

Economic Impacts Of Seventh Five Year Plan Tourism Target

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Introduction

- ❑ A wide array of economic literature and studies has mapped the positive impacts of a thriving tourism sector on economic growth and development of countries.
- ❑ Bangladesh is blessed with natural beauty, ranging from mountains to rivers to beaches to bio-diversity. Despite having natural wonders like the world's longest natural beach and the Sundarbans, Bangladesh seems unable to attract ample tourists and the government has only recently started to recognize the potential the industry holds if provided with necessary support.
- ❑ The tourism industry in Bangladesh has grown in a haphazard way in the last decade or so. However a much more concerted and strategic intervention is required for the country to enter the global and highly competitive arena of the international tourism market.
- ❑ The RMG sector remains the main source of foreign currency for Bangladesh. The risks of over-dependence on one industry for foreign currency inflow is well-documented, including the negative ramifications for the economy if the industry is hit by a downturn.
- ❑ The government has been actively looking to diversify the export basket. The tourism sector can be a promising alternative, which in addition to the export sector also has a multitude of other positive economic implications such as employment generation, creation and expansion of backward and forward linked industries, and can widely contribute to long-term development goals such as women empowerment and poverty alleviation.

Broad Outline of the Presentation

- ❑ Current Scenario of Tourism in Bangladesh- In this section, we take stock of the progress in the past and the progress of the sector in the light of available statistics and literature. We also look at the income and expenditures on the sector and how Bangladesh fares in terms of regional countries as well as globally.
- ❑ Policies for Tourism Sector Development in Bangladesh- Overview of the policies undertaken for the development of the sector in Bangladesh and also the future goals/targets outlined in the government budgetary framework.
- ❑ Country Success stories of Tourism sector Development-Success stories of Tourism sector development of selected countries in the region will be highlighted as case studies. In light of these, and policies already in place by the government, the Seventh Five Year Plan Strategy for the Tourism Sector in Bangladesh will be discussed.
- ❑ Tourism Sector Development- Seventh Five Year Plan Strategy- Targets set out for tourism sector in the Seventh Five Year Plan.
- ❑ The Economic Impact of Tourism sector in Bangladesh- In this section we discuss the economic impacts of the sector using a SAM Based Multiplier Model.
- ❑ Recommendation and Conclusion - Drawing from the discussions in previous sections, the five Entry Point Projects (EPPs) and other recommendations for the sector will be discussed.

Current Scenario of Tourism in Bangladesh

- ❑ Bangladesh tourism sector has experienced growth in recent years, particularly in the last decade. However, the growth pattern has been erratic implying unstructured development and perhaps also the lack of proper planning from the government.
- ❑ The decadal growth rate shows that the growth in number of tourists has declined in the 2001-10 period in comparison to 1991-00 period. Some of the reasons which are frequently pointed out by tourists for not visiting Bangladesh are the lack of adequate facilities in terms of accommodation as well as transport linkages, and the political instability/security issue.
- ❑ While the number of tourist arrivals grew by 6.8% on average between 1995 and 2009, the number tourist departures grew by more than double at an average rate of 14.8% over the same period (Table.2).

Table 1: Tourist arrival and their growth

	Tourists arrival (person)	Growth (%)	Decadal Growth (%)
1991	113,200	-	5.8%
1992	110,500	-2.4	
1993	126,800	14.8	
1994	140,100	10.5	
1995	156,200	11.5	
1996	165,900	6.2	
1997	162,400	-2.1	
1998	172,000	5.9	
1999	172,800	0.5	
2000	199,200	15.3	
2001	207,200	4.0	3.9%
2002	207,200	0.0	
2003	244,500	18.0	
2004	271,300	10.9	
2005	207,700	-23.4	
2006	200,300	-3.5	
2007	289,100	44.3	
2008	467,300	61.6	
2009	267,100	-42.8	
2010	303,400	13.6	

Table 2: Tourist arrival and departure

	Number of tourist		Growth (%)	
	Arrivals	Departures	Arrivals	Departures
1995	156000	830000	-	-
1996	166000	911000	6.4	9.8
1997	182000	866000	9.6	-4.9
1998	172000	992000	-5.5	14.5
1999	173000	1103000	0.6	11.2
2000	199000	1128000	15.0	2.3
2001	207000	1075000	4.0	-4.7
2002	207000	1158000	0.0	7.7
2003	245000	1414000	18.4	22.1
2004	271000	1565000	10.6	10.7
2005	208000	1767000	-23.2	12.9
2006	200000	1819000	-3.8	2.9
2007	289000	2327000	44.5	27.9
2008	467000	875000	61.6	-62.4
2009	267000	2254000	-42.8	157.6
2010	303000	-	13.5	-
Average Growth (1995-2009) (%)			6.8	14.8

Source: Bangladesh Parjatan Corporation

Reasons Behind the Growth in Outward-Bound Tourism

- ❑ **Rising per capita income-** The per capita of Bangladesh has been rising consistently over the years and has now crossed USD 1300. This has led to an increasing number of citizens being able to afford international travel for leisure, medical, education purposes etc.
- ❑ **Increase in myriad of budget airlines-** These budget carriers offer extremely lucrative packages for travelling, especially in the South Asian region countries like Thailand, Malaysia, Singapore, and India etc.
- ❑ **Expansion of land routes travel options-** This holds true particularly for travel to India which has become extremely affordable for almost all income classes with the opening of train routes as well as several land border points across the country.
- ❑ **Increase in medical tourism-** The rising trend of outbound travel has been exacerbated by an increase in medical tourism to other countries such as Thailand, Singapore, and India. While the main reason behind this is their dissatisfaction with the quality of medical services provided in the country, another reason would be the reasonable cost of private medical services in countries like India which makes it an extremely lucrative deal.
- ❑ The increase in outbound travel also indicates that a lot of domestic tourists prefer to travel abroad rather than within the country suggesting that the local tourist spots/facilities are unable to attract the domestic tourists in large numbers.

