

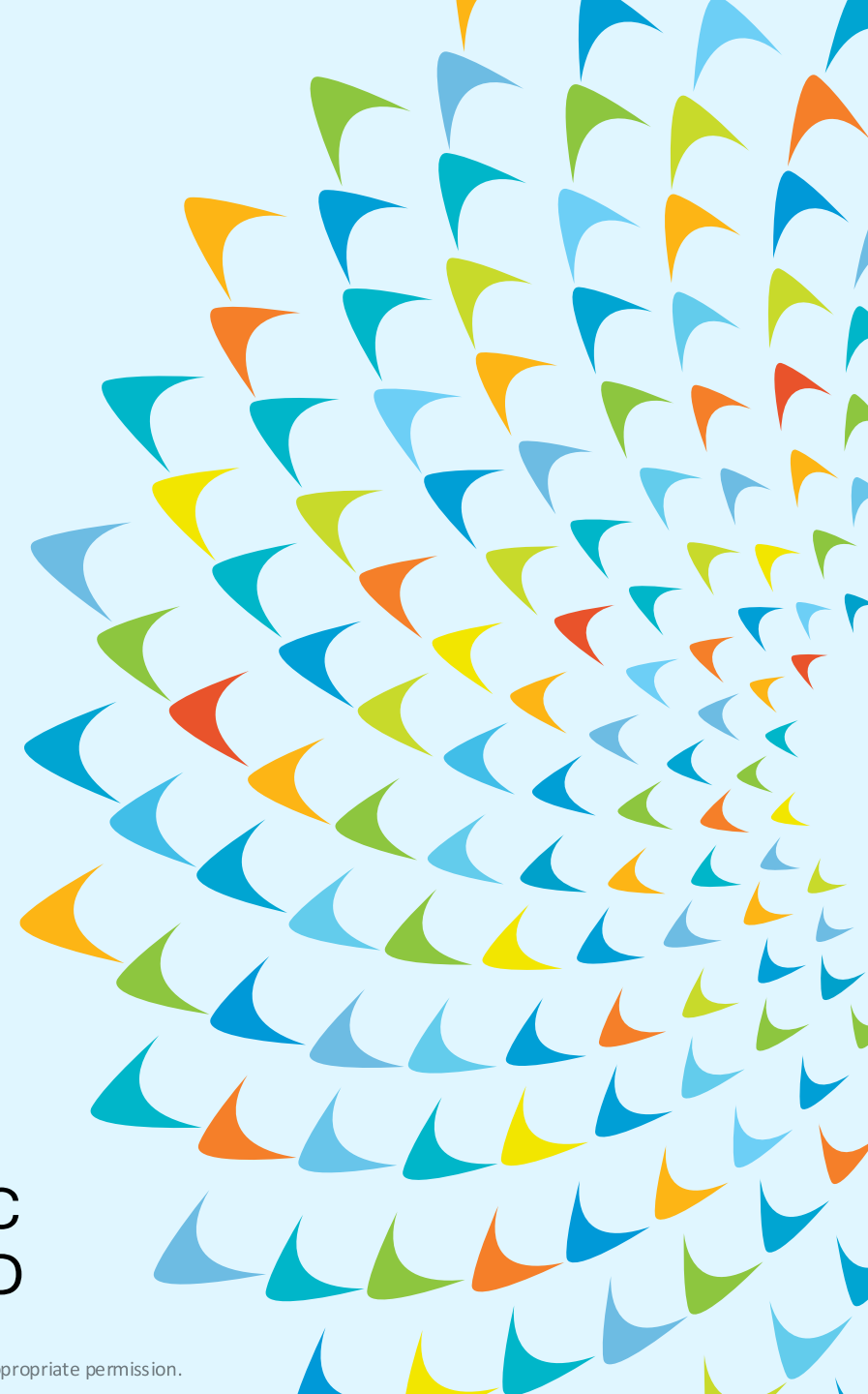


ADB Tourism Project Development Process

CAREC Tourism Working Group Meeting

September 9th 2026

Begzod M. Djalilov, Regional Cooperation Specialist, CWRC
Jessie F. McComb, Senior Tourism Industry Specialist, WUD



