

CAREC Tourism Investment Opportunities and Capacity Building

Istanbul 25th June 2024



Content

Investments in category in the tourism sector

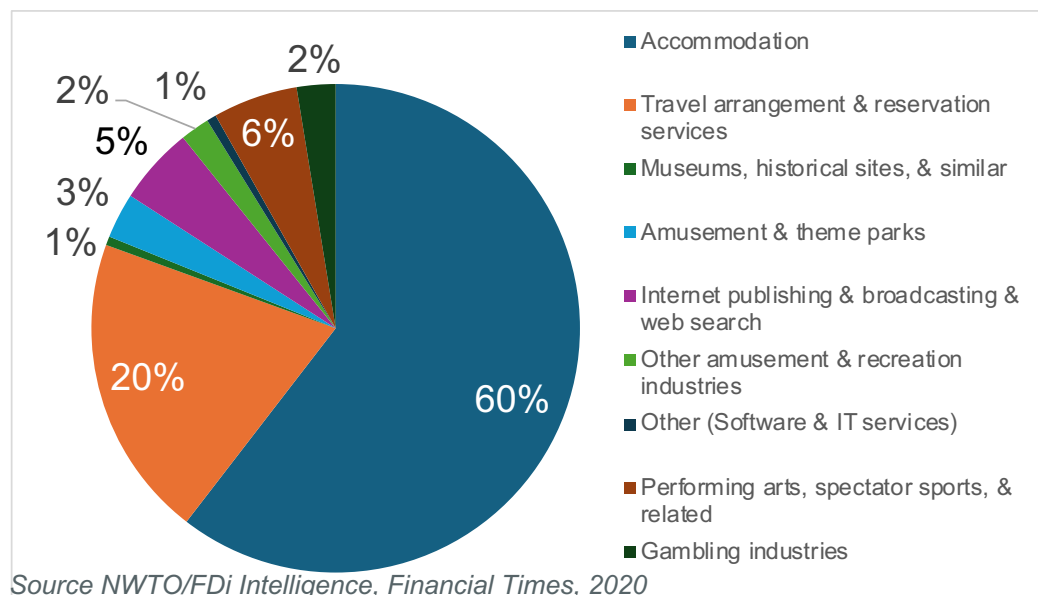
Investment Projects' concepts:

- in branding, marketing, promotion, quality, services, and skills
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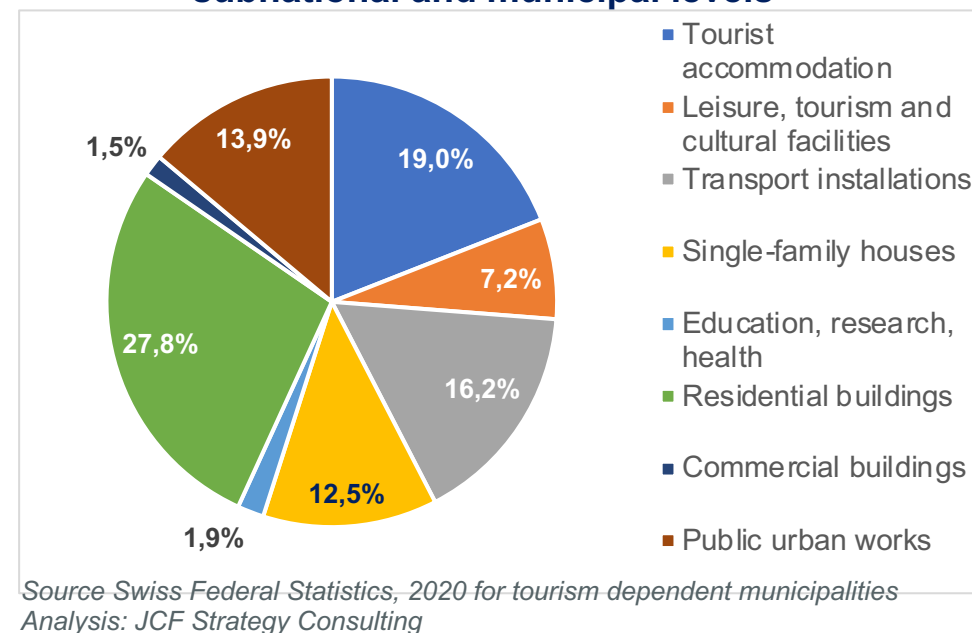
Where are typically the Investments in Tourism?

