



27 July 2021

MEMORANDUM FOR SECRETARY BERNADETTE ROMULO-PUYAT

FROM : BENITO C. BENGZON, JR.
Undersecretary, Tourism Development

SUBJECT : REFORMULATED NATIONAL TOURISM DEVELOPMENT PLAN (2021-2022)

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We are pleased to submit the final draft of the Reformulated National Tourism Development Plan (2021-2022) with matrix of responses per inputs and comments from the Tourism Coordinating Council (TCC) members, DOT Executive Committee and national tourism stakeholders.

For the Secretary's kind approval and consideration.

Thank you.

APPROVED/ DISAPPROVED


BERNADETTE ROMULO-PUYAT
Secretary





REFORMULATED NATIONAL TOURISM DEVELOPMENT PLAN 2021 - 2022

PHILIPPINES



ABBREVIATIONS

ACAP	Air Carrier Association of the Philippines
ADB	Asian Development Bank
ASEAN	Association of South-East Asian Nations
BAR	Board of Airline Representatives
BI	Bureau of Immigration
BOC	Bureau of Customs
BOI	Board of Investments
CAAP	Civil Aviation Authority of the Philippines
CHED	Commission on Higher Education
CIAC	Clark International Airport Corporation
CREATE	Corporate Recovery and Tax Incentives for Enterprises
DA	Department of Agriculture
DENR	Department of Environment and Natural Resources
DFA	Department of Foreign Affairs
DFPC	Duty Free Philippines Corporation
DIAA	Davao International Airport Authority
DICT	Department of Information and Communication Technology
DILG	Department of the Interior and Local Government
DOLE	Department of Labor and Employment
DOST	Department of Science and Technology
DOT	Department of Tourism
DOTR	Department of Transportation
DPWH	Department of Public Works and Highways
DTI	Department of Trade and Industry
IA	Intramuros Administration
IATA	International Air Transport Association
IATF	Inter-Agency Task Force for the Management of Emerging Infectious Diseases
iLIPAD	Institutionalized Leveraging Infrastructure Program for Airport Development
LCP	League of Cities of the Philippines
LGU	Local Government Unit
LIPAD	Luzon International Premiere Airport Development Corporation
LLU	DOT Legislative Liaison Unit
LMP	League of Municipalities of the Philippines
LPP	League of Provinces of the Philippines
MARINA	Maritime Industry Authority of the Philippines
MCIAA	Mactan-Cebu International Airport Authority
MIAA	Manila International Airport Authority
MICE	Meetings, Incentives, Conventions and Exhibitions
MSME	Micro-Small-Medium Enterprises
MTIP	Medium-Term Infrastructure Program
NCCA	National Commission on Culture and the Arts
NCTDC	National Cruise Tourism Development Committee
NEDA	National Economic and Development Authority
NEDA-ICC	NEDA Investment Coordination Committee
NEDA-TRIP	NEDA-Three-Year Rolling Infrastructure Program
NES	National Ecotourism Strategy
NHCP	National Historical Commission of the Philippines
NM	National Museum
NPF	Nayong Pilipino Foundation
NPDC	National Parks Development Committee
NTDP	National Tourism Development Plan
OIMD	Office of Industry Manpower Development
OLSC	Office of Legal and Special Concerns
OPMD	Office of Product and Market Development
OTD	Office of Tourism Development
OTDPRIM	Office of Tourism Development Planning, Research and Information Management
OTRCRG	Office of Tourism Regulation Coordination and Resource Generation
OTSR	Office of Tourism Standards and Regulations
PCSSD	Philippine Commission on Sports and Scuba Diving
PCW	Philippine Commission on Women
PHILTOA	Philippine Tour Operators Association
PIED	Project Investment and Evaluation Division
PFICD	Policy Formulation and International Cooperation Division
PPA	Philippine Ports Authority
PPP	Public-Private Partnership
PRA	Philippine Retirement Authority

SAP	Strategic Action Program
SCP	Sustainable Consumption and Production
SD	Strategic Direction
SDG	Sustainable Development Goals
SEAIMD	Statistics, Economic Analysis and Information Management Division
SIPP	Strategic Investments Priorities Plan
TCP	Tourism Congress of the Philippines
TDA	Tourism Development Areas
TEZ	Tourism Enterprise Zone
TFDTPD	Task Force on Domestic Tourism Product Development
TIEZA	Tourism Infrastructure and Enterprise Zone Authority
TPB	Tourism Promotions Board
TRIP	Tourism Road Infrastructure Program
TRRP	Tourism Response Recovery Plan
UNWTO	World Tourism Organization
WB	World Bank
WTTC	World Travel and Tourism Council

CONTENTS

EXECUTIVE SUMMARY	1
I. INTRODUCTION	1
II. PHILIPPINE TOURISM PERFORMANCE (2016-2019)	2
1. Economic Contributions	2
2. Products	7
3. Markets	9
4. Capacities	14
III. THE GREAT DISTRESS	18
1. Impacts	18
2. Tourism Response and Recovery Assistance	20
IV. RESILIENCE AND RECOVERY	23
1. Tourism Resilience	23
2. Product-Market Mix	26
3. Global Recovery Horizon	27
4. Recovery Elements	29
5. Domestic Tourism	36
6. International Tourism	38
V. RNTDP 2021-2022	40
1. Vision, Goal and Targets for Tourism	41
2. Approach	41
3. Strategic Directions and Programs	43
Strategic Direction 1: Promote Safe, Fun, and Competitive Tourism	44
1.1 Accelerate green and safe travel infrastructure (connectivity and destination management) and facilitation initiatives	44
1.2 Diversify product and provide safe and high-quality experience	45
1.3 Protect livelihood and enable innovative financing and investments	47
1.4 Foster Upskilling of Human Resources and Improve Service Standards.	48
1.5 Design and implement innovative marketing and promotions programs	49
1.6 Embrace Tourism Quality Initiatives	50
Strategic Direction 2: Pursue Resilient, Inclusive and Sustainable Tourism	51
2.1 Upgrade MSMEs in the tourism value chain	51
2.2 Ensure access to opportunities and tourism experience for all	52
2.3 Build and strengthen capacities of destinations for conservation, climate smart investments	53
2.4 Formulate Measures to Address Tourism Risks and Crisis	54
Strategic Direction 3: Strengthen Governance and Destination Management	55
3.1 Upgrade the Destination Tourism Information Infrastructure	55
3.2 Develop and Strengthen Capacities for Local Planning and Implementation	56
4 Indicative Revised Impacts	58
5 Indicative Budget	58
6 Monitoring and Evaluation	59

LIST OF FIGURES

Figure 1: International Tourist Arrivals.....	4
Figure 2: International Tourism Expenditures	4
Figure 3: Domestic Trips	5
Figure 4: Domestic Tourism Expenditures	5
Figure 5: ASEAN Tourism Receipts 2018-2019 (In Millions of US\$).....	12
Figure 6: TRIP Investments (2013-2019)	15
Figure 7: Number of Rooms	16
Figure 8: Supply Resilience of Philippine Regions: Health Sector	24
Figure 9: Survey of International Air Travelers	35
Figure 10: Domestic Trips Scenario-Based Projections: 2021-2022	37
Figure 11: International Tourism Scenario-Based Projections	39
Figure 12: Tourism Cluster Concept	41
Figure 13: Tourism Convergence Principle	42
Figure 14: NTDP Monitoring and Evaluation Framework	60

LIST OF TABLES

Table 1: Tourism in Figures (2016-2019).....	2
Table 2: Employment in Tourism Industries, 2019 (in thousand persons).....	3
Table 3: Performance of the Top 12 Source Markets in 2019.....	10
Table 4: ASEAN International Visitor Arrivals ('000): 2018-2019.....	11
Table 5: Carrying Capacities of Select Destinations.....	16
Table 6: COVID-19 Impacts on Philippine Tourism.....	19
Table 7: COVID-19 Impacts on Philippine Tourism Employment.....	19
Table 8: Matrix of Measures to Mitigate the Impact of COVID-19 and Restart the Industry: Philippines	21
Table 9: Scenario Forecasts of International Tourism Bodies.....	27
Table 10: Real GDP Forecasts (2021-2023).....	30
Table 11: GDP Projections (%).....	31
Table 12: Air Travel Restrictions: June 2021.....	33
Table 13: Key Result Areas of TouRIST.....	56
Table 14: Scenario-Based Projections 2021-2022.....	58
Table 15: Indicative Budget.....	59

EXECUTIVE SUMMARY

The reformulated National Tourism Development Plan (NTDP) 2021-2022 provides a framework to guide the DOT and stakeholders in the next two years to prioritize actions and activities to mitigate the impacts of COVID-19 and to achieve resilient, inclusive, and sustainable tourism recovery. This is in line with the priorities under the Tourism Response and Recovery Plan and the goals and targets of the Philippine Development Plan 2017- 2022.

The reformulated NTDP builds on the comprehensive analysis and lessons embodied in previous plans and strategies, and consultations with stakeholders via online platforms during the pandemic period. It highlights the successful and productive programs of the industry that contributed to achieving the targets in tourism performance during the period 2016-2019 and the lessons from the developmental challenges such as '*overtourism*' as well as impacts of crisis.

Tourism Performance: Tourism created highly significant economic footprints in 2019: 12.8% share to the gross domestic product (GDP), 5.7 million Filipinos employed (60% women), 13.6% share to national employment, PHP 3.1 trillion domestic tourism expenditures from 109.8 million domestic trips, and PHP 600 billion revenue contributions by 8.3 million international tourist arrivals. In 2018, coastal hotels and coastal recreational activities generated PHP 129 billion in gross value-added (21% share of the coastal economy domestic product) and employed 525, 484 Filipinos (21% share of the ocean-based employment). From 2016-2019, the industry generated cumulative investments of Php 2.7 trillion, 2.0 times the record in 2012-2015.

Anchored on the principle of convergence in the implementation of the programs in the 20 tourism clusters and 49 tourism development areas, the Philippine tourism industry experienced significant increase in overall infrastructure capacity of airports and air access, seaports, road network, and rooms. In 2019, the World Economic Forum Travel and Tourism Competitiveness Report recognized the fast rate of improvement of the Philippines, moving up four places to rank 75th globally compared to its position in 2017. The country showed impressive improvement on overall infrastructure (90th to 80th) and ICT readiness (86th to 82nd), but still faced challenges in the areas of safety and security (135th).

Impacts of COVID-19: In 2020, as a result of the mobility restrictions and border closures to contain the spread of the virus, the Philippine tourism industry became one of the most critically impacted in terms of job and income losses. The industry suffered from the huge decline in the following: employment by 17.5% to 4.7 million; domestic tourism expenditures and trips by 82.3% to PHP 557 billion and 24.2 million, respectively; international tourism expenditures by 78% to PHP 133 billion; international tourist arrivals by 82% to 1.48 million. The scale of impacts in the Philippines reflected the global and regional scenarios in 2020.

The Opportunity: The crisis highlighted the opportunity for the Philippine tourism industry to shift its narrative towards resilient, inclusive, and sustainable growth by capitalizing on the country's advantages i.e. people, diverse natural and cultural resources, proximity to the developed and developing economies of Asia-Pacific, and convergence programs, framework of the Tourism Act of 2009 for shared responsibilities, and the huge and strong domestic market. The next two years will be devoted to activities that will protect the livelihood and workforce and broaden and deepen the roots of community engagement to enable local government units to assume greater roles and responsibilities in tourism development.

The domestic travel surveys conducted by the DOT in May 2020 and December 2020 revealed the changes in preferences of the Filipinos for travel closer to home, open spaces, low-density facilities and areas, and curated experiences. Due to the uncertainties in international mobility, the domestic tourism restart has been identified as priority to be aided by smart digital solutions and market intelligence. Intra- and inter-regional travel especially among the landlocked local economies of the Philippine archipelago present good prospects for safe domestic tourism rebound. International surveys have likewise preferences of foreign markets for similar products and their aspiration to travel to sustainable destinations. The domestic tourism product development program creates positive spillover effects for safe re-entry of international tourists who will benefit from the product upgrading and standards implementation among others.

Tourism Resilience. How can Philippine tourism recover quickly from the disaster caused by the COVID-19 pandemic? According to the World Bank report on Rebuilding Tourism Competitiveness Tourism Response, Recovery and Resilience to the Covid-19 Crisis (2020), three factors shape the impacts of COVID-19 and the pace of recovery: i) the degree of dependence of the country's economy on tourism and tourism-related services and suppliers; ii) the supply-side resilience of the country -- its ability to respond and recover from the crisis; and iii) the demand dynamics - resilience of the country's key tourism source markets.

The WB analysis was confined to supply-side resilience model only, recognizing the high levels of uncertainty in demand (since recovery timelines also depend on advances in medicine and healthcare-related policies).

Dependence on Tourism. According to the World Bank report on, the Philippines, together with Cambodia, is categorized as a 'severe risk' country i.e. it has $\geq 20\%$ share of tourism to GDP (using WTTC's estimate of 25.3% that account for direct, indirect, and induced impacts) and highest tourism supply resilience risk score of ≥ 3.5). The WTTC methodology produced a higher share to GDP compared to the PTSA of 12.7% share to GDP because it accounted for the induced impacts of tourism, i.e. the impacts of the spending of the tourism employees.

Supply Resilience. The country gained improvements in air transportation infrastructure rankings in the WEF WTTC Report 2019 due to the massive investments in both international and domestic airports. The presence of a network of 86 airports across the archipelago provides the infrastructure for destinations to be connected more directly to each other, particularly during the time when the NCR and Regions 4, two of the major source markets for most destinations, are under strict quarantine restrictions. Internet connectivity continue to remain as major challenge in the industry.

The severe risk category of the Philippine tourism industry in the WB Report is highly influenced by its relatively low scores in the pillars of health and hygiene, safety and security, environment sustainability, ground and port infrastructure, and tourist service infrastructure. In the case of health and hygiene, a number of destinations in the country still do not have access to proper health facilities (e.g. hospital beds, physicians), improved drinking water and sanitation facilities. Based on the Philippine Statistics Authority data and report by the UP COVID-19 Pandemic Response Team, the Philippines has on average 3.7 doctors per 10,000 populations, below the World Health Organization-prescribed ratio of 1 doctor for 1,000 persons (or 10 per 10,000). There are development gaps across regional tourism destinations, with NCR having a ratio of 10 per 10,000 in NCR while it is 1.8 in MIMAROPA and 2.0 for Region 3 or CARAGA. Urban centers like Metro Manila, Cebu, Davao, Pampanga have higher scale of investments in hospital facilities and other infrastructure and exhibit lower resilience risk.

Rural destinations tend to fare poorly due to lack of infrastructure to enable them to effectively manage the crisis.

Demand Resilience. The ability of tourism to bounce back swiftly is shaped by factors such as dependence on markets and the nature of the markets, availability of income, and travel/consumer confidence barometer. This confidence is highly influenced by the effectiveness of the health and safety protocols, the pace of vaccination programs, and ability of destinations to contain local spread of COVID and its variants, also pointed out in the WB report.

Domestic demand. The Philippines has relied heavily on its domestic market during the best and worst times in history. The external shocks like SARS in 2003 for example turned into an opportunity for domestic tourism to flourish, enabled by the massive infrastructure spending in developing and improving airports like Puerto Princesa and Bohol and intense domestic tourism marketing. During this COVID-19 pandemic, domestic tourism once again provides the re-entry point to a period of rebound, as evidenced in other countries as well.

The domestic travel surveys revealed the preferences of Filipinos for travel closer to home, open spaces, low-density facilities and areas, and curated experiences. The pandemic affected the incomes of Filipino travellers. Nonetheless, domestic travel, specifically intra- regional travel was evident during the pandemic. Travelers' preferred activities include outdoor activities, like going to the beach, hiking, and biking, with "staycation" coming in next.

International demand. International surveys have shown the preferences of foreign markets for similar products, and to travel closer to home and to sustainable destinations. It will take longer for consumer or travel sentiments to recover. Domestic tourism and short-haul markets are projected to lead the rebound due to perceptions of safety in shorter trips.

The Euromonitor International reported that the Philippines would lag in international tourism recovery due to its low market resilience, defined by the less than 10% share of the short-haul market in 2019. The short-haul market referred to the tourist arrivals from South-East Asia, the sub-regional group of the Philippines. However, if distance would be the basis for defining the market rebound opportunity, then the Philippines also has advantage to tap the Northeast Asia market, its major source market for decades. Their key cities are closer in distance to the Philippines than its ASEAN markets.

Recovery Scenarios: In terms of market growth, international tourism bodies such as the UNWTO, WTTC, IATA and PATA identified pre-COVID 2019 levels to be recovered in 2.5 to 4 years. Critical to the recovery process are the coordinated approach of governments and private sectors, risk-based assessments instead of complex border protocols and restrictions, and utilization of digital solutions for safe travels. The recovery elements include the economic outlook, travel restrictions, enterprise/business environment, confidence levels, and access. The recovery starts when the markets perceive it safe to travel with evidence of working safety protocols, pace of vaccination program to reach population immunity, and relaxed to absence of travel restrictions.

Domestic tourism: This market that has served as the backbone of Philippine tourism with its contribution of 5.7 times the value of international tourism is positioned to rebound ahead and faster than the international market. The Philippine GDP is projected to grow by 6.5% - 7.5% in 2021 and 8%-10% in 2022. The big infrastructure push of 6.2% of the GDP in 2021- 2022 will serve to pump prime the local economies and generate earnings to fulfill the yearning to travel. These factors - easing of mobility restrictions with uniform travel protocols,

willingness to travel (based on the DOT travel surveys), on-target vaccination program and effective containment of local transmission of the virus, availability of suppliers and providers, and agile response of airlines and transport operators – contribute to recovery of pre-COVID19 domestic trips by the year 2023. Until the end of the first semester of 2021, the industry would have to rely on regions outside of NCR, CALABARZON, and Region 3 in moving towards the faster recovery lane.

International Tourism. The international tourism market rebound will hinge primarily on the relaxation of borders and evidence of effective safety protocol implementation in destinations. The global economic outlook remains quite resilient with 4.2% growth of the world GDP and 6.5% for emerging and developing economies, according to the International Monetary Fund. The international gateway airports outside of Metro Manila will serve as catalyst for recovery of tourism clusters and development areas previously dependent on the capital gateway. Direct flights to these destinations under green corridor frameworks close to the homes of the target market segments overseas can stimulate the safe re-entry of international tourists. The Philippines, given its tourism advantages, is strategically located in the Asia-Pacific region to match the demands of tourists for safe nature and culture-based experiences, and preference for travel closer to home within 2-7 hour travel time. Under a mild impact scenario and agile international tourism market stakeholders, the Philippines is set to recover 8.0 million tourist arrivals by the year 2023 at the earliest.

In the next two years, the Philippines will be positioned as a “*safe, fun, and competitive destination*” rooted in strong partnerships with communities and visitors. This will be achieved by developing and marketing portfolio of products that harness the natural and cultural endowments to benefit the present and future tourism generation.

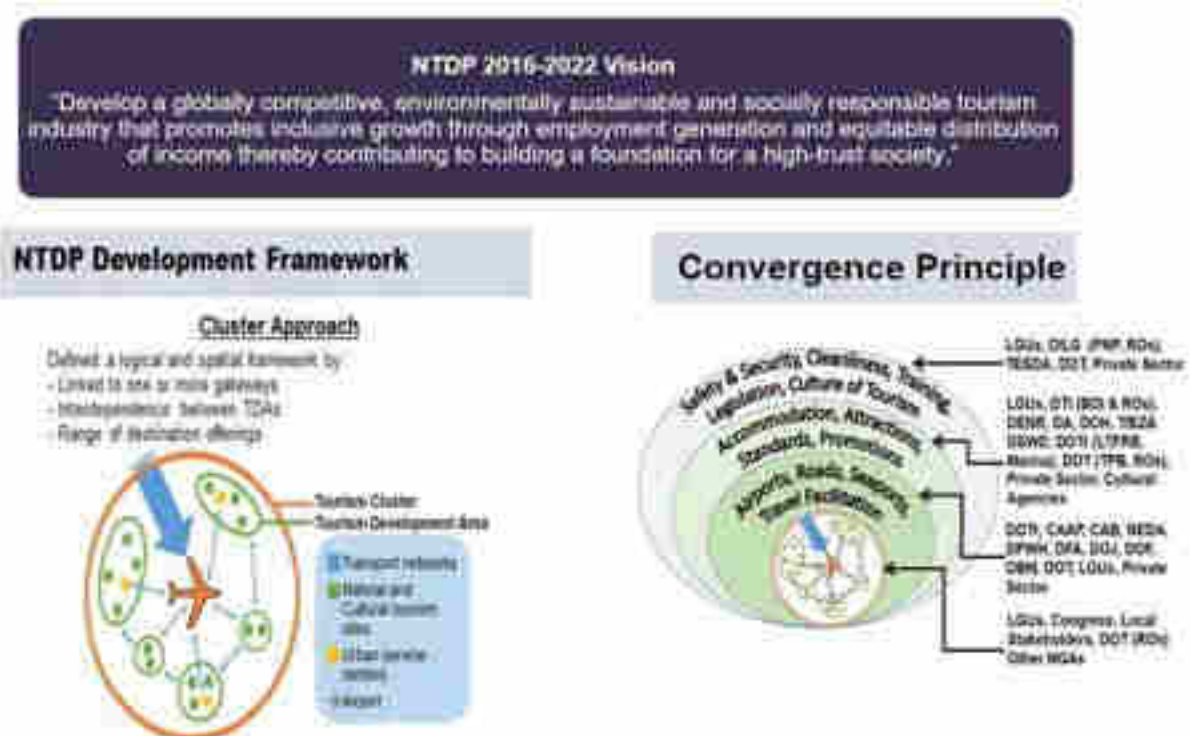
Vision, Goal and Targets for Tourism: The stakeholders’ vision for Philippine tourism under the NTDP 2016-2022 was:

Develop a globally competitive, environmentally sustainable and socially responsible tourism industry that promotes inclusive growth through employment generation and equitable distribution of income thereby contributing to building a foundation for a high-trust society.