Outline

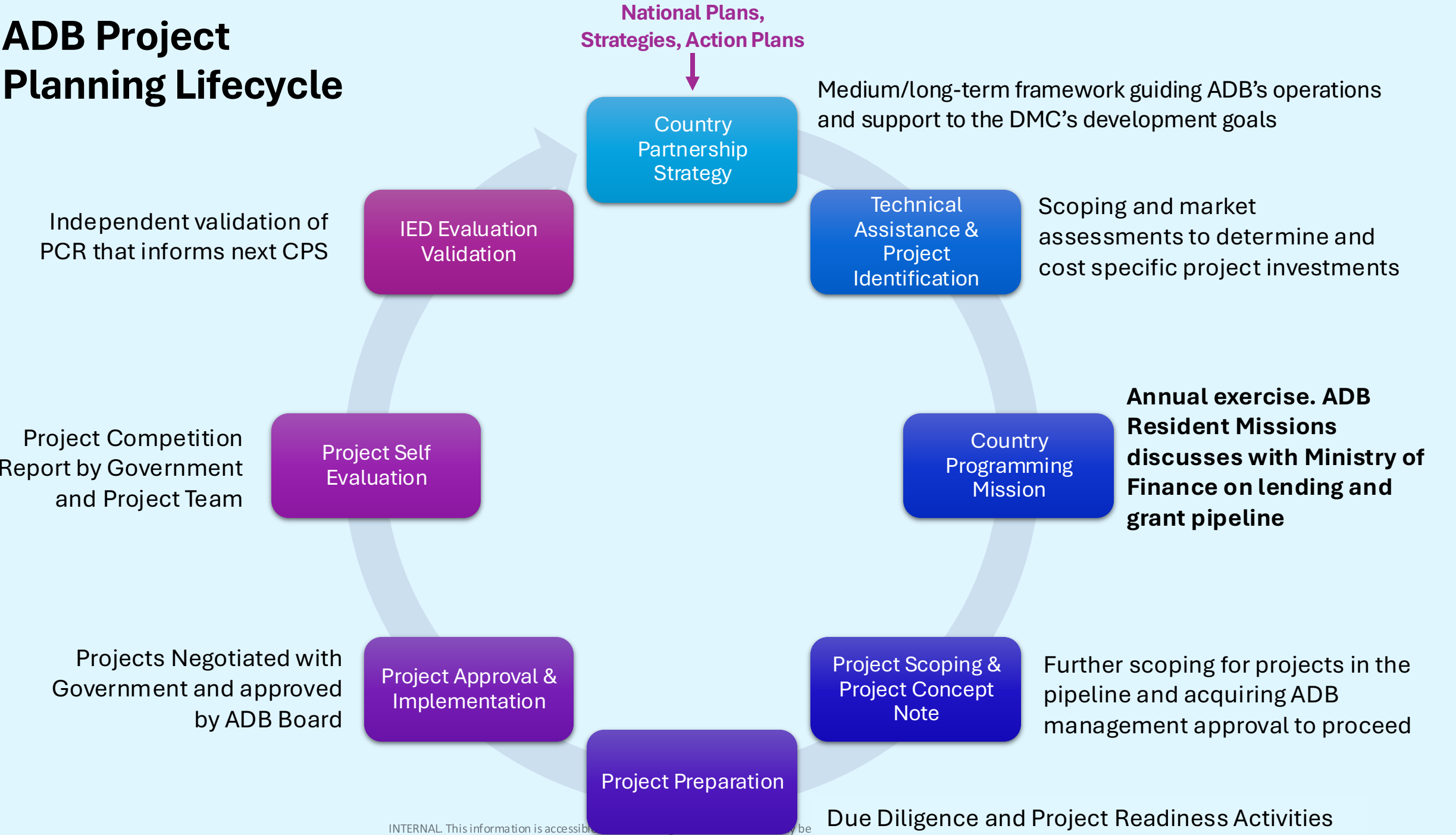
ADB Project Development Process

- ADB Project Planning Lifecycle
- How do projects emerge?
- Role of Ministry of Tourism in Project Development
- ADB Resources and Instruments
- Sovereign Lending and Grant Modalities

ADB's Approach to Sustainable Tourism

- Alignment with ADB Corporate Priorities
- Shifting Sector Dynamics
- ADB's Approach to Sustainable Tourism
- Types of ADB Tourism Projects and Investments

ADB Project Planning Lifecycle



From Ideas to Projects

What are the basic criteria?

- Driven by country demand
- Supporting national development plans
- Aligned with CPS priorities
- Aligned with regional/global strategies/agreements
- Generating national and/or regional economic benefits

Coordination among Ministry of Tourism, Provincial/Local Government, and Ministry of Finance is **KEY!**

How projects emerge?

- **Ideas** initiated
 - ✓ Policy dialogue (e.g., CPS discussions, sub-regional meetings)
 - ✓ Up/mid-stream TA knowledge work
- Ideas → **Concepts**
 - ✓ Developed jointly by country and ADB Sector Teams
 - ✓ TA support available (e.g., TASF Set-Aside for RCI)
- Concept → **Pipeline**
 - ✓ Consultation with RMs and ADB Team
 - ✓ Obtaining buy-in from MOF or Ministry of Finance/Planning
 - ✓ Inclusion in Country Programming and ADB's Strategic Business Outlook
- **Processing**
 - ✓ Preparation support (TA, Asia Pacific Project Preparation Facility, Project Readiness Financing, etc.)
 - ✓ Various funding sources, including ADF Grant for RCI/RPG projects

ADB's Resources and Instruments for Supporting Tourism



Sovereign Lending Modalities



Investment Project Lending

Finances a **standalone investment** with a defined scope and tangible outputs



Sector Lending

Finances numerous, smaller **subprojects** within a sector.



Financial Intermediary Lending

ADB loans to **financial intermediary** through government or with government sovereign guarantee. Government on-lends



Multitranche Financing Facility

Provides **series of tranches** when investments are ready and client requests financing



Policy Based Lending

Provides budget support to DMCs for structural reforms, requiring **meaningful DMC policy actions**



Sector Development Program

Combines policy based lending and investment component into one program



Results Based Lending

Supports government-owned programs, and reimbursed based on **defined program results**



Project Preparation

Project **preparation** support: Project Readiness Financing or Small Expenditure Financing Facility

The background image shows a person wearing a traditional golden headpiece and a red garment, working on a large, colorful textile with intricate floral and geometric patterns. The person's hands are visible, and they are using a tool to work on the fabric. The textile features vibrant colors like red, blue, green, and yellow. A blue semi-transparent box is overlaid on the center of the image, containing the title text.

ADB Approach to Sustainable Tourism

Tourism's economic engine is helping to deliver ADB Strategy 2030

Alignment with ADB Strategy 2030



Climate Action: Conserves ecosystems, leverage nature-based solutions, and creates sustainable livelihoods



Private Sector Development: Creates jobs, stimulates entrepreneurship and drives private sector investment



Regional Cooperation and Public Goods: Relies on managed public assets and spurs regional trade



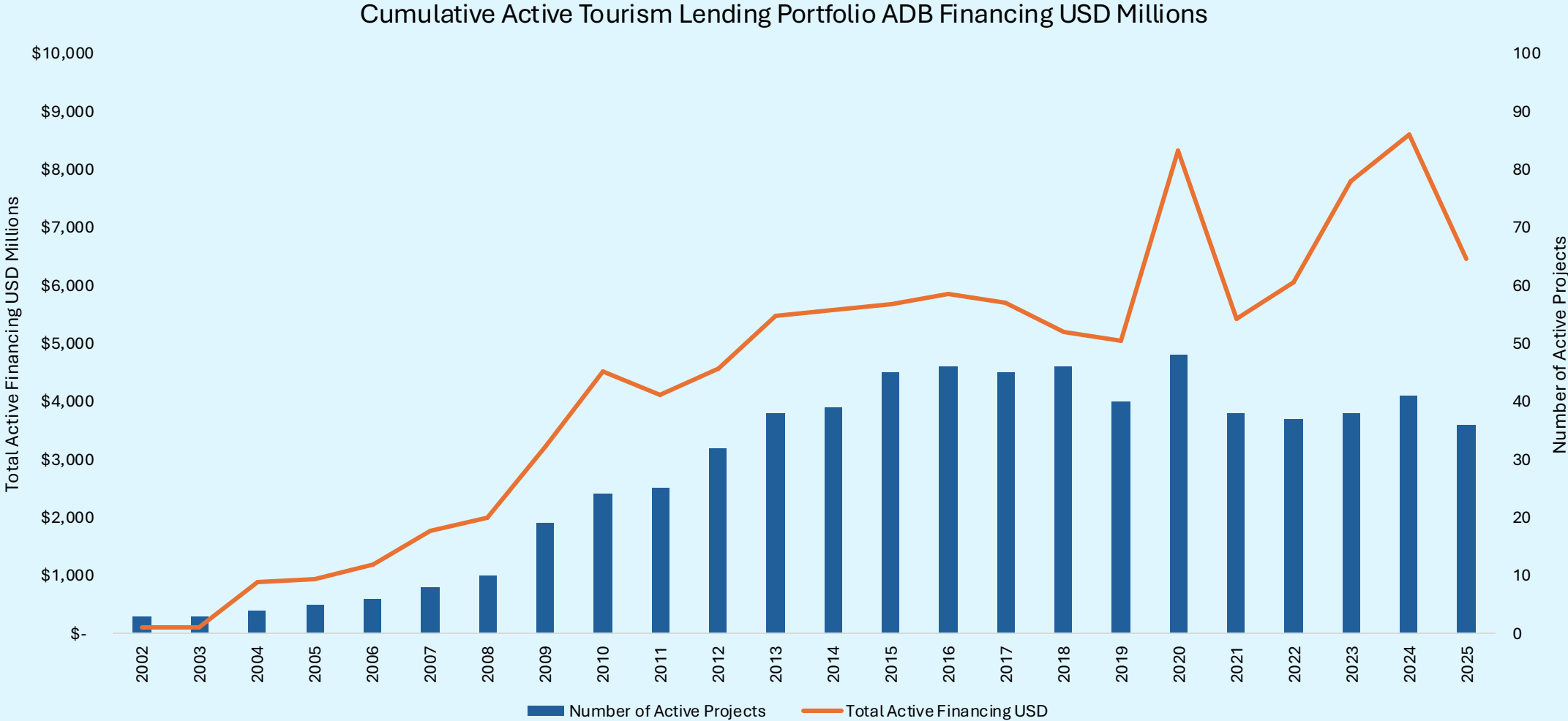
Digital Transformation: Early and extensive adopter of technology with new skills needed for the future