Almost no research in this field. After Covid, a few initiatives have taken place

Global number of FDI projects in tourism



Typical investments in highly tourist areas: subnational and municipal levels



- In number of projects, **accommodation** takes 60% of FDI projects, a **similar** number to the **59.3%** of residential buildings + accommodation of multinational + subnational levels.
- All other categories are **highly connected to proprietary knowledge-based assets from the foreign promoters.**

- **Residential buildings** (40.3%); tourism **accommodation** (19%); **transport** installations (16.2%); **public urban works** (13.9%); education, research, and health (1.9%), and commercial buildings (1.5%).
- 61% of the investment is **private and credit-based**; **Public spending** is typically **39%** of the investment

• **Policies** should be focused on **regulating construction, land use, urban and site planning, fostering lending conditions and protecting private investment and its returns.**

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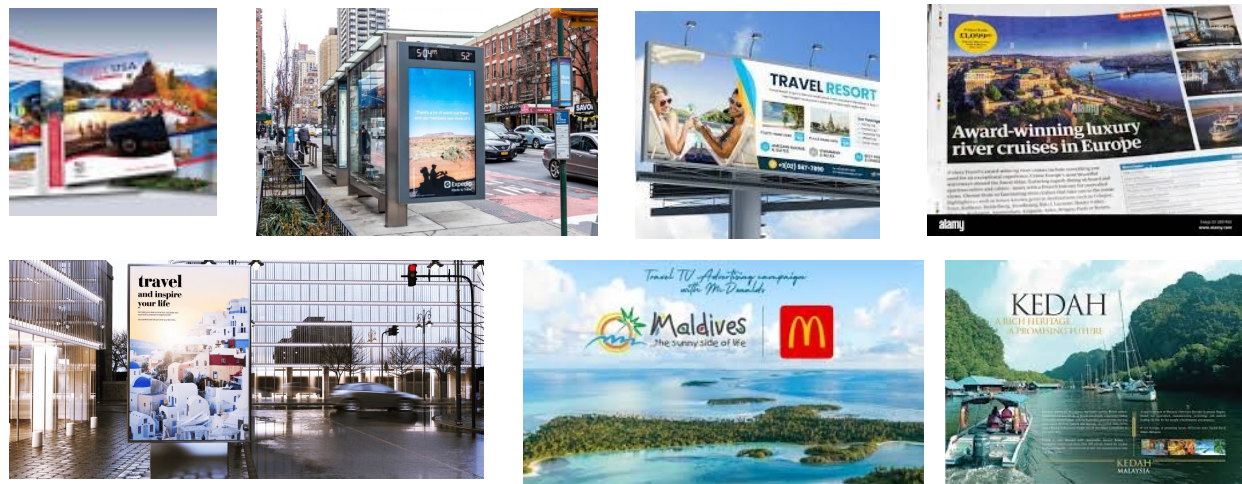
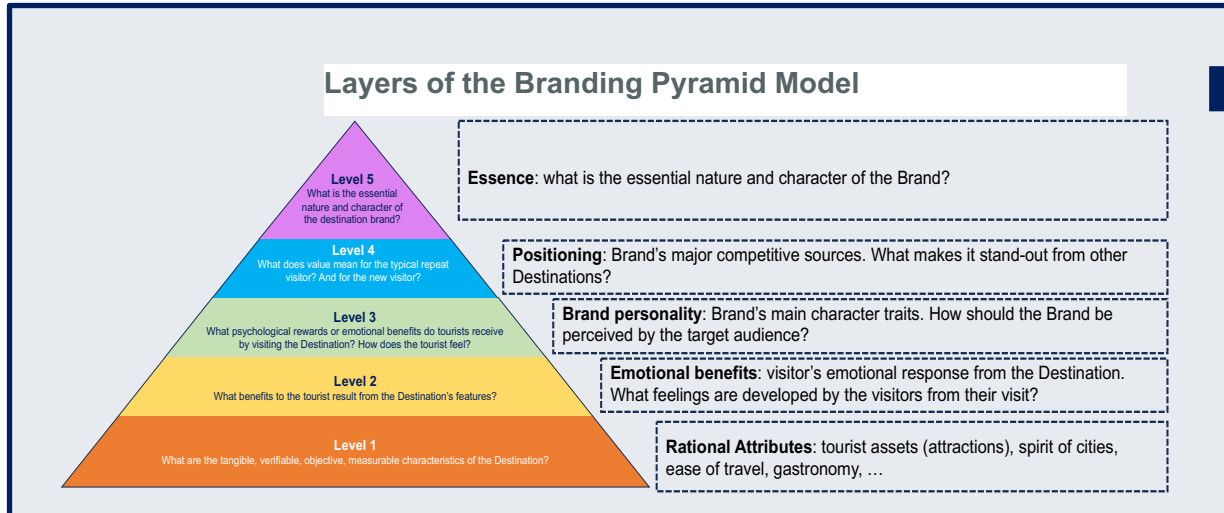
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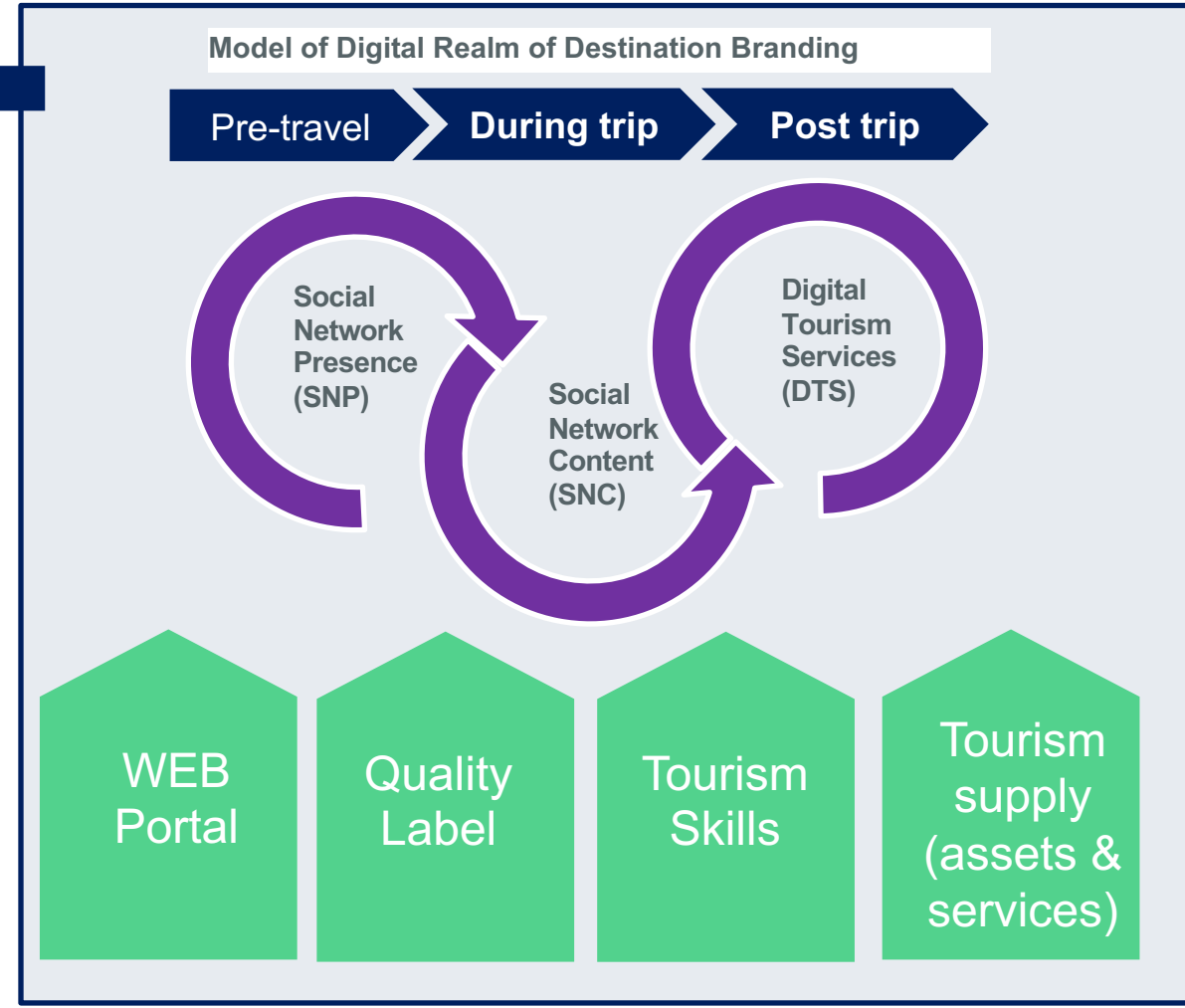
... CAREC Tourism has already in place the web portal, needing its enhancement ...