- By 2022, under a mild scenario:
 - 68 million domestic trips contributing PHP 2.0 trillion;
 - 3.6 million international tourists contributing PHP 164 Billion;
 - 5.3 million employment
- By 2022, under a harsh/medium scenario:
 - 54.10 million domestic trips contributing PHP 1.6 trillion
 - 1.9 million international tourists contributing PHP 85 Billion;
 - 4.9 million employment
- By 2022, under a severe scenario:
 - 38 million domestic trips contributing PHP 1,112 Billion
 - 0.75 million international tourists contributing PHP 34 Billion;
 - 4.80 million employment

Strategic Directions and Programs: The NTDP continues to leverage the comparative advantages of the Philippines to compensate the challenges in terms of weaknesses and threats that impeded faster growth especially in tourism value. Three strategic directions are proposed under the reformulated NTDP to address recovery priorities and strengthen the foundations for devolved tourism functions and enable medium to long term resilient, sustainable and inclusive development:

1. Promote Safe, Fun, and Competitive Tourism;
2. Pursue sustainable, inclusive, and resilient tourism; and
3. Strengthen governance and destination management



Strategic Direction 1: *Promote Safe, Fun, and Competitive Tourism*

Six strategic action programs are proposed for implementation to achieve the outcome of this strategic direction. The strategic tasks across strategic directions are cross-referenced to highlight the complementation and/or integrated approach to the design of projects and implementation mechanism.

Strategic Direction 1 (SD1)	Strategic Action Program (SAP)	Strategic Task/Activity
Promote, Safe, Fun, and Competitive Tourism	1.1 Accelerate safe and green travel infrastructure and facilitation initiatives	1.1.1 Prepare the Annual Tourism Infrastructure Program for FY 2022 and multi-year programming for 2022-2028 to fund the priority airports (under LIPAD), seaports, road network (under TRIP) and Active Transport Project for bicycle tourism, and destination management infrastructure such as but not limited to internet connectivity in major tourist destinations accessible to visitors for an improved tourist experience, healthcare facilities and services, safe quarantine facilities, contact tracing capabilities, and solid waste management facilities for proper disposal of used equipment (TouRIST projects)
		1.1.2 Implement uniform safe travel protocols to facilitate domestic mobility and conduct rapid assessment on readiness for international facilitation initiatives
		1.1.3 Develop green corridors (e.g. market-segment-focused and/or spatial – bilateral or regional) as strategy to re-open borders utilizing more gateway airports like Clark, Cebu, Davao, Bohol, Puerto Princesa for direct flights
	1.2 Diversify product and provide safe and high-quality experience	1.2.1 Fund and implement the action plan of the Task Force on Domestic Tourism Product Development
		1.2.2 Invest in market research/intelligence, mapping programs (i.e. food and cultural), and strategy/roadmap for products such as Halal Tourism)
		1.2.3 Develop and/or improve the tour quality and experience in the priority tourism circuits that match market preferences for safe travels in open spaces/outdoors, nature-based, curated, sensorial, and inclusive products (<i>Cross-Reference SD1, SAP 1.5</i>)
		1.2.4 Collaborate with the private sector and destination management organizations for hybrid MICE Programs and big impact events (<i>Cross-Reference SD1, SAP 1.5.6</i>)

	1.3 Protect livelihood and enable innovative financing and investments	1.3.1 Increase utilization of financial assistance and social protection programs for enterprises and workers under but not limited to existing national recovery initiatives (e.g. National Employment Recovery Strategy)
		1.3.2 Diversify investment and financing program portfolio for traditional and non-traditional investments particularly in TEZs
		1.3.3 Expand engagement with NEDA-PPP, TIEZA, and LGUs to identify and package investments for destination infrastructure improvements/rehabilitation e.g. heritage districts, sanitation, solid waste management, water supply)
	1.4 Foster Upskilling of Human Resources and Improve Service Standards	1.4.1 Invest in the re-skilling/upskilling of Human Resources in the use of Digital Technology and Solutions (<i>Cross-reference</i> , SD1, SAP 1.3.1)
		1.4.2 Build capacity of the industry to respond to dynamic changes in the job market through the implementation of the human resource capacity development roadmap
		1.4.3 Leverage the initiatives in ASEAN in human resource capacity development including but not limited to the ASEAN MRA on tourism professionals program
	1.5 Design and implement innovative marketing and promotions programs	1.5.1 Implement the marketing action plan prepared by the Task Force on Domestic Tourism Product Development
		1.5.2 Collaborate with the private sector and specific institutions (i.e. DepEd, CHED) in designing and promoting tourism in the education sector including but not limited to educational trips within the learning modalities to be implemented (Cross-Reference, SD1: SAP 1.2)
		1.5.3 Implement tactical promotions to complement branding by focusing on specific activity market segments that exhibits continuous and high growth i.e. farm tourism, diving, trekking/hiking, cultural events (<i>Cross-Reference: SD1, SAP 1.2</i>)

		1.5.4 Relaunch a Balikbayan and VFR promotions program (<i>Cross Reference: SD1, SAP 1.1.4 and 1.2</i>)
		1.5.5 Invest in mix of umbrella branding campaign and sustainability campaign
		1.5.6 Invest in the organization and hosting of international events of major impact by the Tourism Promotions Board <i>Cross-Reference: SD1, SAP 1.2.4</i>)
	1.6 Embrace Tourism Quality Initiatives	1.6.1 Nurture the culture of safety in tourism enterprises, LGUs, and destinations
		1.6.2 Campaign for the adoption of the Safe Travels stamp to DOT-accredited establishments and destinations
		1.6.3 Adopt ASEAN quality standards and certification processes within the Philippine context in facilities like homestays, spa services, and public toilets

Note: See detailed action plan for description of activities, roles of DOT and timeline/phasing of implementation

Strategic Direction 2: Pursue Sustainable, Inclusive, and Resilient Tourism

This strategic direction is anchored on the Transforming Communities Towards Resilient, Inclusive, and Sustainable Tourism (TouRIST) program. To achieve the outcomes of this program the following action programs and activities are proposed:

Strategic Direction 2 (SD2)	Strategic Action Program (SAP)	Strategic Task/Activity
Pursue Resilient, Inclusive, & Sustainable Tourism	2.1 Upgrade MSMEs in the tourism value chain	2.1.1 Enhance capability to reach markets and improve quality of products to increase yields and impacts
		2.1.2 Expand the campaign for Sustainable Consumption and Production
	2.2.Ensure safe access to opportunities and tourism experience for all	2.2.1 Increase participation of women and marginalized sectors in tourism development (Cross-Reference SD 3, SAP 3.1)
		2.2.2 Promote barrier-free tourism and conduct capacity building programs for stakeholders
		2.2.3 Engage Local Communities (Including IP Groups) in crafting recovery and tourism development projects
	2.3.Build and strengthen capacities	2.3.1 Develop a shortlist of ecotourism sites within protected areas under the NIPAS and marine sanctuaries for low-density recreation and educational

	of destinations for conservation and climate investments smart	purposes and opened up for private sector investment (Cross Reference: SD1, SAP 1.2 and 1.3)
		2.3.2 Implement a flexible Tourism Carrying Capacity Studies as a planning tool for specific sites and attractions particularly those reflective of threatened and fragile environment
		2.3.3 Study conservation financing measures in nature-based sites especially protected areas offering ecotourism or nature-based experiences (Cross-Reference: SD2, SAP 2.3.1)
	2.4 Formulate Measures to Address Tourism Risks and Crisis	<p>2.4.1 Prepare and/or update crises readiness, risk mitigation and business continuity plans (Cross-Reference; SD1, SAP 1.1 for emergency response infrastructure)</p> <p>2.4.2 Undertake a program for the hospitality industry in complying with public health standards and undertaking occupational safety measures in the workplace (Cross-Reference: SD1, SAP 1.6)</p>

Note: See detailed action plan for description of activities, roles of DOT and timeline/phasing of implementation

Strategic Direction 3: Strengthen Governance and Destination Management

This strategic direction aims to support the devolution of tourism functions defined under the 1991 Local Government Code and RA 9593 through institutionalized strengthening programs focused on improving the governance and destination management capacities of LGUs. The NTDP recognizes the importance of an efficient and working information infrastructure as core element in governance and destination management. The DOT will assume strategic role in guiding the LGUs implement their roles and responsibilities in tourism planning and development. The DOT will play a key role in leveraging the milestones achieved by the destinations in global and regional marketing and investment programs and in seeking alliances for market-based solutions to the developmental challenges encountered by LGUs and destinations. Through the development of guidance tools and provision of leads especially from market intelligence, the DOT will take the lead in steering the LGUs and destinations towards securing a bigger share for Philippine tourism and a higher ranking in the global tourism market. Thus, this reformulated NTDP 2021-2022 already provides the platform for the development of the next NTDP 2023-2028.

Strategic Direction 3 (SD3)	Strategic Action Program (SAP)	Strategic Task/Activity
Strengthen Governance and	3.1 Upgrade the Destination Tourism	3.1.1 Improve the data gathering, processing, consolidation, and reporting of sex-disaggregated data related to tourism activities – both demand and supply –at the LGU levels.

Destination Management	Information Infrastructure	3.1.2. Invest in digital infrastructure to secure and consolidate LGU level data for national planning
		3.1.3. Enable harmonious system of dot standards and lgu operational requirements
	3.2 Develop and Strengthen Capacities for Local Planning and Implementation	3.2.1 Assess the impacts of COVID-19 on their tourism enterprise and workforce, especially those who have received assistance and disseminate results in timely manner for strategic decisions of national government
		3.2.2 Provide capacity-building/training programs LGUs to prepare and implement their local tourism master plans/development frameworks/strategic action plan/feasibility studies/investment programs

Note: See detailed action plan for description of activities, roles of DOT and timeline/phasing of implementation

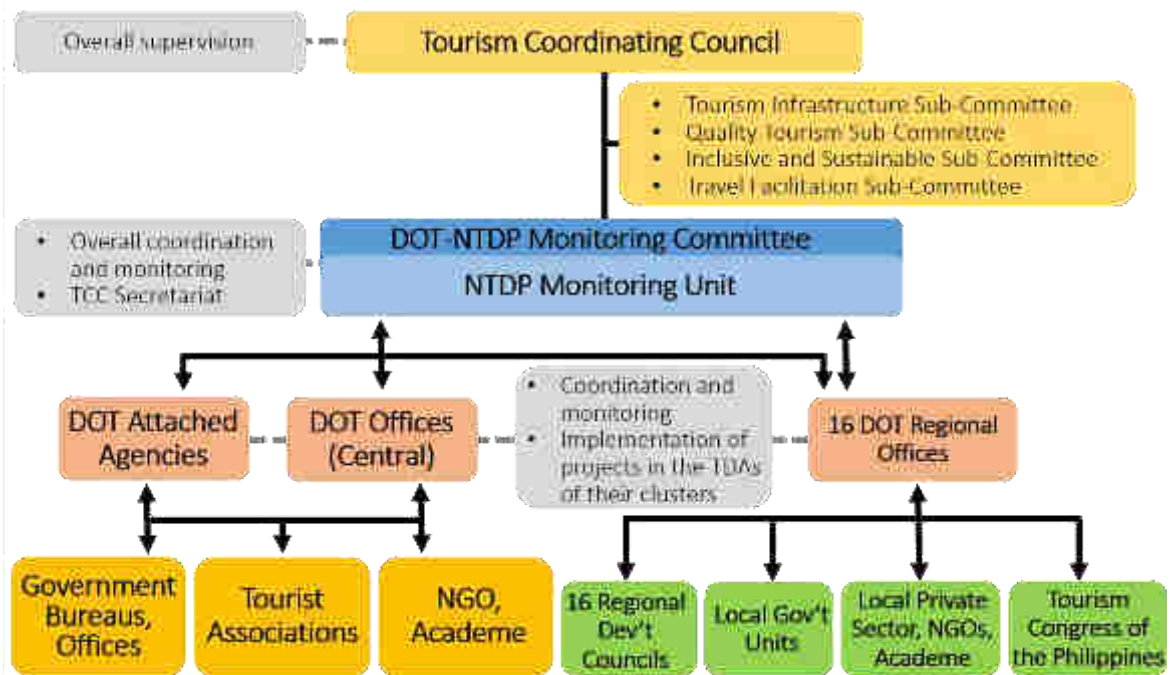
Indicative Budget. The indicative cost for implementing the RNTDP 2021-2022 is PHP 68.6 Billion driven by the completion of ongoing priority tourism infrastructure projects and initiation of new investments in destination management infrastructure and travel facilitation projects to ensure resilient and safe rebound.

Strategic Direction	2021 – 2022 Amount (PHP) Millions
1 - Promote Safe, Fun, and Competitive Tourism*	67,770
2 - Pursue Resilient, Inclusive, and Sustainable Tourism	620
3 - Strengthen Governance and Destination Management	250
Total	68,640

**includes investments in infrastructure to promote resiliency of destinations*

Monitoring and Evaluation Framework. The overall implementation of the RNTDP 2021- 2022 as embodied in the NTDP 2016-2022 shall rest with the DOT as the lead agency in:

- carrying out the strategic action programs through convergence and partnerships with identified national government agencies;
- assigning specific action plans within its internal office as well as its regional and overseas offices to include attached agencies;
- taking the initiative in the involvement of tourism, travel-related private sector and non-governmental organizations, civic bodies and the academe; and
- making representations with both houses of Congress to expedite the passing of appropriate laws and policies in support of the NTDP.



NTDP Monitoring and Evaluation Framework

I. Introduction

The reformulated National Tourism Development Plan (RNTDP) 2021-2022 provides a framework to prioritize actions and activities to mitigate the impacts of COVID-19 and to achieve resilient, inclusive, and sustainable tourism recovery from COVID-19. This is aligned to the Tourism Act of 2009, the Philippine Development Plan 2017-2022, and the Sustainable Development Goals 2030.

The RNTDP builds on the comprehensive analysis and lessons embodied in previous plans and strategies, consultations with stakeholders and members of the Tourism Coordinating Council via online platforms during the period of late 2020 to 2021. It highlights the sectoral programs behind the milestones in tourism performance from 2016-2019 and the lessons from developmental challenges such as '*overtourism*' and impacts of crises.

II. Philippine Tourism Performance (2016-2019)

1. Economic Contributions

The UNWTO reported that the 1.5 billion international tourists in 2019 generated US\$1.7 trillion export revenues, making tourism the 3rd largest category in global exports. Tourism revenues accounted for 50% of total exports in many small developing countries. Tourism was responsible for 100- 200 million direct jobs, and employing women (54% share of the workforce) and youth.¹

National Impacts. It was a good year for Philippine tourism. An industry of national importance per Tourism Act of 2009, tourism proved once again its power to contribute to socio-economic development. The expenditures and investments fueled the 12.8% share to the gross domestic product (GDP), employment of additional 300 thousand workers in 2019 and the 13.6% share to national employment. Tourism empowers women who account for 60% of the workforce.² The strong public-private partnership enabled the industry to reach its targets for the year under the NTDP 2016-2022.³ The monitoring and evaluation program will provide the overall impacts on poverty reduction.

Table 1: Tourism in Figures (2016-2019)

Indicators	2016	2017	2018	2019
Expenditures (Php Billion)				
Inbound	2,191	2,805	3,292	3,742
Domestic	315	453	446	600
	1,876	2,353	2,846	3,142
Tourism Gross Value Added (Php Billion)	1,575	1,944	2,239	2,507
Share to GDP (%)	10.4	11.7	12.3	12.8
Employment (Million)	5.2	5.3	5.4	5.7
Share to Total Employment (%)	12.8	13.1	13.0	13.6
Visitors (Millions)				
Inbound	6.0	6.6	7.2	8.3
Domestic Trips	75.7	86.0	98.6	109.8
Investments (Php Billion)	738	839	540	605

Source: PTSA 2019

¹ <https://www.unwto.org/tourism-and-covid-19-unprecedented-economic-impacts>

² M. Goretti et al. International Monetary Fund. Tourism in the Post-Pandemic World Economic Challenges and Opportunities for Asia-Pacific and the Western Hemisphere. <https://www.elibrary.imf.org/view/journals/087/2021/002/article-A001-en.xml?ArticleTabs=fulltext>

³ Philippine Statistical Authority (PSA), Philippine Tourism Satellite Accounts for 2019. Values in current prices.

Fourteen out of 100 are employed in tourism in 2019. The passenger transport industry is the biggest employer (38.3%) followed by accommodation (33.6%). Women participation is at 60%, according to estimates by the International Monetary Fund.⁴

Table 2: Employment in Tourism Industries, 2019 (in thousand persons)

Tourism Characteristic Industries	Employment (in thousand persons)	% share per industry
Accommodation and food and beverage	1,933	33.8%
Passenger transport	2,184	38.3%
Travel Agents, tour operators and tourism guides	40	0.7%
Recreation, entertainment and cultural services	402	7.0%
Retail trade on tourism-characteristic goods	369	6.4%
Miscellaneous	792	13.9%
Total	5,720	100%

01 Passenger transport is the top employer in the industry.

02 72% of employment is concentrated in passenger transport; accommodation, food and beverage service activities.

03 The 'miscellaneous' category includes services like spas, foreign exchange centers etc.

Source: PTSA (2019)

Growth Drivers. A number of factors influenced the growth of the industry until 2019. These include: (i) expanded middle-class and favorable economic environment; (ii) increased market access due to regional integration and population of fast-growing markets in Northeast and Southeast Asia; (iii) enhanced air connectivity as a result of liberalized air policies; (iv) visa facilitation initiatives; (v) travel preferences; (vi) focused marketing efforts; (vii) strong collaboration between government and private sector; and (viii) development of digital solutions.

Key Challenges. The industry faced challenges such as political and social threats; geopolitical tensions in the Middle East and Asia; cross-border spread of diseases; aggressive competition in the region; and *overtourism* phenomenon. The closure of Boracay highlighted the urgency to rehabilitate other island destinations that lack the destination infrastructure to match the double-digit growth in tourism.

Expenditures and Investments

International tourist arrivals and expenditures increased by double-digits from 2018 to 2019. The spending by 8.3 million international tourist arrivals were valued at PHP 549 billion, 23.2% higher than PHP 445.6 billion in the previous year. International tourism ranked as the 2nd among the biggest export items (9.9% share to total exports), next to the export of semiconductor products with 21% share. Their CAGR figures were at 9.9% and 17.9% respectively during the period 2016-2019.

⁴ M. Goretti et al. International Monetary Fund. Tourism in the Post-Pandemic World
Economic Challenges and Opportunities for Asia-Pacific and the Western Hemisphere.
<https://www.elibrary.imf.org/view/journals/087/2021/002/article-A001-en.xml?ArticleTabs=fulltext>

Figure 1: International Tourist Arrivals

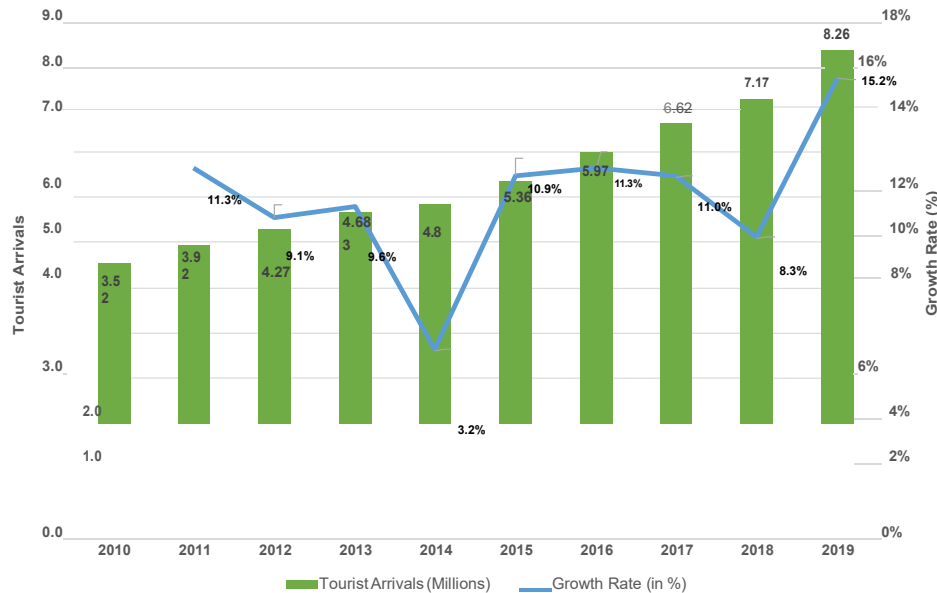
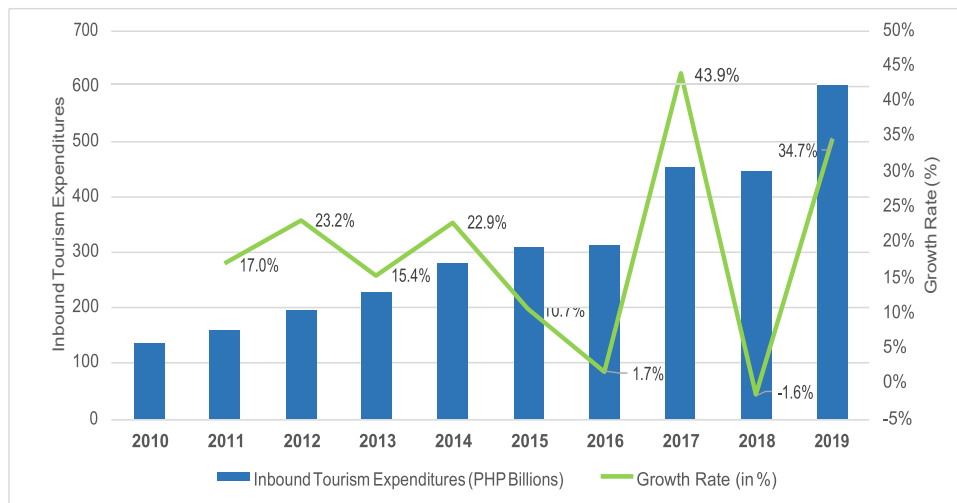


Figure 2: International Tourism Expenditures



The expenditures on *Accommodation and Services* grew by 53.3% in 2019, faster compared to 9.4 percent in the previous year. *Country-specific Tourism Characteristic Services (shopping)* expenditures increased by 24.8 percent, rebounding from a decline of 24.7 percent in 2018. Meanwhile, expenditures on *Travel Agencies and Other Reservation Services* grew by 22.9 percent, slower than the 80.6 percent growth registered in 2018.

