



*Erasmus Mundus, Action 2
Sustainable E-Tourism program*

Tourism and Development in Cambodia

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Tourism and Development in Cambodia

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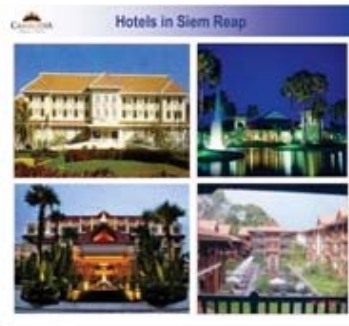
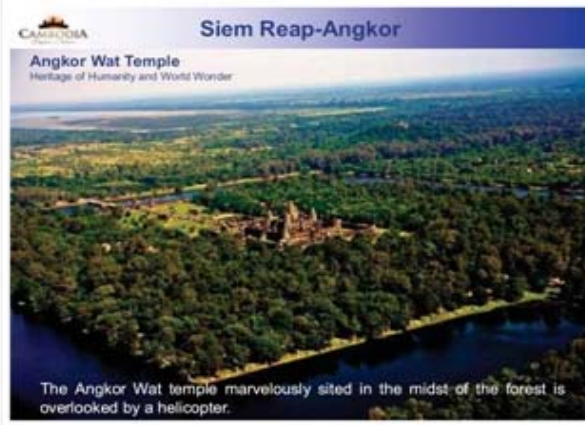
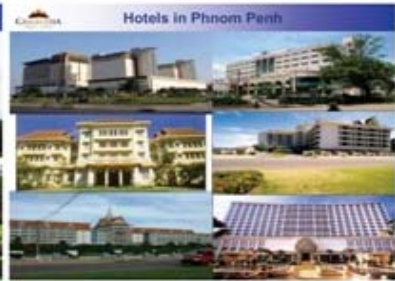
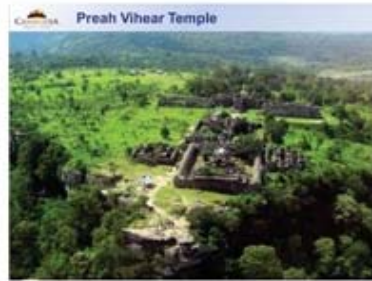
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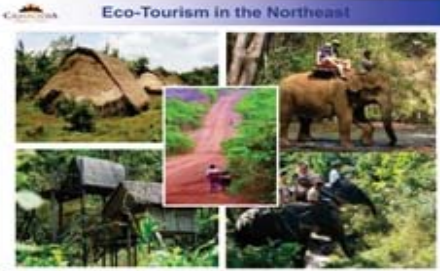
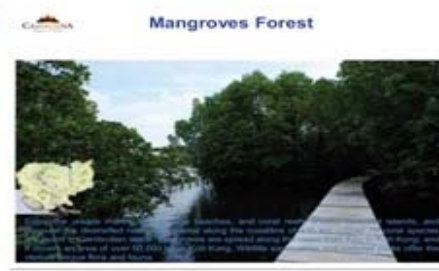
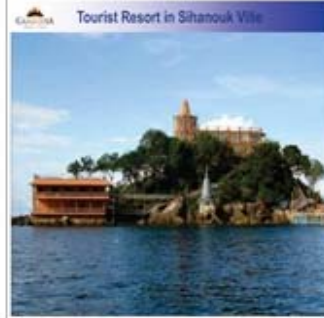
I. General context

1. 4 Main destinations



Source: "Cambodia Tourism Potential and Tourism Investment Opportunity", H.E. Mr. Pak Sokhom,
Under Secretary of State of Tourism