New solid research indicates the need to add experience-based approach into a more effective and holistic pathway!

Tradition Destination Branding since 2000

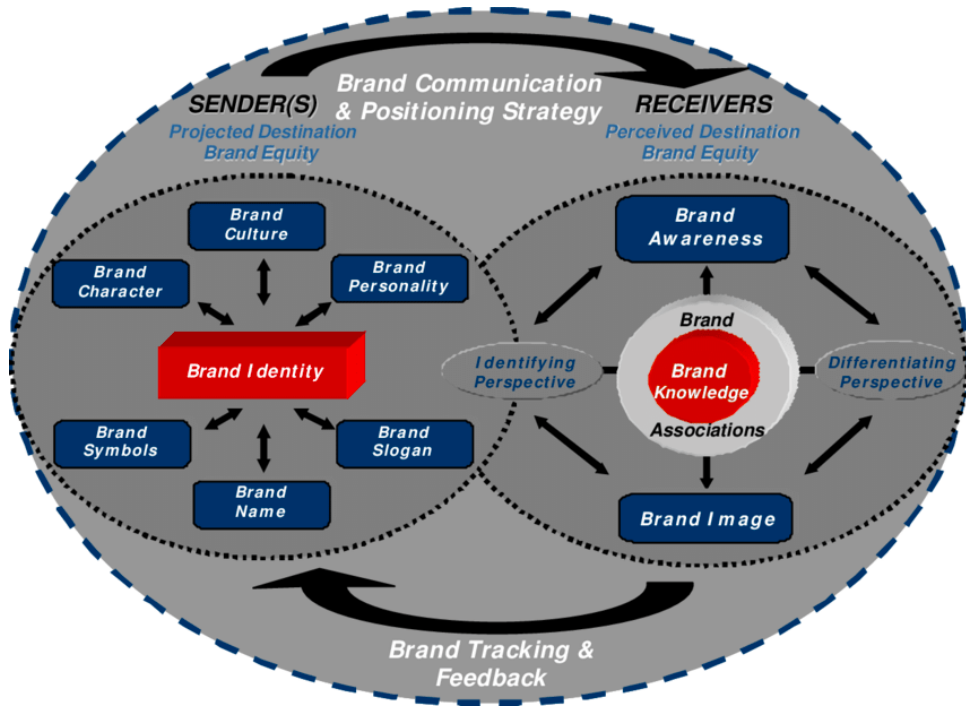


Experienced based elements

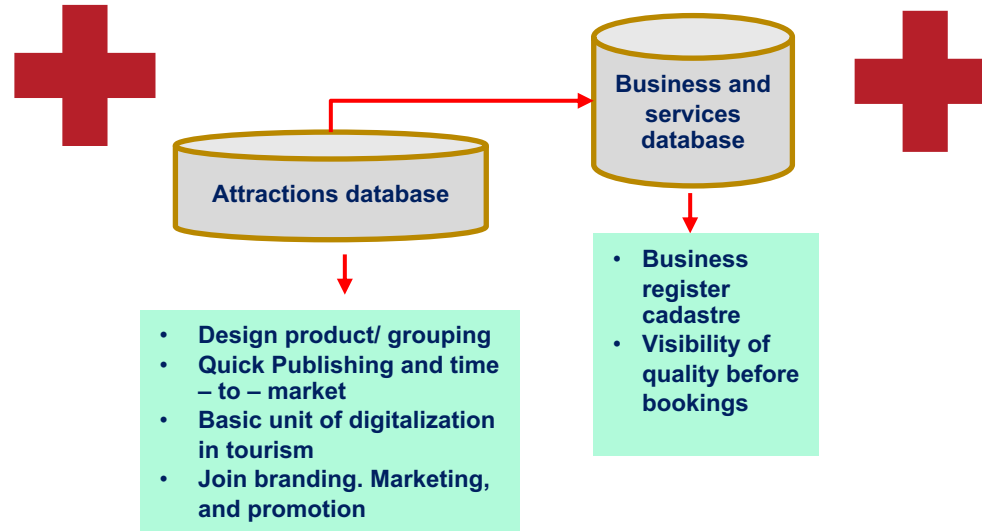


... requiring an integrated ecosystem of branding, assets, quality, and businesses ...

Destination Branding for online and off-line formats



Assets & business databases



Quality label system



full capabilities of online based marketing and promotion in the total experience cycle:
pre-travel, in-trip, and post trip
 Online advertising and social media engagement

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... Upgrading and rehabilitating historical and culturally relevant tourist attractions in integration with urban planning and development, example of UZB in connection with TKM,TAJ, and KGZ,

Example of a planning selected area



Average stay
2.2 days (Domestic)
2.4 days (Foreigner)

Transport mode
By road: 90% < 1,000 Km
From +1,000 Km: by Air 96%

Foreign arrivals from
Kazakhstan - 47%
Tajikistan - 20%
Kyrgyz - 20%