The 109.8 million domestic trips generated PHP 3.1 trillion expenditures compared with the PHP 2.8 trillion in the previous year. The PSA reported that all tourism characteristic products gained from the domestic spending, although at a slower growth pace compared to 2018. The expenditures in miscellaneous products (i.e., foreign exchange services and medical services) registered the fastest growth during the period with 11.5%, slower compared to the 21.1% growth in spending for miscellaneous products in 2018. The expenditures on entertainment and recreation services grew by 11.4%, slower compared to 17.4% in 2018. The food and beverage serving services decelerated to 10.7% from 23.0% in 2018.

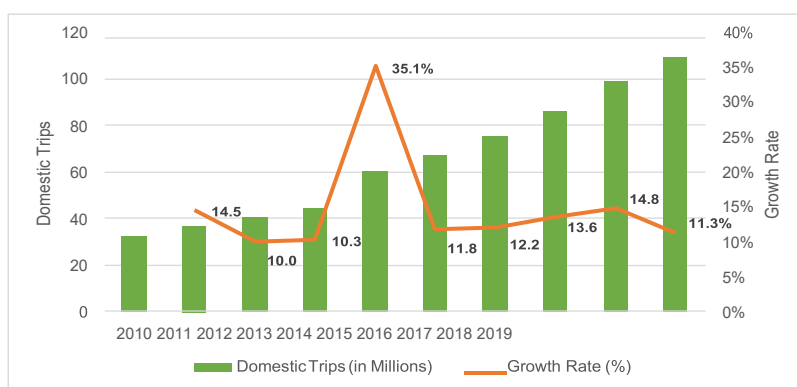


Figure 3: Domestic Trips

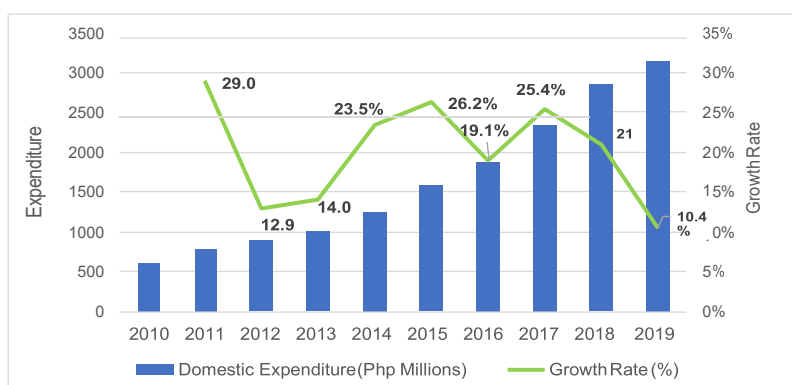


Figure 4: Domestic Tourism Expenditures

In 2019, tourism investments worth Php 605 Billion accounted for 11.4% of the total investments in the country.⁵ The accommodation and non-residential structures registered the largest share of investments (57%) followed by other tourism specific assets (16%), other machinery and equipment specialized for the production of tourism-characteristic industries (14.3%), and passenger transport equipment for tourism purposes (14.2%).



⁵ PSA. 2020. Philippine Tourism Satellite Accounts. Quezon City

The industry accumulated investments (public and private) worth Php 2.7 trillion and 14.7% of the total country investments from 2016-2019. The accommodation sector generated Php 1.4 trillion in investments, followed by the passenger transport industry with Php 901 Billion (of which 75% recorded in 2016-2017 because of aircraft refueling programs).

Investments in accommodation sector are highest in four regions in 2019. The PSA is in the process of finalizing results of the first Regional Tourism Satellite Accounts sub-national measurement using the Cordillera Administrative Region (CAR) as pilot area.⁶

The following regions generated the highest levels of investments of PHP 26 Billion in commercial accommodation (based on the number of permits issued) in 2019: 7, NCR, 1, 4A and 3 – or 81% share of the total. The NCR had the highest record of investment per project equivalent to Php 126.3 million, followed by CAR, Region 7, 5, and 4A.

The shares to GRDP of the accommodation and food service activities are highest in CAR (6.1%), 4-B MIMAROPA (3.4%), 7 (Central Visayas) (3.3%), Ilocos (3.3%), and Region 10.

In 2018, the coastal hotels and coastal recreational activities generated PHP 129 billion in gross value-added (21% share of the coastal economy domestic product) and employed 525,484 Filipinos (21% share of the ocean-based employment).⁷ It ranked 3rd in terms of GVA contributions to the coastal economy of the Philippines, next to fisheries and manufacture of ocean products.



The benefits experienced by the families who depended on coastal tourism for their livelihood, health, and education for children would not be sustained in the absence or low levels of investments in sanitation infrastructure and environmental programs to protect the environment.

⁶ Tourism revenue data are not yet comparable across regions and are not presented in this report.

⁷ PSA, Philippine Ocean Economy Satellite Accounts for 2012-2018. Quezon City.

2. Products

The product strategy prioritized the offerings based on ease of implementation and importance of implementation. The ease of implementation considers factors such as accessibility, availability of facilities, and readiness of destinations to offer the experience anchored on the attractions. The product-market segmentation mix was updated and used in the development of programs and activities.

In the past five years, the key investments were in the mainstay products:

Sun and beach; nature-based, diving and marine sports, cultural, and educational tourism.

The investments in product diversification covered the strategic positioning of the country in: meetings, incentives, conventions and exhibitions or MICE product; leisure, entertainment and shopping opportunities; cruise and nautical tourism; health, wellness medical tourism; and farm tourism.



The market insights and intelligence from the overseas offices and market representatives revealed the top preferences of the international visitors for these natural and cultural assets of the country. Thus destinations such as Boracay, Bohol Palawan, and Siargao have prominently emerged as the top areas visited by foreign travellers.⁸ The awards and accolades received in the past years (including 2020) confirm the strengths of the country in these products.



⁸ Based on the DOT's historical regional distribution of travellers data.

Aligned to RA 9593, the DOT through TIEZA pursued the designation and development of tourism enterprise zones (TEZs) to expand the country's tourism product offerings through the development of new integrated beach resort complexes, heritage parks, and ecotourism destinations. TIEZA undertook formulation of tourism master plans and funded tourism infrastructure to ensure sustainable development.

The flagship TEZs include San Vicente (Palawan), Rizal Park (Manila), Mt. Samat Shrine (Bataan), South Palms (Bohol), and Bucas Grande (Surigao Del Norte). The designated TEZs include: Ciudad Victoria, Bulacan, Hijo, Davao, Bravo Golf Resort, Dumaguete; Queen's Castle, Cebu; and Resorts World, Manila.





3. Markets

International Tourism

The Top 5 source markets in 2019 were Korea, China, USA, Japan, and Taiwan. They accounted for 70% of the total tourist arrivals. The leisure and business travelers comprised the majority of visitors from Northeast Asia. The Visiting Friends and Relatives (VFR) is the main market in the USA. The VFR market represents the overseas Filipino communities.

The Top 12 source markets accounted for 85.7% of total arrivals and composed of a mix of short-haul and medium to long-haul markets, supported by a broad base of Overseas Filipinos from Canada, United Kingdom, Germany, and Australia.⁹

The fastest growing markets among the Top 12 in 2019 were China, Korea, Taiwan, Germany, India and Japan.

⁹ These refer to immigrants in the source markets. The Overseas Filipino Workers are excluded from the data.

Table 3: Performance of the Top 12 Source Markets in 2019

Rank	Markets	Volume ('000)	Percent Share	Growth Rate (%)
1	KOREA	1,989	24.08	22.48
2	CHINA	1,743	21.1	38.58
3	USA	1,064	12.89	2.9
4	JAPAN	683	8.27	8.07
5	TAIWAN	327	3.96	35.01
6	AUSTRALIA	286	3.46	2.27
7	CANADA	239	2.89	5.48
8	UNITED KINGDOM	209	2.53	4.06
9	SINGAPORE	159	1.92	-7.68
10	MALAYSIA	140	1.69	-3.69
11	INDIA	135	1.63	11.43
12	GERMANY	104	1.26	12.66
	Sub-Total (Top 12)	7,079	85.7	17.4
	TOTAL	8,261		15.20

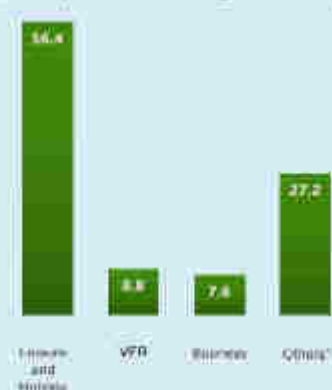
Source: Office of Tourism Development Planning, Research & Information Management (OTDPRIM), DOT

The Visitor Sample Survey (VSS) conducted by the DOT serves as source of economic and demographic data on foreign visitors. The count of visitors and main purpose of visit are derived from the immigration cards filled up by incoming international travelers in major gateways. The DOT reports tourism receipts or revenues as the product of volume, average length of stay and average expenditure per day per source market.

Box 1. Characteristics of International Tourists

The DOT reported that total international visitor receipts reached US\$ 9.31 Billion for 2019, 20.8% higher than the visitor receipts of \$7.71 Billion generated in 2018.

Main Purposes for Visiting the Country (%)



Average length of stay of the foreign visitor was 9.49 nights in 2019 which was slightly longer than the 9.07 nights reported for 2018.

Average daily expenditure of the foreign visitor in 2019 was US\$ 128.35 up by almost US\$19 from 2018.

Given the prevailing length of stay, the average capita spending was US\$ 1,218.04 in 2019.

*Note: includes Education, Official Mission, Medical, etc.

Source: Visitor Sample Survey 2019, DOT

The regions with relatively high shares (>20% of total travelers in the region) of foreign visitors who stayed in commercial accommodation facilities were NCR, MIMAROPA, Western Visayas, and Central Visayas. The popular destinations outside of the NCR were El Nido in Palawan, Boracay Island in Aklan, Cebu, and Bohol.

The Philippines belongs to the South-East Asia sub-regional group. Relative to the other 9 ASEAN Member States (AMS), the Philippines ranked 6th in terms of shares (volume and value) to the tourism markets of the region. Tourism receipts from the spending of 143.5 million international tourist arrivals were estimated at \$165.7 billion in 2019. The market share of the Philippines increased from 5.2% in 2018 to 5.8% in 2019 because of the rapid growth in the Northeast Asian tourist arrivals to the country. The intra-ASEAN market accounted for 6.4% of the 8.3 million arrivals in 2019, lower than the 7.4% share in the previous year due to the decline in visitors from Indonesia and Singapore. These two source markets had a combined share of 46.8% in 2018.

Table 4: ASEAN International Visitor Arrivals ('000): 2018-2019

Destination	2018	2019	Growth Rate (%)
Brunei Darussalam	278	333	19.8%
Cambodia	6,201	6,611	6.6%
Indonesia	15,810	16,107	1.9%
Lao PDR	4,186	4,791	14.5%
Malaysia	25,832	26,101	1.0%
Myanmar	3,549	4,364	23.0%
Philippines	7,128	8,261	15.9%
Singapore	18,508	19,114	3.3%
Thailand	38,178	39,797	4.2%
Viet Nam	15,498	18,009	16.2%
TOTAL ASEAN	135,170	143,487	6.2%

Source: Submission of ASEAN Member States to ASEAN Secretariat

Figure 5: ASEAN Tourism Receipts 2018-2019 (In Millions of US\$)

Destination	2018	2019	Growth Rate (%)
Brunei Darussalam	190	217	14.21
Cambodia	4,832	5,312	9.93
Indonesia	17,915	18,404	2.73
Lao PDR	833	974	16.93
Malaysia	21,775	22,199	1.95
Myanmar	1,670	2,501	49.76
Philippines	9,715	11,481	18.18
Singapore	20,416	27,700	35.68
Thailand	61,383	65,082	6.03
Viet Nam	10,080	11,830	17.36
TOTAL ASEAN	148,809	165,700	11.35

Source: ASEAN NTO reports

Domestic Tourism

Is the strong backbone of the Philippine economy. The 109.8 million domestic trips in 2019 contributed to the domestic expenditures worth PHP 3.14 trillion in 2019, or 10.4% higher than the record in 2018. About 22% of the Household Final Consumption Expenditure is allocated for domestic travel. The domestic tourism expenditures and trips increased by 14.6% and 19.9% per year from 2010-2019.

Two sets of data can be used to provide more detailed information about the domestic travelers. Both these data sources are used as references in the estimation of the domestic trips.

The first is the Household Survey of Domestic Visitors (HSDV) that generated information about domestic travelers from the source – the households (Box 2).

Box 2. Characteristics of Domestic Travellers

The 2016 Household Survey of Domestic Visitors (HSDV) conducted by the PSA revealed the following:

42.09 million individuals 15 years and over travelled within the country during the past six months (April to September, 2016).

3 out of 5 Filipinos 15 years and above travelled within the country.¹⁰ The median age is 34 years.

The Top 10 places visited by Filipino domestic travellers, 15 years old and over, whose main purpose of visit is pleasure or vacation include: NCR, Negros Occidental, Pangasinan, Cavite, Quezon, Bohol, Cebu, Camarines Sur, Laguna, and Leyte.

Purpose of Visit: 41.6% stated Pleasure/Vacation, 32.1% to Visit Friends & Relatives, 6.2% Religion/Pilgrimage, 4.2% Business/Professional Work, 4.2% for Medical/Health Reasons, 1.7% for Study/Training, .9% for MICE and 8.8% Others.

Average length of stay is 5 nights

Expenditure Pattern: The average expenditure of the independent traveler (not availed of a package tour) irrespective of purpose was reported broken down as follows:

Local Transport –Air	P 5,725
Local Transport – Land	234
Local Transport – Water	865
Accommodation	2,142
Food and Beverage	472
Sightseeing	783
Entertainment and Recreation	426
Shopping	1,049
Others	1,242

Two thirds of domestic travelers irrespective of main purpose **stayed in the homes of relatives/friends** during their trip. The hotels and resorts were the second highly utilized accommodation facility.

Source: HSDV (2016)

The second data set refers to the record of domestic travelers at the destination, based on reports submitted by the accommodation establishments, and therefore represent a subset of the domestic travel market. The domestic travelers who stay in the homes of friends and relatives are excluded from this record.

As regards regional travelers staying in accommodation establishments, the domestic market dominates with shares greater than 90% in Regions 8 to 13, CAR, Regions 1 and 2.

There are no national-level data on the source markets of domestic tourists. Data on origin-destination of air passengers indicate the NCR and its environs as major source markets.

The tourism intensity indices (traveler per population) are highest in Central Visayas, CAR, and Davao Region. There are 1.5 tourists per resident in Central Visayas, 2.5 times higher than the national figure. The tourism density index is highest in NCR - 4.9 travelers per square meter. The areas of NCR, MIMAROPA, Western Visayas and Central Visayas have the highest intensity indices for foreign travellers.

¹⁰ The 2016 Household Survey on Domestic Visitors was conducted to gather data on domestic and outbound travels for policymaking purposes. The survey was administered to around 18,000 households and the reference period covered April 1 to September 30, 2016.

Outbound Tourism

Outbound tourism refers to tourism of resident visitors outside the economic territory of the country of reference, while outbound tourism expenditure refers to spending of Filipino visitors while travelling outside the country.

The PSA reported that the total outbound expenditure reached PhP 340.15 billion in 2019, higher by 2.1% compared to the previous year. Spending on accommodation and food accounted for the largest share of 46% of the total expenditures during outbound travel. Spending on travel agencies and other reservations services plus entertainment and recreation services registered the fastest growth of 9.4% and 9.2% respectively.

4. Capacities

In 2019, the World Economic Forum (WEF) Travel and Tourism Competitiveness Report recognized the strengths of the Philippine tourism industry are its people (human resource), natural and cultural assets, and its ability to provide competitive prices to the markets. The Philippines moving up four places to rank 75th globally compared to its position in 2017. The country showed impressive improvement on overall infrastructure (90th to 80th) and ICT readiness (86th to 82nd).

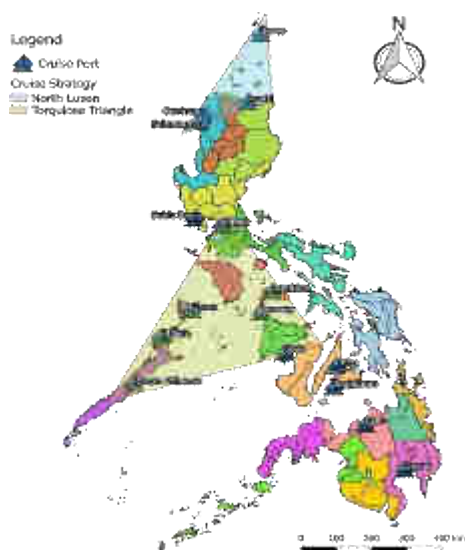
Anchored on the principle of convergence in the implementation of the programs in the 20 tourism clusters and 49 TDAs, the Philippine tourism industry experienced significant expansion in overall infrastructure capacity particularly in airports, seaports, and road network.

The convergence programs of the DOT with the national agencies facilitated the investments in these gateway development projects. These institutionalized programs include the: (i) Tourism Road Infrastructure Program (TRIP); (ii) Leveraging Infrastructure Program on Airport Development (LIPAD); (iii) National Cruise Tourism Development Committee; (iv) Partnership with the BI.

Airport Infrastructure. Around 98% of international tourists enter the country by air. The 10 gateway airports in the NTDP 2016-2022 were prioritized under the convergence program of the DOT and DOTr and CAAP. The competitiveness ranking of the country under the air transport infrastructure indicator moved up from 65 to 59 due to the significant capacity expansion in both airport and air access infrastructure. Apart from the improvements in NAIA, the investments in Cebu and Clark airports led to higher airport terminal capacities.

With the expansion of Mactan-Cebu Airport, the country's second largest airport facility, and Clark International Airport, positioned as the alternate gateway to NAIA, international tourists gained options in reaching the tourism jewels outside of Metro Manila, through commercial or charter flights. The airports of Bohol and Puerto Princesa joined the ranks of airports with direct access to the regional markets of Asia. The relative shares of the airports outside of NAIA reached 37.2% in 2019 from only 32.5 % in 2016. Domestic tourists enjoyed wider options in connectivity because of the growth in domestic network by the local carriers.

In 2019, the industry's capacities in terms of incoming air seats per week increased by at least 1.5 times and 1.3 times for domestic and international air passengers. The DOT's air route development programs significantly facilitated the business expansion of air carriers and tourism providers in the destinations.

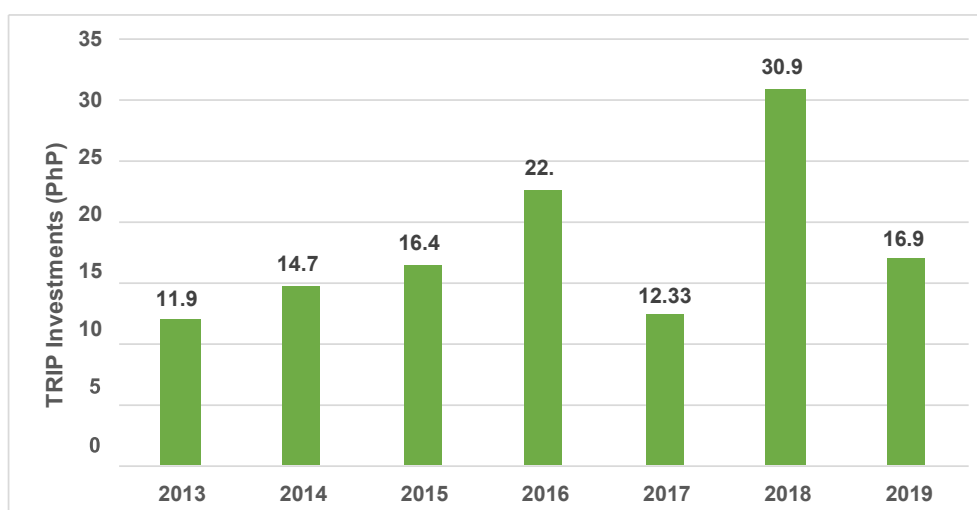


The National Cruise Tourism Strategy identified the Turquoise Triangle as priority in the short-term and the construction of a dedicated cruise terminal in Metro Manila as a medium-term strategy. The government invested in the improvements of ports in these areas particularly Puerto Princesa in Palawan. The calls were concentrated largely in the ports in Manila, Puerto Princesa, and Boracay. The ports of Subic, Currimao and Salomague emerged as preferred entry points as well.

The industry collaborated with the international cruise lines and government partners in addressing the infrastructure gaps, rolling out training and service programs for shore excursions to improve streamline regulatory processes and enhance overall experience.

The cumulative investments for tourism roads from 2013 to 2019 reached Php 125.9 Billion, an average of PhP 23 Million per kilometer of road. The investment program facilitated the construction and improvement of roads with total length of 6,929 kms to improve access to priority tourism sites. From P1.8 billion allotted in 2011 for new roads and improvements, the program expanded to cover existing roads connecting gateways and tourism sites to urban centers. The tourism roads facilitated the mobility of both tourists and communities.

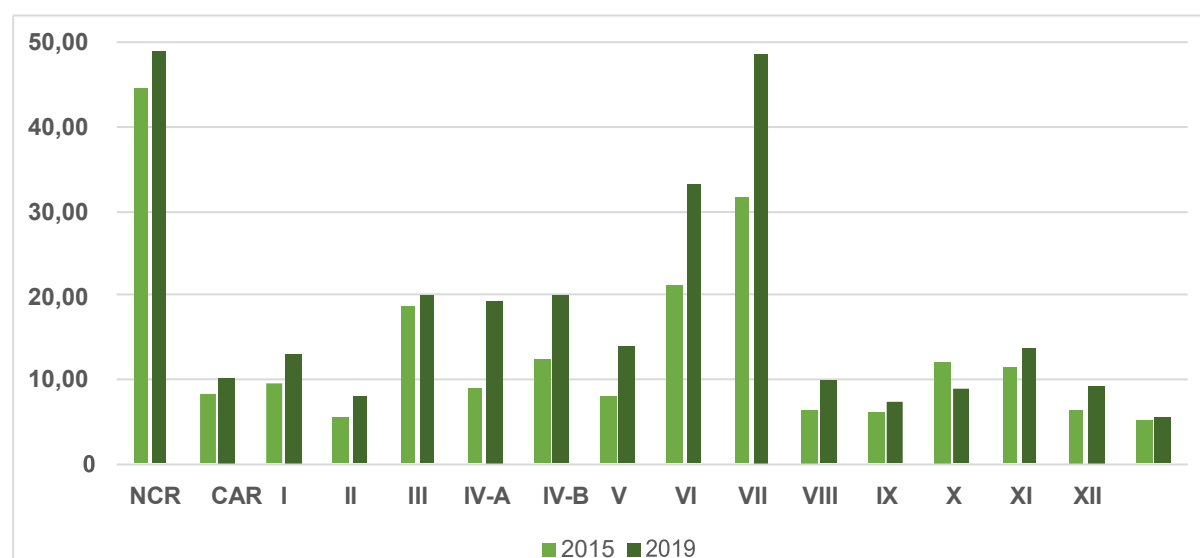
Figure 6: TRIP Investments (2013-2019)



Source: DOT-DPWH Convergence Program

Room Infrastructure. The number of rooms across the 20 tourism clusters and 49 TDAs increased to 289,168 rooms across all categories in 2019, 1.5 times the level in 2015. The determination of updated room gaps post COVID-19 pandemic will be part of the successor plan NTDP 2023-2028.