Expenditure and Receipts from Tourism

- ❑ Tourism also has other impacts on the economy in the form of income generation. Table 3 shows the international tourism expenditure as percentage of total imports and international tourism receipts as percentage of total exports for Bangladesh.
- ❑ The tourism expenditure of residents traveling abroad has been persistently above the 2% of Total imports and almost reached 3% around 2008. However, the expenditure of inbound tourists have been hovering around 0.5% and has declined in recent years.
- ❑ This clearly shows that not only is Bangladesh lagging behind in its attempt to attract tourists, but our residents are increasingly opting for international tourism.
- ❑ This trend of inbound tourists expenditures is once again highlighted in Table 5, where we see the foreign exchange earnings from tourism as Total foreign exchange reserve hovering around 0.7-0.9% of GDP. The foreign exchange reserve of the country has improved substantially in recent years and clearly there has only been marginal contributions from the tourism sector.

Table 3: International Tourism Expenditure and Receipts for Bangladesh

	2005	2006	2007	2008	2009	2010	2011	2012
International Tourism Expenditure as % of Total Imports	2.57	2.67	2.74	2.93	2.82	2.83	2.16	2.20
International Tourism Receipts as % of Total Exports	0.76	0.63	0.55	0.43	0.45	0.48	0.36	0.40

Source: World Bank Databank

Table 5: Foreign exchange earnings from tourism as % of Foreign Exchange Reserve of Bangladesh (BDT million)

Year	Foreign Exchange Reserve (a)	Foreign Exchange Earnings from Tourism and other Travels (b)	(a)/(b)
2008	421318.2	5780	1.4%
2009	515940.4	3920	0.8%
2010	746469.9	5472	0.7%
2011	809087.5	6094	0.8%
2012	847971.7	7674	0.9%
2013	1190899.2	8579	0.7%

Source: Bangladesh Bank and Author's own calculation

Where does Bangladesh Tourism Sector Stands Globally?

Table 7: Cross Country Comparison

Indicators		World	Asia-Pacific	Bangladesh	Malaysia	Thailand	India	China
Direct Contribution to GDP	% of 2013	2.9	2.9	2.1	7.2	9	2	2.6
	Rank			143	32	25	149	116
Total Contribution to GDP	% of 2013	9.5	8.9	4.4	16.1	20.2	6.2	9.2
	Rank			165	41	35	135	92
Direct Contribution to Employment	% of 2013	3.4	3.5	1.8	6.7	6.6	4.9	3
	Rank			155	35	38	56	106
Total Contribution to Employment	% of 2013	8.9	8.2	3.8	14.1	15.4	7.7	8.4
	Rank			166	50	46	111	95
Capital Investment	% of 2013	4.4	3.8	1.5	7.7	7	5.3	2.8
	Rank			178	62	71	78	148
Contribution to Total Exports	% of 2013	5.4	4.9	0.5	8.5	16	4.1	2.1
	Rank			177	85	62	132	162

Source: WTTC and author's assessment

- ❑ Economic indicators of the tourism sector of Bangladesh, Malaysia, Thailand, India and China, along with Asia Pacific and World- were examined to assess where Bangladesh stands regionally, as well as globally.
- ❑ Direct contribution to GDP- Bangladesh ranked 143, which was surprisingly higher than that of India, but much lower in terms of tourist hubs like Malaysia and Thailand. However, in terms of Total Contribution to GDP Bangladesh ranked lower than all its regional counterparts, and also much lower than the Asia pacific and World average.
- ❑ Direct and Total Contribution to Employment- Bangladesh ranked 155th and 166th for each indicator, again lagging behind substantially both on the regional and global level.
- ❑ Capital Investment in Tourism- The trend of low investment in tourism sector in Bangladesh is highlighted through the very low ranking in this indicator. India's capital investment in 2013 was even higher than the world and Asia pacific level.
- ❑ Contribution to Total Exports- Previous discussion regarding contribution to exports of tourism sector in Bangladesh is once again triangulated here. China's performance is also unremarkable in this indicator, although it is perhaps owing to China's vast and deep export basket rather than a singular reflection on the tourism sector.

