

The Philippines National Tourism Development Plan

A presentation to the
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Philippines vis-à-vis South East Asia



Basic Facts on the Philippines

- ☉ Three island groupings (Luzon, Visayas and Mindanao)
- ☉ 7,107 Islands
- ☉ 36,289 kilometers of coastline. 3rd longest in the world next to Canada and Indonesia
- ☉ 94 + million people (2010 estimates)



Philippine Economic Indicators

- ◎ GDP – US\$ 351.1 billion (2010 estimate)
- ◎ GDP Growth Rate – 7.3% (2010 estimate)
- ◎ GDP per capita – US\$ 3,500 (2010 estimate)
- ◎ GDP Component
 - Agriculture – 13.9%
 - Industry – 31.3 %
 - Services – 54.8%
- ◎ Labor Force – 38.9 million (2010 estimate)
- ◎ Unemployment Rate 7.3% (2010 estimate)



Where are we today?



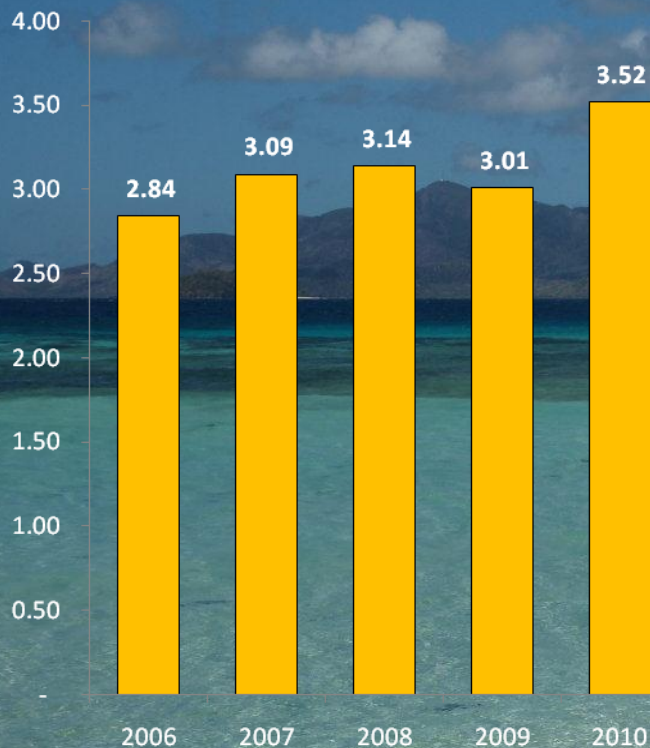
Economic Impacts of Tourism

- ⊙ Accounted for 6.03% of GDP (2009);
- ⊙ P463,398 M in Direct Gross Value Added (TDVGA);
- ⊙ 3.492 M people direct employment
 - 9.96% of total employment
- ⊙ P912,260 M in internal tourism expenditure
 - Accounts for 11.25% of private consumption expenditure and exports.

