ASEAN Sustainable and Resilient Tourism Investment Outlook 2030

CAREC Tourism Working Group Meeting

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Presentation Outline

ADB and ASEAN

- ASEAN Objectives
- ADB's Historical Support
- ASEAN Tourism Sectoral Plan 2026-2030

ASEAN Resilient and Sustainable Tourism Investment Outlook

- Background & Context
- Methodology & Objective
- Country Engagement
- Pipeline Development
- Initial Results & Outputs

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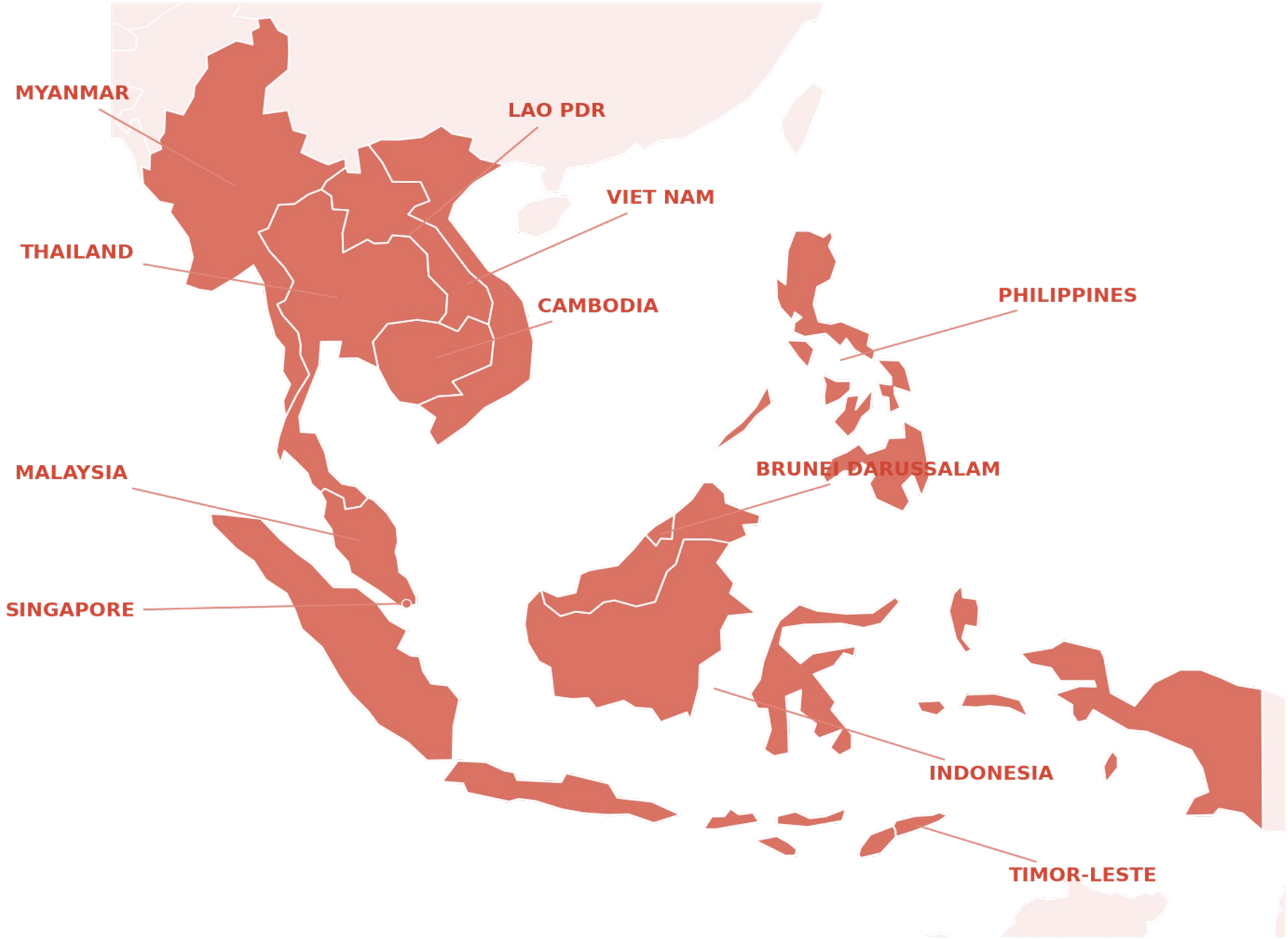
ASEAN at a Glance



What is ASEAN?

