The 13th Meeting of the Northeast Asia Economic Forum, September 17-18, 2004 Seoul, the Republic of Korea

By GANBOLD Baasanjav, Ambassador of Mongolia to Vietnam, Board Member of the Northeast Asia Association of Mongolia

Tourism Strategy for Northeast Asia

SUMMARY

Tourism is becoming increasingly a part of globalization and cooperation among nations, an important source of economic growth and development. So, the Session: Toward a Tourism Community in Northeast Asia at the Forum's 13th Meeting is not incidental. It is a direct response to the reality today our national economies face to reach the growth and meet the demand. Under the economic uncertainty and rolling effects of terrorism, SARS, developing tourism is also a common challenge the governments of Northeast Asia have to meet jointly and effectively.

The Northeast Asia lacks major regional and multilateral institutions due to its diversity that occurs in almost every aspect: history, political system, economic structure, religion, social and cultural dimensions. Along with the energy, transportation, communications and investment issues, tourism becomes central and obviously will be one of the dominant topics at the future meetings of the Forum. The papers by Drs.Nobuyuki Sekiyama and Li Zhuyuan underline the potential role of tourism to be a common ground for the countries of Northeast Asia to start building up an institutional framework for integration and motivation. As Dr. Li Zhuyuan suggests the countries in the region have a great number of mutually complimentary features making the regional tourism possible, even necessary. Northeast Asia's diverse realities, cultures, histories, natural conditions make the region a unique tourist destination. The idea of Dr. Li Zhuyuan about setting up a Northeast Asia Tourism Ring must be supported, and various institutions of the region are urged to come up with their Tourism Rings Plans. He brought up the issue of common visa in Northeast Asia. Liberalizing visa policies should be started with streamlining procedures of border passing, introducing visa exemption policies by certain countries first and then followed by others. Governments' policies on registration and travels should be transparent, predictable and procedures can be handled online or at least simple. Auto roads across borders of Russia, Mongolia and China must be opened for the car travels and more or seasonal international checkpoints must be set-up along the borders.

The countries in the region recognize the importance of partnership between the public and private sector to deliver tourism services. The tourism sector is particularly important to Northeast Asia, a vast territory with dispersed population and centers as being an important generator of business opportunity for small and medium sized enterprises across the Euro-Asian landmass, an effective vehicle for dispersing economic benefits within and among economies, particularly at the local and provincial level, creating jobs in remote places, fostering cross cultural understanding among the nations and ethnicities which Northeast Asia is blessed with great number.

Tourism can not be taken apart from the other aspects of national economies –trade, investment, infrastructure development, tariffs, and taxes. I share Dr.Li Zhuyuan's correlation between the growth of tourism and the political and social stability.

I wish the Northeast Asia Economic Forum and Tumen River Development Project Secretariat open channels of discussions on tourism with other APEC member countries and ASEAN to learn their experiences and adopt best practices in tourism development. Most popular experiences of ASEAN in tourism is that common spirit or strong drive of the nations to move ahead together; sector based approach - identify some priority sectors and then integrate the markets; regular meetings of high officials in charge of tourism; hosting a variety of activities including regional tourism forums; tourism marketing and investment promotion.

I would recommend that "E-commerce" could be effectively applied to the tourism industry in Northeast Asia. We should think setting-up a hub of tourism in Northeast Asia and create a "Tourism E-Gate" to facilitate direct transaction with customers, promote their products and call investments. I think major tourist companies in the region can work jointly on "Tourism E-Gate" as customers have an opportunity to take tour not only to China, Korea or others, "Tourism E-Gate" would make possible custom tailored programs for the travelers throughout Northeast as they could flavor the best of the region upon entering into the "Tourism E-Gate".

Based on the discussions and recommendations the Concept of Tourism Community in Northeast Asia must be worked out by the regional institutions with the input of national tourism action plans and strategies. Toward that end I reiterate Drs.Sekiyama, Li Zhuyuan who suggest Northeast Asia needs an organization facilitating tourism.

At the end let me brief you about the situation in tourism in Mongolia. In Mongolia, tourism sector has entered late into phase in its development and it has undergone significant changes after the privatization in 1990s. The number of tourist arrivals increases 15-20% annually thus generating 10 percent of Mongolia's GDP now. The revenue from tourism has grown roughly 5.3 times since 1999. Since 1990 Mongolia is member of World Tourism Organization (WTO) and in 1999 it became a member of Pacific Asia Travel Agency (PATA). The National Legislature of Mongolia adopted a Law on Tourism and sets the tourism as a priority sector of economy. The Government of Mongolia announced 2003 "Visit Mongolia Year", and 2004 "Discover Mongolia Year" to encourage tourism sector. Mongolia signed an Agreement on Cooperation in Tourism with Russia, China, Korea, Czech Republic, India and Nepal. It opened Tourism Representative Offices in number of countries including Japan, US, Germany, Australia, Sweden, Israel and Spain. According to the latest statistics, 58% of total international tourists arrive in Mongolia from Northeast Asia and majority of Mongolia's outbound tourists head also to Northeast Asia. Mongolia may suggest a lot to the world of tourism - its vast grassland, fresh air, perfect echo and adventurous tourism sites, Gobi desert, historic birth place of Genghis Khaan, winter tourism, mountain hiking, trekking.

The primary challenge for Mongolia's tourism development is underdeveloped infrastructure – road, transportation, electricity network and communications. Mongolia needs more international and domestic air and railway routes. Given Mongolia's extreme weather and natural conditions, the country needs some health and life insurance policies in place for travelers. In other words, we need a fine expertise on the legislative side of tourism.

Thank	you
-------	-----

AMBASSADOR GANBOLD BAASANJAV

Since March 2004 Ambassador of Mongolia to Vietnam, Mr GANBOLD Baasanjav previously served as State Secretary, the Ministry of Foreign Affairs of Mongolia (2001-2003) and Director, Public Affairs Department, MFA (1998-2000). He served in Mongolia's Embassy in Pyongyang, DPR of Korea (1989-1992).

Mr.GANBOLD was General Secretary of Government's Committee on Tourism Promotion of Mongolia in 2001-2003. In 1997-2002 he served as Associated Professor and Dean of the School of Foreign Service, the National University of Mongolia.

Fluent Korean, English and Russian, he is a career diplomat and was educated in the Institute of International Relations in Moscow, Russia and later pursued his MA at the University of Hawaii, while working as Research Fellow, East West Center, USA.

He is Board Member of the Northeast Asia Association of Mongolia.

Ambassador GANBOLD Baasanjav married with son and four daughters.