Source: Phil Tourism Satellite Account as of Feb 2010, NCSB, DOT



Visitor arrivals to the Philippines 2006-2010

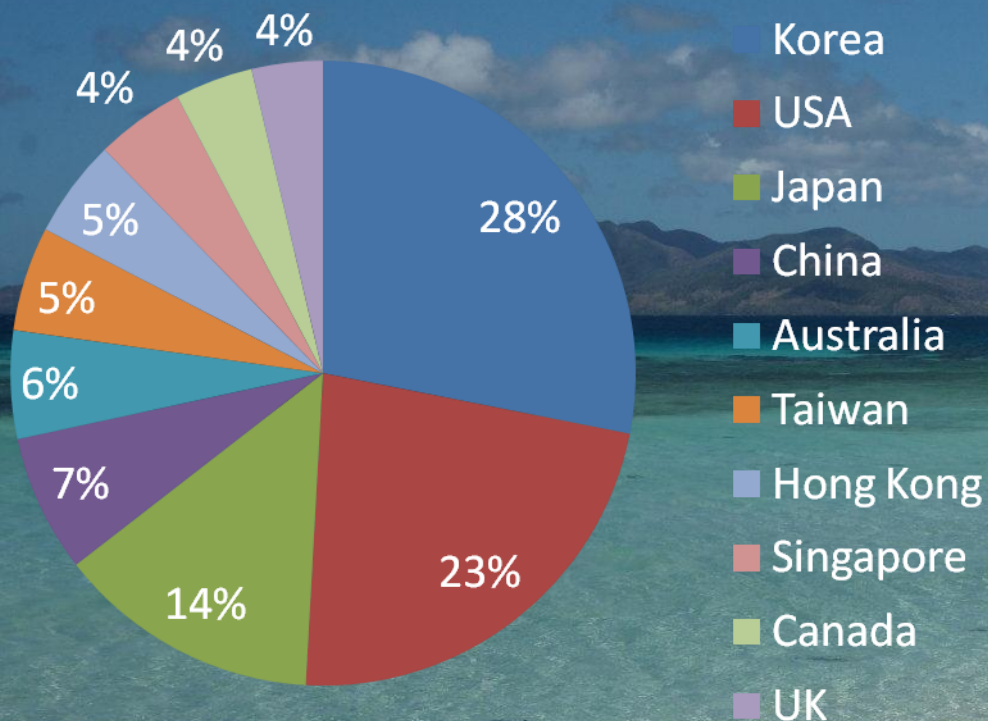


8.4	8.7	1.53	-3.90	16.68
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- Visitor arrivals in 2010 increased by 16.7% vis-a-vis 2009 level
- Visitors from East Asia totalling to 1.2 million accounted for 44.4% of the overall tourist traffic
- Arrivals from Europe accounted for 10% share to total inbound
- Visitors from ASEAN grew by 16.7% for 255,586. Intra-ASEAN traffic accounted for a modest share of 8.4% to total visitors
- Inbound visitors expanded at an annual average growth rate of 4.5% in the last five years; while 6.2% in the past ten years.



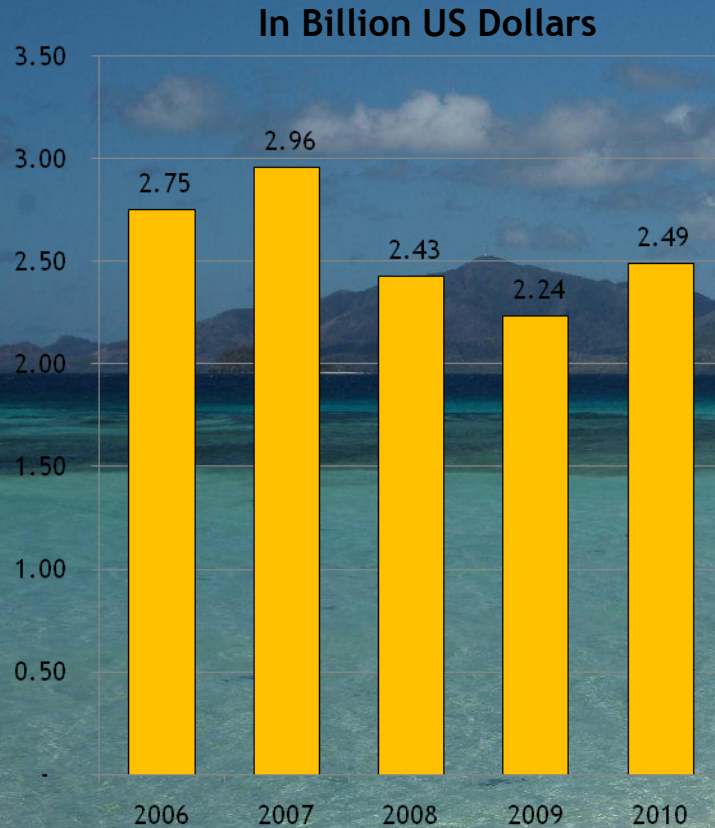
Top markets, 2010/2009



- Korea rebounded as the country's top source market in 2010 with hefty 48.7% growth in visitor volume
- Japan posted a remarkable 10.3% increase in arrivals after experiencing a decline in the past three years
- China and Hongkong registered positive growth of 20% and 8.9% respectively despite the impact of August incident
- Taiwan and Australia continued to show robust growth in visitors at 39% and 11%, respectively
- New growth markets: India and Russia registered 5% and 33% increases in arrivals