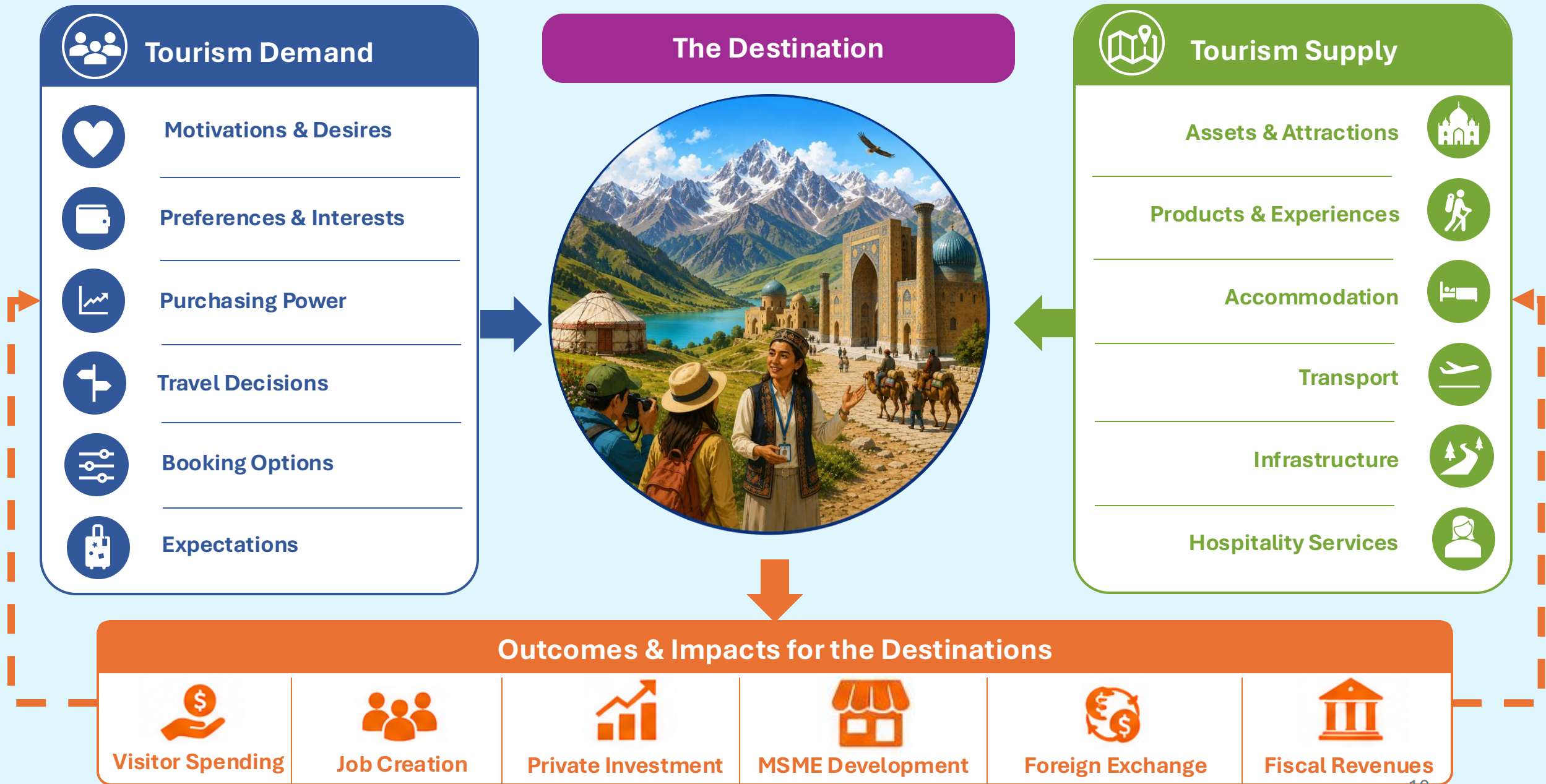
Resilience and Empowerment: Employment for women, youth, and minorities and provides an economic rationale for resilient infrastructure

ADB a strong history of investing in tourism and demand is growing

116 closed or active tourism and tourism-related projects worth \$12.6 billion ADB Financing and \$21 b in total financing. Active portfolio nearly doubled between 2019 and 2025.



ADB sees Tourism as an interplay of demand and supply within a destination



Tourism demand is growing and changing

Four shifts are reshaping what destinations need to offer



GROWTH

+4%

International tourism grew 4% in 2025, after a full COVID-19 recovery



SUSTAINABILITY

67%

of travelers prefer destinations with strong sustainability practices



REGIONAL TRAVEL

30%

of international trips to Asia-Pacific now include multiple destinations



EXPERIENTIAL

77%

of travelers seek authentic experiences representative of local culture



But market demand does not guarantee
local economic benefit and job creation...



and tourism's negative externalities put
pressure on destination resources.

Destinations and MSMEs are also struggling to adapt to new global and supply side trends

Global Macro-economic and geo-politics shifts



Slowing economic growth and impact of new tariffs



Conflicts and civil unrest



Vulnerability to climate change and demand and supply shocks



Pressures and opportunities of digitalization and AI

Impacts on Tourism Destinations & Supply



Value chains under pressure: Increasing fragmentation and drive for quality and sustainability



Shifting benefits: Increasing overtourism, changing supply (e.g. STRs), and strong vested interests