The Association of Southeast Asian Nations is a regional intergovernmental organization established in 1967 to advance cooperation, economic integration, peace, stability and shared prosperity.

Tourism is a formal area of regional economic cooperation, enabling Member States to coordinate on shared priorities and position Southeast Asia as an integrated destination.

11 **ASEAN Member States (AMS)**

Timor-Leste became ASEAN's 11th Member State on 26 October 2025.

Source: ASEAN Secretariat, About ASEAN / Member States (accessed August 2026). Map: Natural Earth, simplified for presentation.

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How ASEAN Tourism Cooperation is Governed

1 **ASEAN Tourism Ministers**

Set the policy framework and strategic direction for regional tourism cooperation.

2 **ASEAN National Tourism Organisations (NTOs)**

Serve as the executing body: implement and monitor ASEAN tourism strategies and initiatives.

3 **Four Technical Committees**

Translate regional priorities into action programmes, projects, standards and monitoring.

Governance principle: Ministers set direction → NTOs execute and monitor → technical committees turn priorities into regional action

Technical committee mandates

Tourism Competitiveness

Investment environment • skills & service quality • product diversification • marketing • connectivity & destination infrastructure

Sustainable & Inclusive Tourism Development

Climate responsiveness • safety & security • heritage protection • stronger local community participation in tourism value chains

Resourcing, Monitoring & Evaluation

Mobilize resources for regional programmes • monitor implementation • report progress to NTOs and Tourism Ministers

Tourism Professional Monitoring

Support implementation and monitoring of ASEAN tourism professional standards and mobility arrangements

Source: ASEAN Secretariat, Institutional Structure; ASEAN Tourism Strategic Plan 2016–2025. Current ASEAN tourism institutional structure accessed August 2026.

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SHAPING A REGIONAL TOURISM PLAN

ASEAN Tourism Sectoral Plan 2026-2030 (ATSP) & ASEAN Tourism Marketing Strategy

Responding to Country Request:

- Post-COVID trends: resilience and inclusiveness
- Incorporating transport in tourism discussion
- Reviewing regulations around tourism standards and professional
- Incorporating digital and sustainable solutions into planning documents
- Streamlining institutions and governance

1 **Country and sectoral diagnostic:** understand state of tourism, identify emerging trends, and agree on areas of vulnerability.

2 **Mixed methods:** desk research, survey, consultations

3 **Scope of the study:** 10 Southeast Asian countries and ASEAN as a region
Related sectors: transport, digital, urban, public-sector management and private sector development. Subregional cooperation: BIMP-EAGA, IMT-GT, Greater Mekong Subregion

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INFORMED BY REGIONAL TOURISM TRENDS

ASEAN Tourism Sectoral Plan 2026-2030 & ASEAN Tourism Marketing Strategy

Sustainable, Inclusive and Responsible Tourism

- Advancements in sustainability, greater emphasis on regenerative tourism and climate resilience
- 67% of travelers prefer destinations with strong sustainability practices
- 66% of travelers motivated to travel for nature-based and sustainable tourism experiences, a shift accelerated by the pandemic

Regional and Multi-Destination Tourism

- Intra-regional travel is surging—driven by a growing middle class, diversified products, and regional air routes.
- Enablers: ASEAN Open Sky, low-cost carriers, visa facilitation, and upgraded transport/airport links.
- Better infrastructure makes cross-border trips faster/easier.
- Cruise growth: Improved ports support more multi-country itineraries.