Acts & Policies for Tourism Sector

- ❑ **Bangladesh Tourism Board Act and Tourism Policy 2010**- These two legislations provide the legal backdrop of tourism rules and regulations, as well as expansion and regulation of the industry. These also cover areas such as development, infrastructure improvements, human resource development, communication expansion, marketing and regulatory and legal oversight of private organizations and NGOs operating in the sector.
- ❑ **Medium Term Budget Framework (MTBF) - Ministry of Civil Aviation and Tourism (MoCAT)**- MoCAT is the government ministry which is in charge of tourism sector. Their main mission is to contribute to the national growth through ensuring secure aviation transportation, development of country's airlines and tourism industries. They ensure implementation of the government strategies and interventions in the sector, as well as ensuring abidance to the laws and policies discussed above.
- ❑ MoCAT has three broad objectives- 1. Safe and secure aviation system 2. Efficient and standardized air cargo transport system and 3. Expansion of tourism. The first two are maintained by the Civil Aviation authority, while the third objective is undertaken by Bangladesh Parjatan Corporation and Bangladesh Tourism Board.
- ❑ The major activities planned in the MTBF under for the expansion of tourism are:
 - ❑ Identification and modernization of tourists places across the country and expansion of existing attractions.
 - ❑ Involving local government institutions in tourism activities.
 - ❑ Using Public Private Partnership (PPP) for creating infrastructure and improving management of the industry.
 - ❑ Capacity building of the sector, with focus on human resource development through trainings courses and establishing tourism training centers.
 - ❑ Marketing and promotion of the industry through producing documentaries and tourism events to highlight attractions.

Country Examples for Developing Bangladesh Tourism Sector

- ❑ The above analysis of Bangladesh tourism sector suggests a rather poor performance of the sector in comparison to our neighbours as well as Asia-Pacific averages. The projections by WTTC under a 'business as usual (BAU)' scenario also fail to provide much scope for optimism.
- ❑ Although, government of Bangladesh has already chalked policies/strategies through various legislations including MTBF, specific tourism sector targets/goals need to be set out for the medium term (i.e. 7FYP) and long term (i.e. beyond 7FYP). These targets/goals should be realistic and based on our strategic advantages such as scenic beauty; eco-system; archaeological sites; and water bodies.
- ❑ Before embarking on setting targets/goals for the 7FYP, it may be relevant to recapitulate tourism sectors some of the countries which Bangladesh can emulate to develop her tourism sector. The tourism sectors of four other countries have been collated in the Table 9 to pick a country to emulate.
- ❑ Successes of India and Saudi Arabia were mainly to their endowment advantage (i.e. almost all historical sites of Mughul and other eras are in India which have been attracted large number of tourists; Saudi Arab is unique to all Muslim.
- ❑ On the other hand, planning, marketing and branding played important roles in the case of Malaysia and Thailand.

Table 9: Tourism Sector of Selected Countries

	Bangladesh	Thailand	Malaysia	India	Saudi Arabia
Total size of tourism sector	BDT460.3 Billion	THB 2401.1 Billion	MYR 158. 2 Billion	INR 6631.6 Billion	SAR119.8 Billion
Tourism sector as % of GDP	4.4	20.2	16.1	6.20	4.3
Tourism Employment as % of total employment	3.8	15.4	14.1	7.7	4.2
Tourism Investment/GDP	1.5	7	7.8	6.2	4
World Share (%) Ranking	165 th	35 th	41 st	135 th	166 th
Pre-dominant types of tourism	Nature, Cultural, Religious	Entertainment, Shopping, Family fun, Nature (Islands and beaches)	Shopping, Family fun, Natural beauty, bio-diversity	Heritage, Cultural, Nature, Religious	Religious
Factor of Success	Private sector initiatives?	Planning Branding	Planning Branding	Endowment advantage Branding	Endowment advantage / Planning

Source: WTTC and author's assessment

Country Case Studies- *Malaysia- a success story*

- ❑ Bangladesh can emulate Malaysia for developing her tourism industry. Malaysia was a late entrant in the tourism arena in comparison to neighbouring countries like Thailand and Indonesia.
- ❑ They tried several branding tactics from 'Beautiful Malaysia' to 'Only Malaysia' followed by 'Fascinating Malaysia' and finally settled on the current brand of '**Malaysia, Truly Asia**' which seems to have caught on amongst travellers.
- ❑ The tourism sector of Malaysia was first recognised in the sixth five-year economic plans of the country and since there were several other legislations over the years which further strengthened the support provided to the sector. The National Tourism Policy 1992, National Ecotourism Plan 1996, Rural Tourism Master Plan 2001, Second National Tourism Policy (2003-2010).
- ❑ These policies and plans had set guidelines and targets as well as detailed discussions about where the sector was headed. The government's hands on involvement in the entire process of developing the industry indicate a top-down approach which has clearly been a success.
- ❑ Despite being a success story, the country embarked on an ambitious plan and set targets for 2020. The target is 2020:368:168. By 2020 Malaysia will receive 36 million tourist arrivals and RM168 billion (US \$ 55 billion) tourist receipts. This would mean the industry will grow by 3 times and tourism will contribute RM3 billion receipts per week to the country in 2020. This strategic ambition will be achieved through the 12 initiatives (or 12 entry points project known as EPPs) proposed under the Tourism National Key Economic Areas (NKEA).