Figure 7: Number of Rooms



Source: Accommodation Capacity Surveys (2015 and 2019)

The WEF competitiveness report highlights that destinations and their enterprises will enjoy higher shares in the global markets and generate higher economic opportunities for the people if tourism development prioritizes conservation of environment and stewardship of resources and care for host communities and tourists through proper health and hygiene infrastructure, and safety and security. These pillars also define the resiliency of destinations to crises – natural, disease, and man-made.

The closure of Boracay for six months from March to October 2018 due to the damages on the environment caused an aggregate economic loss in total output from PHP20.8 billion to PHP83.15 billion, while in terms of income, the loss in compensation would range from PHP 7 billion to PHP 27.9 billion.¹¹

In August 2019, the DOT launched the Transforming Communities Towards Resilient, Inclusive, and Sustainable Tourism (TouRIST) Program. Through this program, the DOT supported the rehabilitation of destinations identified by national government as urgent. The initial list included Bohol, Coron, El Nido and Siargao. Various carrying capacity studies have been conducted by the DENR, TIEZA, DOT and NEDA that provide good baselines for destinations.

Table 5: Carrying Capacities of Select Destinations

Destination	Real Carrying Capacity
-------------	------------------------

¹¹ C. Reyes et al. 2018. The Boracay Closure: Socio economic consequences and resilient management, PIDS Discussion Paper Series No. 2018-37. Quezon City.

Balisasayao Twin Lakes Natural Park, Negros Island	Boating: 476 visitors per day Trail Trekking: 315 trekkers per day Lake viewing: 209 visitors per day
Boracay Island, Malay, Aklan	Swimming: 10,623 Beach: 8,592
Rajah Sikatuna Protected Landscape, Bohol	Trekking: 587 per day Encounters with macaque: 71 per day Swimming: 166 visitors Night Safari: 45
Lake Danao Park, Camotes Island, Cebu	Duck boating: 924 persons Picnics : 179 per day Kaya boating: 628 visitors Tandem boating: 720 visitors Speed boating: 580 persons Lake viewing by foot trail: 412 viewers Porta boating: 895 visitors Horseback riding: 18 riders
Cuatro Islands Protected Landscape and Seascape, Leyte	Island hopping, swimming and boating: 165 Boating: 58 Island Hopping: 45 hoppers Swimming: 61

Sources: ¹DENR, ²ADB-DOT-TIEZA Sustainable Tourism Development Project in Coron and El Nido

Internet connectivity. The Philippines has improved its rank in ICT infrastructure. Relative to the rest of AMS, the Philippines scored high in mobile phone subscriptions and has to improve the fixed broadband subscriptions.

Healthcare Facilities. The preparedness of the Philippine healthcare system relative to other ASEAN economies has been noted to be low because of the low ratio of nurses and midwives and hospital beds per 10,000 population.¹²

Sanitation-Related Infrastructure. The Boracay closure highlighted the gap in sanitation infrastructure not just for tourism but more importantly for the host communities. Less than 10 percent of the Philippine population have access to piped sewerage systems. Those that are not connected to a sewerage network rely on septic tanks, pit latrines, or practice open defecation. All LGUs should have developed septage management systems and the 17 highly urbanized cities have developed sewerage systems by 2022 per PDP 2017-2022.¹³

There are currently 189 sanitary landfills (SLF) in operation servicing 399 LGUs across the country. The DENR aims to establish an additional 300 SLFs by 2022. Not all LGUs have developed their 10- Year Solid Waste Management Plan as mandated by the Solid Waste Management Act of 2003.

Site Amenities. TIEZA has been instrumental in funding site amenities and facilities to support product development in the destinations. The main challenge is the lack of site management and maintenance plan and sustainable financing of the sites. The conditions of the tourist sites deteriorate as a result of these gaps.

In summary, the tourism industry was poised to reset its narrative in development. Then COVID-19 happened. The pandemic turned out to be watershed event in tourism that cause significant pains and offered second chances for a better tourism tomorrow.

¹² UNESCAP July 30, 2020. Policy Brief COVID-19 and South East Asia.

¹³ http://wepa-db.net/pdf/meeting/20210301/10_Philippines.pdf

III. THE GREAT DISTRESS

In March 2020, the World Health Organization classified the COVID-19 health outbreak as a global pandemic. The closure of borders – international and domestic - to contain the spread of the disease heavily impacted the jobs and livelihood, mostly by micro-small-medium enterprises, across the world. During the early months of the pandemic in 2020, governments and tourism stakeholders collaborated to assist the safe repatriation of stranded tourists before the lockdowns across the world.

1. Impacts

Global Tourism. The UNWTO reported that the international tourist arrivals declined by 74% from 1.5 billion in 2019 to 381 million in 2020. The global industry lost \$1.3 trillion in export revenues, over \$2 trillion in contributions to global GDP, and put at risk 100- 200 million direct jobs. As many as 100 million direct tourism jobs are at risk, in addition to sectors associated with tourism such as labour-intensive accommodation and food services industries that provide employment for 144 million workers worldwide. Small businesses (which shoulder 80% of global tourism) are particularly vulnerable. Women, who make up 54% of the tourism workforce, youth and workers in the informal economy are among the most at-risk categories.¹⁴

The impacts varied across regions depending on the depth of tourism's share in the economy. The most-affected regions are North-East Asia, South-East Asia, Oceania, North Africa and South Asia, while the least-affected ones are North America, Western Europe and the Caribbean. Developing countries have borne the biggest brunt of the pandemic's impact on tourism. They suffered the largest reductions in tourist arrivals in 2020, estimated at between 60% and 80%.

The International Air Transport Association (IATA) announced the full-year global passenger traffic results for 2020 showing that demand (revenue passenger kilometers or RPKs) fell by 65.9% compared to the full year of 2019, by far the sharpest traffic decline in aviation history. Industry losses reached \$118 billion.

ASEAN Tourism. With the closure of international borders, the international tourist arrivals that fueled half of the total expenditures in the ASEAN tourism sector declined by at least 81%¹⁵ from 2019 to 2020. The common restrictions on movements across AMS included (1) closures of business, schools, and public transport, (2) limitations in number of people in public and private spaces, (3) work from home orders, (4) restrictions in international travel, (4) cancellation of public events.

Philippines. On June 2021, the PSA and DOT released the results of the PTSA for the year 2020 (Table 6). The share of tourism to the Philippines's GDP declined from 12.8% in 2019 to 5.4% in 2020. Employment levels dropped from 5.7 million to 4.7 million, equivalent to 18.1% reduction.

¹⁴ <https://www.unwto.org/tourism-and-covid-19-unprecedented-economic-impacts>

¹⁵ Data for Lao PDR (January – June 2020) and Malaysia (January – September 2020) only.

Table 6: COVID-19 Impacts on Philippine Tourism

Indicators	2019	2020	% Change
Expenditures (Php Billion)	3,742	689	-81.6
Inbound	600	133	-77.9
Domestic	3,142	557	-82.3
Tourism Gross Value Added (Php Billion)	2,507	973	-61.2
Share to GDP (%)	12.8	5.4	-57.8
Employment (Million)	5.7	4.7	-18.1
Share to Total Employment (%)	13.6	11.9	-12.8
Visitors (Millions)			
Inbound	8.3	1.5	-81.9
Domestic Trips	109.8	24.2	-78.0
Investments (PhP Billion)	605	431	-28.8

Source: PTSA 2020

Table 7: COVID-19 Impacts on Philippine Tourism Employment

Tourism Characteristic Industries	2019	2020	% Change
Accommodation and food and beverage	1933	1468	-24.0
Passenger transport	2184	1870	-14.4
Travel Agents, tour operators and tourism guides	40	38	-4.9
Recreation, entertainment and cultural services	402	231	-42.6
Retail trade on tourism-characteristic goods	369	356	-3.4
Miscellaneous	792	718	-9.3
Total	5,720	4,681	-18.1
Philippines	41,938	39,379	-6.1

01

The recreation, entertainment and cultural services industry registered the largest percentage decline in workforce due to COVID – 19

02

In absolute numbers, the accommodation and food and beverage industry suffered from the largest displacement of more than 400 thousand workers

03

The most vulnerable groups were woman (60% of tourism workforce) and the informal workers (52% of tourism employment)

2. Tourism Response and Recovery Assistance

Global Tourism. Together with the private sectors such as WTTC and IATA, the UNWTO called for a safe restart of tourism to save the millions of jobs put at risk by the COVID-19 pandemic. The WTTC mobilized the private sector to collaborate with the government, to use the lessons of previous crises, and to develop safe protocols and standards to jumpstart safe restart of tourism.

The UNWTO has since tracked and reported on destinations as regards their policies on easing border restrictions. With the travel restrictions in place since the declaration of the pandemic, domestic tourism's role became highlighted and prioritized once again. The UNWTO reported two important points about domestic tourism: (i) global domestic tourism market was six times larger than the international market; (ii) domestic tourism expenditure is higher than inbound spending in most large destinations.

ASEAN Tourism. During the Special Meeting of the ASEAN Tourism Ministers (M-ATM) on the Coronavirus Disease 2019 (COVID-19) held on 29 April 2020,¹⁶ the ATM issued a 7-point Joint Statement on Strengthening Cooperation to Revitalize ASEAN Tourism to save 42 M jobs in tourism. The AMS initiated the conduct of the mid-term review of the ASEAN Tourism Strategic Plan 2016-2025 to prioritize the activities in 2021-2022. The Canadian Trade and Investment Facility for Development supported the preparation of the ASEAN Tourism Recovery Plan. In November 12, 2020, the ASEAN Leaders declared that travel corridor framework arrangement will be crafted to stimulate regional rebound starting with business travel. This declaration recognizes that AMS are also pursuing bilateral arrangements with other partners.

Each AMS crafted and implemented assistance programs for the tourism businesses and workers. Cambodia has volunteered to be the Lead Country Coordinator to develop guidelines on safety and hygiene in the tourism sector's work environment.

Philippine Tourism. The DOT developed the Tourism Response and Recovery Plan (TRRP) as early as April 2020, with assistance from the World Bank. The TRRP identified strategic activities for response and recovery with primary focus on social protection of workers and the vulnerable sectors and survival of enterprises.¹⁷

Table 8 presents the mitigation measures of the Philippines since the onset of the pandemic based on the categories of the UNWTO.

Similar to other countries, domestic tourism became the priority for safe restart and recovery. The DOT created a Task Force on Domestic Tourism Product Development to craft the action plan for a bottom-up approach to restart and recover the tourism markets. The Task Force embarked on a series of consultations that led to the development of priority tourism circuits. The DOT conducted two domestic travel surveys (May and December 2020) to understand the changes in Filipino travellers and their preferences for products and activities during the pandemic period and identify implications for safe restart and recovery of domestic tourism.

¹⁶ https://asean.org/storage/2020/04/ENDORSED-Joint-Statement-of-the-ASEAN-Tourism-Ministers-on-COVID_19-29Apr20.pdf

¹⁷ The details can be found in the Tourism Response and Recovery Plan. July 2020.

Even if the international borders remained closed, the DOT and TPB, foreign offices and market representatives conducted series of market updates and provision of market intelligence and insights.

Table 8: Matrix of Measures to Mitigate the Impact of COVID-19 and Restart the Industry: Philippines

Categories¹⁸	Description
Market Intelligence	Closure of domestic borders to prevent local transmission Assistance to 37,000 stranded foreign and domestic tourists
Public-Private Partnerships	Provision of rooms as 14-day quarantine facilities for arriving Filipino citizens (balikbayans), overseas Filipino workers, and tourists prior to completion of travel to their final destination.
Fiscal Policy	Increase in government spending primarily in infrastructure under the Build, Build, Build (Php 1 billion budget for tourism roads under the Bayanihan Act 2) Income-tax holiday for tourism enterprises investing in COVID-proofing of facilities (under the Strategic Investments Priorities Plan of the Board of Investments)
Monetary/Financial Policy	<ul style="list-style-type: none"> • Republic Act 11469 (Bayanihan to Heal as One Act or Bayanihan Act I) • DOLE - COVID-19 Adjustment Measures Program (CAMP) under Bayanihan 1 <ul style="list-style-type: none"> - Tulong Panghanapbuhay sa Ating Disadvantaged/Displaced Workers (TUPAD) - Abot-Kamay Ang Pagtulong (AKAP) for OFWs • DOF Small Business Wage Subsidy (SBWS) • Social Security Systems (SSS) Unemployment Benefits • DSWD Social Amelioration Program (SAP) • Republic Act 11494 (Bayanihan to Recover as One Act or Bayanihan Act II) <ul style="list-style-type: none"> - availability of a 6-Billion Peso capital working loan arrangement for tourism stakeholders, primarily micro, small, and medium enterprises (MSMEs), interest- free and with zero collateral MOA) with the Small Business Corporation (SB Corp) of the Department of Trade and Industry (DTI) - for the local aviation industry: working capital credit lines, emergency lines of credit for six months, longer term facility, and waiver of all navigational and airport charges for a given time period. • DOLE - DOT Financial Assistance and Cash for Work Program <ul style="list-style-type: none"> - COVID-19 Adjustment Measures Program (CAMP) - Tulong Panghanapbuhay sa Ating Disadvantaged/Displaced Workers (TUPAD) - Abot-Kamay Ang Pagtulong (AKAP) for OFWs • DSWD - Emergency Subsidy Program (ESP) <ul style="list-style-type: none"> - Sustainable Livelihood Program (SLP) • DPWH Tourism Road Infrastructure Program
Jobs and Skills	Online capacity building initiatives - 469 tourism training programs virtually conducted by various regional and foreign offices of the DOT, from which was attended by 33,545 online participants and had reached a total of 2,136,236 online engagements.

¹⁸ Based on the categories defined by the UNWTO in its tracking report.

	Utilizing ECQ for Tourism Enterprises, Filipino Brand of Service under the “New Normal”, ASEAN Tourism Toolbox, Digital Tourism, Tourism Innovation and Entrepreneurship
Restarting Tourism	<p>Tourism Response and Recovery Plan (TRRP)</p> <p>Priority for domestic tourism and gradual re-entry of international tourism based on risk assessment</p>
Health and Safety Protocols	<p>Health and safety protocols developed by DOT for the accommodation establishments (AEs), restaurants, tourist land transport services; international protocols adopted by the airline community</p> <p>Online accreditation system; Issuance of Certificates of Authority to Operate; Introduction of WTTC Safe Travel Stamp</p>
Domestic Tourism	<ul style="list-style-type: none"> • Creation of a Task Force on Domestic Tourism Product and Market Development to pursue a strategy that is anchored on local and bottom-up participation. • Implementation of uniform protocols for domestic movements • Investment in digital solutions and application such as the Visitor Information and Travel Assistance (VISITA) Program of Baguio City <p>Design and promotion of green corridors such as the Ridge and Reef Travel Corridors linking Baguio City to provinces of Region 1 and the BLUPISIN (Baguio-La Union- Pangasinan-Ilocos Sur-Ilocos Norte)</p>
International Tourism	Closure of international borders for international leisure travellers; Entry of ‘Balikbayan’ travellers allowed starting December 2020

Source of basic data: DOT

IV. RESILIENCE AND RECOVERY

1. Tourism Resilience

How can Philippine tourism recover quickly from the disaster caused by the COVID-19 pandemic? According to the WB,¹⁹ three factors shape the impacts of COVID-19 and the pace of recovery: i) the degree of dependence of the country's economy on tourism and tourism-related services and suppliers; ii) the supply-side resilience of the country -- its ability to respond and recover from the crisis; and iii) the demand dynamics - resilience of the country's key tourism source markets.

The WB analysis was confined to supply-side resilience model only, recognizing the high levels of uncertainty in demand (since recovery timelines also depend on advances in medicine and healthcare- related policies).

Dependence on Tourism

The Philippines, together with Cambodia, is categorized as a 'severe risk' country i.e. it has $\geq 20\%$ share of tourism to GDP (using WTTC's estimate of 25.3%) and highest tourism supply resilience risk score of ≥ 3.5 .²⁰ The WTTC methodology produced a higher share to GDP compared to the PTSA of 12.7% share to GDP because it accounted for the induced impacts of tourism, i.e. the impacts of the spending of the tourism employees.

Supply Resilience

The country gained improvements in air transportation infrastructure due to the massive investments in both international and domestic airports. The presence of a network of 86 airports across the archipelago provides the infrastructure for destinations to be connected more directly to each other, particularly during the time when the NCR and Regions 4, two of the major source markets for most destinations, are under strict quarantine restrictions.

The severe risk category of the Philippine tourism industry is highly influenced by its relatively low scores in the pillars of health and hygiene, safety and security, environment sustainability, ground and port infrastructure, and tourist service infrastructure. When compared with its ASEAN neighbors, the Philippines has been rated with low ratio of hospital beds (2 per 10,000 people) and health care workers (primarily nurses and midwives at 10 per 10,000 people) during the period 2010-2018. In the case of health and hygiene, a number of destinations in the country still do not have access to proper health facilities (e.g. hospital beds, physicians), improved drinking water and sanitation facilities. Based on the PSA data and report by the UP COVID-19 Pandemic Response Team, the Philippines has on average 3.7 doctors per 10,000 population, below the World Health Organization-prescribed ratio of 1 doctor for 1,000 persons (or 10 per 10,000). There are development gaps across regional tourism destinations, with NCR having a ratio of 10 per 10,000 in NCR while it is 1.8 in MIMAROPA and 2.0 for Region 13, or CARAGA. Urban centers

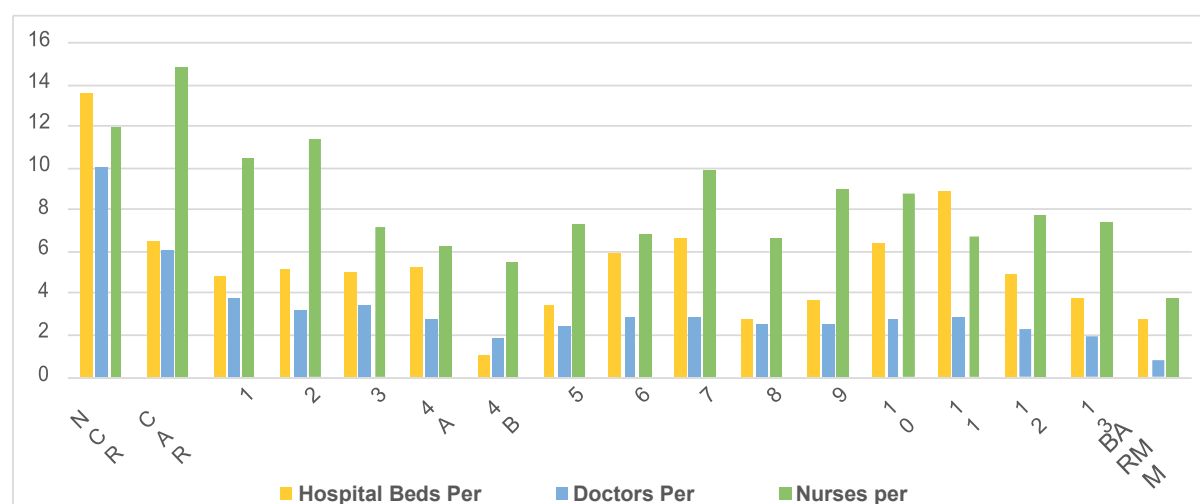
¹⁹ World Bank Group Markets & Technology Global Tourism Team. July 2020. Rebuilding-Tourism-Competitiveness-Tourism-response-recovery-and-resilience-to-the-COVID-19-crisis.

²⁰ The WB report showed that tourism resilience score was calculated as the mean score across the seven unweighted WEF pillars to create a Tourism Resilience Risk (TRR) or vulnerability score. The score was inverted so higher scores indicate higher resilience risk. This score was then plotted against the total tourism contribution to GDP to identify which countries' tourism sectors are most at risk and are most likely to need priority tourism support in response to the COVID-19 crisis.

like Metro Manila, Cebu, Davao, Pampanga have higher scale of investments in hospital facilities and other infrastructure and exhibit lower resilience risk. Rural destinations tend to fare poorly due to lack of infrastructure to enable them to effectively manage the crisis.

The ability of local destinations to open their borders to domestic travellers is heavily influenced by their confidence in their healthcare systems and resources and capability to effectively contain local transmission of COVID-19 and its variants.

Figure 8: Supply Resilience of Philippine Regions: Health Sector



Sources of basic data: PSA, DOT

Demand Resilience

The ability of tourism to bounce back swiftly is shaped by factors such as dependence on markets and the nature of the markets, availability of income, and travel/consumer confidence barometer. This confidence is highly influenced by evidences on the effectiveness of the health and safety protocols, the pace of vaccination programs, and ability of destinations to contain local spread of COVID and its variants.

Domestic demand. The Philippines has relied heavily on its domestic market during the best and worst times in history. The external shocks like SARS in 2003 for example turned into an opportunity for domestic tourism to flourish, enabled by the massive infrastructure spending in developing and improving airports like Puerto Princesa and Bohol and intense domestic tourism marketing. During this COVID-19 pandemic, domestic tourism once again provides the re-entry point to a period of rebound, as evidenced in other countries as well.