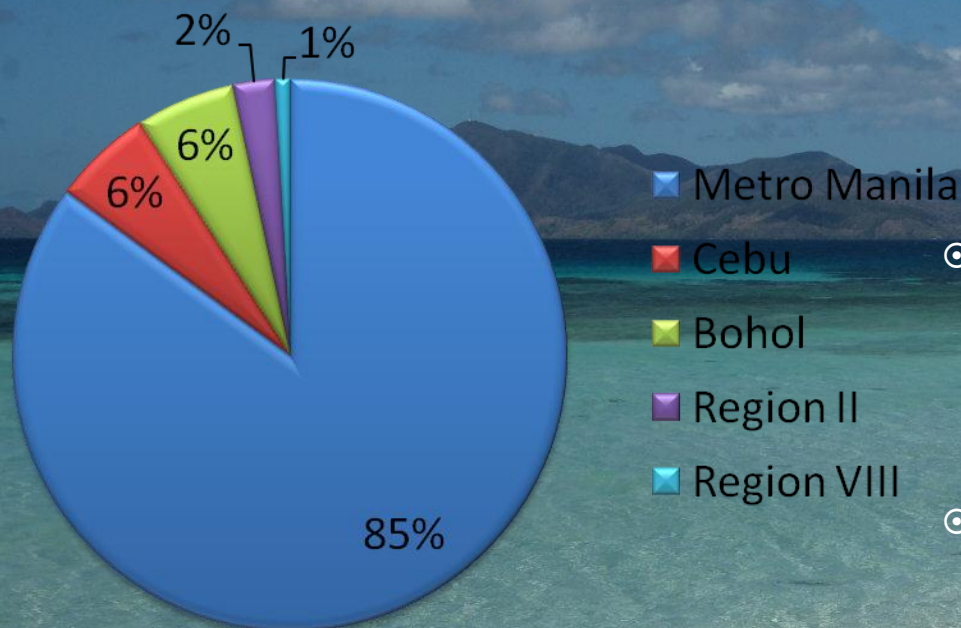
Visitor Receipts, 2006-2010



- ◎ In 2010, visitors stayed at an average of 8 nights and spend US\$ 83.93
- ◎ Average per capita expenditure of foreign tourist in 2010 was recorded at US\$ 672.28
- ◎ Except for international airfare, visitors spend mostly on shopping, accommodation, food and beverages, local transport and sight-seeing.



Number of New Rooms, 2011-2014



⊙ P 17.86 billion worth of tourism projects were endorsed by the DOT to BOI and PEZA for availment of incentives. These included new accommodation facilities such as Solaire Hotel (494 rooms), Entrata Hotel (345 rooms), Marco Polo Hotel (313 rooms), and Centennial Hotel (196 rooms), as well as upgrading and renovation of Holiday Inn Galleria Manila and Cebu Midtown Hotel.

⊙ In 2011, some 4,128 rooms will open in Metro Manila, Cebu, Bohol, Region II and Region VIII. Of this accommodation capacity, 2,707 rooms will open in Metro Manila, increasing capacity by around 20%.

⊙ For the period 2011 to 2014, room capacities in the above destinations is expected to expand with the opening of 9,592 rooms.



What have we done in the past months and continue to undertake?



Policy initiatives

- ◎ Granting of more direct services from international markets
- ◎ International charter flights developing the Philippines as secondary gateways
- ◎ Issuance of Executive Orders increasing the flight frequencies to secondary gateways outside of NAIA



Policy initiatives

- Launching of Tourism Oriented Police for Community Order and Protection (TOP COP)
- Launched the domestic campaign to boost local travel
- Transition to Republic Act 9593 and implement the designation of Tourism Enterprise Zones



DOT Mandate (Section 5, RA 9593)

Primary planning, programming, coordinating, implementing and regulatory government agency in the development and promotion of the tourism industry, both domestic and international, in coordination with attached agencies and other government instrumentalities.