Country Case Studies- *Indian Example-Bangladesh should take note!*

- ❑ India is a stellar example of tourism in Asia whereby the main source of tourist attraction is her rich history and cultural heritage. The country has been able to maintain, develop and market its historical and heritage sites to the world and created an aura of exoticism for its tourism sector.
- ❑ The Ministry of Tourism of India is the government body which drives the industry with its well-planned marketing strategies and benefits for maintenance of travel trade like travel agencies, tour companies etc. The government has actively taken measures to develop the tourist sites with special attention to development of infrastructure at and around these sites.
- ❑ The branding strategy which the country has undertaken is under the banner of 'Incredible India'. Under this strategy the country has developed its tourist attractions and advertised it heavily especially to tourists in western countries who have always considered India to be a mystical nation.
- ❑ One of the main complaints about India has been rampant fraudulent of international visitors which has deterred many foreigners from visiting the nation in the past. However as part of the campaign, the government has become increasingly vigilant of such practices, and has created opportunities for subsidiary businesses like tour operators, travel agencies etc to be registered under the Ministry of Tourism.
- ❑ The government has taken a very strategic approach for the development of new tourism sources, by creating guidelines for each source, along with employment schemes for potential jobseekers in each sector. In addition to tourism based on history and culture India is also trying to attract high valued tourists by promoting some innovative products such as golf tourism; polo tourism; rural tourism and cruise tourism

Tourism Sector: Seventh Five Year Plan Strategy

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- ❑ Tourism sectors targets for the seventh five year plan have been laid out in the Table-10 below.
- ❑ The targets/goals for the seventh five year plan have been measured against the ‘Business As Usual’ (BAU) scenario. The BAU scenario has mainly been drawn from projections made by WTTC.
- ❑ The goals set out for the seventh plan although ambitious but feasible if appropriate actions can be adopted. Please note that since base of tourism sector is still small, higher growth rate of more than 20% may be attainable.

Table 10: Tourism Sector Target for the 7FYP

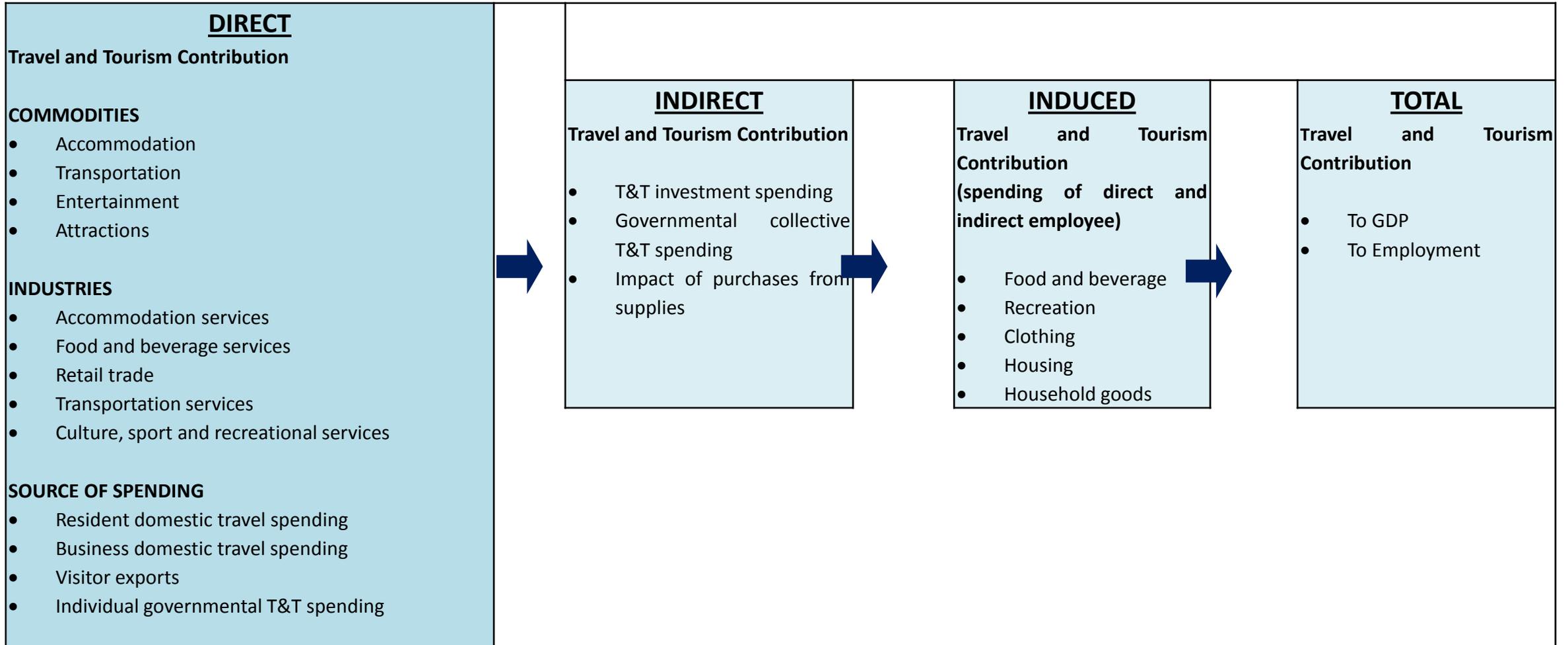
	2014	2020	Headline Indicators	
Tourist arrival (million person)			Period Growth (%)	Annualized Growth (%)
BAU	460	549	19	3.9
7FYP	460	810	76	15.2
Tourist Receipts (billion BDT)				
BAU	10	18	90	17.9
7FYP	10	33	243	48.7
Tourism Investment (billion BDT)				
BAU		141	-----	
7FYP		345	-----	

Source: Seventh Five Year Plan Bangladesh

Economic Impact of Tourism in Bangladesh

- There is variety of economic impact of tourism. Tourism activities affect sales, income and employment of the recipient country. These effects are distinguished as direct, indirect and induced. The total economic impact is the sum of all direct, indirect and induced effect.