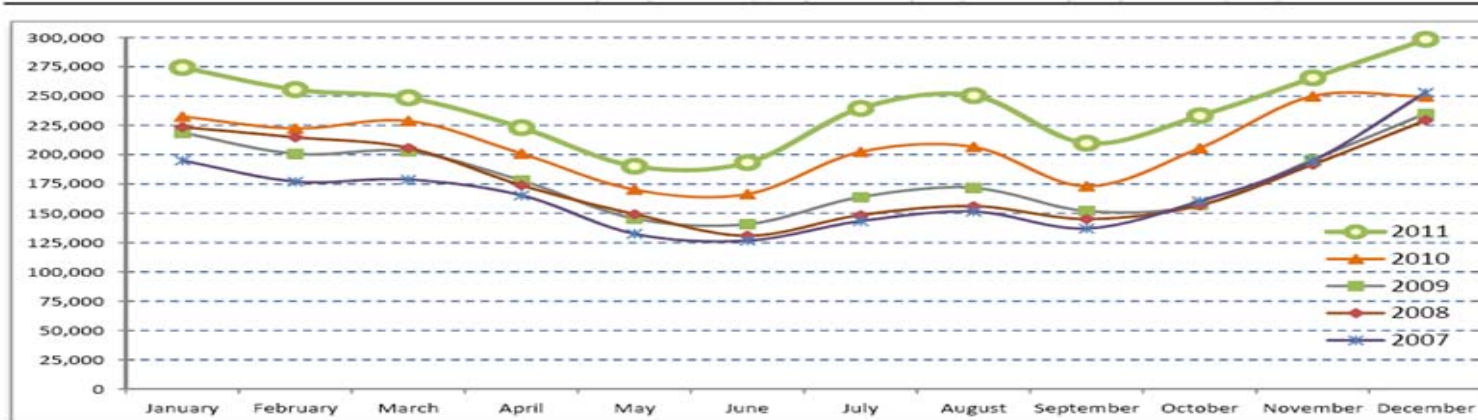


I. General context

2. Tourist arrives statistics

International tourist arrivals to Cambodia

Destination	Months	2007	2008	2009	2010	2011	change (%) 2011*/10
	Total	2,015,128	2,125,465	2,161,577	2,508,289	2,881,862	14.9



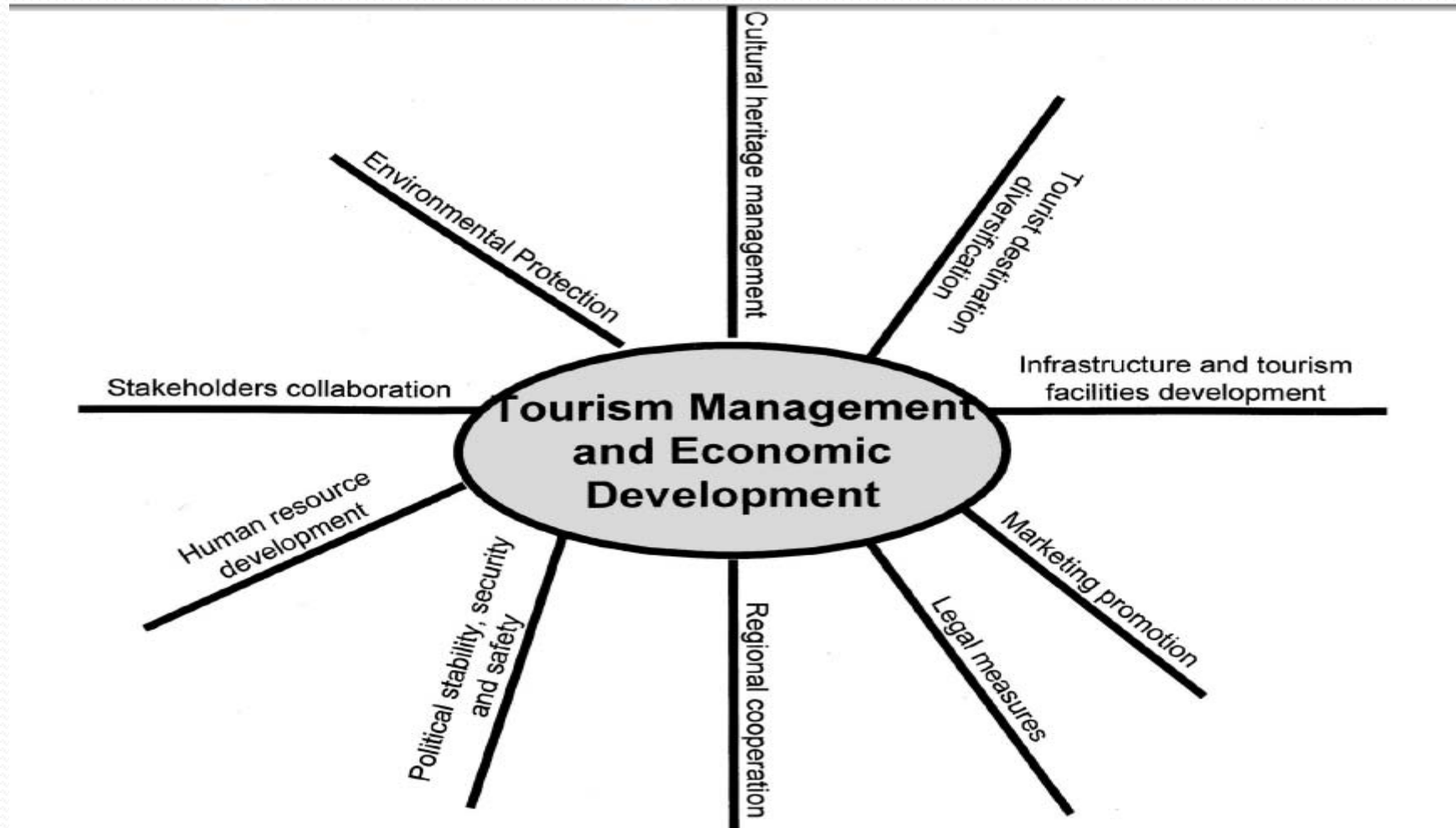
Source: Statistics and ICT Department, MOT