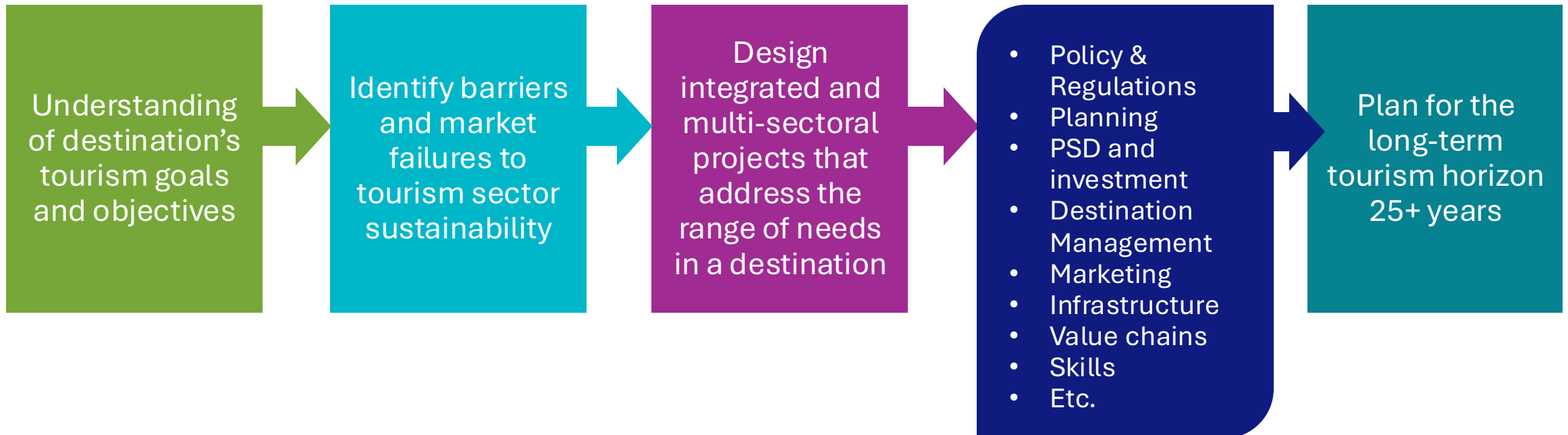


Digitalization: Rapidly evolving, driving personalization and demands new skills

ADB Approach to Tourism

The challenges ADB addresses in our tourism projects reflect the complexity of the sector and the variety of destinations across our DMCs.

Tourism first approach leads to more impactful and innovative projects



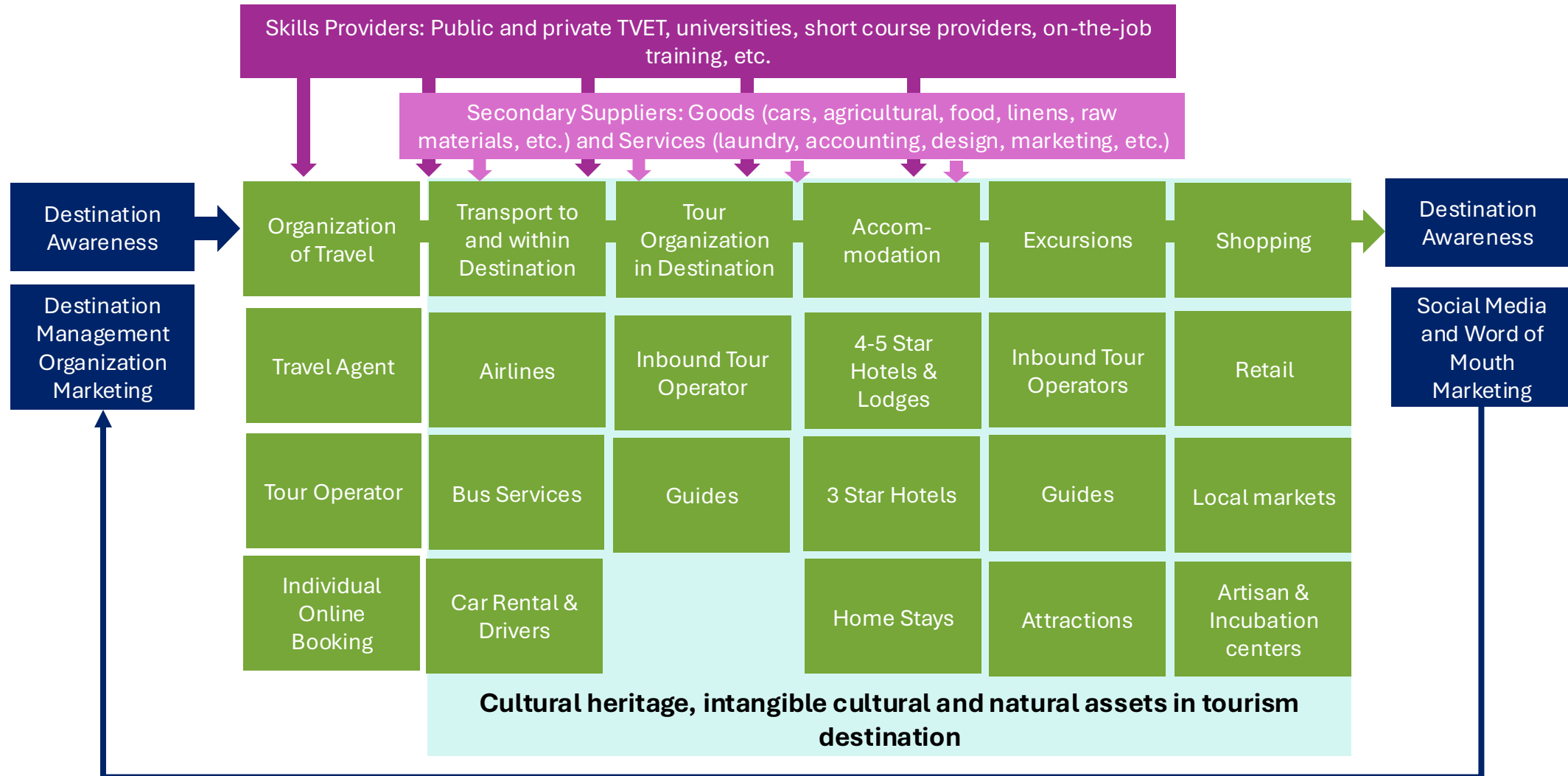
ADB projects add value through an integrated and custom approach

Integrated destination development solutions that address critical barriers to sustainable tourism. Strategic solutions aim to foster dynamic tourism private sectors that create jobs, sustain the environment, and promote resilient economic development.