Figure 1: Travel and Tourism Contribution - Direct, Indirect, Induced and Total



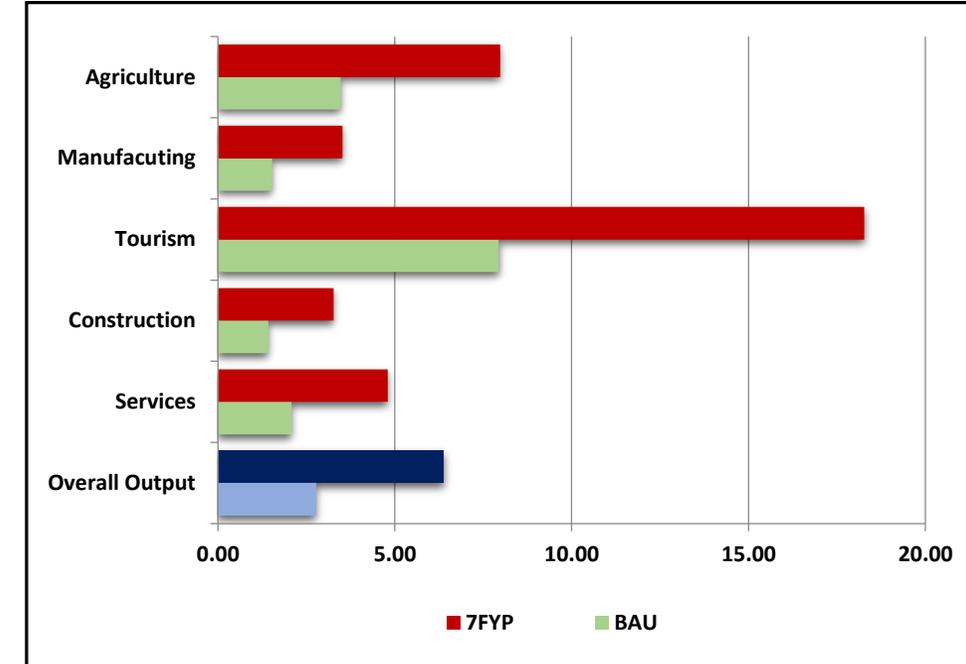
Social Accounting Matrix (SAM) Based Multiplier Model

- ❑ We used a SAM based multiplier model to assess the economic impacts of 7FYP tourism targets. The move from a SAM data framework to a SAM model (also known as multiplier framework) requires decomposing the SAM accounts into 'exogenous' and 'endogenous'.
- ❑ Generally, accounts intended to be used as policy instruments (for example, government expenditure including social protection, investment and exports) are made exogenous and accounts specified as objectives or targets must be made endogenous (for example, output, commodity demand, factor return, and household income or expenditure).
- ❑ The multiplier process is developed here on the assumption that when an endogenous income account receives an exogenous expenditure injection, it spends it in the same proportions as shown in the matrix of average propensities to spend (APS).
- ❑ **Impacts simulations using the SAM model are reported in terms of gross output, value added by factors and household consumption.** Moreover, output outcome is reported using broad classifications of activity (i.e. five activities aggregated from the 67 activities), value-added or GDP by five types of factors of production and household consumption by two representative households – rural and urban.

Effect on the domestic output

- ❑ Overall, effects on gross output are positive under the two interventions (i.e. BAU and 7FYP). More specifically, change in gross output as a percentage of base gross output value is 2.8 under the “BAU” simulation compared to 6.4 under the “7FYP” simulation due to higher level of investment and tourism receipt.
- ❑ Although, the pattern of output effects across the broad activities are similar the size effects are significantly higher under the “7FYP” simulation.
- ❑ Under the both simulations, the effect is dominated by tourism sector itself, followed by agriculture, manufacturing and services.

Figure 2: Impact on domestic output (% change from base values)



Source: Author's calculations based on SAM model

Effect on the gross domestic product or value added

- Effect on value added under the '7FYP' intervention has been found to higher than the impact found under the 'BAU' scenario. More specifically, change in value added, or GDP as percent of base GDP value, is 6.5 under the "7FYP" simulation compared to 2.8 under the "BAU" simulation.
- The distribution of additional gains in value added (GDP) among the factors of production (e.g. land, labour and capital) although are similar in direction under the two simulations; the impacts are more pronounced under the "7FYP" scenario.
- It is however interesting note that the effect is somewhat dominated by the land and capital factors due to the large expansion of gross output of the tourism and agriculture activities and the sector's observed intensity to land and capital use.
- In terms of these three effects, direct effects constituted largest contribution (i.e. 2.2 % of GDP), followed by indirect effect of around 1.4%. As expected the induced effects are less than the direct and indicated effects and reported at around 0.9 percent of GDP.