The Domestic Travel Surveys (May 2020 and December 2020)²¹ revealed the preferences of Filipinos for travel closer to home, open spaces, low-density facilities and areas, and curated

²¹ The DOT conducted two domestic travel surveys in June 2020 and December 2020.

experiences.²² Outdoors and well-ventilated areas are preferred over confined spaces or facilities which re-circulate air. Travelers' preferred travel company are family members who are considered to be the safest people to travel with. Travelers travelled close to home, except for Metro Manila which welcomed travelers from across the country. It can be deduced that travels to Metro Manila are mainly for business purposes. Travelers visited destinations close to their place of residence (within their regions and neighboring regions). The key implications from the travel survey of December 2020 are shown in Box 3.

Box 3. Implications from the Domestic Travel Demand Survey (December 2020)

1. Travel is perceived as an answer to keeping their sanity.
2. Travel behavior has changed thereby opening opportunities for introducing new travel products and services. As a strategy to reboot economies and travel activities, it is critical to "disperse travelers" to untapped destinations.
3. Travel and safety protocols need to be standardized. The presence of a unified system that outlines the set of standard protocols in various travel destinations will help ease travel arrangements. Standardization may be implemented at least province-wide or even circuit-wide. This is especially important in catering to spontaneous day trip travelers.
4. Traveling can be personalized. For value-sensitive travelers, travel can be personalized and tailor-made to their needs and objectives. For the more price-sensitive travelers, travel can be simplified by offering destinations with the most relaxed health protocols (e.g. reduced cost and frequency of testing).
5. Travelers' preferences evolved. Travelers' preferred activities include outdoor activities, like going to the beach, hiking, and biking, with "staycation" coming in next.

Source: Department of Tourism, Dr. Andrew L. Tan Center for Tourism, & Guide to the Philippines (DOT, ALTCFT, GTTP). (2021, February). The Philippine Travel Survey Report: The Evolving Landscape of Domestic Travel in the Philippines. Department of Tourism, Asian Institute of Management, Guide to the Philippines.

International demand. International surveys have shown the preferences of foreign markets for similar products e.g. outdoor recreation and to travel closer to home and to sustainable destinations.

- The UNWTO panel of experts foresee growing demand for open-air and nature-based tourism activities, with domestic tourism and 'slow travel' experiences gaining increasing interest. The UNWTO identified six changes in traveller behaviour in times of COVID-19: preference to travel closer to home ('staycations'); preference for nature, rural and road trips due to travel limitations and desire for open air experiences; health and safety measures and cancellation policies as consumers' main concerns; Last-minute bookings have increased due to volatility of pandemic – related events and the travel restrictions; stronger

²² Department of Tourism, Dr. Andrew L. Tan Center for Tourism, & Guide to the Philippines (DOT, ALTCFT, GTTP). (2021, February). The Philippine Travel Survey Report: The Evolving Landscape of Domestic Travel in the Philippines. Department of Tourism, Asian Institute of Management, Guide to the Philippines.

recovery of travel among younger segments; emphasis on creating positive impacts on communities and search for authentic experiences.

- The WTTC reported that traveller preferences and behaviours have shifted toward the familiar, predictable, and trusted. Domestic vacations, extensive planning, and the outdoors will reign in the short-term, with tourism businesses and destinations already adapting.
- OECD travelers will opt for closer-to-home destinations, including domestic “safecations” with increased focus on responsible travel. Short-haul markets will be favored due to safety perception, affordability and possible shifts in preferences for more sustainable destinations and travel modes.
- Oxford Economics leisure travel to lead the way, business travel to remain subdued with the utilization of more virtual and hybrid events.
- Euromonitor International: short-haul travel to rebound ahead of the rest.
- The DOT Overseas Offices and market representatives provided the following insights:

The Euromonitor International reported that the Philippines would lag in international tourism recovery due to its low market resilience, defined by the less than 10% share of the short-haul market in 2019. The short-haul market referred to the tourist arrivals from South-East Asia, the sub-regional group of the Philippines. However, if distance would be the basis for defining the market rebound opportunity, then the Philippines also has advantage to tap the Northeast Asia market, its major source market for decades. For example, the economies of Taiwan and Hong Kong are closer in distance to the Philippines than its ASEAN markets. The Northeast Asian capital cities are of similar distance as the Southeast Asian capitals to the Philippines.

2. Product-Market Mix

The country’s endowments of natural assets provide a good opportunity to rebound quickly from the pandemic, assuming the confidence of the market recovers due to good evidence of health and safety protocols, vaccination programs, among others. The preferences of markets for open spaces, outdoor activities, commune with nature, and responsible travel in communities have become stronger during the pandemic and are expected to become more stable post-COVID-19. The industry offers products that match these preferences (based on the 10 products under the NTDP) – nature-based, marine and diving, sun and beach, cultural tourism, health and wellness, farm tourism, and educational tourism. The workshops conducted as part of the review of the NTDP generated an updated product-market mix.²³

²³ See Appendix for the product-market matrices.

3. Global Recovery Horizon

The recovery time from disease cases took 19.4 months on average, with a range in recovery from 10 months to 34.9 months (WTTC). International tourism bodies such as the UNWTO, WTTC, IATA and PATA identified pre-COVID 2019 levels to be recovered in 2.5 to 4 years.

Table 9: Scenario Forecasts of International Tourism Bodies

Organization	Recovery to 2019 Levels
UNWTO	<p>January 2021:</p> <p>UNWTO's extended scenarios for 2021-2024 indicate that it could take between two-and-a-half and four years for international tourism to return to 2019 levels.</p> <p>The latest UNWTO Panel of Experts survey shows a mixed outlook for 2021. Almost half of respondents (45%) envisaged better prospects for 2021 compared to 2020, while 25% expect a similar performance and 30% foresee a worsening of results.</p> <p>The overall prospects for a rebound in 2021 seem to have worsened.</p> <ul style="list-style-type: none"> • 50% of respondents now expect a rebound to occur only in 2022 as compared to 21% in October 2020. • 50% see a potential rebound in 2021, though below the expectations shown in the October 2020 survey (79% expected a recovery in 2021). <p>Most experts do not see a return to pre-pandemic levels happening before 2023. In fact, 43% of respondents point to 2023, while 41% expect a return to 2019 levels in 2024 or later.</p>
	<p>June 2021:</p> <p>The first one, projected by UNWTO, reflects a reduction of 75% in international tourist arrivals – the most pessimistic forecast – based on the tourist reductions observed in 2020. In this scenario, a drop in global tourist receipts of \$948 billion causes a loss in real GDP of \$2.4 trillion, a two-and-a-half-fold increase. This ratio varies greatly across countries, from onefold to threefold or fourfold.</p> <p>The second scenario reflects a 63% reduction in international tourist arrivals, a less pessimistic forecast by UNWTO.</p> <p>And the third scenario, formulated by UNCTAD, considers varying rates of domestic and regional tourism in 2021. It assumes a 75% reduction of tourism in countries with low vaccination rates, and a 37% reduction in countries with relatively high vaccination rates, mostly developed countries and some smaller economies.</p>
WTTC	<p><i>Upside:</i> Easing of current measures from June for short-haul and regional travel, from July for mid-haul, and from August for the long-haul in 2021. This scenario may result in 98.2 million jobs lost, half the number in the worst-case scenario, and a loss of \$2,686 billion. Visitor numbers may drop by 41% for international arrivals and by 26% for domestic arrivals.</p> <p><i>Base:</i> Easing of restrictions from June for regional travel, from July for short-haul or regional travel, from August for mid-haul, and from September for the long-haul. This scenario may result in 121.1 million jobs lost and a loss of \$3,435 billion. Visitor numbers may drop by 53% for international arrivals and by 34% for domestic arrivals.</p> <p><i>Downside:</i> Easing of current restrictions from September for short-haul and regional travel, from October for mid-haul, and from November for the long-haul. This scenario may result in 197.5 million jobs lost in the travel and tourism sector and a loss of \$5,543 billion in global GDP. Meanwhile, visitor numbers may drop by 73% for international arrivals.</p>
PATA	February 2021

	<p>Mild: the Asia Pacific region in 2023 is likely to still have around four per cent fewer arrivals compared to 2019.</p> <p>Medium: The medium scenario suggests that foreign visitor numbers in 2023 could be only three-quarters of the 2019 volume,</p> <p>Severe: The proportion is predicted to reach less than half of the 2019 volume of international arrivals</p> <p>•Visitors into and across Asia on the other hand, are expected to show an increase in 2021 over the 70.64 million received in 2020, but only under the mild scenario. From 2022 onwards however, annual increases are forecast to gradually improve in volume under each of the three scenarios.</p>
	In May 18, 2021, PATA presented upward adjustments. The Pacific region is expected to have the highest recovery rate in the mild (104.1% of 2019 levels) and medium (79.5%) scenarios.
IATA	The IATA showed that after a 55% fall in 2020 compared to 2019, “passenger numbers are expected to rise 62% in 2021 off the depressed 2020 base, but still will be down almost 30% compared to 2019.” Aside from the drop in consumer demand because of the slow COVID- 19 containment, corporate travel budgets, because of the current economic environment and the proliferation of video conferencing as a substitute for in-person meetings, are expected to be “very constrained.”
ADB	International travel in Asia-Pacific may return to pre-pandemic level by 2023, but a six-month delay in the vaccination rollouts may push tourism recovery to 2024. Based on the pace of immunization in Asian countries, outbound travels with vaccine passes in the region may hit 355 million by 2023, close to the 359 million in 2019. (May 8, 2021) ²⁴

According to the WTTC, while the best-case scenario will still result in a devastating blow for travel and tourism, this outcome avoids additional harm to the sector as a result of prolonged travel restrictions and protects almost 100 million jobs around the world. This scenario can still be achieved for the global travel and tourism sector if governments implement WTTC’s recommended phased policy actions and steps below.

- Firstly, the immediate removal and replacement of any quarantine measure with “air corridors” to countries with similar circumstances.
- Secondly, the adoption of global health and safety protocols, such as the “Safe Travels” (already adopted by the Philippines)
- Thirdly, the implementation of rapid test and trace strategies to help contain the spread of the virus, and
- Sustained collaboration between the public and private sectors to ensure a coordinated global approach to the crisis.

²⁴ <https://www.philstar.com/business/2021/05/08/2096612/international-travel-may-return-pre-covid-19-level-2023>

4. Recovery Elements

Critical to the recovery process are the coordinated approach of governments and private sectors, risk- based assessments instead of complex border protocols and restrictions, and utilization of digital solutions for safe travels. The recovery starts when the markets perceive it safe to travel even during the pandemic period. The recovery elements to be considered and monitored include: (i) economic outlook; (ii) travel restrictions, (iii) capacity availability and enterprise/business environment, (iv) confidence levels, and (v) access. These elements are highly interrelated and unknown variables such as emergence of new variants can significantly change the direction of the recovery process.



Economic Outlook

Global Economy

Will people have money to spend for travel?

In its June 2021 report, the WB projected that the global GDP will rebound by 5.6% from the 3.5% contraction in 2020.²⁵ The projections for emerging and developing economies are higher at 6.0% in 2021 and 4.7% in 2022. However, these projections are lower compared to the early projections in January 2021. Three major factors have been cited to influence the recovery: (1) global vaccination, (2) gradual relaxation of border control measures, and (3) rising confidence. The vaccination programs are uneven although the progress achieved by economies such as the US and China is major factor in the steady global outlook in the next two years. These two economies are expected to contribute over one-quarter of global growth in 2021, with the U.S. contribution nearly triple its 2015-19 average.

In April 28, 2021, the ADB announced that it increased its 2021 forecast for developing Asia (composed of 46 member-economies) from 6.8% to 7.3%. This scenario is based on the

²⁵ The WB downgraded forecasts of real GDP in June 2021 compared to its January 2021 report.

assumption that governments are able to effectively control the outbreak of COVID-19 and achieve significant progress in the vaccine roll-out.²⁶

Economies that are successful in suppressing the local transmission of the COVID-19 virus and its variants are projected to recover faster than the rest in the region.

The economies of the Philippine's top five source tourism markets in 2019 are poised to rebound in 2021 and achieve modest growth in 2022-2023.

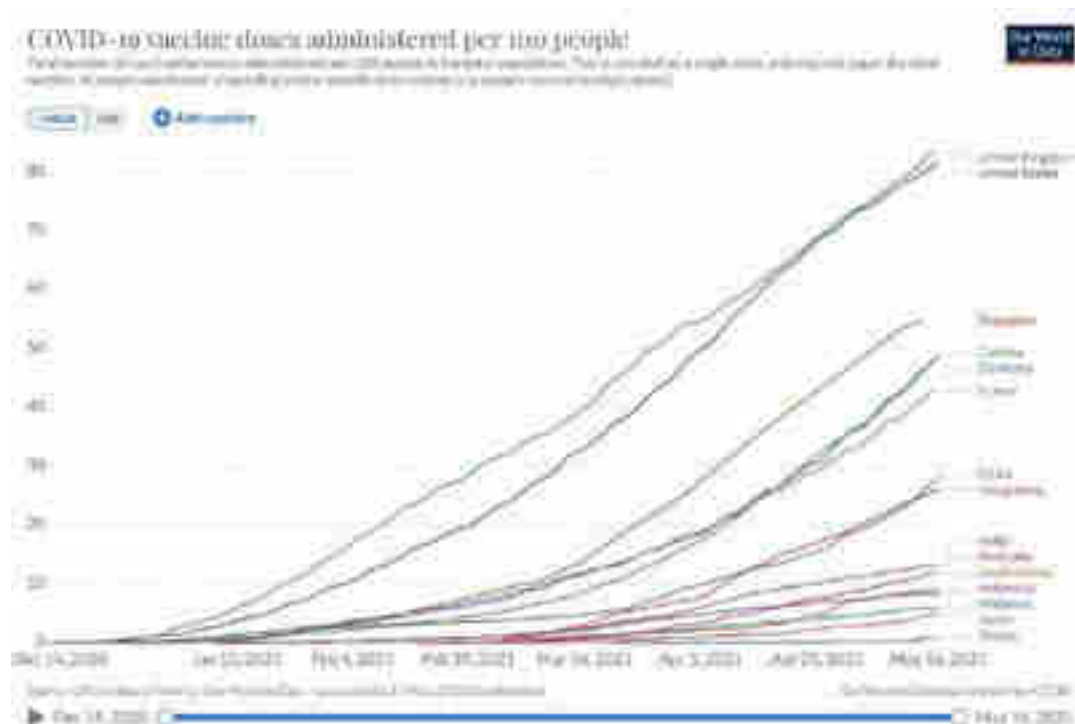
Table 10: Real GDP Forecasts (2021-2023)

Indicators	2020	2021	2022	2023
World GDP (%)	-3.5	5.6	4.3	3.1
Advanced Economies	-4.7	5.4	4.0	2.2
Emerging and Developing Economies	-1.7	6.0	4.7	4.4
East Asia and the Pacific	1.2	7.7	5.3	5.2
South Korea	-1.0	3.5	3.1	
China	2.3	8.5	5.4	5.3
USA	-3.5	6.8	4.2	2.2
Japan	-4.8	2.9	2.6	1.0
Taiwan	3.1	4.6	3.0	
Philippines	-9.6	4.7	5.9	6.0

*June 2021

Vaccination Programs. There has been a significant increase in vaccines administered per 100 people in the country's major source markets in recent months. For the Philippines to take advantage of the effects of these markets' vaccination programs on their outbound travel behavior, the country needs to accelerate its vaccination program. The tourism destinations that will benefit the most in 2021-2023 are those that have similar pace of vaccination program with their target source markets.

²⁶ ADB. 2021. Asian Development Outlook 2021. Manila.



Philippine Economy

The year 2021 started with government and economists announcing very strong rebound of the Philippine economy in 2021 and 2022. The figures were later revised in April-May due to the effects of the ECQ in NCR and environs (NCR+ = Metro Manila and provinces of Bulacan, Cavite, Laguna, and Rizal). With the ongoing rise of COVID cases in the provinces, heightened restrictions, and challenges in the vaccination program, the growth projections have been revised downward. The surge of cases in NCR, Cavite, Laguna, Bulacan, and Rizal and return to MECQ reversed the gains of destinations during the first two months of 2021 and the anticipated business during the Holy Week and summer months.

In May 2021, the NEDA reported that the unemployment rate fell to 7.1 percent in March 2021, the lowest reported rate covering the period of the COVID-19 pandemic since April 2020. There was an increase of 2.8 million jobs over pre-COVID employment.

Table 11: GDP Projections (%)

Tourism Characteristic Industries	2021		2022
	Original	Adjusted	Original
DBCC	6.5-7.5	6.0-7.0	8.0-10.0
WB	5.5	4.7	6.3
ADB	6.5	4.50	5.50
MF	6.9	5.4	6.5

Based on the HIS Markit Economics database the purchasing manager index (PMI), a barometer of business activity, declined from 52.2 to 49.0 in March 2021 to April 2021 due to the surge in COVID- cases in NCR and environs that led to the tighter business restrictions. The Trading Economics expects the PMI to be around 53 points by the end of June and 55 points in the next 12 months.

In terms of consumer confidence, the Bangko Sentral ng Pilipinas reported that consumer sentiment improved in the first quarter of 2021 compared to the results during the 3rd quarter of 2020. The BSP report also revealed that consumer confidence in the next 12 months is less optimistic as regards their family financial situation and income. There was no reported change in the sentiment on economic condition for the rest of 2021 compared to the 3rd quarter of 2020.

The inoculation program in the Philippines started in February 2021 and encountered significant challenges in supply availability and willingness of the population to get vaccinated. As of June 15, 2021, the Philippines is reported²⁷ to have ordered 113 million doses from five vaccine manufacturers, including 26 million from China's Sinovac (SVA.O), 10 million of Russia's Sputnik V, 20 million doses from Moderna (MRNA.O) and 17 million doses from AstraZeneca. The Philippines also expects 44 million doses from the international COVAX vaccine sharing facility. Orders of 16 million doses of vaccines developed by Novavax (NVAX.O) and Johnson & Johnson (JNJ.N) were still under negotiation.

The Philippine government has administered slightly more than 8 million doses, of which about 6 million were first doses. The government's target is to vaccinate up to 70 million out of 110 million people in 2021. The original goal to vaccinate 70% of the population by the end of 2021 has been revised downward to 50% in early May due to the challenges encountered in the implementation of the program.

The proposed prioritization of vaccination program in Metro Manila and environs aims to support the achievement of herd immunity in the area to maximize limited vaccine supplies. The stakeholders have welcomed the inclusion of tourism frontliners under the A4 priority list for vaccination.

Challenges. First, NCR and environs that serve as major source market and destination for domestic trips are still under GCQ with restrictions. Nonetheless, the point-to-point program by the DOT provides an opportunity to save jobs. Second, the threat of new variants particularly the highly transmissible Delta variant coupled with lack of capacity particularly in places outside of NCR have slowed down the process of re-opening destinations even through green lanes for fully vaccinated individuals – local and foreign. Third, as of June 2021, there was a rise in COVID-19 cases in the provinces, including those that have been under MGCQ for more than a year now. Fourth, the government needs to address the attitude of Filipinos towards vaccination. The Pulse Asia survey (March 2021) revealed that 6 out of 10 Filipinos refuse to be vaccinated against COVID-19 despite the availability of vials, citing safety issues as their primary reason.²⁸ Most of those not getting vaccinated (84%) and those who are still undecided about being vaccinated against COVID-19 (74%) point to uncertainty about COVID-19 vaccines as the primary reason to explain their disinclination to be given such vaccines. The latest survey of May 2021 provided still similar results as the March 2021 survey.

Travel Restrictions

International

One in three destinations worldwide are partially closed to international tourism (UNWTO). As of 01 June 2021, 29% of all destinations worldwide have their borders completely closed to

²⁷ <https://www.reuters.com/world/asia-pacific/philippines-signs-deal-40-mln-pfizerbiontech-vaccine-doses-report-2021-06-20/>

²⁸ Pulse Asia. Survey conducted between 22 February – 03 March, 2021.

international tourism.²⁹ One in three (34%) of all destinations are partially closed, and 36% request a negative COVID-19 test result upon arrival, in some cases in combination with a requirement to quarantine. In February 2021, one in three destinations was completely closed to international tourism. The UNWTO reported that the emergence of new variants of the COVID-19 virus has prompted many governments to reverse efforts to ease restrictions on travel, with total closures to tourists most prevalent in Asia and the Pacific and Europe.³⁰

The March 2021 IATA Survey revealed that 84% said they will not travel if there is a chance of quarantine at destination (largely unchanged from 83% in September 2020).³¹

Table 12: Air Travel Restrictions: June 2021

Rank	Country	Restriction level	COVID-19 test	Entry Restrictions	Flights Suspended	Quarantine
1	KOREA	Partially Restrictive	Yes	Yes	No	Yes
2	CHINA	Partially Restrictive	Yes	Yes	No	Yes
3	USA	Partially Restrictive	Yes	Yes	No	Yes
4	JAPAN	Partially Restrictive	Yes	Yes	No	Yes
5	TAIWAN	Partially Restrictive	Yes	Yes	No	Yes
6	AUSTRALIA	Partially Restrictive	Yes	Yes, with exceptions	No	Yes
7	CANADA	Partially Restrictive	Yes	Yes	No	Yes
8	UNITED KINGDOM	Partially Restrictive	Yes	Yes	No	Yes
9	SINGAPORE	Partially Restrictive	Yes	Yes	No	Yes
10	MALAYSIA	Partially Restrictive	Yes	Yes	No	Yes
11	INDIA	Partially Restrictive	Yes	Yes, with exceptions	No	Yes
12	GERMANY	Partially Restrictive	Yes	Yes	No	Yes
13	HONG KONG	Partially Restrictive	Yes	Yes, with exceptions	No	Yes
14	FRANCE	Partially Restrictive	Yes	Yes, with exceptions	No	Yes
15	INDONESIA	Partially Restrictive	Yes	Yes	No	Yes

Partially Restrictive Yes Yes, with exceptions No

Source: UNWTO and IATA Tracker

Use of green lanes/corridors to restart international travel. As early as May 2020, countries such as Australia and New Zealand started to explore the travel bubble as a way to restart the international tourism economy. The rise in COVID-19 cases prompted the postponement of implementation. As of May 2021, there are 'green lanes' designed by destinations ranging from reciprocal green lane arrangements to 'vaccine bubbles' (i.e. allowing only fully vaccinated travelers to skip 14-day quarantine after negative COVID 19 test upon arrival).

