



EDITORIAL

## Time to seize the moment

IT seems probable that in the coming years we will look back on 2011 as a watershed year for Myanmar, a year in which the country finally confined decades of military rule to the dustbin of history and embarked on a journey of democratisation. As we enter 2012 there are many reasons to be optimistic. Since President U Thein Sein's government came to power on March 30, it has made significant progress on many important issues. A few of these have captured most attention, particularly the president's meeting with Daw Aung San Suu Kyi and the suspension of the Myitsone dam. We have, however, seen other, equally important but less lauded changes. Government by decree has been replaced by consensus-decision making. The parliaments have functioned independently and are getting stronger as institutions. Societal controls have been relaxed to some degree.

The media industry has been at the forefront of these changes. Struggling under strict censorship for many years has only made 2011 all the more rewarding for the country's many journalists, including those at *The Myanmar Times*. The manner in which we and other publications were able to cover important national issues, such as the Myitsone dam, parliamentary debates and, more recently, aspects of the conflict in Kachin State, would have been previously inconceivable. Having recognised that a free press is an important aspect of democracy, the government should continue to loosen censorship in a coordinated and responsible manner, and journalists and editors must accept the responsibilities that come with this freedom.

The dramatic changes of 2011 have created a sense of optimism, hope and belief in many segments of Myanmar society that the country is on the right path and being led by a government that has the people's interests at heart. There is reason to be cautious, however. Hope is a powerful thing. Properly harnessed, it can propel reforms, yet it can also dissipate quickly. The next 12 months will be critical for U Thein Sein and his government to consolidate the progress we have seen in 2011 and make headway on issues where more needs to be done.

Two of these stand out. Millions of Myanmar continue to live in poverty, surviving on less than K1000 a day. Economic reforms – a priority, the government said when it took office – need to be implemented, and implemented in a way that benefits the most vulnerable households in the country. In this regard, the international community has a vital role to play in terms of provision of technical assistance. Having withheld support for too long, the West must now show it is really committed to a better future for the Myanmar people.

The second issue, however, can only be solved by a concerted effort from within. Decades of internal conflict have ravaged Myanmar's borderlands. Should this situation continue indefinitely, the outlook for the country is bleak. While the November 19-20 meeting on the Thai border with five armed ethnic groups should be welcomed, the failure to definitively stop the fighting in Kachin State since the breakdown of a ceasefire in June has represented a black mark against U Thein Sein's government.

### In a year of surprises, this one tops the list

Reserving 25 percent of seats for serving military personnel was one of the more controversial aspects of the 2008 constitution. But like many developments in 2011, the military's role in parliament has gone contrary to expectations. Find out more with our in-depth report on page 3.

Military representatives take notes in the Pyithu Hluttaw in Nay Pyi Taw on August 22. Pic: AFP

# Arrivals up, but not all is well in the tourism trade

Industry leaders warn infrastructure shortages, rising prices and a lack of professionalism could harm the sector's image among prospective clients

THE growth in tourist arrival numbers has highlighted a number of potential pitfalls for the industry moving forward, sources say.

While optimistic about the outlook for tourism, concerns are growing over the country's lack of hotel and transport capacity, poor infrastructure, high prices and inefficient booking systems.

"The Myanmar tourism industry is now at a point where we need to become more professional because the number of people who want to visit Myanmar is slowly growing," Mr Edwin Briels, general manager of Exploration Travel and Tour, said last week.

A spokesperson from a tour company based in Sakura Tower said that the availability of hotel rooms and seats on domestic airline bookings was a serious issue.

"On one side arrival numbers



are growing but on the other side we don't have enough facilities to meet demand. We have a shortage of hotel rooms and domestic [airline] seats during this year's high season and this issue can potentially have a huge negative impact on tourism. The ministry and private sectors must consider developing a master plan to solve these problems," the spokesperson said.

The warnings come as government figures show arrivals increased more than 26 percent in the first 11 months of the year, following a record-breaking 2010. More than 343,000 tourists visited Myanmar between January

1 and November 30, up from 271,547 in the same period in 2010, the Ministry of Hotels and Tourism announced recently.