Digital Transformation

- Shift in expectations: Millennials/Gen Z want seamless, mobile-first, hyper-personalized and authentic travel.
- Tech enablement: Digital platforms, AI, and big data power targeted marketing, real-time booking, smarter visitor management, and efficient planning.
- Tourism analytics market projected $225.4B (2023) → $486.6B (2033)—setting up ASEAN for inclusive, sustainable, high-value experiences

Market diversification and personalization

- Millennials & Gen Z seek authentic, low-impact, experience-rich trips—boosting segments like adventure, wellness, and long-stay digital nomads.
- Southeast Asia wellness tourism valued at $51.5B (2023), signaling strong appetite for health and rejuvenation.
- Asian middle class projected to exceed 66% of the global total by 2030, driving demand for customized, high-value products blending culture, sustainability, and innovation.

Planning for Resiliency

- Resilience is critical with climate shocks and COVID-19
- Energy use could raise emissions +34–147% by 2040 if fossil fuels persist
- 373M urban residents by 2030 → need smart, inclusive, sustainable infrastructure.
- Growing demand for accessible, senior-friendly services.
- Invest in resilience: climate adaptation, health systems, digital crowd/visitor management, and workforce upskilling.

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ASEAN Tourism Sectoral Plan 2026-2030 (ATSP)

By 2045, ASEAN will be a global leader in quality and high-value tourism that delivers sustainable and resilient outcomes, contributing significantly to the economic growth and employment for ASEAN people.

The ATSP is centered around the READS Tourism Development Framework

- **Resilience:** Stimulate intra-ASEAN travel, attract responsible investment, strengthen crisis preparedness.
- **Empowerment:** Address skills gaps; expand access for women, youth, persons with disabilities, and informal-sector workers.
- **Accessibility:** Strengthen ASEAN as a single destination; streamline transport, customs, and immigration.
- **Digitalization & Diversification:** Drive digital adoption by MSMEs and diversify into gastronomy, wellness, adventure, MICE, and cruise tourism.
- **Sustainability:** Preserve natural and cultural assets; promote certifications and low-carbon, inclusive, nature-based models

Operational Level: 10 Strategic Initiatives with 28 Activities

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ASEAN Tourism Sectoral Plan 2026-2030 & Tourism Marketing Strategy

ADB support for early ASEAN Tourism Sectoral Plan Implementation

- Enhance regional tourism intelligence systems, crisis preparedness and risk management
- Develop bankable tourism project pipelines and investment frameworks
- Upgrade skills and accreditation systems aligned with ASEAN standards

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ASEAN Resilient and Sustainable Tourism Investment Outlook

Responding to Country Request:

- Request of Philippines Department of Tourism, ASEAN 2026 Chair, for Priority Economic Deliverable on tourism investment as part of ATSP
- Move from ad hoc investments towards more strategic, prioritized and investment-ready pipeline
- Practical tools and resources to support governments
- Bring together public and private sector

1 **Engagement and Prioritization:** Co-created ASEAN investment roadmap, Structured NTO and private sector engagement, Investor roundtables and consultations in each country.

2 **Tourism Investment Pipeline Development:** Regional pipeline of tourism investment, AMS project submission & screening, Tiered readiness classification, READS-aligned pipeline portfolio

3 **Financing Strategy & Policy Recommendations:** Financing strategy linking investments to finance types, Mapping finance instruments to project types, Blended finance & risk-sharing frameworks

4 **Tourism Investment Toolkit:** Practical toolkit for national and destination level planning, Investment-readiness diagnostics, Project prep & prioritization templates, Monitoring framework aligned to READS KPIs

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ASEAN Resilient and Sustainable Tourism Investment Outlook

Tourism Investment: A Broad and Inclusive Definition

Tourism investments are expenditures and financing directed toward tourism assets, infrastructure, systems, enterprises, and enabling conditions that support sustainable tourism growth and improve destination readiness, competitiveness, and resilience. They can be financed by the public sector, private sector, or through partnership modalities.

Capital Investment

Enabling Systems & Platforms

Capacity Investment

Policy & Institutional Conditions

Tier 1: Interventions with sufficient definition to support near-term advancement.
Tier 2: Interventions requiring additional preparation or structuring.
Tier 3: Concept-level interventions addressing longer-term structural or systemic transformation.