Figure 3: Tourism Contribution to GDP

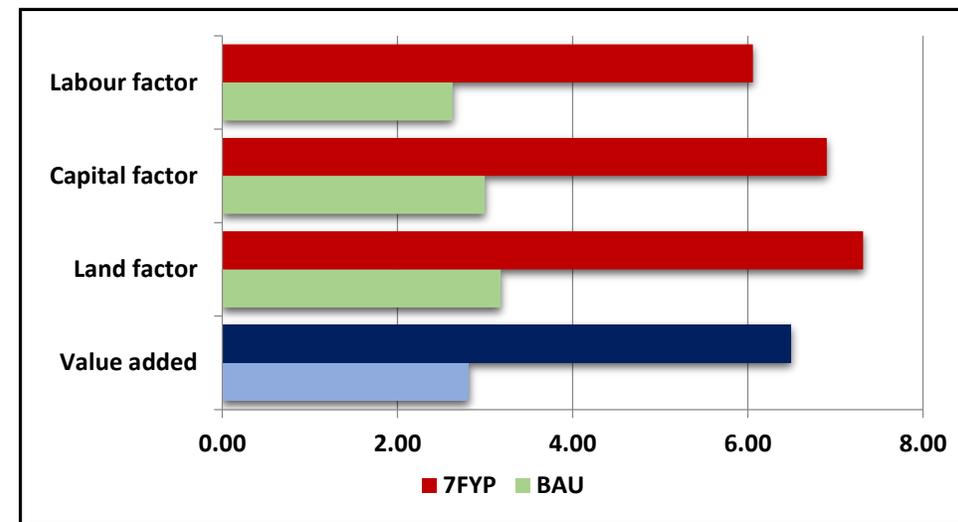
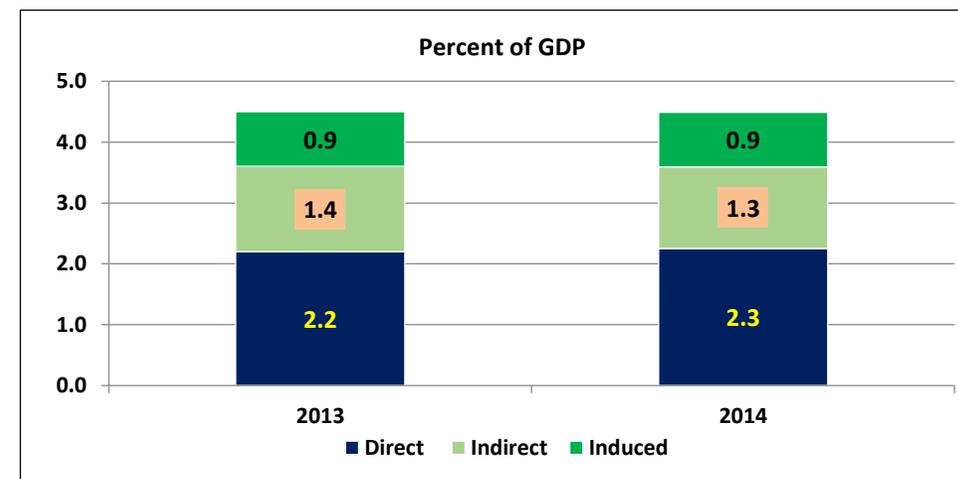