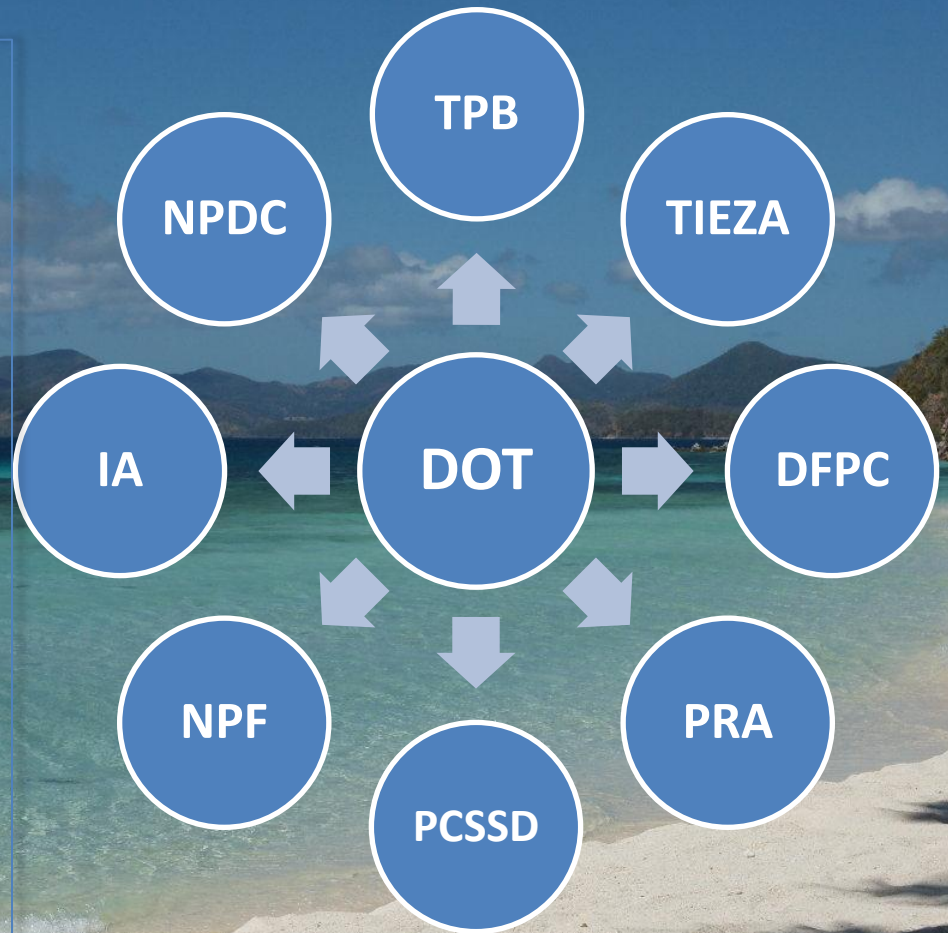
It shall instill in the Filipino the industry's fundamental importance in the generation of employment, investment and foreign exchange



DOT and its Attached Agencies

Key Mandate

- DOT** - Policy and Regulatory Body
- PTB** - Marketing and Promotions
- TIEZA** - Infrastructure and Tourism Enterprise Authority
- DFPC** - Duty Free Merchandising
- PRA** - Retirement Authority
- PCSSD** - Regulatory Body on Scuba Diving
- NPF** - Recreation and Culture
- IA** - Restoration and Preservation of Intramueros
- NPDC** - Maintenance of Rizal Park, Paco Park, etc.



Policy initiatives

- ◎ Product improvement in Manila
- ◎ Promote Public Private Partnership Projects in Tourism Destination Areas
- ◎ Formulation of the National Tourism Development Plan for 2011 to 2016

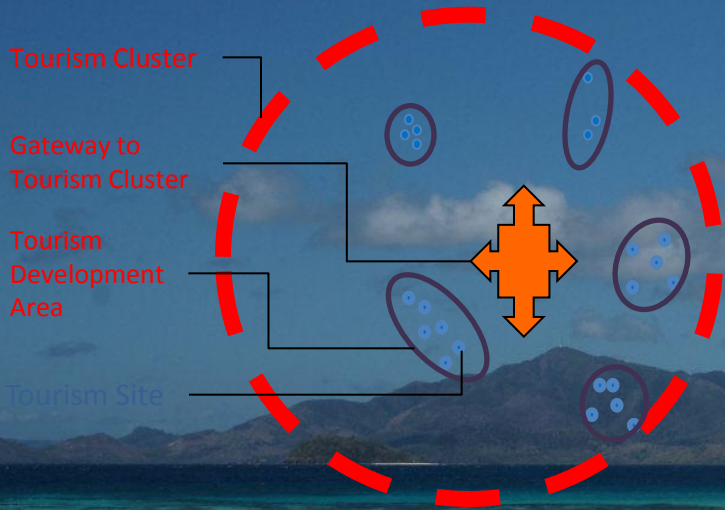


National Tourism Development Plan

- ◎ Road map to guide national and local government on tourism development
- ◎ Identified strategic projects that would stimulate tourism development in various areas of the country
- ◎ A framework to provide government policy makers directions in its development initiatives.