²⁹ <https://www.unwto.org/news/vaccines-and-digital-solutions-to-ease-travel-restrictions>

³⁰ <https://www.unwto.org/news/tightened-travel-restrictions-underline-current-challenges-for-tourism>

³¹ <https://www.iata.org/en/pressroom/pr/2021-03-09-01/>

Philippine Local Restrictions

Changes in Quarantine Classifications. For the period June 16-30, additional destinations have been placed under MECQ or GCQ due to the rise in COVID cases. In the case of NCR+, the IATF relaxed travel restrictions and allowed children to travel with their families to MGCQ areas.

Varying LGU protocols: a major factor influencing domestic tourists' decision. The DOT domestic travel survey of December 2020 identified the mobility restrictions as major issue affecting decision to travel. As reported in the Domestic Travel Survey in December 2020, 81% of the respondents cited varying LGU requirements as the most inconvenient protocol to follow. "The varying LGU safety protocols is the top source of travel inconvenience. The presence of a unified system that outlines the set of standard protocols in various travel destinations will help ease travel arrangements." These protocols deter visitors from being able to move across tourism sites even within a tourism circuit developed and /or prepared by the tourism stakeholders for rebound. The survey also revealed that 77% are willing to do multi-destination travel, 76% are open to traveling on extended trips and 79% are open to integrating remote work and leisure or "workation" that can potentially extend length of stay and increase economic impacts.

The presence of a unified system that outlines the set of standard protocols in various travel destinations will help ease travel arrangements. Standardization may be implemented at least province-wide or even circuit-wide. This is especially important in catering to spontaneous day trip travelers. Stakeholders during the consultations likewise expressed their appeal for LGUs to implement common protocols to allow recovery of jobs and economic activities.

On the upside, the IATF has issued Resolution No. 101 (February 26, 2021)³² allowing for the implementation of uniform travel protocols for land, air, and sea: minimum public health standards, testing and quarantine, documentary requirements, ICT solutions, and guidelines in ports and terminals. Given the autonomy exercised by local government units under the 1991 Local Government Code, travelers may continue to incur higher travel costs from additional tests and documentary requirements, search time for real-time or up-to-date information, and/or waiting time at the borders for check point when implementors have different knowledge or exercise different interpretation of the policies and rules. The ability of travelers to move safely will depend on the availability of digital solutions to allow movement from Point A to Point B regardless of the transport mode.

Confidence level

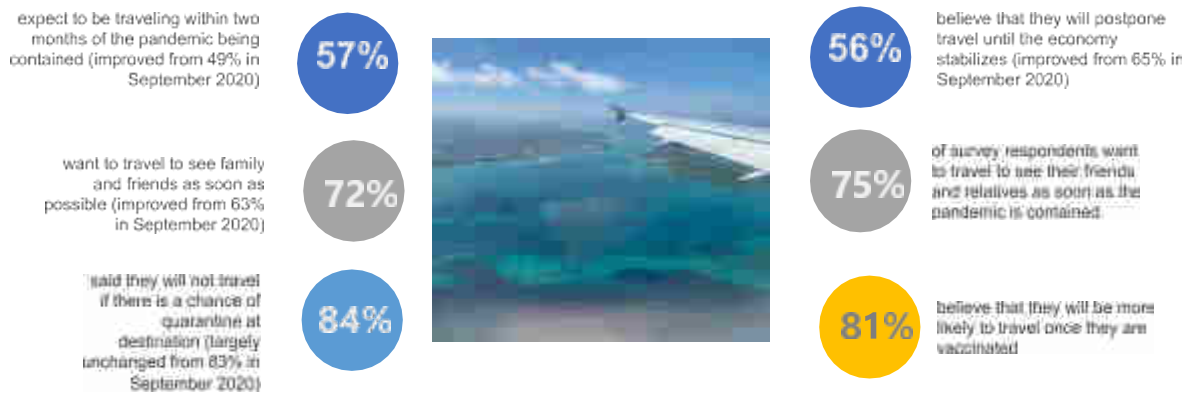
Consumers are confident to travel when they have the money to spend. The overall recovery in other economic sectors allow workers to earn and gain purchasing power for travel once again. They also need the right information from a trusted source about evidence of effective implementation of health and safety protocols in destinations and success of vaccination program of the local population.

³² The Department of the Interior and Local Government, crafted in close coordination with the Union of Local Authorities of the Philippines, League of Provinces of the Philippines, League of Municipalities of the Philippines, and the League of Cities of the Philippines.

International Markets

The survey of IATA (March 2021) revealed improvements in confidence among visiting friends and relatives (VFR) market segment compared to the results in September 2020. About 56% believe that they will postpone travel until the economy stabilizes (improved from 65% in September 2020). A high 81% believe they will be more likely to travel once they are vaccinated.

Figure 9: Survey of International Air Travelers



A total of 4,700 interviews were conducted online in 11 markets between 15 and 23 February 2021.
Source: IATA (March 2021)

Domestic Markets

The DOT domestic travel survey showed that Filipinos traveled during the pandemic, indicating their ability to comply with protocols and select destinations where such protocols are followed. The survey further confirmed the willingness of Filipinos to visit multiple destinations and to extend their trips and to purchase curated packages or experiences. For value-sensitive travelers, travel can be personalized and tailor-made to their needs and objectives. For the more price-sensitive travelers, travel can be simplified by offering destinations with the most relaxed health protocols (e.g. reduced cost and frequency of testing).



Air Access

This concerns any long-term impacts on the transportation industry i.e. if collapse of networks is inevitable. The local airlines have the capacity to meet demand recovery. They only need the timeline of destinations to provide them lead time to mobilize their crew and partners in the service, primarily the airports in city-pairs served. In cases where travel bubbles or corridors will be implemented, they would need the guidelines to make adjustments in their operations. The airlines have raised funds from domestic and foreign sources to support their operations during this pandemic. There is a pending bill aimed at providing relief to the air transport sector including air

carriers currently undergoing deliberations in the Lower House of Congress.³³

In March 2021, the CAB imposed a cap of 1,500 passengers (domestic and international) per day (from 3,000 passengers) in NAIA. It increased the cap to a maximum of 2,000 passengers per day for the month of May 2021, equivalent to 6% of the average daily incoming international air passengers in NAIA in May 2019. Given an average cap of 2,000 per day for the year 2021, the maximum number of inbound passengers allowed to enter the country through NAIA will settle at 730,000 (or 1.4 million throughput) in 2021. Other airports like Cebu and Clark also have limits to the number of passengers that they can accommodate per day. In June 2021, Mactan-Cebu had to limit incoming international air passengers to 300 per day due to the high utilization of quarantine facilities in Cebu City.

On the upside, the operations of green corridors for fully vaccinated travellers and source markets low COVID-19 risk provide a safe way to jumpstart international tourism towards the 3rd/4th quarter of 2021. The implementation of this green lane will depend on the ability of the country to control local transmission of the COVID variants particularly the delta variant.

Capacity availability and enterprise environment

The capacities of destinations to serve market rebound exists in terms of presence of suppliers. However, for as long as border restrictions and quarantine requirements exist and/or COVID-19 cases remain at critical levels, they will be constrained in meeting rebound in overall market demand particularly for the international market.

The isolation and quarantine requirement limits the capacity of the accommodation industry to serve demand for leisure travel particularly for hard-hit TDAs like NCR and environs. The DOT classified hotels into 3, namely: isolation facilities for COVID-19 positive patients, quarantine hotels for individuals who must undergo quarantine, such as returning overseas Filipinos; foreign nationals allowed entry to the country; those unable to quarantine in their homes; and health workers who need accommodation near their place of work; and regular hotels, which are neither isolation facilities nor quarantine hotels, and which include those with issued certificates of authority to operate for staycation. Regular hotels under ECQ and modified ECQ can accommodate only guests with long-term leases, locally stranded individuals or those transiting to their place of residence, and authorized persons outside of residence (APOR) pursuant to their official duties.

5. Domestic Tourism

The scenarios presented in this section are an update of the initial scenarios in April 2021. It was mentioned in the earlier version that the scenarios would be updated in June 2021 to account for the official results of the PTSA 2020 and the progress in the containment of the local transmission of the COVID-19 Delta variant.

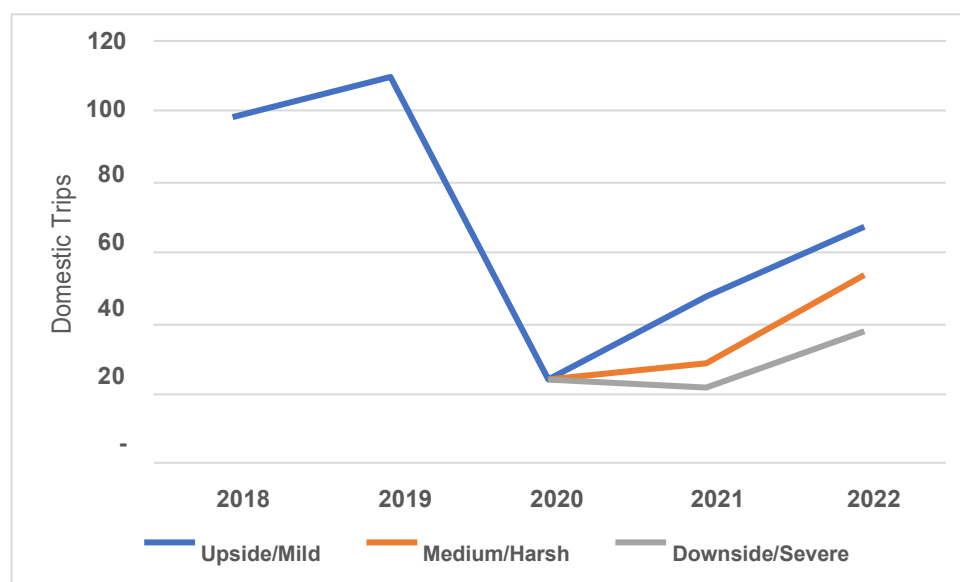
Upside (Mild) Scenario: The scenario considers that 61.5% of 2019 domestic trip level (will be recovered in 2022. The assumptions in recovery elements include: (1) The GDP growth is slower due to the prolonged GCQ NCR+ up to the end of 3rd quarter of 2021 but growth will be on the

upside of 9% in 2022; (2) effective control of the surge in cases in provinces prompting LGUs to ease border restrictions and to implement uniform and simplified travel protocols; (3) on-target vaccination program particularly for major source markets like NCR+ and green lane for fully vaccinated domestic travelers; (4) at least 60% of the room capacities are available for regular use as government builds additional quarantine facilities; (5) domestic air seat capacities restored to 60% of pre-COVID levels by the end of 2021 with airlines utilizing more airports for direct or point-to-point flights.

Harsh (Medium) Scenario: Domestic trips are restored to 49% of 2019 level by 2022. (1) Slower GDP growth due to GCQ restrictions in NCR+ for the rest of 2021; (2) surge in COVID-19 cases in the provinces lead to stricter quarantine for the rest of 2021; (3) varied travel protocols even among MGCQ areas; (4) delays in delivery of vaccines hamper the rebound of confidence in destinations; (5) only 40% of the room capacities are available for regular use; (6) domestic air seat capacities restored to 50% of pre-COVID levels for the rest of 2022.

Downside (Severe) Scenario: Domestic trips are restored to 35% of 2019 level by 2022. The GDP growth projections are further calibrated downwards due to surge in COVID-19 cases and ineffective containment of local transmission particularly in NCR and environs. Cross-border movements are restricted due to local transmission of COVID-19 variants/surge in cases. Room capacities are used primarily as quarantine and isolation facilities even in other urban centers and key destinations. Demand for travel shrinks due to prolonged restrictions in economic activities. Domestic air seat capacities reach only 30% of pre-COVID levels by end of 2021.

Domestic Trips Scenario-Based Projections: 2021-2022



6. International Tourism

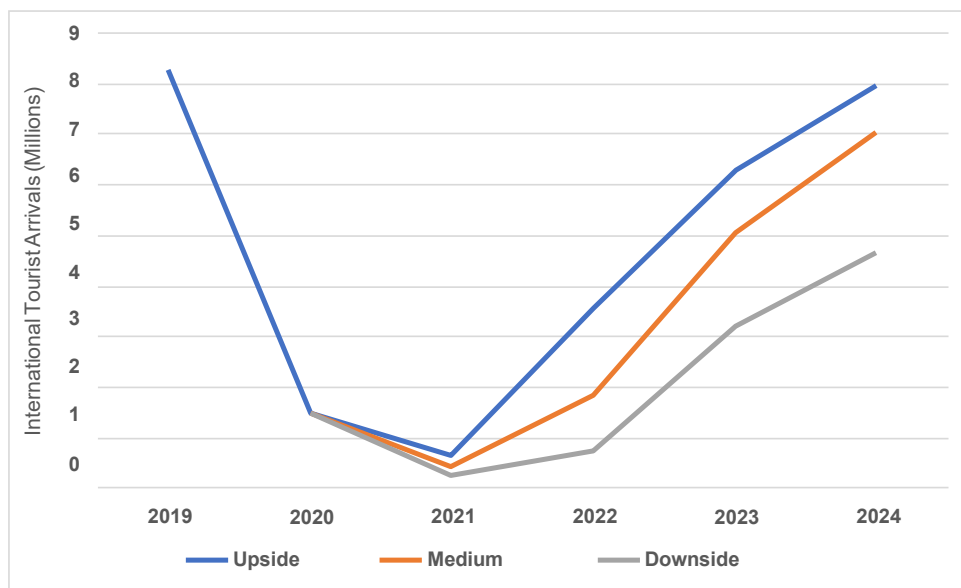
The global economic outlook remains quite resilient with 4.2% growth of the world GDP and 6.5% for emerging and developing economies.³⁴ The international gateway airports outside of Metro Manila will serve as catalyst for recovery of tourism clusters and development areas previously dependent on the capital gateway. Direct flights to these destinations under green corridor frameworks i.e. allowing fully vaccinated travelers to skip quarantine after negative COVID-19 test, as an example. The Philippines, given its tourism advantages, is strategically located in the Asia-Pacific region to match the demands of tourists for safe nature and culture-based experiences, and preference for travel closer to home within 2-7 hour travel time.

Upside (Mild) Scenario: The Philippines may recover 43% of the 2019 levels by 2022 and 76% by the 2023. The downward adjustments in the scenario-based projections in April 2021 are due to the following: prolonged GCQ of NCR and environs or transition to MGCQ due to the threat of new variants (such as Delta); the rise in COVID cases in the provinces but controlled early by government; delays/challenges experienced in the vaccination program, and the threat of the new variants particularly the Delta Plus that may prolong border re-opening by another quarter. Protocols may be revised depending on the evidences of transmission of the virus even in open spaces, which may impacts on consumer preferences, Despite all these challenges, the scenario considers the following: source markets continue to experience rebound despite the threats of variants due to the high effectiveness of the inoculation program; opening of green lane for fully vaccinated travellers by the 4th quarter of 2021 instead of 3rd quarter (such as removing quarantine after negative COVID-19 test upon arrival and thus increasing room capacities for tourist arrivals); evidence of decline in COVID-19 cases in the provinces before the 4th quarter of 2021; international air seat capacities restored to 60% of pre-COVID levels by 2022.

Medium (Harsh) Scenario: The Philippines may recover 22% of the 2019 levels by 2022 and 61% by 2023. Border restrictions i.e. limits in passenger entry and for leisure travelers continue until the end of 2021 due to the threats of new variants. Limited or calibrated green corridors for fully vaccinated travellers (e.g. reduced days in quarantine, or based on spatial or market targeting only) are accommodated by 1st quarter of 2022 and extend until the end of the 2nd quarter of 2022. Air seat capacities restored to 50% of pre-COVID levels only by last semester of 2022. By 2023, capacities may reach at least 75% of pre-COVID levels.

Downside (Severe) Scenario: Under this scenario, international tourist arrivals may reach 3.2 million by 2023, or 39% of its 2019 level. Slow containment of local transmission of cases especially of new highly transmissible variants (new wave) in both the source markets and the Philippines occur for the rest of 2021 until first semester of 2022. International borders remain closed to leisure travel. For fully vaccinated travellers, quarantine requirements remain for the rest of 2022. International air seat capacities reach only 30% of pre-COVID levels until end of the first half of 2022.

³⁴ International Monetary Fund scenario forecasts.

Figure 11: International Tourism Scenario-Based Projections

V. RNTDP 2021-2022

Turning Crisis into Opportunity. The COVID-19 pandemic is a watershed event in tourism history. The pandemic highlighted the strengths and vulnerabilities of markets, destinations, people, and institutions. This is a turning point to bounce back stronger with a shift in priorities, narrative, commentary, and metrics towards resilient, sustainable, and inclusive tourism.

1. Vision, Goal and Targets for Tourism

The stakeholders' vision for Philippine tourism under the NTDP 2016-2022 was:

Develop a globally competitive, environmentally sustainable and socially responsible tourism industry that promotes inclusive growth through employment generation and equitable distribution of income thereby contributing to building a foundation for a high-trust society.

2. Approach

Guiding Principles: The Tourism Cluster Concept – Destination Development Strategy

The 2011-2016 and 2016-2022 NTDP identified the need to adopt an inclusive destination development strategy that would bring together all major stakeholders of the industry and provide a more pro-active role to local government units and their constituencies. The resultant logical framework introduced by grouping transportation networks, natural and cultural tourism sites, and population centers brought forth the need to synchronize the implementation of tourism development programs in the national, regional, and local levels.

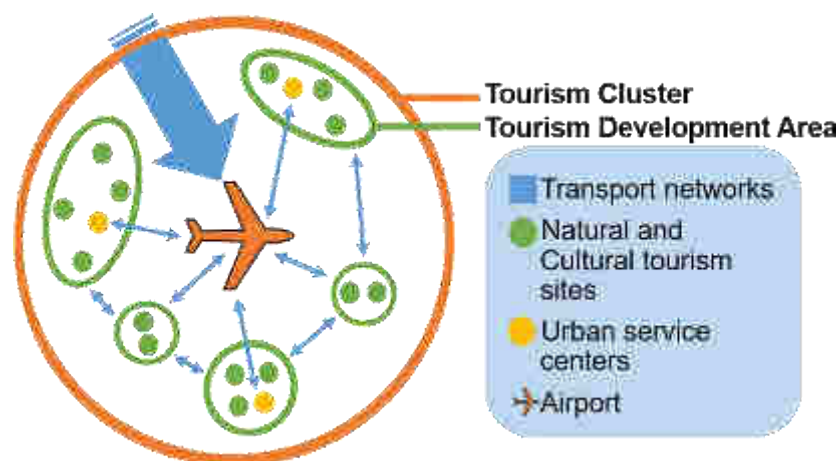


Figure 12: Tourism Cluster Concept

As the first NTDP has been able to identify 289 natural and cultural heritage sites with priority given to access and facility improvements through clustering, 78 tourism development areas and 20 thematic clusters have emerged, providing tourism planners and implementors a geographical scope to work on.

The 2016-2022 NTDP has assessed and validated the progress of the action programs in the clusters, determined gaps in implementation, reviewed its prioritization and identified new action programs using the results of the focus group discussions, surveys, and site inspections. (See *Appendix A for the revised list of Tourism Clusters and Tourism Development Areas*)

The Convergence Principle

Following the recommendations for strengthening the institutional capacity of public and private stakeholders, ensuring participatory governance and creating successful partnerships, a tourism governance and management framework was formulated to allow convergence of approach in national, regional, and local levels at both strategic and tactical horizons.



Figure 13: Tourism Convergence Principle

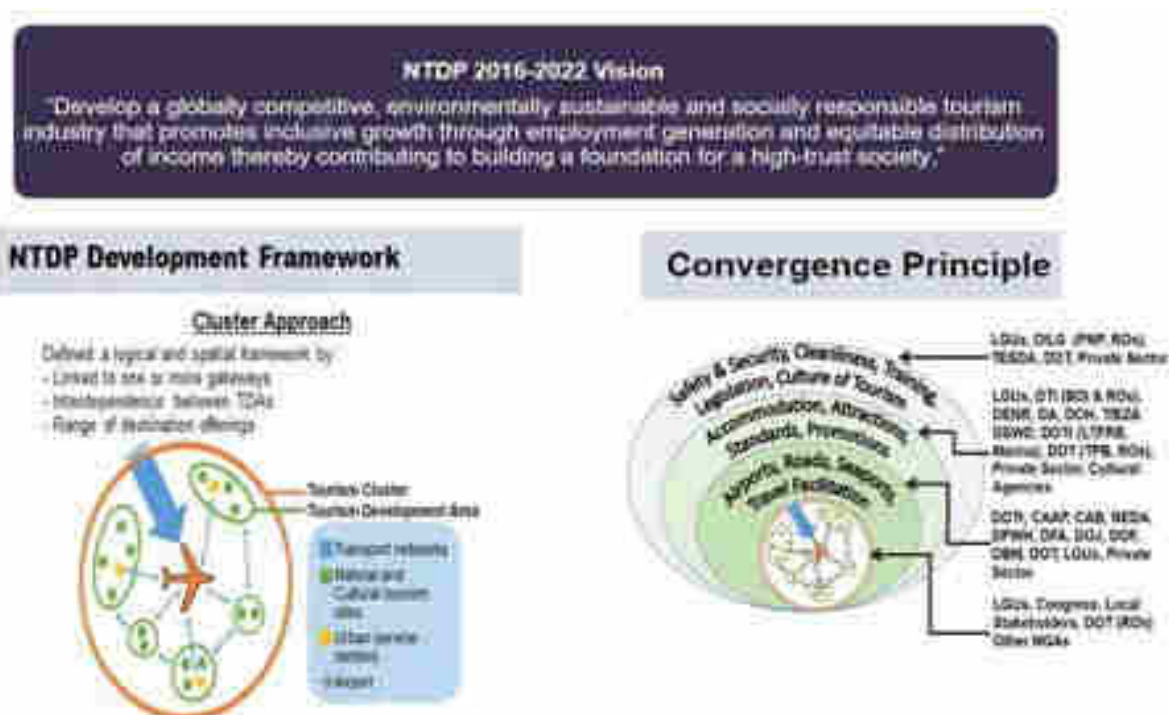
The Convergence Principle draws heavily on Rule VIII-Tourism Governance and various chapters of the Tourism Act. Various sections spell out the shared responsibilities of the national and local governments particularly in tourism development planning, the formulation of an accreditation system as a basis for promulgating rules and regulations in the operation of tourism enterprises, and the designation of tourism zones and areas. The establishment of a tourism infrastructure program to support the needs for vital access roads, airports, seaports, and other requirements necessitated convergence programs with DPWH, DOTr, including DBM to provide priority status and funding of transport infrastructure programs. Likewise, together with DFA, DOJ, DTI-BOI and DOT policies and practices covering travel formalities and its facilitation are to be reviewed to develop systems and procedures that will encourage visits and longer stay of foreign tourists in the Philippines. Also, the National Ecotourism Strategy formulated by DENR and DOT through the NESC integrated its efforts in identifying ecotourism sites for its development, conservation, and eventual conversion into Tourism Enterprise Zones.