A spokesperson for the Union of Myanmar Travel Association (UMTA) said the industry was enjoying "solid increases" in tourist numbers.

"All major hotels in Yangon and key destinations are fully booked. We expect an increase of at least 20 to 25pc for the 2011-2012 fiscal year," the spokesperson said.

While growth in 2011 has been mostly driven by arrivals from Asia, the industry is preparing for a "shift" in clientele next year, with more bookings expected from the American, Australian and British markets, which in the past mostly adhered to the tourism boycott campaign.

"We expect the market to shift in 2012," said Daw May Myat Mon Win, assistant general manager for marketing

and operations at Yangon's Chatrium Hotel. "There will be a significant increase in leisure travellers from the United Kingdom, Scandinavia, the United States and Australia from 2012 onwards.

"Commercial travellers will also increase with the opening up of the economy. Therefore, major leisure destinations such as Bagan, Inle and Ngapali will benefit from the high-end leisure market, and Yangon as the key commercial hub will benefit from business travellers and the Meetings, Incentives, Conventions, and Exhibitions business."

She said hotels would almost certainly see higher occupancy and revenues in 2012.

"I feel the increase will not be lower than 25pc. That means the rates will definitely go up to cater for increased demand."

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**Four political objectives**

- ★ Stability of the State, community peace and tranquillity, prevalence of law and order
- ★ Strengthening of national solidarity
- ★ Building and strengthening of discipline-flourishing democracy system
- ★ Building of a new modern developed nation in accord with the Constitution

**Four economic objectives**

- ★ Building of modern industrialized nation through the agricultural development, and all-round development of other sectors of the economy
- ★ Proper evolution of the market-oriented economic system
- ★ Development of the economy inviting participation in terms of technical know-how and investment from sources inside the country and abroad
- ★ The initiative to shape the national economy must be kept in the hands of the State and the national peoples

**Four social objectives**

- ★ Uplift of the morale and morality of the entire nation
- ★ Uplift of national prestige and integrity and preservation and safeguarding of cultural heritage and national character
- ★ Flourishing of Union Spirit, the true patriotism
- ★ Uplift of health, fitness and education standards of the entire nation

# Experts sound cautious note on tourism growth

By Yu Yu Maw

WITH Myanmar likely to again be among the world's top nations in terms of tourist arrival growth this year, stakeholders are warning that the government should ensure the industry's expansion doesn't come at the expense of Myanmar's culture and natural environment.

The issue was widely discussed at last month's Greater Mekong Sub-region (GMS) tourism conference in Bagan, with industry experts from across the region saying Myanmar should learn from the "mistakes" made in some neighbouring countries.

They also called for the drafting of a tourism master plan and better government regulation of the industry.

Deputy Minister for Tourism U Htay Aung said the government believed that "quick tourism growth" could lead to "a dilution" of Myanmar's cultural heritage.

"We will go step by step, going from 300,000 air arrivals [a year] to 400,000 and then 500,000. Our government is conscious that will be the way to prevent an over-commercialisation of our assets and the destruction of our social and cultural fabric," U Htay Aung said.

International air arrivals rose more than 20 per cent this year, with about two-thirds of visitors from Asia, according to government figures. The Pacific Asia Travel Association (PATA), meanwhile, expects Myanmar to be among the world's fastest growing



Tourists wait for sunset at a pagoda in Bagan in early November. Pic: Kaung Htet

markets, with an increase of up to 25pc.

Arrivals are expected to increase further next year, particularly if the government goes through with plans to liberalise border crossing regulations and offer visa-on-arrival.

In November, it established the Committee for the Smooth Entrance of Foreign Visitors, comprising representatives from the government and Myanmar Tourism Board (MTB).

However, unchecked growth is not necessarily desirable, experts agree.

"Private sector businesses will grow the industry but they will not regulate themselves," said Mr Martin Craigs, chief executive officer of PATA. "It is up to the government to create the right balance

for the benefit of all, and the job of business enterprises to voice their opinions to the government. PATA will then help by facilitating the dialogue between the various players in our industry."