DESTINATION CONCEPT

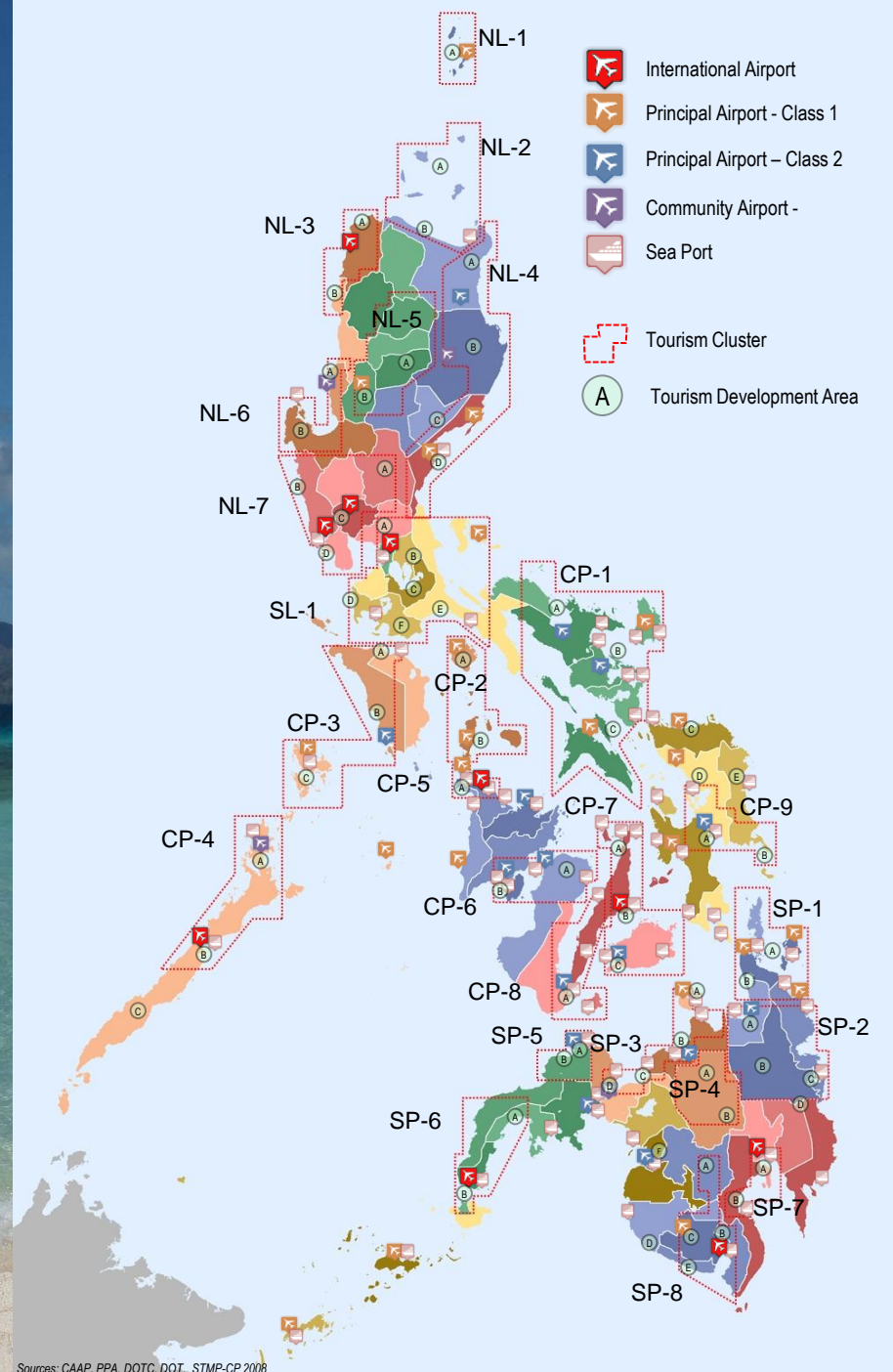


26 (SDA's) strategic thematic tourism destination clusters

8 strategic clusters in Northern Philippines (North Luzon, CAR, CALABARZON, NCR) covering 27 tourism development areas

9 strategic clusters in Central Philippines (MIMAROPA, Bicol, The Visayas) covering 24 tourism development areas

9 strategic clusters in the Southern Philippines (Mindanao) covering 25 tourism development areas.