	Vietnam	Korea (ROK)	China (RPC)	Japan	U.S.A	Lao PDR	France	Thailand	Australia	U.K
■ 2010	514,289	289,702	177,636	151,795	146,005	92,276	113,285	149,108	93,598	103,067
■ 2011	614,090	342,810	247,197	161,804	153,953	128,525	117,408	116,758	105,010	104,052
■ share (%)	21.3%	11.9%	8.6%	5.6%	5.3%	4.5%	4.1%	4.1%	3.6%	3.6%
■ change (%)	19.4%	18.3%	39.2%	6.6%	5.4%	39.3%	3.6%	-21.7%	12.2%	1.0%

Source: the Ministry of Tourism of Cambodia, Statistics and Tourism Information Department, 2011

I. General context

3. Cambodian Government's Policies

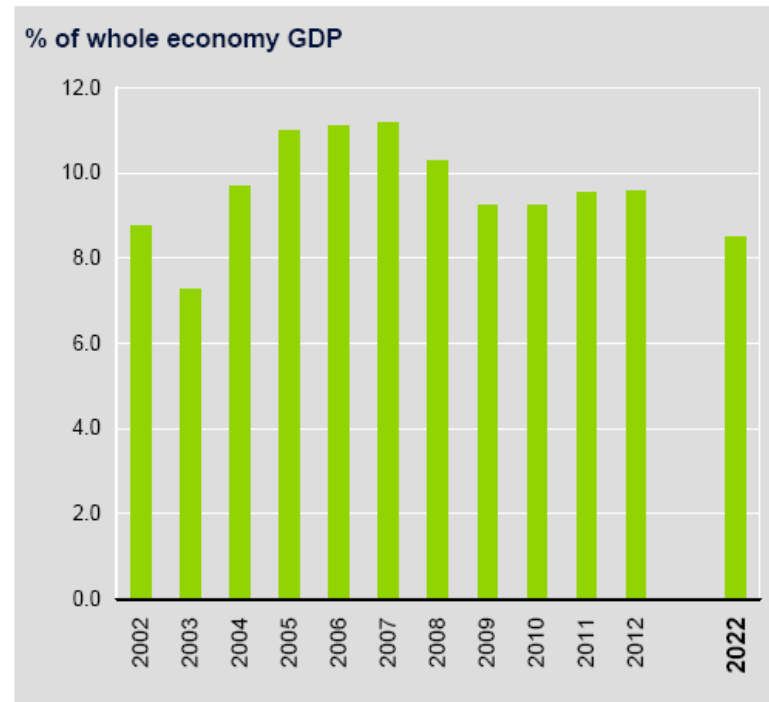
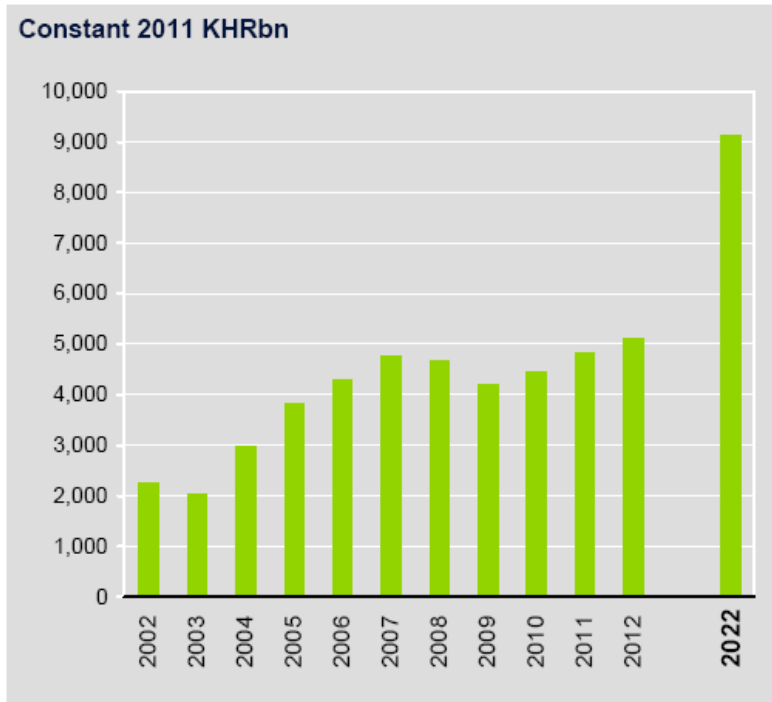