Destination Management	Tourism Demand	Tourism Supply & Investment	Assets & Destination Infrastructure
Destination planning and management	Destination marketing capacity	Private sector and MSME development	Integrated destination infrastructure
Policy and regulatory guidance	Tourism data and statistics	Investment promotion and facilitation	Cultural, natural and intangible heritage conservation
Institutional Strengthening	Aviation Route Development	Skills Development	Climate, disaster resilience, and inclusive design
Financing mechanism		Nature and Climate Finance	Nature Based Solutions

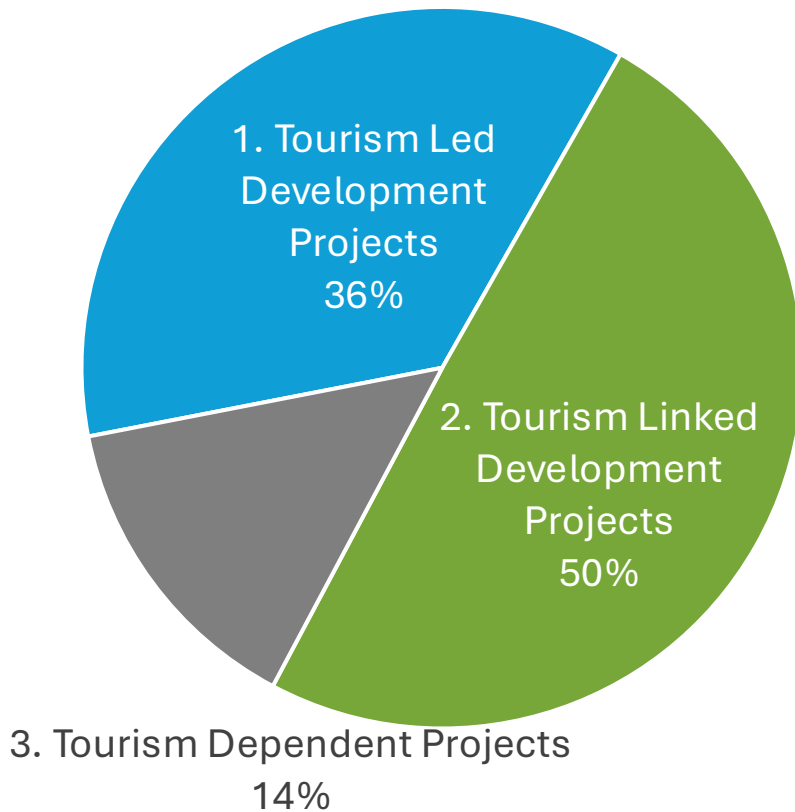
Sustainability, Digital transformation, Gender, Inclusion, and Regional Cooperation and Integration

ADB projects facilitate sustainable tourism across the tourism value chain



ADB's Historical Approach to Tourism has been Spread across Three Types of Projects

Tourism Operations Assessed
by Typology, 2002-2025



Type 1: Tourism Led Sector Development Projects

- Aimed at developing tourism industry towards a broader economic agenda. Project rationale explicitly focuses on tourism
- At least one tourism related Outcome Indicator (e.g., jobs, tourism revenue, number of tourists, hectares conserved through tourism, heritage sites restored, people trained in tourism, etc.)

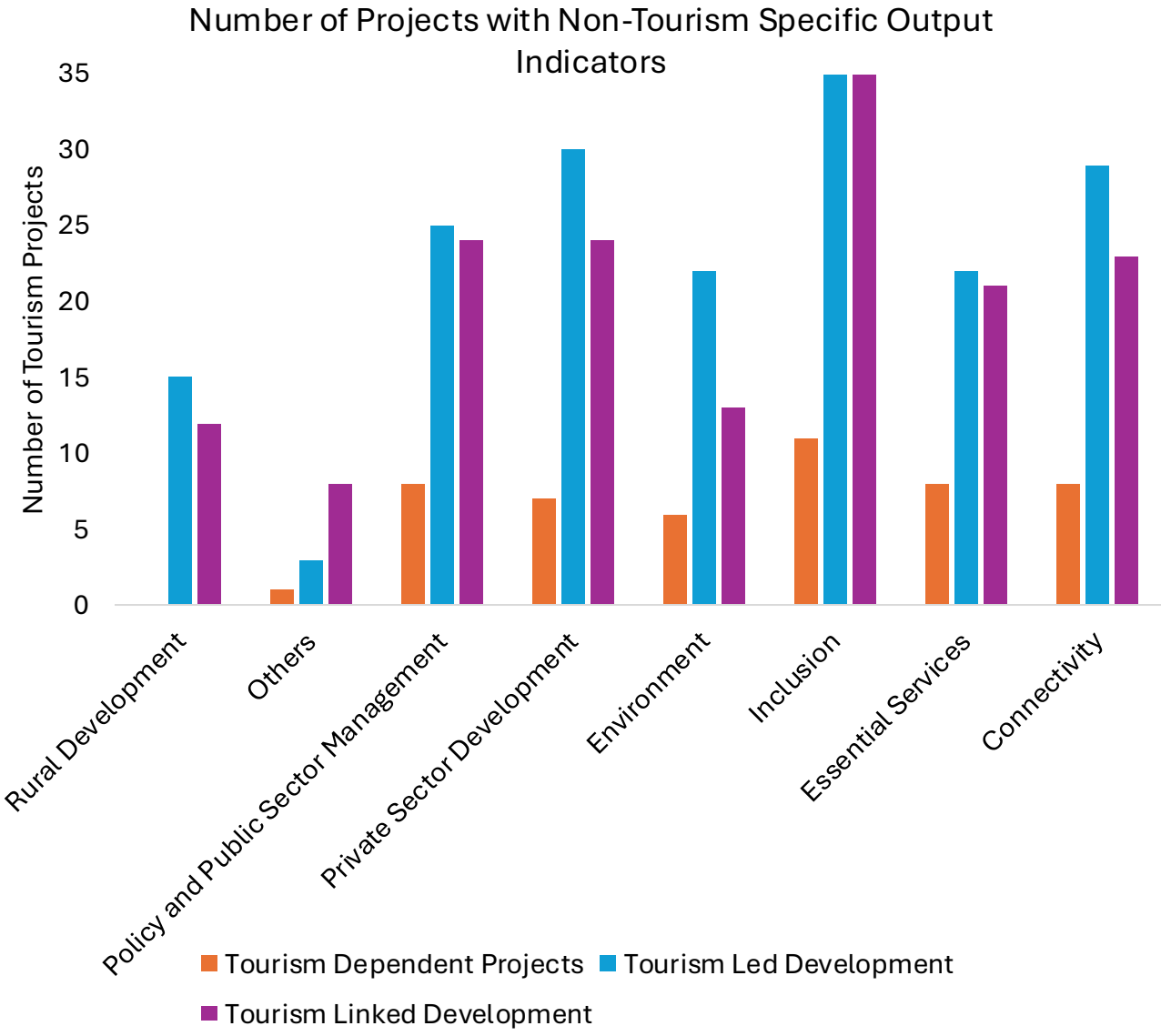
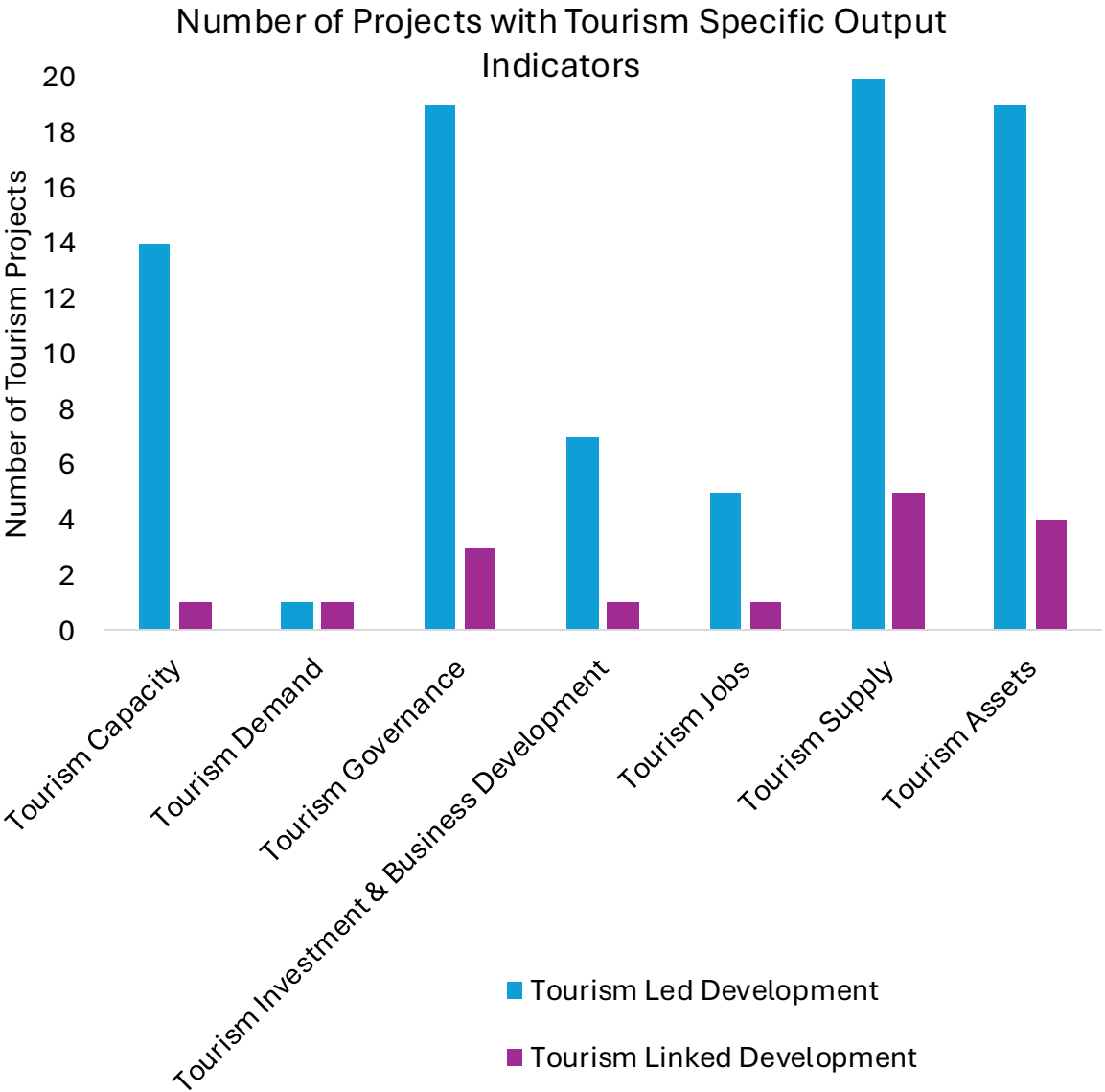
Type 2: Tourism Linked Development Project