National Tourism Development Plan

◎ Identified key gaps in the following

- Institutional mechanism in pursuing tourism development at national, regional and local levels
- Standards in services and tourism facilities
- Tourism transportation
- Tourism education and manpower training
- Tourism investment



Road Map for Action

- ⦿ Improving market access and connectivity
- ⦿ Developing and marketing tourist destination and products
- ⦿ Improving tourism institutional and human resource capacities



What is our target?



Market and Product Development Prospects

⊙ Regional & Domestic

- ✓ beach and island resort—especially China, Korea, Russia, and Japan;
- ✓ leisure, shopping and entertainment;
- ✓ meetings, incentives, conventions, and events;
- ✓ adventure marine sports
- ✓ medical tourism
- ✓ education tourism
- ✓ wintering in warmer climes

⊙ Long Haul

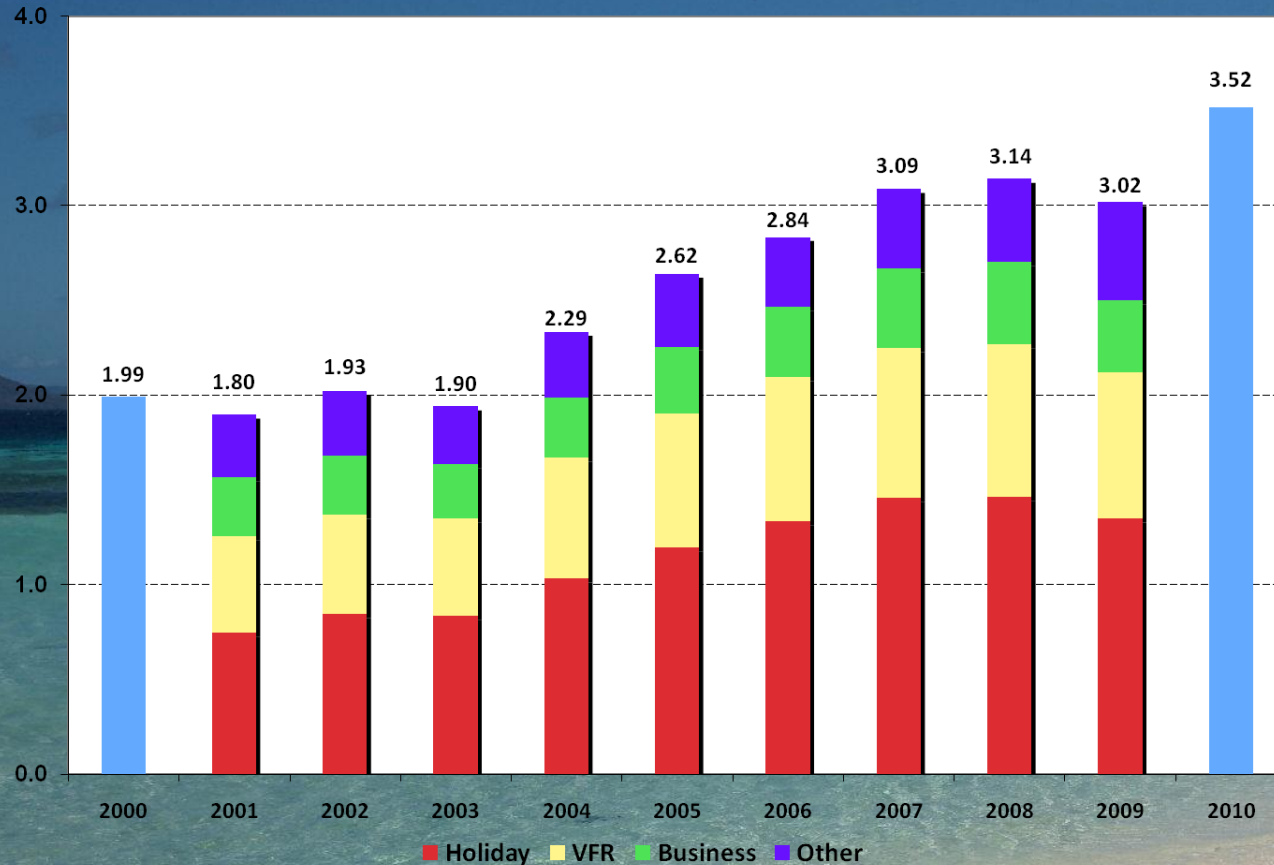
- ✓ off-beat resorts and tourist villages and towns such as Boracay, Coron and El Nido
- ✓ marine sports
- ✓ nature and culture sightseeing
- ✓ adventure activities such as caving, trekking, climbing, self reliance and team survival activities;
- ✓ medical tourism based initially on dental, cosmetic surgery and detoxification treatments; and
- ✓ wintering in warmer climes