Mr Anthony Wong, group managing director of Asian Overland Service Tours and Travel, said the establishment of the MTB was a "good step" but it needs to be followed by a master plan based on regional experiences.

"We know that tourism has both good and bad effects on a country. You can suffer from over-capacity and a number of other issues that are not good for local communities or the country in general," he said. "But I believe Myanmar has a huge advantage if it can learn from the mistakes made in countries

like Thailand, Malaysia and the Philippines."

Assistance for a tourism regulation project could come from several sources, including through GMS programs. The Asian Development Bank has said it is looking at how it can offer support to the industry, while a representative from the Norwegian embassy said it wanted to provide tourism and environmental experts to provide advice.

"I want to see how we can help develop tourism in Myanmar. We are already encouraging our people to come to Myanmar to see the beautiful country," said Mr Arne Jan Flolo, a counsellor at the Norwegian embassy in Bangkok. "We will talk to the government to share our experience and work out how we can encourage the sustainable development of Myanmar tourism. There is no doubt Myanmar will see a huge increase in tourism in the future."

Deputy Minister U Htay Aung said he hoped Myanmar would benefit further from participation in the GMS grouping, which also includes Cambodia, Laos, Thailand and Vietnam.

"The world is knocking at our door but at the moment the door is a little bit jammed and heavy. We do hope that in the future we will also have a chance to perform a leading role in implementing GMS programs that will ... fulfil the objectives of socio-economic development and poverty alleviation through tourism in the region," the deputy minister said.

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**Tourism trade**

However, Mr Briels said the lack of accommodation was being exacerbated by some agents and tourists making "double bookings, back-up bookings and fake bookings".

"Hotels are not strict enough to ask for a deposit and this results in long waiting lists, which are scaring away many potential visitors who just want a confirmed booking. Especially upcountry, we see many rooms becoming available at the last minute," he said.

"During a sales visit to the Netherlands some operators told me that Myanmar is 'difficult to deal with—you need to wait until the last minute to get rooms confirmed'. We should try to avoid building that kind of reputation.

"The challenge for 2012 is to make sure hotels and other operators are quick in

confirming and cancelling reservations. Some operators like RV Paukan are already really strict, which is excellent for us to work with – if clients really want to come they are happy to pay a deposit to secure the booking."

Ministry of Hotels and Tourism figures show that 205,266, or almost two-thirds of all visitors to Myanmar in the first 11 months of the year, came from Asian countries. Thailand led the way with 53,874, followed by China (31,940), Malaysia (20,999), and South Korea and Japan (20,151 combined).

Almost 24pc of total arrivals were from Europe. France represented the largest single market, accounting for 16,949 visitors, followed by Germany (11,355) and Italy (8497).

Mr Werner Rumpf, managing director of Sun Birds Tours, said that while European markets were showing more

interest in Myanmar, demand was yet to really take off.

He said the tourism industry would need to see more investment to cope with future increases in tourist numbers.

"It can be said in one sentence: build up much better infrastructure for tourism, such as more hotels, cars, flights, guides and last but not least improved roads so that clients can see this beautiful country overland."

**Time to seize**

Resolving this and other conflicts will require a great deal of political will from all sides. It must also be recognised that national reconciliation is about more than an end to soldiers shooting at each other. Many ethnic groups that are not actively fighting the government also have legitimate grievances

that need to be addressed. A national-level conference, along the lines of the Panglong Conference, would represent a major step in the right direction and give the government the opportunity to show it genuinely desires a peaceful and united nation.

The time is right to put not only military rule behind us but also internal conflict. To be successful, though, peace deals must go beyond the leaders and penetrate all segments of society. Everybody has a role to play and at *The Myanmar Times* we intend do our utmost to facilitate dialogue and information sharing among all groups. Our work is, of course, only possible with your support. We would like to thank all our readers for their loyalty – not only over the past 12 months but also the past 12 years. We wish all of you a safe, happy and prosperous new year.