- Broader development goal is main focus (skills, conservation, economic development, infrastructure). Tourism is one of multiple sectors supported
- Project includes tourism outputs and activities and at least one tourism Output indicators

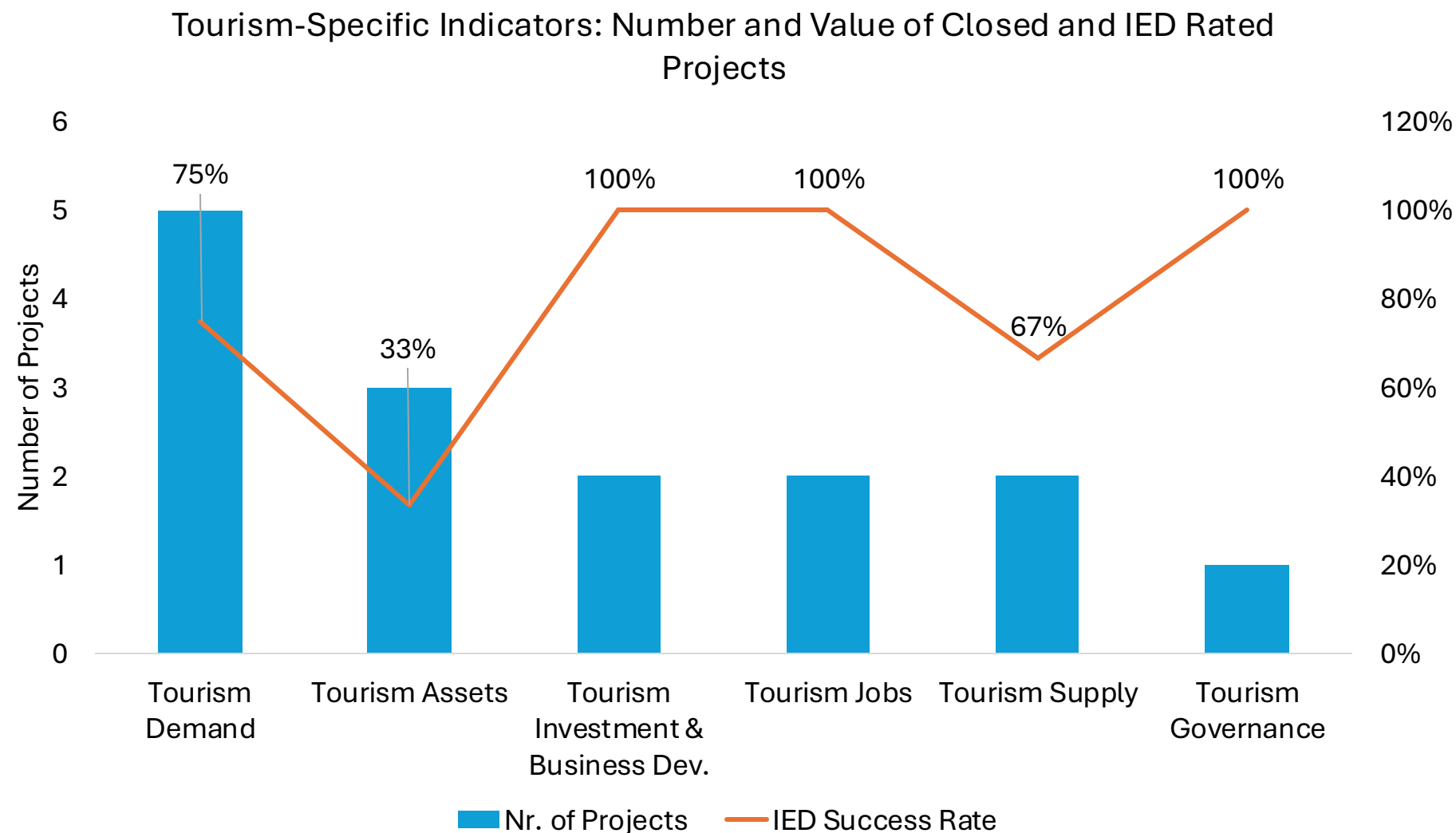
Type 3: Tourism Dependent Projects

- Rely on tourism impacts for all or part their economic rationale
- Includes relatively few or no tourism specific activities.