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ASEAN Tourism Investment Outlook

ASEAN Resilient and Sustainable Tourism Investment Outlook :

- Conceptual framework identifying the conditions necessary to mobilize READS-aligned tourism investment.
- Synthesis of policy trends and investment opportunities across the region.
- Insights from private sector and NTO consultations.
- Overview of the ASEAN resilient and sustainable tourism investment pipelines.
- Financing pathways and modalities.
- Introduction of Tourism Investment Toolkit

Tourism Investment Pipeline

Featuring two destination investment opportunities per AMS. Activated through a Destination Investment Showcase with investors featuring all AMS.

Tourism Investment Toolkit

Standalone, modular set of 6 practical tools for national and destination-level use.

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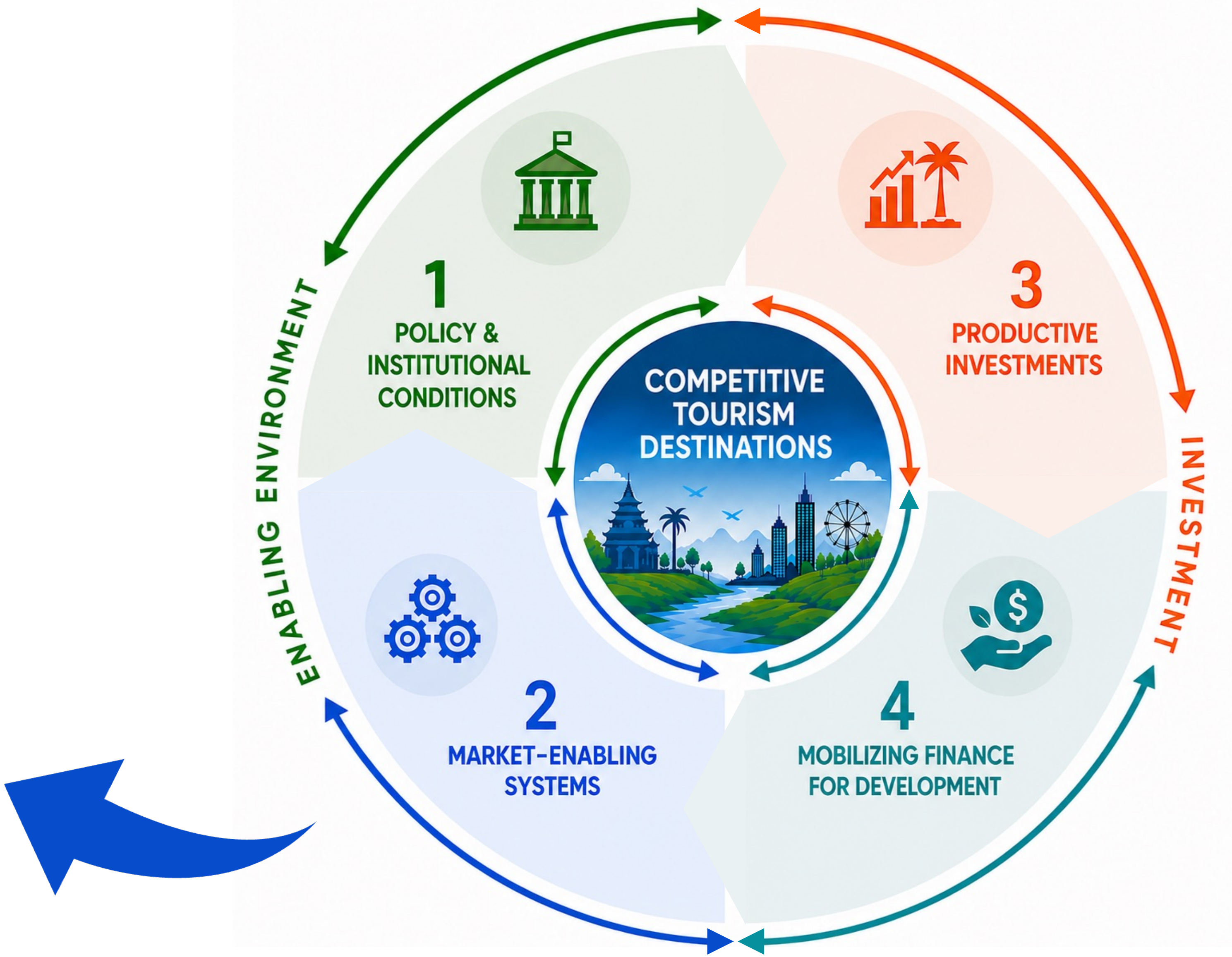
ASEAN TOURISM INVESTMENT OUTLOOK