International gateways
TAS, SKD, DYU, OSS,
UGC

Data on visitation of clusters, development potential, and regional

First Tier
 Second Tier
 Third Tier
 Demand driven
 Fourth Tier
 DV – Domestic visitors INV – International Neighboring visitors IDV – Intern. distant visitors

Cluster #	Name	Avg condition	# DV	# INV	# IDV	Dom. Visit	Int. Visit	Dev. Potential	Reg. Relev	Score
4	From Khujand to Jalalabad	5,9	1 594 500	808 000	1 827 500	1,6	2,1	5,0	5,0	25,0
3	from Samarkand to Dushanbe	7,1	4 722 250	2 920 000	1 725 250	1,8	2,0	4,0	5,0	21,8
	From Tashkent to Taraz	7,8	8 495 000	4 405 000	4 910 000	2,2	2,5	4,0	5,0	20,0
1	Nukus and Khiva Area	7,3	670 000	510 000	620 000	2,0	2,0	4,0	4,0	16,0
2	Bukhara City and Tudakul Lake	6,8	3 480 000	1 765 000	1 005 000	2,5	2,5	4,0	4,0	16,0
	Aydarkul Lake	8,0	na	na	na	na	na	3,0	3,0	9,0

Tourist from
Kazakhstan
Tajikistan
Kyrgyz

... Grate time - distances between clusters. Main problems: nothing in-between clusters, and border crossing points the greatest hinder in regional flow of tourists ...

Planning for the selected area



... major differences exist between different key source markets ...