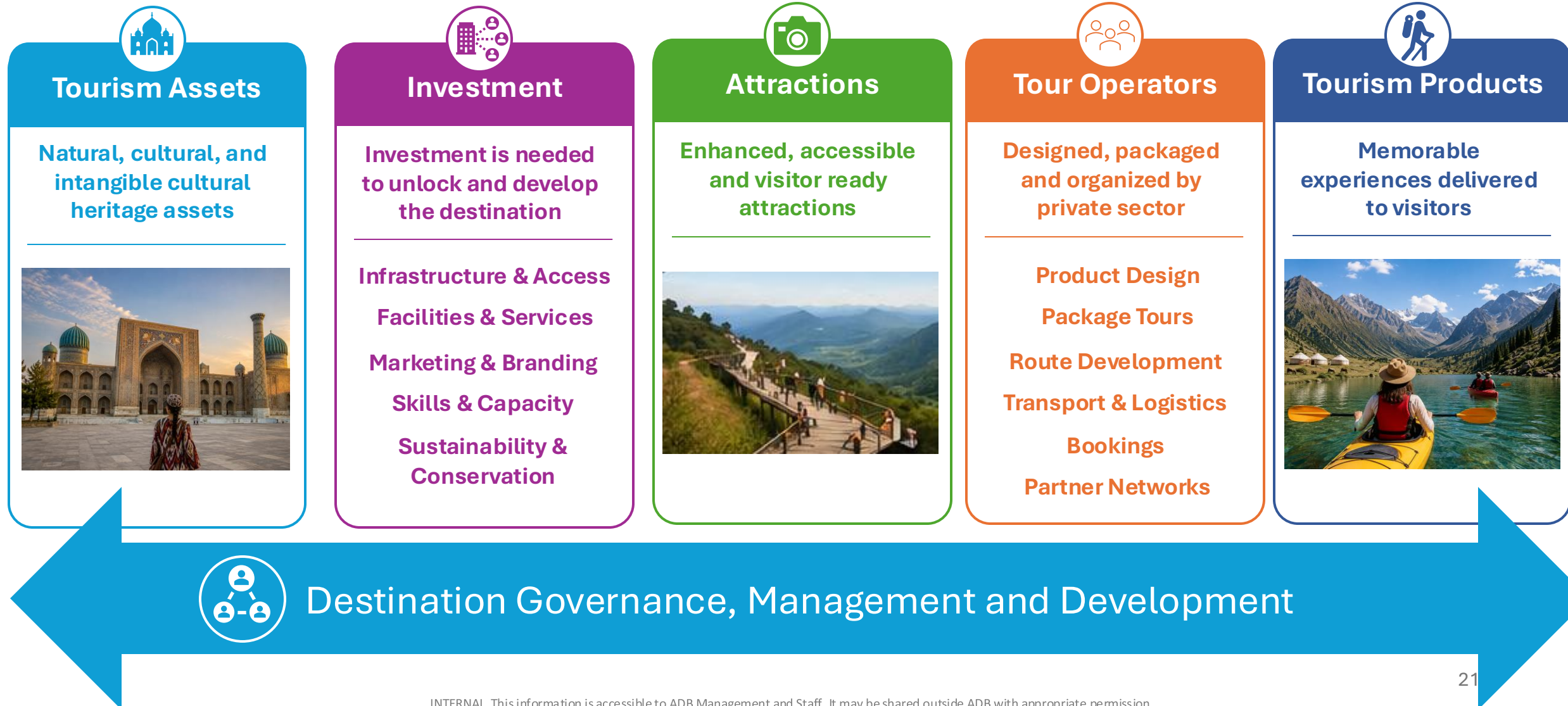
Project Activities have Varied Across Project Type



Projects with Jobs, Investment and Governance Indicators are more Successful



New Generation of ADB Tourism Projects seek Holistic Solutions that address Demand, Supply, Infrastructure and Governance Constraints



GMS Tourism Infrastructure for Inclusive Growth Project

Project Scope

Objectives: Improve tourism competitiveness, employment and income generation, strong gender equity focus

- > Climate & Disaster Resilient Infrastructure to Improve Access & Urban Services, Protect Tourism Assets
- > MSME Tourism Enterprise Support , Skills and Capacity Development
- > Tourism Planning and Regional Tourism Standards and Marketing

Project Details

Financing: \$254 million (ADB: \$230 million and Governments: \$24 million)

Time & Location: Two phases in Cambodia, Lao PDR, Viet Nam (16 provinces/cities) 2014 – 2025

Activities: Urban and rural road and river/coastal port improvements, urban sanitation and landfills, tourism amenities (urban greenspace, information centers, markets), ASEAN tourism standards; tourism planning, skills and business development services, heritage conservation

Borrowers:
Ministry of Finance (LAO, VIE), Ministry of Economy and Finance (CAM)

Executing & Implementing Agencies:
National Tourism Organizations and Provincial Governments



Supporting Recovery of the Small and Medium Enterprise and Blue Economy Tourism Sector Project

Project Scope

Objectives: Contribute to economic recovery in Maldives by supporting one of its most critical sectors, tourism, while mitigating climate change impacts.

- Programmatic/Financial intermediate support for Tourism SMEs
- Energy efficient standards, hotel retrofits
- Climate and disaster resilient infrastructure to protect tourism assets

Project Details

Financing: \$41 million (\$13m ADB NonSov OCR loan, \$13m JICA loan, \$5m Development bank of Austria, \$9m concessional climate finance, and \$1m ADB grant)
Time: 2022-

Location: Maldives

Activities: On-lending to locally owned enterprises and SMEs for renewable energy and energy-efficient technologies, desalination, improved coastal resilience, and improved marine ecosystem management and restoration.

Borrower: Bank of Maldives PLC



Improving Market Access for Tourism-Related Enterprises in Cambodia

Project Scope

Objectives: Local employment and income generation, women-led enterprise focused

- Programmatic / Financial intermediary support for tourism SMEs
- Tourism destination urban/access infrastructure service improvements
- Climate and disaster resilient infrastructure to protect tourism assets

Project Details

Financing: \$6.9 million (\$5 million ADB, \$1.9 million JFPR grant)

Time & Location: Kampong Thom, Cambodia

Activities: Urban-rural access road improvements, rural tourism and agriculture value chain development, agri-processing equipment and small infrastructure, business advisory services and credit scheme.