Source: Hun Sen's Talks and Cambodia's Tourism Development: the Discourse of Power, Vannarith Chheang

II. Impacts Analysis

2.1 Three main positive impacts

CAMBODIA: DIRECT CONTRIBUTION OF TRAVEL & TOURISM TO GDP



The direct contribution of Travel & Tourism to GDP in 2011 was KHR4,829.6bn (9.5% of GDP). This is forecast to rise by 5.5% to KHR5,094.6bn in 2012. This primarily reflects the economic activity generated by industries such as hotels, travel agents, airlines and other passenger transportation services (excluding commuter services). But it also includes, for example, the activities of the restaurant and leisure industries directly supported by tourists.

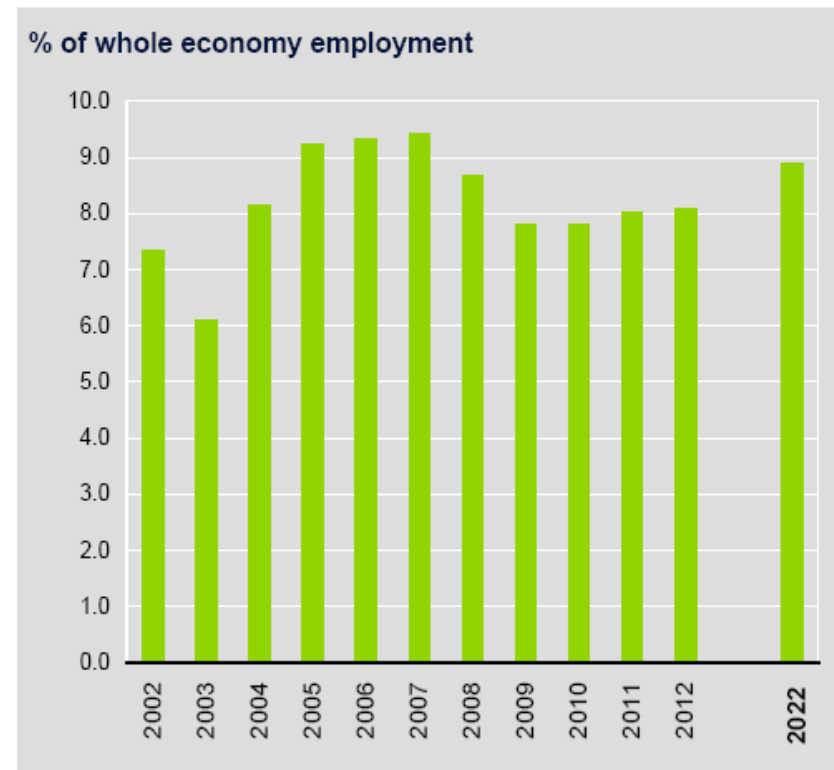
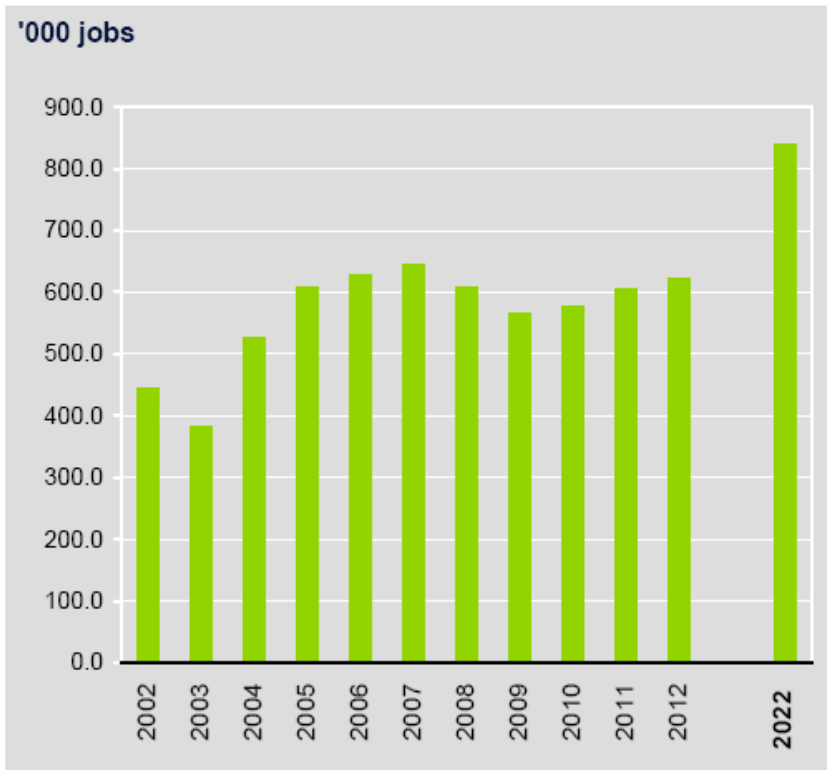
The direct contribution of Travel & Tourism to GDP is expected to grow by 6.0% pa to KHR9,137.8bn (8.5% of GDP) by 2022.

Source: World Travel & Tourism Council, http://www.wttc.org/site_media/uploads/downloads/cambodia2012.pdf

II. Impacts Analysis

2.1 Three main positive impacts

CAMBODIA: DIRECT CONTRIBUTION OF TRAVEL & TOURISM TO EMPLOYMENT



Travel & Tourism generated 607,000 jobs directly in 2011 (8.0% of total employment) and this is forecast to grow by 2.6% in 2012 to 622,500 (8.1% of total employment).

This includes employment by hotels, travel agents, airlines and other passenger transportation services (excluding commuter services). It also includes, for example, the activities of the restaurant and leisure industries directly supported by tourists.

By 2022, Travel & Tourism will account for 839,000 jobs directly, an increase of 3.0% pa over the next ten years.

Source: World Travel & Tourism Council, http://www.wttc.org/site_media/uploads/downloads/cambodia2012.pdf

II. Impacts Analysis

2.1 Three main positive impacts

- Sustainable Tourism becomes a main actor in saving natural resources in Cambodia through preservation.
- Attention should be given to developing measures to promote the protection of the environment and our cultural heritage according to the concept of “sustainable tourism development”. (Hun Sen 27 February 2002)
- **Community-based tourism** development in the coastal area in Sihanoukville is recognized by local people for its benefits to communities by creating job for local residents, employing local youth, and **helping revitalize local natural and crafts**. (“Community-Based Tourism Development in Sihanoukville, Cambodia”, Mr. Peng Ponna)
- **Responsible Tourism in Cap Town:** Green Building Guidelines are made to assist individuals and companies to think about a variety of aspects that should be taken into consideration to minimize the negative environmental impact.