Domestic Visitors (DV): concentrated in the major cities. Few choose to visit tourism assets in local areas, due to:

- **Most take short trips as tourists**, and therefore don't visit many tourism destinations;
- Most trips are to **visit and stay with their acquaintances**. Long **time-distances and bad accessibility** hinder tourism visits to assets in local areas;
- **Do not take tourist operators' production, visiting only famous landmarks.**

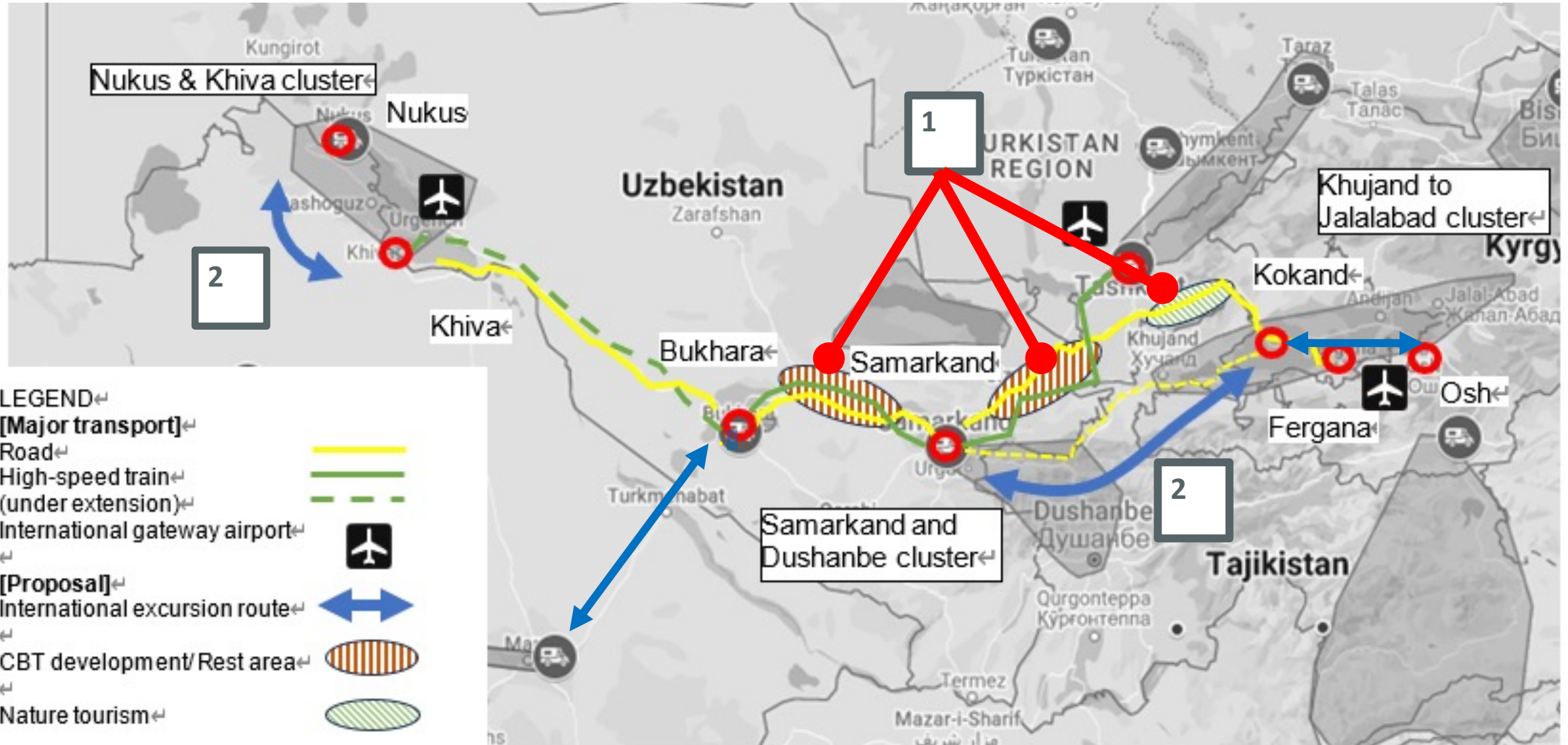
International Neighboring Country Visitors (INV): Number of tourists to the Uzbek major cities is around 600K – 1 million annually. The number of visitors to other tourism destinations is less than 300,000.

