, historical sites and other places of tourist interest, services and infrastructure. The need to consider the production of national resources and the environment is to be kept in mind at every stage of the development strategy. The Flagship Product, which is that part of the product that sets the overall tone and image of the country, will be developed with the investments in hotels and resort development already identified. The Cluster concept which is also to be developed will bring together, within a cohesive geo-spatial framework, an ample variety of complementary tourism facilities and attractions.

4.3-Access Provision

The positioning of Phnom Penh and Cambodia adjacent to the South East Asian gateways of Bangkok, Kuala Lumpur and Singapore demands that a coherent integrated Air Access policy be pursued. Potential markets can only be tapped by linking national marketing efforts and access needs. An assessment of civil aviation policy, needs identification and an integrated strategy to assist tourism development will be required. Upgrading plans for Siem Reap and Sihanoukville airports have reached an advanced stage already. The policy of maintaining Pochentong as the exclusive hub for all destinations in Cambodia will remain in place.

4.4-Manpower Development

Human resources development remains the primary focus of the Royal Government in the development of tourism. The short and medium term strategy is outlined below in the section on training needs

4.5-Organization and Implementation

A developing tourist industry demands a reactive, controlling and planning organization to manage its development in a sustainable manner. The needs of policy development, the market, investment and the environment need to be reconciled in a structured fashion and cannot be effectively achieved without an overall promotional and planning body. The needs of policy, strategy and implementation must be reconciled to ensure that Cambodia can quickly make an impact on the world's market. Given the experience of adjacent countries and their success, it is apparent that no integrated tourism development plan can succeed without addressing its organizational needs, essentially the implementation mechanism of all policy actions.

5.CONCLUSION

However, in the early 1990s, Cambodia reopened its borders to the world and is now beginning to attract visitors for both recreational activities and business. The number of foreign tourist visiting Cambodia has grown remarkably since 1993.

Since 1993-2004, the tourists were early growth. The Kingdom of Cambodia received 786,524 international visitors in 2002, as a 30,02% increase over 2001, and hope that we will receive over one million international visitors in 2004 and 2005.

Thus, the government of the Kingdom of Cambodia has implemented an open towards foreign cooperation to attract foreign and local investment to product the facilities for tourism destination and development of tourism infrastructure.

Tourism product in Cambodia are lacking, because the visitors were growth up, so all accommodations were not enough supplying. But recently the government of Cambodia has the policy “Open Skyway and Land/waterway” for increase the tourist facilities and destination. Therefore, the government cooperated all local and international stakeholders for enhancement of tourism production in Cambodia.

In the end, we hope that the neighboring and Asian countries will cooperate for sustainable in the tourism product development in the future.



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