Figure 4: Travel and Tourism Contribution to GDP-Direct, Indirect and Induced

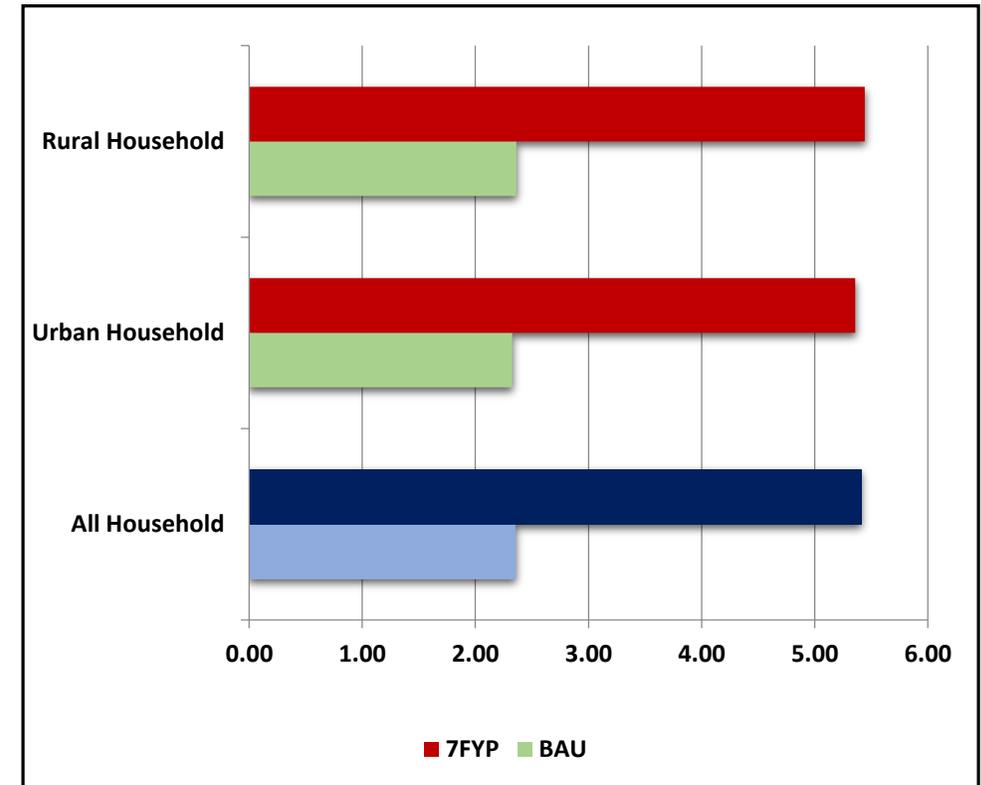


Source: Author's calculations based on SAM model

Effect on the household consumption

- ❑ Households are the sole suppliers of labor factor and hence all labor income generated due to tourism investment and receipts accrue to households. Moreover, they also own land and are the predominant source of capital.
- ❑ However, increase in household income and hence consumption will be less than the increase of value added or primary income due to leakages in the form of savings and taxes.
- ❑ Impacts on household consumption under “BAU” and “7FYP” scenarios are respectively 2.35 and 5.41 considerably less than the increase observed for value added of 2.8 and 6.5 under “BAU” and “7FYP” scenarios.
- ❑ It is however to note that rural household would be relatively better off compared to their urban counterpart with respect of increase in consumption.

Figure 5: Impact on household consumption

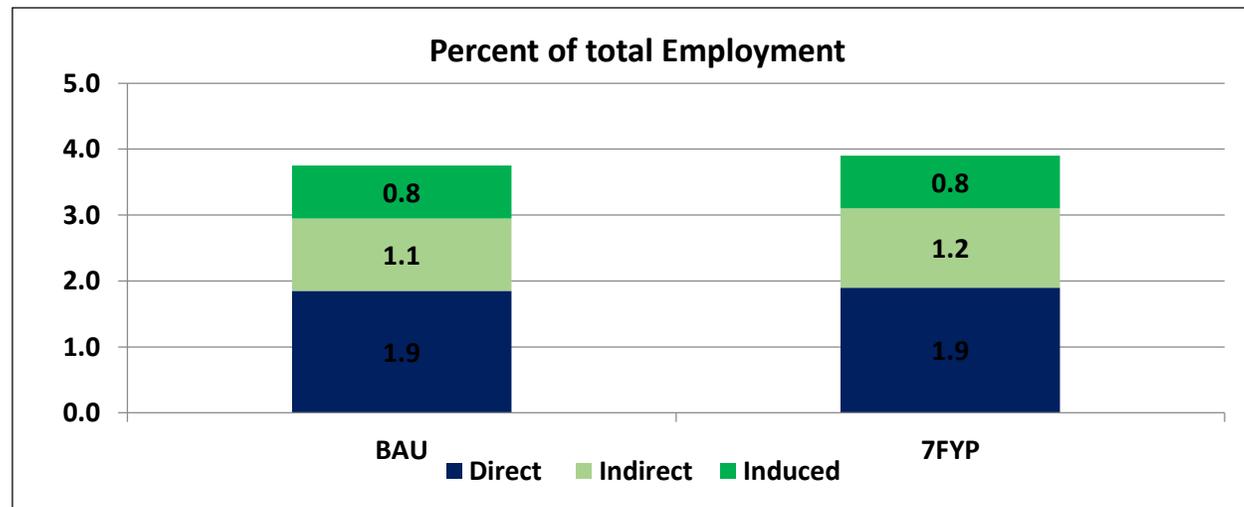


Source: Author's calculations based on SAM model

Impact on Employment

- ❑ One of the major macroeconomic issues that plague the Bangladesh economy is unemployment. While the official unemployment rate of the country is 4.5% according to the Labour Force Survey (LFS) 2010, the main problem remains underemployment and employment in the informal sector.
- ❑ Bangladesh is in dire need of formal sectors of employment and tourism has the potential to rise as one of those sectors. Tourism generates jobs from the hospitality industry, to transportation, to backward-linkage industries develops in response to the industry.
- ❑ Employment impacts of expansion of economic activities may likely to create employment opportunities for 3.1 million people under the BAU scenario which may increase to 6.4 million people under the 7FYP scenario.

Figure 6: Contribution to Employment-Direct, Indirect and Induced



Description of Five EPPs for Bangladesh

- ❑ In line with Malaysian experience, we believe Bangladesh need to embark on five entry points projects (EPPs) over the next 2-3 years so that benefit of such investment can be reaped within the 7FYP period. These 5 EPPs should be in addition to the measures already adopted the MBTF of the ministry of civil aviation.
- ❑ **Establishing three premium shopping outlets-** A large number of Bangladeshis are going abroad (i.e. annual growth of 15%) mainly for shopping and family fun. As the economy of Bangladesh expands with a growing middle class, the demand for higher luxury brand items and family recreation would increase. Tourism sector should targets this even expanding group.
- ❑ **Developing an eco-nature integrated resorts near Sundarbans-** The development of integrated resorts (IRs) has recently gained momentum, for instance in Singapore (Marina Bay Sands, Resorts World Sentosa), Bahamas (Atlantis) and Dubai (The Palm). To differentiate and leverage on our strengths, Bangladesh will develop an Eco-nature Integrated Resort in Sundarban area. It will be a showcase of green development, with energy-efficient buildings, solar (renewable) energy, recycling and electric transportation, as well as displaying Sundarban's rich biodiversity, through a mangrove education centre.