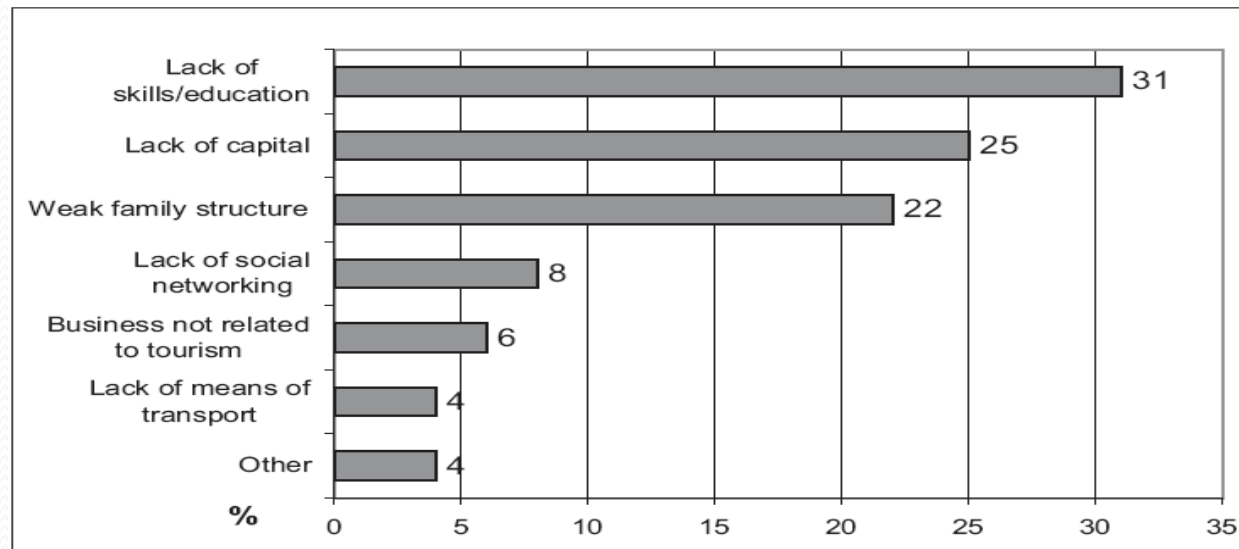
II. Impacts Analysis

2.2 Two main negative impacts

Poverty Reduction

- Tourism does not contribute effectively and efficiently yet in Poverty reduction in Cambodia.
- Siem Reap, one of the world's most popular tourist destinations, receives more than half of foreign visitors to Cambodia and yet is the second poorest province with about 52% of its population living below the poverty line. («**Pro Poor Tourism** » in the Greater Mekong Sub-Region, *Cambodia*)

Figure 2.10: Major Barriers to Gaining Tourism Benefits



Source: CDRI household survey in Siem Reap, May 2006

II. Impacts Analysis

2.2 Two main negative impacts

High Leakages

- 30% of revenue from tourism was leaked out of country through imported foreign goods to serve the tourism sector in Cambodia. (Hun Sen 5 June 2005) and currently, this leakage is still important, around of 25% announced by Men Samon, during semi annual meeting 2012.
- The government recognizes the leakage of tourist revenues through the importation of materials and agricultural products from the neighboring countries to supply the needs of hotels and restaurants. (NSDP, 2006-2010)

Conclusion

Summary

- Tourism has exactly potential role in contributing to development in Cambodia as in forecasts, Cambodia hopefully receives approximately **4.5 million** international tourists in **2015**, and approximately **7 million in 2020** (Speech of the minister of the MoT, 29 March, 2012)
- However, to retain more revenue from this sector in the country and to contribute in poverty reduction, several appropriate measures to create closer connection between tourism & the poor and to minimize the leakage are necessary.
- Therefore, further researches in field to generate primary data are also necessary on:
 - Defining any possible connections the poor people in Cambodia can benefit from growth of tourism in this country
 - Defining any potential local enterprises which can be developed to compete the importing goods for this sector.

Conclusion

Feedbacks on the program

- I just want to say thanks to Erasmus Mundus of European Commission, especially Sustainable E-Tourism Program.

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Thank you!