- **The purpose for a significant portion is personal reasons** (e.g., to visit their family or friends), resulting in greater numbers of **visits to city centers** than other tourism assets;
- Most trips are to **visit and stay with their acquaintances**. Long **time-distances and bad accessibility** hinder tourism visits to assets in local areas;
- **Seldom take tourism operators' production, and therefore** may visit only famous landmarks.

International Distant Country Visitors (IDV): Number of **tourists to historical heritage sites** is around 300K – 500K annually. There are **some differences in the number of visitors in different regions**.

- **The major destinations with historical heritage and**
- **Their preference doesn't depend on the locations of the tourism assets or ease of access**

... Proposal of: 1. Tourism development on the arterial linkage between clusters; 2. Establishment of international excursion routes; 3. Seamless linkage of air, rail, and land transportation



1. Tourism development on the arterial linkage between clusters

Themes:

- **To reduce time-distances:** Low airfares between greatest distances (ex. local air travel pass package at low fixed price); affordable fares and increased frequency of rail high speed
- **Roadside rest and sightseeing spots**
- **Local agro-tourism and community-based tourism**

Road-side rest spot

An example of a roadside rest area with a satellite museum



www.tochigiji.or.jp



www.grand-carcassone-tourism.co.uk

Agro-tourism, Community Based tourism

Existing Agro-Touristic facility (Tyup district, Issyk-kul, Kyrgyzstan)



Agro-tourism Vineyard (Kazakhstan)



Examples of roadside rest spaces in Kazakhstan and Japan



www.tg.tripadvisor.jp

2. Establishment of international excursion routes

Theme:

- **To reduce time-distances:** Improvement of **border-crossing points**; **Silk Visa** with fast track at borders

Current BCP in the region



Ex. Agartala land port between India and Bangladesh



3. Seamless linkage of air, rail, and land transportation

Theme:

- **Improved information and convenience:**
 - Signage and information in 2 languages (one being English);
 - improved transfers; convenient ticketing/ e-ticketing;
 - parking lots in the outskirts of main attraction areas with good and frequent public transport to the touristic areas

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A network of eco toilets is highly needed in the entire CAREC Region, particularly in remote areas where important natural assets are located.

As a pilot, Issyk-Kul region was selected, and consultations made

Why Issik-Kul?



- Renowned for its breathtaking lake and untouched natural beauty, Issyk-Kul **attracts tourists globally**. The **main Tourist Attraction area of Kyrgyz Republic**
- Faces **significant environmental and infrastructural challenges** due to traditional sanitation facilities.
- Eco-toilets offer a sustainable solution, addressing both sanitation and environmental concerns.
- Protecting Issyk-Kul's Pristine Environment, preventing contamination of water sources.
- Mitigating pollution risks, preserving natural landscapes.
- Ensuring Public Health and Hygiene
- Reducing risk of waterborne diseases and contamination.
- Providing clean and **hygienic sanitation solutions**.
- Promoting overall health and wellbeing through **sustainable waste management**

Different types of attractions and locations require different solutions

Integrated system: larger remote area, example national parks



- Integrated areas with garbage collection sorting, eco-toilets, possibly lodging
- Useful in national parks
- Maintenance to be provided by the park management, covered by entry fees and state budget

Isolated unit in remote area



- Simple Dry Toilets: low Maintenance, ease of Use, cost-Effective, portability for winter months
- Useful in trails, and yurt camps
- Maintenance to be provided by the yurt camp's concessionaires
- PPP arrangements for yurt camps

In urban quasi-urban areas close to major attractions



- Payment per use
- Separating Composting Toilets:
- Water Conservation
- Nutrient Recycling
- Odor Control

Management and staff. It may be shared outside ADB with appropriate permission.

Thank you

The logo for the Asian Development Bank (ADB), consisting of the letters 'ADB' in white serif font on a dark blue square background.