Tourism Investment Conceptual Framework

- INFORMATION ASYMMETRIES
- PUBLIC GOODS
- MISSING OR IMMATURE MARKETS
- CAPABILITY GAPS
- COORDINATION FAILURES
- EXTERNALITIES
- CONCENTRATION OF MARKET POWER



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Regional ASEAN Tourism Investment Policy Analysis

Coordination, not strategy, is the main constraint

Every AMS has a tourism strategy, but investments in enabling infrastructure are often managed by other ministries. Ten out of eleven AMS have set up coordination mechanisms to tackle this challenge. However, coordination remains a consistent private sector complaint. **Effective, empowered and resourced cross-ministry coordination is vital for success.**

Regional agendas converge faster than national pipelines become investable

The READS agenda is recognized by all AMS, but translating this into a costed, sequenced pipeline varies. While some subregional pipelines exist (like GMS), they are not integrated into national tourism plans. **Creating bankable projects requires a deliberate national-level effort.**

" Soft" enabling investment is named everywhere and funded almost nowhere

Data systems, destination management, workforce, and MSME capability are priorities in every strategy, but capital programs dominate investments. This risks infrastructure reaching destinations without the services and workforce ready to implement it. **Budget for and invest in the enabling layer alongside the hard infrastructure from the start, not as a follow-on.**

Standards exist on paper well before they function as market signals

ASEAN has established tourism standards, taxonomies, and green-finance tools, but their adoption and enforcement are inconsistent. There's also no visible incentive for compliant operators to capture a price premium, weakening the standards' investment case. **Publishing a standard and making it bankable are two different, sequential jobs.**

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Market Voices: Regional Tourism Investment Roundtables

Structured Conversations

Facilitated conversations between public and private sector with 20-30 participants. **230 Stakeholders consulted** in *7 roundtables, 2 bilateral consultants, 1 survey, (1 remaining)*

Broad Representation

Participants from across government, large businesses, small enterprises, associations and some development agencies.

ADB Resident Mission

Where possible, roundtables were hosted as the ADB Resident Mission to encourage participation. Opened by ADB Country Directors and in some cases, Minister of Tourism.

Organized by NTOs

National tourism organizations identified participants and sent invites to create ownership and build their relationship with private sector

Variable Approach

Some countries preferred one-on-one or small group consultations as relationships between public and private sector were strained.

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Market Voices: Regional Tourism Investment Roundtables

Investment opportunity: Where is there unmet market demand for private investment in tourism, and what is holding that investment back?

Enabling conditions, sequencing, and coordination: Tourism investment depends on several conditions arriving together. Which of these must be in place before other investments become worthwhile, and what happens when they arrive out of sequence?

Information, data, and market access: What evidence do you require to underwrite a tourism investment decision, and where that evidence is unavailable, what do you use in its place?

Enterprise participation and workforce: What is preventing smaller tourism enterprises from accessing finance and expanding their participation in the tourism economy, and what financial products does the sector require that are not currently available?

Destination priorities and readiness: Two destinations will be profiled in the ASEAN Tourism Investment Pipeline and presented directly to investors and financiers at a Destination Investment Showcase. Which destinations would you prioritize, and on what basis?

LINKING PUBLIC AND PRIVATE SECTOR INTERESTS

Market Voices: Regional Tourism Investment Roundtables

Building Destination Readiness

Investors look beyond the asset. Connectivity, utilities, digital, skills, destination management, and the business enabling environment all influence whether an investment can succeed. Coordination and sequencing is essential.

De-risking & Bankability

Private capital won't lead in unprepared markets. Public investment in access, utilities, and governance has to come first — and finance remains hardest to reach for MSMEs and women-led businesses.