The RNTDP shall continue to build on the Convergence Principle to further expand and improve cohesion and closer participation of convergence partner organizations.

3. Strategic Directions and Programs

The NTDP continues to leverage the comparative advantages of the Philippines to compensate the challenges in terms of weaknesses and threats that impeded faster growth especially in tourism value. Three strategic directions, action programs, activities and detailed action plan are proposed to: (1) implement the programs to recover jobs and livelihood, (2) deepen the roots for resilient and sustainable recovery in preparation for the next NTDP 2023-2028, and (3) foundations for devolved tourism functions:

- 1 Promote Safe, Fun, and Competitive Tourism;
- 2 Pursue sustainable, inclusive, and resilient tourism; and
- 3 Strengthen governance and destination management



Strategic Direction 1: Promote Safe, Fun, and Competitive Tourism

Six strategic action programs are proposed for implementation to achieve the outcome of this strategic direction.

The strategic tasks across strategic directions are cross-referenced to highlight the complementation and/or integrated approach to the design of projects and implementation mechanism.

1.1 Accelerate green and safe travel infrastructure (connectivity and destination management) and facilitation initiatives

There are three categories of investments to be prioritized: *connectivity infrastructure, destination management infrastructure, and travel facilitation*.

Connectivity infrastructure. There are ongoing airport, seaport and road projects that benefit from the Build, Build, Build program and the convergence programs such as TRIP and LIPAD. The completion of these projects in the next two to three years will enable resilient rebound. They will facilitate the mobility of tourists post COVID-19 and modernize the transport system by 2024-2025. With the impacts of COVID-19, there will be greater demand for seamless movements and even point to point services.

The design of the ongoing and future projects (to be programmed in 2022 and beyond) will cater to the safe travel needs by passengers and workers. Green design and technologies will be featured more prominently in the infrastructure program. The Active Transport Project of the DOTr highlights the use of bicycles as an active and green transportation mode in places such as Metro Manila, Metro Cebu and Metro Davao where DOTr has started the bike lane networks. The presence of good quality roads will support the bicycle tourism program in these three gateway TDAs. The Active Transport Project can be replicated in more TDAs thru partnerships with the LGUs and the local communities.

Destination Infrastructure. In terms of priorities, destinations need investments to improve internet connectivity in major tourist destinations accessible to visitors for an improved tourist experience, healthcare facilities and services. The investment areas include but not limited to the National Broadband Program, Free Internet Access in Public Places/Free Wi-Fi for All, Government Emergency Communication System, COVID-19 testing centers and laboratories, safe quarantine facilities, contact tracing capabilities, and solid waste management facilities for proper disposal of used equipment. There is a need to equip the major gateways with these facilities within the environs of the gateway terminals.

With the implementation of the Mandanas ruling by 2022, the LGUs are expected to increase their funding for infrastructure projects. The 3rd strategic direction aims to enhance the capacity of LGUs to implement such programs through technical assistance by the DOT in collaboration with private and development partners.

Travel facilitation. Under the NTDP 2016-2022, travel facilitation initiatives were largely focused on international tourism programs – visa policies and taxes and border control services. Due to COVID-19, travel facilitation initiatives such as green corridors for fully vaccinated travellers, use of digitally-based applications - IATA Travel Pass, immunity/vaccine passports, and online applications and issuances for visas and travel permits required by the national IATF can be used to jumpstart inbound tourism to the country.

Travel facilitation also emerged as an urgent element in domestic travel. A nationally applied set of rules and regulations for domestic tourists has strong potential to increase travel confidence based on the results of the DOT Travel Survey in December 2020.

The three strategic activities to support this SAP on safe and green travel infrastructure include:

Box 4: Safe and Green Travel Infrastructure and Travel Facilitation

- 1.1.1 Prepare the Annual Tourism Infrastructure Program for FY 2022 and multi-year programming for 2022-2028 to fund the priority airports (under LIPAD), seaports, road network (under TRIP) and Active Transport Project for bicycle tourism, and *destination management infrastructure such as* but not limited to internet connectivity in major tourist destinations accessible to visitors for an improved tourist experience, healthcare facilities and services, safe quarantine facilities, contact tracing capabilities, and solid waste management facilities for proper disposal of used equipment (TouRIST projects)
- 1.1.2. Implement uniform safe travel protocols to facilitate domestic mobility and conduct rapid assessment on readiness for international facilitation initiatives
- 1.1.3 Develop green corridors (e.g. market-segment-focused and/or spatial – bilateral/regional/multilateral) as strategy to re-open borders utilizing more gateway airports like Clark, Cebu, Davao, Bohol, Puerto Princesa for direct flights

*Details in the Action Plan Matrix

1.2 Diversify product and provide safe and high-quality experience

The main goal of this action program is to facilitate the shift towards quality tourism and the provision of high-quality visitor experience.

Three imperatives are considered in the identification of the strategic activities.

First is the need to prioritize the product development efforts given market preferences, limited resources, and COVID -19 environment (i.e. new variants, local transmission that make it difficult to predict the pandemic timeline). The development of remote sites and non-traditional destinations are attractive to disperse tourism flows and benefits. However, developing a number of circuits or large circuits relative to the uneven healthcare capacities of communities within TDAs would be difficult to manage and monitor in the immediate (next 6 months) to short-term (one year).

The high yield MICE product is a crucial pillar in the overall recovery due to its wide linkages. As evidenced in the international markets and the activities pursued by the TPB, the use of hybrid models particularly for high impact events will be instrumental in job recovery. The ongoing updating of the MICE roadmap will identify measures to sustain this pivot of the industry.

Second, resilient products depend on (i) effective implementation of safety and health protocols (culture of safety in SAP 1.5); (ii) integration of climate change impacts on product ³⁵ and support

³⁵ <https://www.unwto.org/covid-19-oneplanet-responsible-recovery-initiatives/iucn-tapas-group>

infrastructure design (SAP 1.1), (iii) increased readiness of destinations particularly protected areas with ecotourism offerings to manage tourism flows given market research findings that post-COVID-19 people will seek out adventure travel, natural spaces, safe and quality experience based on the results of the surveys (cross-reference SD 2.3); and (iv) collaboration among stakeholders to promote healthy marine and terrestrial ecosystems.

The presence of good quality roads will support the bicycle tourism program in places such as Metro Manila, Metro Cebu and Metro Davao where DOTr has started the bike lane networks. The Active Transport Project highlights the use of bicycles as an active and green transportation mode, one that can be replicated in more TDAs thru partnerships with the LGUs and the local communities.

Third, the DOT domestic travel survey in December 2020 highlighted the role of customization in restoring travel confidence. The UNWTO also reported that customization of product offerings particularly cultural tourism can contribute to broadening the international markets. Thus the creative economy that integrates food, tangible and intangible heritage to create captivating stories that impact positively on tourism destinations.

The four strategic activities are outlined below. The Task Force on Domestic Tourism Product Development has prepared a comprehensive action plan for domestic tourism recovery. The other activities in Box 5 apply to both domestic and international tourism product development. The gains from domestic tourism product development will create significant spillover effects for safe international tourism rebound.

Box 5. Strategic Activities on Product Development

- 1.2.1 Fund and implement the action plan of the Task Force on Domestic Tourism Product Development
- 1.2.2 Invest in market research/intelligence, mapping programs (i.e. food and cultural), and strategy/roadmap for products such as Halal Tourism)
- 1.2.3 Develop and/or improve products, tour quality and experience in the priority tourism circuits to match preferences for safe travels in open spaces/outdoors (e.g. bicycle tourism), nature-based, curated, sensorial, and inclusive products (Cross- Reference SD1, SAP 1.5)
- 1.2.4 Collaborate with the private sector and destination management organizations for hybrid MICE Programs and big impact events such as the hosting of the WTTC on October 2021 (Cross-Reference SD1, SAP 1.5.6)

*Details in the Action Plan Matrix

1.3 Protect livelihood and enable innovative financing and investments

This action program aims to protect the 4.7 million tourism workers (based on PTSA 2020) and support the 1 million workers displaced by COVID 19, particularly the vulnerable groups, through social protection programs and investments.³⁶

Social Protection. The government has provided the relief and recovery assistance programs to workers and enterprises under the Bayanihan 1 and 2 Acts. The regional offices facilitated the high availment of the cash assistance provided through the DOLE. The DOT and TCP collaborated with the DTI and SB Corporation in addressing the concerns behind the low availment of financial assistance by MSMEs under the CARES for Travel program. The loan conditions and requirements were further relaxed to support the needs for funds by the MSMEs. By June 2021, the DTI reported high utilization of the assistance package.

The TRRP has been updated to reflect priority measures for 2021-2022 that also converge with the RNDP 2021-2022. The DOT will once again play a crucial role in ensuring that the tourism stakeholders benefit from national programs (e.g. National Employment Recovery Strategy (NERS) and RECHARGE) and additional measures to assist critically impacted industries.

Changing Investment Landscape. According to the UNWTO, the global FDI into tourism plummeted by 73.2% in the first half of 2020 compared to its year-ago record. The COVID-19 pandemic has made clear that sustainable tourism requires sustainable investments at the center of new solutions, and not just of traditional investments that promote and underpin economic growth and productivity. It has also highlighted the importance of non-traditional investments that enhance innovation through the creation and diffusion of new solutions to decarbonize the sector. These include: travel arrangement & reservation services, Internet publishing, web search among other, which represent around 32% of total investments considering investments between 2015 – 2019³⁷ and constantly changing business models attracting more investors.³⁸ One new initiative will be working with private sector partners to promote green finance and share experience in resourcing sustainable buildings.

The activities under this program include the following:

Box 6: Strategic Activities on Protection of Livelihood and Enabling Investments

- 1.3.1 Increase utilization of financial assistance and social protection programs for enterprises and workers under but not limited to existing national recovery initiatives (e.g. National Employment Recovery Strategy)
- 1.3.2 Diversify investment and financing program portfolio for traditional and non-traditional investments particularly in TEZs
- 1.3.3 Expand engagement with NEDA-PPP, TIEZA, and LGUs to identify and package investments for destination infrastructure improvements/rehabilitation e.g. heritage districts, sanitation, solid waste management, water supply)

*Details in the Action Plan Matrix

³⁶ The UNWTO recommended a transformation roadmap focused on five priority areas: (1) mitigating impacts on livelihoods, (2) boosting competitiveness and building resilience, (3) advancing innovation and digitalization of the tourism ecosystem, (4) fostering sustainability and inclusive growth, and (5) coordination and partnerships to transform and achieve the SDGs.

³⁷ <https://www.unwto.org/investment/unwto-investment-guidelines-SA1>

³⁸ <https://webunwto.s3.eu-west-1.amazonaws.com/s3fs-public/2020-09/FDI-Tourism-Report-2020.pdf>

1.4 Foster Upskilling of Human Resources and Improve Service Standards.

The activities in the next two years will focus on investments in retooling and upskilling of human resources to aid professionals, workers, and enterprises mitigate and recover from COVID-19. The investments will cover increasing the digital literacy, building the capacity of the industry to respond to dynamic changes in the job market through the implementation of the Philippine Tourism Human Capital Development Plan 2021-2025, and leveraging the Philippine initiatives with ASEAN programs (Box 7).

The training programs, based on learning needs assessments, will have to be prioritized and cater to the needs of the operators across the tourism value chain – from community based groups to the primary and secondary tourism enterprises.

The skills and business development training will include but not limited to:

- new skills for frontline, mid-level/ supervisory, and executive functions (e.g. financial and revenue management, digital marketing) — from sanitation to digitization
- learning how to create new business models and design new products and services.
- executive and lifelong learning programs for private and public sector on sustainable tourism governance (especially in light of the Mandanas ruling implementation)
- strengthening Industry/Academe Linkages and the K-12 Tourism Education Offering
- comprehensive inventory of qualified programs
- provision of substantial grants to individuals pursuing tourism and hospitality skills improvement programs and scholarships for foreign language learning linked up with tour operators.
- enhancing the quality and content of tour guide training through research grants for tour guide
- creating incentives package for studying foreign languages for tourism purposes or for undergoing training as tour guides in the case of returning overseas workers

The DOT will collaborate with DICT for the offering of courses/webinars on the use of digital technology and solutions in offering tourism services. Companies (e.g. manufacturing, technology, knowledge centers, and/or start-up companies) will be tapped as partners to upskill members of the formal and informal economy (that make up 60% of the tourism employment) for safe transactions and market access (e.g. online tours/experiences).

Under the TRRP, short-term solutions will involve the as well as

Box 7: Strategic Activities on Human Resource Development

- 1.4.1. Invest in the re-skilling/upskilling of Human Resources in the use of Digital Technology and Solutions (Cross-reference, SD1, SAP 1.3.1)
- 1.4.2. Build capacity of the industry to respond to dynamic changes in the job market through the implementation of the Philippine Tourism Human Capital Development Plan 2021-2025
- 1.4.3. Leverage the initiatives in ASEAN in human resource capacity development including but not limited to the ASEAN MRA on tourism professionals program

*Details in the Action Plan Matrix

Availability of data for informed decisions. At the national level, tourism employs 5.7 million workers, based on the Tourism Satellite Accounts. However, the measurement of the impacts on workers at the local level is a challenge. The pandemic highlighted the opportunity to address the fragmented data on employment at the local levels. A number of LGUs do not maintain and monitor records of employees in tourism industries – primary and secondary. There are data available with units such as PESO and BPLO in the LGU offices. Some organizations or associations have their own monitoring system. It was thus a challenge to determine the universe of impacted tourism workers at the local levels. Against this background, the DOT initiated the dialogue with regional and local tourism offices in order to design a statistical framework that can be used to track the recovery of the destinations as they re-open their local tourism economies. In the short-term, the DOT will need to guide the LGUs in the process. In the medium-term, the data on tourism workforce should be institutionalized in the LGUs as part of their crisis mitigation plans. This activity is a priority under Strategic Direction 3 and mentioned in this section to highlight the importance of good information infrastructure in human resource development

1.5 Design and implement innovative marketing and promotions programs

The industry has invested in a series of campaign materials to keep the Philippines top of mind among consumers starting with DOT's Wake Up in the Philippines video and the various ads that promote safe travels in destinations. The ads highlight the adaptation done by destinations to ensure safety of travelers and communities.

The domestic tourism rebound is key priority as platform for recovery in the next two years. The Task Force on Domestic Tourism Product Development has crafted a marketing program to motivate Filipinos to be part of the recovery of destinations. The program aims to promote pride of place, of the Filipino heritage and to encourage local, responsible travel within the country for day trips, holidays and breaks. Environmental education among students in low risk areas such as those in MGCQ can be packaged within learning modalities.

The marketing program for the international market will focus on providing information about the Philippines' efforts to make travel safe, to develop and promote sustainable tourism based on the market insight about these preferences for information. The campaign will seek to answer the question "why sustainable tourism?" and shift the tourism narrative towards engaging visitors to contribute to community preservation and conservation of resources. The stories of destinations about sustainable projects and foreign and local investments in energy, transportation, and others will be highlighted to cater to an increasing base of consumers who prefer tourism brands that make a difference during COVID-19. The WTTC reported that 73% of consumers are taking note of brands that are making a difference during COVID-19 and 58% of consumers say they are thinking more about the environment since COVID-19.³⁹

The MICE roadmap is currently being updated to define strategic positioning and marketing of the country for safe hybrid events and the required infrastructure and support of the industry. As part of the response and recovery program, the RNTDP supports the engagement of MICE professionals and skilled workforce to strengthen the COVID-19 response and campaign for vaccination programs i.e. contact tracing, IEC campaign.

³⁹ Oliver Wyman Traveler COVID-19 Survey, WTTC, Publicis Sapient, International Energy Agency, Mongabay, Vox, Yelp, World Economic Forum

Box 8: Strategic Tasks on Marketing and Promotions

- 1.5.1 Implement the marketing action plan prepared by the Task Force on Domestic Tourism Product Development
- 1.5.2 Collaborate with the private sector and specific institutions (i.e. DepEd, CHED) in designing and promoting tourism in the education sector including but not limited to educational trips within the learning modalities to be implemented (Cross-Reference, SD1: SAP 1.2)
- 1.5.3 Implement tactical promotions to complement branding by focusing on specific activity market segments that exhibits continuous and high growth i.e. diving, trekking/hiking, cultural events; biking based on market research
- 1.5.4 Relaunch Balikbayan and VFR promotions program (Cross Reference: SD1, SAP 1.1.4 and 1.2)
- 1.5.5 Invest in mix of umbrella branding campaign and sustainability campaign
- 1.5.6 Invest in the organization and hosting of national and international events of major impact by the Tourism Promotions Board (Cross-Reference: SD1, SAP 1.2.4)

*Details in the Action Plan Matrix

1.6 Embrace Tourism Quality Initiatives

Nurturing a culture of safety. With the COVID-19, consumers have become more conscious of the sanitation and hygiene protocols. The Domestic Travel Surveys of May and December 2020 highlighted health and safety as the primary concern of travelers. Consumers will choose enterprises and destinations based on the information on quality and safety assurance. The standards and protocols would be key to building consumer confidence. A system of incentives and penalties is proposed to be designed and implemented to ensure compliance to the minimum standards and protocols.

Even with the ongoing vaccination programs, safety and hygiene protocols will continue to influence the travel decision of the markets. As emphasized by the WTTC, these protocols will have to nurture a culture of safety in organizations and destinations. Businesses will need to adapt quickly and invest in the right training programs for their organization. While protocols have focused mainly on the primary tourism enterprises, this culture of safety will need to reach the community organizations or groups that contribute to the overall tourism experience.

This action program supports the promotion of the UNWTO Code of Ethics for the protection of tourists and enterprises.

Box 9. Strategic Activities on Embracing Quality Initiatives

- 1.6.1 Nurture the culture of safety in tourism enterprises, LGUs, and destinations through the DOT accreditation programs, use of online accreditation system and capacity-building for developing local policies and regulations
- 1.6.2 Campaign for the adoption of the Safe Travels stamp to DOT-accredited establishments and destinations
- 1.6.3 Adopt ASEAN quality standards and certification processes within the Philippine context in facilities like homestays, spa services, and public toilets

*Details in the Action Plan Matrix

Accreditation Standards. One objective of the Tourism Act of 2009 is to “maintain international standards of excellence in all tourism facilities and services, and promote the country as a safe and wholesome tourist destination.” The law mandates primary tourism enterprises to seek accreditation from DOT. The implementation of the online accreditation system is designed to facilitate the new application and renewal process, enable primary enterprises to comply with the law and for secondary enterprises to increase their enrollment. The benefits of accreditation became more relevant with the impacts of COVID-19 on market preferences for destinations and facilities that can ensure safety associated with accreditation.

For enterprises, particularly MSMEs seeking to retrofit or adopt environment-friendly technologies, they would need to be assisted or incentivized to allow them to recover with greater resilience from COVID- 19.

Strategic Direction 2: Pursue Resilient, Inclusive and Sustainable Tourism

This strategic direction is anchored on the Transforming Communities Towards Resilient, Inclusive, and Sustainable Tourism (TouRIST) program. With the launch of the TouRIST program in 2019, the DOT aimed to shift the development narrative towards sustainable, inclusive, and resilient tourism.

The introduction of resiliency in the strategic direction highlights the need of destinations to prepare for any crises and more importantly to bounce back rapidly.

In the next two years, the DOT will steer the industry towards investments in these three elements of tourism development. It will collaborate with partners in identifying market-based solutions to the challenges faced by communities in tourism development.

2.1 Upgrade MSMEs in the tourism value chain

There are two categories of MSMEs covered by the plan.

The first includes primary and secondary tourism enterprises. The second includes supplier communities to the tourism markets. They produce the food, handicrafts, and the souvenir items purchased by tourists. By improving the quality of products sold to tourists, destinations have greater opportunities to increase the tourism expenditures and the benefits to the local communities.

The industry needs to develop and coordinate a targeted approach at the national and local levels to support MSMEs. The MSMEs need to acquire digital skills, tools and solutions in order to access markets and suppliers during this pandemic and post COVID-19. These initiatives will require financing, training, mentorship and counselling.

Enhance capability to reach markets and improve quality of products to increase yields and impacts

- Raise skills capabilities and quality of products i.e. handicrafts, souvenirs, food products to further increase tourism expenditures through technical programs with DTI and DOST;
- Maximize partnerships with private sector platforms/web-based services that will promote their facilities and services and contactless transactions;
- Develop and strengthen linkages of MSMEs with large tourism enterprises for inclusive business programs.

- Collaborate with the DTI to integrate tourism MSMEs (including supplier communities) in the implementation of the national e-commerce roadmap
- Collaborate with development partners to identify global alliances for MSMEs to access grants, productivity enhancement, and mentoring programs

Expand the campaign for Sustainable Consumption and Production

- Collaborate with national agencies and development Partners to expand the program on greening the value chain for tourism enterprises in order to expand and promote green jobs
- Create an award system for enterprises/groups/coalitions promoting SCP and use their stories and destinations as part of the global campaign on sustainability

Box 10. Strategic Activities on Upgrading MSMEs

- 2.1.1 Enhance capability to reach markets and improve quality of products to increase yields and impacts
- 2.1.2 Expand the campaign for Sustainable Consumption and Production

*Details in the Action Plan Matrix

In partnership with DOST, the Small Enterprise Technology Upgrading Program (SETUP), shall form part of the capacity building initiatives to be offered to tourism-related MSMEs. The SETUP is a national strategy to encourage and assist MSMEs in the adoption of technological innovations to improve operations and boost productivity as well as promote the use of indigenous materials in producing quality products. The Food and Innovation Centers (FIC) of DOST, likewise, will promote and demonstrate the functionality of locally-fabricated processing equipment to bridge the gap from small-scale production to consumer-scale capacity.