Philippines has the opportunity to offer a wide range of products to its international and domestic markets



Philippine International Tourism Market Trends and Prospects

International Visitor Arrivals and Purpose of Visit



Projected Growth

2011 – 6.34%

2012 – 11.14%

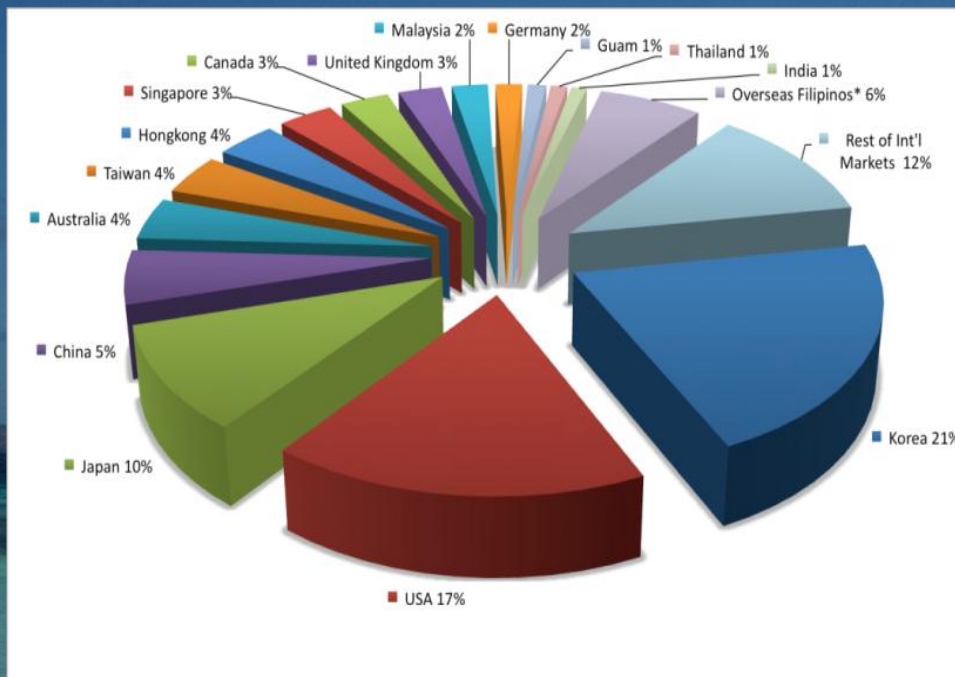
2013 – 12.06%

2014 – 11.27%

Sources: International Visitor Arrivals and Purpose of Visit, DOT



Philippine International Tourism Market Trends and Prospects



Note: *Overseas Filipinos - Philippine passport holders permanently residing abroad, excludes Overseas Filipino Workers Source: Tourism Research & Statistics Division, OTPRIM (DOT)

**Top Source Markets are
South Korea, USA, and Japan**

Priority Markets

**Korea
China
Australia
Taiwan
USA**

Emerging Markets

**India
Russia
Middle East**



Targets, 2011-2016

- ⊙ Double visitor arrivals from 3.0 million in 2009 to 6.3 million by 2016
- ⊙ Generate US\$4.5 billion by 2016
- ⊙ Create incremental jobs of 4.0 million with the additional visitors of 3.33 million in 2016



Terima kasih
Maraming salamat Po
Thank you very much