Connecting Investment with Data

Investors need data on visitor demand, source markets, spending, length of stay, and market segments, especially for emerging destinations where assets may be strong, but information on market potential remains limited

Inclusive Participation

Destination quality is a people problem as much as an infrastructure one — local skills, management pathways, and MSME capacity determine whether growth is broad-based.

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MOVING STRATEGIC TO OPERATIONAL

Tourism Investment Pipeline

Purpose: Promote investment.
Audience: Private-sector and development finance investors.

Regional Overview

Scene-setting introduction:

regional mapping of featured destinations, the ATSP, and ASEAN as a tourism investment destination.

Country Submissions

National enabling environment profile: tourism policy direction, institutional structure, investment incentives, and facilitation programs.

Destination profiles (×2 per AMS): destination assets and value proposition, photography, location map, development plan summary, inventory of current and planned investments organized by READS category.

Highlighted PPP opportunities and targeted private investments.

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Destination Investment Showcase

Where the Pipeline and Toolkit come to life for investors.

ASEAN Member States Destination Pitches

AMS present their pilot destinations directly to investors and development finance partners.

Expert Q&A

Live discussion on investment opportunities, conditions, and next steps for featured destinations.

Investor Networking

Direct connections between AMS delegations and private-sector and development finance investors.

Operationalizes the Toolkit and activates the Pipeline for the AMS destinations featured within it.

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PROVIDING PRACTICAL RESOURCES TO GOVERNMENTS

Tourism Investment Toolkit

Modular instrument for national and subnational authorities. Six practical tools, each ready to use on its own.

1. Enabling Environment Tool

Helps AMS map the national policy and institutional conditions that shape investment.

2. Destination Development Tool

Helps destination managers align investments and interventions with development goals.

3. Monitoring & Evaluation Tool

Gives destinations a simple set of indicators for tracking progress over time.

4. Financing Tool

Helps authorities match investments with the right financing approach.

5. Project Preparation Tool

Helps authorities prepare and structure a targeted investment for financing, plus a resource library of ADB tools.

6. Investor Proposal Due Diligence

Rapid, preliminary screening process for incoming investor proposals.

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Lessons Learned

1. Secure Champions at National and Regional Levels

Philippines DOT led the agenda and ensured the vision was grounded in DMC need. ASEAN Secretariate support could have been stronger to facilitate coordination.

2. Stakeholder Engagement informs Analysis

Consultations with AMS and private sector were necessary at the beginning of the process to inform analysis and not just act as validation.

3. Engage Deeply with Private Sector at National Level

Investor roundtables were incredibly insightful. They drove the analysis and helped build relationships across the public-private table.

4. Simplify the Methodology

The original methodology including a multi-criteria analysis, investment benchmarking, cost uplifts and other quantitative research. AMS wanted a practical tool.

5. Be Careful on Analysis and Comparison

Original concept focused on destination readiness, with AMS felt was a judgement on the quality of their destinations. Regional analysis needed to be careful to avoid comparison between countries

6. Aligning Different Frameworks can be Challenging

The ATSP's READS framework was well suited for a general strategy but was less useful for the development of a practical and bankable investment pipeline.

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Benefits of the Approach

1. Strengthened public–private sector relationships
Created structured dialogue between tourism ministries and the private sector around investment priorities. Helped communicate critical barriers to investment to public sector in open dialogue.

2. Improved investment planning and sequencing
Clarified priority destinations, investment needs, and the appropriate sequencing of public and private investments. Identified specific destination systems and infrastructure needed in each country.

3. Brought market demand into planning
Tested proposed destinations, products, and investments against credible private-sector demand. Supported market and demand driven investment prioritization versus political prioritization.

4. Identified investment barriers, not just projects
Surfaced policy, infrastructure, skills, data, financing, and coordination constraints affecting investment. This builds a rationale for market and sector-led project design instead of infrastructure led project design.

5. Improved project identification for ADB
Strengthened the evidence base for identifying potential projects and upstream TA opportunities. Informs holistic project conceptualization to address sector development issues instead of just infrastructure proposals.

6. Deepened ADB country engagement on tourism
Strengthened relationships with tourism ministries and raised tourism's profile within Resident Missions, supporting future pipeline development.

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Questions & Discussion

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