Description of Five EPPs for Bangladesh (Contd.)

❑ **Creating a Strait Riviera linking Teknaf to Sundarbans-**

- Bangladesh must take advantage of her long coastal areas and develop a strait Riviera cruise route linking Teknaf and Sundarbans/Kua Kata). The route will be anchored by 3 purpose built state of the art integrated cruise terminals in Teknaf/Coxes Bazar; Chittagong; and Kua Kata/Khulna. We believe this will help built an exotic cruise experience exploiting existing coastal destinations.
- Each cruise terminal will serve as a catalyst for waterfront and semi-urban renewal, with development of adjacent waterfront retail (including water sport facilities), residential areas and related facilities (including provision for night life activities such dining; music, and cinema etc.) at each terminal to encourage shore excursions.
- Ministry of road and bridge must collaborate with ministry of civil aviation to develop a National passenger sea ports and cruise tourism international blueprint articulating vision and policy for cruise industry development in Bangladesh.
- The bulk of the investment will be generated from the private sector including foreign investors. Government of Bangladesh will ensure fast and efficient air connection between Dhaka to Coxes bazaar and Dhaka to Jessore with onward road transfer from airports to the terminals.

Description of Five EPPs for Bangladesh (Contd.)

□ Promoting the archaeological sites

- Bangladesh has a rich history from medieval times, through the British period to Muslim rule while being part of India and subsequently Pakistan.
- Many of the archaeological sites still remain unexplored and not very well publicised even among the domestic tourists. Since Independence, the government has taken initiatives to fund excavations in many known sites which have borne result, however funds for this purpose are limited. The excavations so far has revealed several sites which show the settlement of several religions in the region, starting from Buddhism to Hinduism and of course Islam.
- Along with aggressive marketing and branding of archaeological treasures of Bangladesh, attention will also be given to improvement of road and railway connectivity to these sites.
- Interpretation service is important component of archaeological tourism and must be made available for tourists.
- Furthermore, accommodation and other relevant amenities (e.g. food, rest rooms, and souvenirs facilities) must also be improved.

Description of Five EPPs for Bangladesh (Contd.)

❑ Establishing eco parks in CHT and Sylhet

- With the increase in green revolution across the world, many tourists are opting to go back to nature and away from the cosmopolitan cities. Bangladesh is rich in natural beauty boasting magnificent rivers, mangrove forests, hills, and world's longest natural beach along with tea gardens.
- Private sector projects are already in progress which has led to a growth in number of resorts, many of which are eco-resorts. Nevertheless, there is tremendous potential for ecotourism if it is well managed according to the principles of long-term sustainability.
- Bangladesh needs find way to the package eco-tourism products at a premium that reflects the true value of our precious natural resources and heritage. Therefore, there is potential to increase both volume and the yield per tourist while ensuring sustainable development of the sites.
- While eco tourism is developing slowly, most of the establishments are from the private sector. The government needs to develop a proper eco-tourism policy so as to develop this niche market and attract tourists before this initiative is taken up by regional countries with already developed tourist industries.

Recommendations

- ❑ There are several common enablers that will have to be put in place to ensure successful implementation of the above EPPs as well as other tourism related strategies. These enablers are:
 - **Increase and Focus Marketing:** Devise and ensure the right level of marketing support in the priority markets;
 - **Ensure an Adequate Supply of Qualified Human Capital:** Introduce measures to address issues pertaining to the supply and quality of workforce in the tourism industry;
 - **Improve the Tourism Environment:** Improve offerings and accessibility for key tourism enablers (such as taxi services), access to funding, security and regulations as well as improving the service quality of front-line staff;
 - **Rollout of Visa Facilitation Services:** Ensure that tourists from our target markets are not subject to overly strict visa procedures;

Conclusion

- ❑ Bangladesh has the potential to become a major tourist spot based on its natural endowment and rich archeological history.
- ❑ The private sector has started investing and developing many major tourist attractions, mostly those based on nature and eco-tourism. However, the government needs to come forward to support these initiatives as well as supplement them.
- ❑ A top-down approach, such as the one used in Malaysia could be extremely beneficial for the development of this sector. This is mainly because some of the barriers are connectivity, security, maintenance of tourist spots, which can be best addressed through government interventions in road and transport networks, maintenance of eco and archeological tourist spots and ensuring security for tourists.
- ❑ Marketing has been a crucial step in the success story of the tourism sector in regional countries. Bangladesh government must also create a catchy brand, and invest heavily in marketing in promoting the brand in international market.
- ❑ Expansion of tourism sector can potentially have many positive impacts on the macroeconomic health of the country and through planned and strategic effort it could potentially be a major export earning industry for Bangladesh.

Thank you