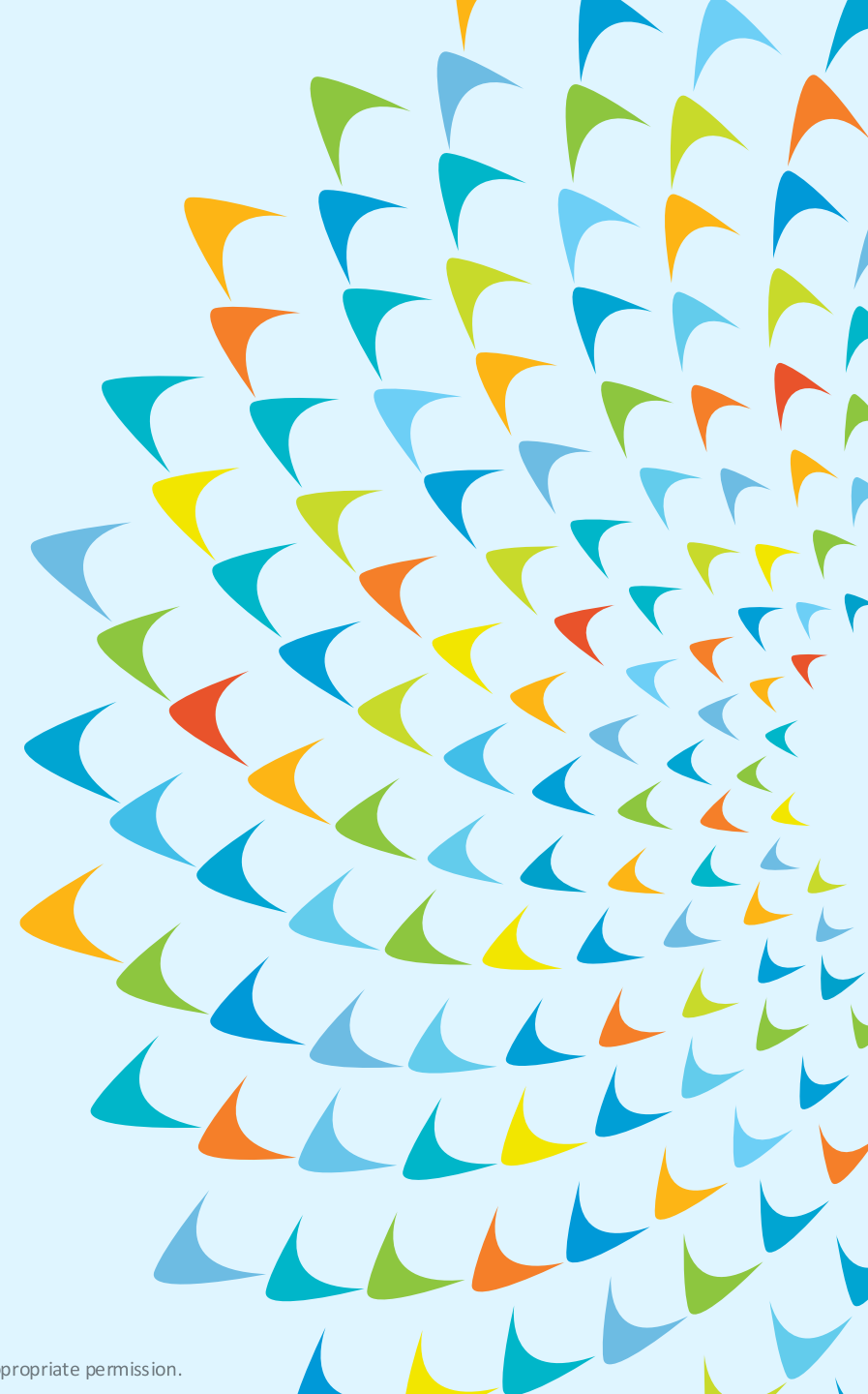
Borrowers:
Ministry of Economy and Finance

Executing & Implementing Agencies:
Ministry of Rural Development/Ministry of Tourism

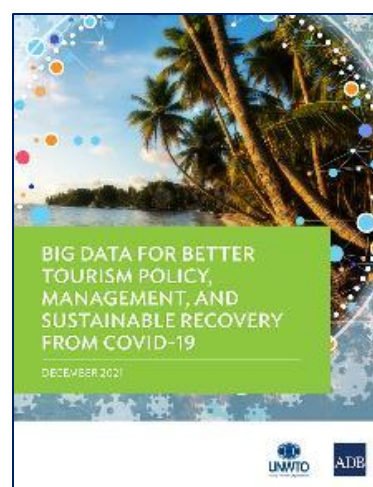
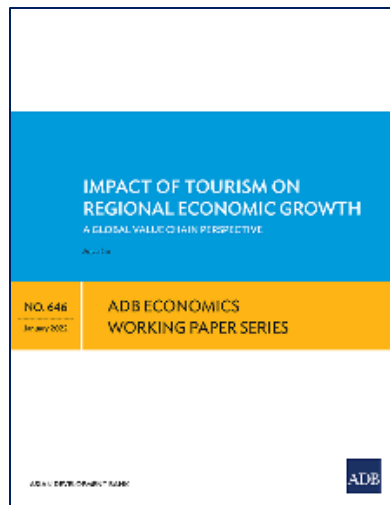
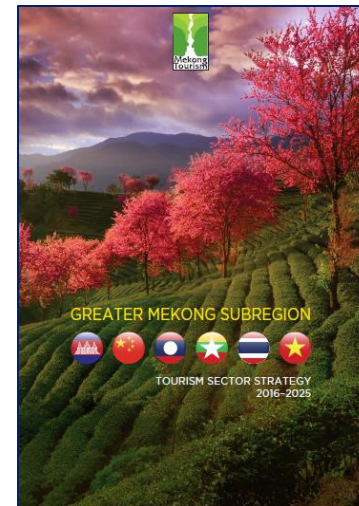
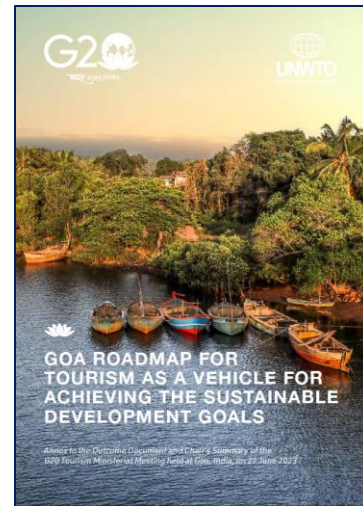




Thank You



ADB Tourism Knowledge Products and Services





Tourism generated \$11.7 trillion in 2025,
contributing 10.3% to global GDP and
creating 1 in every 10 jobs.



In Central Asia, the sector is projected to contribute \$6.4 billion directly to GDP by 2033 and it already contributes up to 30% of jobs in countries like Armenia and Georgia .