There is a huge number of MSMEs in the industry that lost business and workers due to the COVID-19. With no markets to serve, the MSMEs have been given the opportunity to access financing from the government assistance programs primarily the Bayanihan Act 2. As the pandemic enters its second year, the MSMEs will be challenged once again to rethink their business models and to prepare for the eventual rebound, recognizing that lockdowns or quarantine scenarios are still likely to happen. The restart of tourism depends on the ability of MSMEs to adapt to the new environment, to be able to participate in a contactless tourism economy, and to use digital solutions to integrate themselves in the evolving tourism value chain.

The pandemic period provides an opportunity to invest in productivity upgrading – either to replace capital used before the pandemic hit the industry and/or in new processes and systems. This rest period allows MSMEs to invest in improvements in processes, product packaging, and in designing a business model aligned to sustainable and inclusive tourism. Such investments will not be wasted. The global industry is witnessing more market segments shifting their preferences to destinations that intentionally contribute to protecting the planet and host communities.

2.2 Ensure access to opportunities and tourism experience for all

Inclusive tourism refers to the capacity of tourism to integrate disadvantaged groups so that they can participate in, and benefit from, tourism activity. The report showcases how tourism can function as a vehicle for sustainable development and the reduction of poverty and inequality in the context of the 2030 Agenda and the 17 Sustainable Development Goals (SDGs).

Gender and Development. One of the SDG goals is on Gender Equality, where the Philippines scores high based on the Global Gender Gap Index. According to the World Health Organization (WHO), 15% of the world's population (1 billion people) lives with some form of disability. The poverty due to COVID- 19 has exacerbated the needs of women and children to be protected against human trafficking and exploitation. It is towards this end that the local government units have greater responsibility to be able to provide opportunities to women and the marginalized sectors to become part of the early periods of local tourism rebound. As LGUs increase their investments in infrastructure to support tourism resiliency, they will benefit from the increase in participation of women in the tourism infrastructure development processes through meaningful consultations and participation in the planning and decision bodies at the local levels. The thrust of the updated NTDP is to ensure gender mainstreaming in the local tourism industry, especially in light of the Mandanas ruling implementation, that will provide LGUs additional resources to support their Gender and Development Plans.

Accessible tourism. Accessibility for all to tourism facilities, products, and services should be a central part of any responsible and sustainable tourism policy. Accessibility is not only about human rights. It is a business opportunity for destinations and companies to embrace all visitors and enhance their revenues. Recovery plans of destinations will prioritize the participation of persons with disabilities. Tourism offices will collaborate with the social and welfare offices of the LGUs to ensure that the vulnerable groups become part of the process.

Respect for the land and people: working with indigenous communities. In collaboration with the LGUs, the tourism stakeholders will engage the indigenous peoples in the development process of experiential products such as regenerative travel, slow Food/Slow Travel in areas with great potentials for these products.

The strategic activities include:

Box 11. Strategic Activities on Upgrading MSMEs

- 2.2.1 Increase participation of women and marginalized sectors in tourism development (Cross-Reference SD 3, SAP 3.1)
- 2.2.2 Promote barrier-free tourism and conduct capacity building programs for stakeholders
Formulate and implement gender sensitive policies and guidelines for tourism promotions, marketing, and information and educational campaign materials.
- 2.2.3 Engage local communities in tourism development especially in products such as Slow Travel/Slow Food and Indigenous Tourism

*Details in the Action Plan Matrix

2.3 Build and strengthen capacities of destinations for conservation, climate smart investments

The National Ecotourism Strategy forged by the DENR and the DOT is a strategy to foster a connection to nature and the lasting commitment to their conservation. Investments in trails and new facilities such as bike trails, camping sites, picnic grounds view decks, ecolodges, based on the assessments will be prioritized (Cross-Reference: SD1: 1.2 and 1.3).

Other areas of collaboration between the DOT and its partners include establishment of flexible tourism carrying capacities in destinations. This requires the conduct inventory of sites with established TCCs and the identification of the next group of sites in TDAs. When tourism rebounds and recovers, destinations should be ready to implement technology-driven visitor management programs to manage tourism flows in time and space.

Conservation Initiatives and Financing Strategies. Revenue derived from park-entrance fees and similar sources can help finance the protection, operations, and management of environmentally sensitive areas. To ensure sustainability there is a need to review these financing or conservation fees – their levels and utilization or appropriation among programs - using pilot areas and conduct knowledge sharing among the site managers and LGUs.

The RNTDP 2021-22 prioritizes three strategic activities, namely:

Box 12 : Strategic Activities on Conservation and Climate Smart Investments

- 2.3.1 Develop a shortlist of ecotourism sites within protected areas under the NIPAS and marine sanctuaries for low-density recreation and educational purposes and opened up for private sector investment (Cross Reference: SD1, SAP 1.2 and 1.3)
- 2.3.2 Implement a flexible Tourism Carrying Capacity Studies as a planning tool for specific sites and attractions particularly those reflective of threatened and fragile environment
- 2.3.3 Study conservation financing measures in nature-based sites especially protected areas offering ecotourism or nature-based experiences (Cross-Reference: SD2, SAP 2.3.1)

*Details in the Action Plan Matrix

2.4 Formulate Measures to Address Tourism Risks and Crisis

An event or series of circumstances which can severely compromise or damage the marketability of a tourism business or destination has to be managed properly from the risk reduction stage to the recovery stage. It shall involve the application of health and safety measures, crisis communication with media, and restoration of confidence in affected tourism source markets.

Addressing tourism risks and crisis requires concerted efforts from all stakeholders and timely and well- understood responses from travel industry partners to include rescue, medical, and police authorities. The process will involve soliciting inputs and securing commitments from the stakeholders. The DOT will publish and disseminate an updated tourism crisis guide and checklist using lessons from the COVID-19 pandemic. The guide will involve methods on how to handle media channels especially social media in the different phases of the plan.

Towards this end, the DOT takes the lead in implementing the two major strategic activities (Box 13).

Box 13: Strategic Tasks on Addressing Tourism Risks and Crisis

- 2.4.1 Prepare and/or update crises readiness, risk mitigation and business continuity plans using guidelines from international bodies such as UNWTO and ASEAN (Cross- Reference; SD1, SAP 1.1 for emergency response infrastructure)
- 2.4.2 Undertake a program for the hospitality industry in complying with public health standards and undertaking occupational safety measures in the workplace (Cross- Reference: SD1, SAP 1.6)

*Details in the Action Plan Matrix

Strategic Direction 3: Strengthen Governance and Destination Management

This strategic direction aims to support the devolution of tourism functions defined under the 1991 Local Government Code and RA 9593 through institutionalized strengthening programs focused on improving the governance and destination management capacities of LGUs. The NTDP recognizes the importance of an efficient and working information infrastructure as core element in governance and destination management.

The DOT will assume strategic role in guiding the LGUs implement their roles and responsibilities in tourism planning and development. The DOT will play a key role in leveraging the milestones achieved by the destinations in global and regional marketing and investment programs and in seeking alliances for market-based solutions to the developmental challenges encountered by LGUs and destinations. Through the development of guidance tools and provision of leads especially from market intelligence, the DOT will take the lead in steering the LGUs and destinations towards securing a bigger share for Philippine tourism and a higher ranking in the global tourism market.

3.1 Upgrade the Destination Tourism Information Infrastructure

Product development, marketing strategies, investment plans, transportation planning, competitiveness, and sustainability tracking all require good data and information. Data on visitors' origins, profiles, activities, motivators, states and cities visited, length of stay, and spending patterns can help with the successful branding, marketing, and sustainability of the Philippines as a visitor destination.

Strategic planning and performance measurement of the travel and tourism industry depend on the availability, validity, consistency, and reliability of statistics and information. With the implementation of the Mandanas ruling, the LGUs will need to assume greater responsibility in upholding standards in data collection and dissemination. The DOT will focus more on setting the national framework, in collaboration with national agencies, for the implementation of standards particularly in the area of Measuring Sustainable Tourism.

An important part of the information infrastructure is visitor feedback on the quality of their experience and suggestions for their experience and suggestions for improvement particularly on service levels. Based on the SDG and measuring sustainable tourism framework and impact of technology on data availability and accessibility, proposed projects include: an updated statistical plan for the sector and sustainable tourism dashboards for national and pilot area(s); conduct the training on development of destination tourism indices and dashboard; and develop e-learning platforms and resource center for LGUs to utilize especially now that they are updating their medium to long-term plans.

- Provide interactive platform of information to users and sources of data starting with pilot areas/destinations within the bounds of the Data Privacy Act;
- Identify other data sources e.g. advance passenger information system, crowd sourcing, social media, vouchers, use of wifi, big data can be used within the bounds of the Data Privacy Act;
- Implement MOA with private sector partners in providing complementary platform for information and knowledge sharing

The strategic activities are listed in Box 14.

Box 14 : Strategic Activities on Upgrading Tourism Information

- 3.1.1 Improve the data gathering, processing, consolidation, and reporting of sex- disaggregated data related to tourism activities – both demand and supply –at the LGU levels.
- 3.1.2 Invest in the digital infrastructure to secure and consolidate LGU-level data for planning, monitoring, and evaluation through partnerships with private sector
- 3.1.3 Enable harmonious system of DOT standards and LGU operational requirements of LGUs through pilot partnerships

*Details in the Action Plan Matrix

3.2 Develop and Strengthen Capacities for Local Planning and Implementation

The COVID-19 has highlighted the need for the LGUs to strengthen their capabilities to formulate local tourism plans, disaster risk plans, and business continuity plans (SD 2.4). The LGU plans can focus on the localization of the national TouRIST program. The TouRIST Program (D.O. No. 2019-101) aims to (1) develop and promote a sustainable tourism industry with active participation of all stakeholders, (2) Create an inclusive industry that benefits local communities, and (3) Ensure a resilient tourism industry amidst threats. The program has 3 pillars covered by SD1 and SD2. These are resiliency, inclusivity and sustainability. The key results areas of the TouRIST program are shown in Table 13.

Table 13: Key Result Areas of TouRIST

Project Component	Key Result Areas (KRAs)
Infrastructure	<ul style="list-style-type: none"> Improved mobility Reduced environmental impacts Increased economic value Reduced land and marine pollution
Livelihood	<ul style="list-style-type: none"> Increase in jobs and employment Increased participation of vulnerable groups
Disaster and Risk Management	<ul style="list-style-type: none"> Improved emergency preparedness and resiliency Improved response mechanism and capacity
Policy and Standards	<ul style="list-style-type: none"> Increased in accredited establishments with TouRIST standards Increase in tourism investments Competent and dedicated workforce

Two major activities are prioritized under this program based on their feasibility of implementation in the next 18 months.

Related to Action Program 3.1, the LGU should be able to monitor and assess the impacts at the destination level and use the information as input in: identifying appropriate response and recovery measures; (ii) securing support from national government, stakeholders, communities, and potential partners in recovery; and (iii) calibrating their tourism action plans.

To date, the information is fragmented at the local levels making it more difficult to synthesize for strategic TDA value proposition. Towards this goal, the DOT guide the LGUs by providing an assessment framework, measurement and reporting system. This will facilitate the proper documentation of experiences and best practices in crisis management (cross-reference SD 2.4)

Box 15: Strategic Activities on Developing and Strengthening Capacities for Local Planning

- 3.2.1 Assess the impacts of COVID-19 on their tourism enterprise and workforce, especially those who have received assistance and disseminate results in timely manner for strategic decisions of national government;
- 3.2.2 Provide capacity-building/training programs LGUs to prepare and implement their local tourism master plans/development frameworks/strategic action plan/feasibility studies/investment programs.

In all the above activities, the key partners are the private sector, local tourism councils, and communities.

The capacity-building programs will include but not be limited to:

- developing or updating local recovery programs post COVID-19 aligned to national goals and thrusts;
- conducting a series of consultations to clarify and agree on the roles and responsibilities in local tourism development of the LGUs, the DOT, other partner NGAs, and the private sector, so that programs for partnership with the private sector for human resources development such as internship programs, joint trainings for standardization of services, etc., can be initiated;
- conducting workshops and training for pilot LGUs on areas such as product development, marketing, investment packaging, and financing (Cross-Reference : SD1 : 1.1 and 1.3)
- creating route development committees in gateway destinations/clusters to support efforts to build and rebuild transportation networks for circuit development;
- reviewing existing plans and/or preparing new plans to update product development and marketing, investment portfolio to include green financing, address regulatory issues, and mainstream crisis management, business, and governance continuity programs;
- providing guidance to the LGUs in strengthening their governance and regulations particularly in critical areas pre-COVID;
- building effective partnerships between the DOT, other NGAs, LGUs and the private sector at the regional, provincial, city, and municipal levels to effectively address the sustainable development of tourism;

4. Indicative Revised Impacts

The visitor projections under each scenario will generate revenues and impacts, lower than the 2019 values depending on scale of impacts. Under a medium scenario, tourism revenues/expenditures may reach Php 1.1 trillion in 2022 with domestic tourism activities contributing 92% share to the total value.

Table 14: Scenario-Based Projections 2021-2022

Indicators	2019	2020	Upside/Mild		Medium/Harsh		Downside/Severe	
			2021	2022	2021	2022	2021	2022
Revenue/Expenditures (Php Billion)	3,691	1,315	1,422	2,177	870	1,660	667	1,146
Inbound	600	133	31	164	21	85	12	34
Domestic	3,142	557	1,391	2,013	849	1,575	655	1,112
Employment (Millions)	5.70	4.70	5.10	5.30	4.70	4.90	4.50	4.80
Visitors								
Inbound Tourism (Millions)	8.30	1.50	0.67	3.55	0.45	1.85	0.25	0.75
Domestic Trips (Millions)	109.80	24.25	47.78	67.53	29.1	54.1	22.5	38.20

Sources: PTSA 2020

5. Indicative Budget

The indicative investment cost for implementing the RNTDP 2021-2022 is Php 68.640 Billion. A significant share of the investment amount is accounted for by infrastructure projects – airports, roads, seaports – to promote seamless, safe and green access and connectivity and resilient destinations. Projects on destination management infrastructure and climate smart investments are also covered in the RNTDP. Initially they were part of the TRRP budget of Php 70 Billion in 2020. The investments for projects and activities under Strategic Directions 2 and 3 are related more to those that are not funded under the Tourism Response and Recovery Plan.

The indicative cost for implementing the RNTDP 2021-2022 is PHP 68.6 Billion driven by the completion of ongoing priority tourism infrastructure projects and initiation of new investments in destination management infrastructure and travel facilitation projects to ensure resilient and safe rebound.

Table 15: Indicative Budget

Strategic Direction	2021-2022 Amount (PHP) Millions
1 – Promote Safe, Fun and Competitive Tourism*	67,770
2 – Pursue Resilient, Inclusive and Sustainable Tourism	620
3 – Strengthen Governance and Destination Management	250
Total	68,640

**includes investments in infrastructure to promote resiliency of destinations*

6. Monitoring and Evaluation

This section is part of the NTDP 2016-2022 and is proposed for continued implementation.

The overall implementation of the NTDP shall rest with the DOT as the lead agency in:

- e) carrying out the strategic action programs through convergence and partnerships with identified national government agencies;
- f) assigning specific action plans within its internal office as well as its regional and overseas offices to include attached agencies;
- g) taking the initiative in the involvement of tourism, travel-related private sector and non-governmental organizations, civic bodies and the academe; and
- h) making representations with both houses of Congress to expedite the passing of appropriate laws and policies in support of the NTDP.

In its implementation, the coordinative effort and the allocation of resources to support strategic action plans of the NTDP are centralized at the TCC as created by RA 9593, with the TCP, comprised of the private tourism sector and created by the same act, to provide technical assistance in the implementation of relevant action plans requiring private sector support. National Government Agencies with convergence programs with the DOT are encouraged to appoint a coordinating officer.

To further strengthen the implementation and management of the RNTDP 2021-2022 strategic action programs, the following organizational initiatives are being recommended:

- a) Establishment of 4 sub-committees from the 25-member TCC to provide focus in the implementation of related programs, to wit:
 - Tourism Infrastructure Sub-Committee
 - Quality Tourism Sub-Committee
 - Inclusive and Sustainable Sub-Committee

-Travel Facilitation Sub-Committee

- b) Creation of a DOT-National Tourism Development Plan Committee, an internally-created office within the DOT comprised of representatives from key DOT offices and attached agencies which will act as the coordinating body for all entities involved in the NTDP programs. It shall, likewise, act as a monitoring and coordination unit to support the action plans specified in the tourism clusters by working with the DOT Regional Offices and the different Regional Development Councils, relevant LGUs, the private sector, NGOs and the academe, if any. An NTDP Monitoring Unit shall act as its secretariat as well as support the TCC. An appropriate budget is to be allocated for this purpose under the Tourism Development Division of the DOT Regional Offices.
- c) Designation of an NTDP Project Coordinator within the Tourism Development Division in all Regional Offices who shall be responsible for the close coordination between the Head and Regional Offices for activities directly related to the monitoring of NTDP programs such as coordination meetings, inspection visits, and liaison work with LGUs.
- d) Expansion of the TPB private sector membership base through the creation of an allied member category representing the demand side of the tourism industry (i.e. multi-national corporations, professional associations, civic and social societies and clubs, athletic, sports, and recreational bodies, etc.).
- e) Creation of a foreign marketing officer item under the TPB plantilla who will form part of the Overseas Offices team in order to implement promotional activities in their area as spelled out in the Annual DOT Marketing Program and who shall report to the Tourism Attaché. The officer shall also act as the SDO for all funds remitted by TPB. This proposal can form part of the study to be undertaken with respect to the expansion of the DOT foreign offices network.
- f) Institutionalize the organization of a one-day Tourism Industry Forum to be held back to back with the Annual TCP General Membership Meeting to act as a platform for the presentation and discussion of issues affecting the tourism industry and solutions to address such through attendant resolutions as a call to action. The forum will be organized by the TCP with support coming from the DOT and its attached agencies.

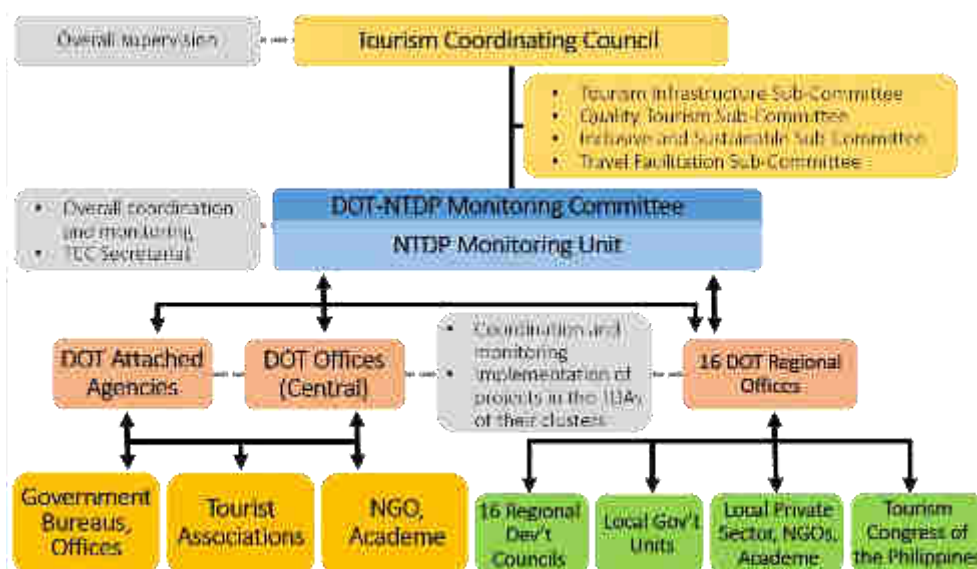


Figure 14: NTDP Monitoring and Evaluation Framework

RNTDP 2021-2022 SECTOR ACTION PLAN

ABBREVIATIONS AND ACRONYMS

ACAP	Air Carrier Association of the Philippines
ADB	Asian Development Bank
ASEAN	Association of South-East Asian Nations
ATSP	ASEAN Tourism Strategic Plan
BAR	Board of Airline Representatives
BI	Bureau of Immigration
BOC	Bureau of Customs
BOI	Board of Investments
CAAP	Civil Aviation Authority of the Philippines
CHED	Commission on Higher Education
CIAC	Clark International Airport Corporation
CREATE	Corporate Recovery and Tax Incentives for Enterprises
DA	Department of Agriculture
DENR	Department of Environment and Natural Resources
DFA	Department of Foreign Affairs
DFPC	Duty Free Philippines Corporation
DIAA	Davao International Airport Authority
DICT	Department of Information and Communication Technology
DILG	Department of the Interior and Local Government
DOLE	Department of Labor and Employment
DOST	Department of Science and Technology
DOT	Department of Tourism
DOT-LLU	DOT Legislative Liaison Unit
DOT-OIMD	Office of Industry Manpower Development
DOT-OLSC	Office of Legal and Special Concerns
DOT-OPMD	Office of Product and Market Development
DOT-OTDPRIM	Office of Tourism Development Planning, Research and Information Management
DOT-OTSR	Office of Tourism Standards and Regulations
DOT-PFICD	Policy Formulation and International Cooperation Division
DOT-PIED	Project Investment and Evaluation Division
DOT-SEAIMD	Statistics, Economic Analysis and Information Management Division
DOT-TD	Tourism Development
DOT-TRCRG	Tourism Regulation Coordination and Resource Generation
DOTR	Department of Transportation
DPWH	Department of Public Works and Highways
DTI	Department of Trade and Industry
EO	Executive Order
HRAP	Hotel & Restaurant Association of the Philippines
HSMA	Hotel Sales and Marketing Association
HUCC	Highly Urbanized Component City
IA	Intramuros Administration
IATA	International Air Transport Association
IATF	Inter-Agency Task Force for the Management of Emerging Infectious Diseases
iLIPAD	Institutionalized Leveraging Infrastructure Program for Airport Development
LCP	League of Cities of the Philippines
LGU	Local Government Unit
LIPAD	Luzon International Premiere Airport Development Corporation

LMP	League of Municipalities of the Philippines
LPP	League of Provinces of the Philippines
MARINA	Maritime Industry Authority of the Philippines
MCIAA	Mactan-Cebu International Airport Authority
MIAA	Manila International Airport Authority
MICE	Meetings, Incentives, Conventions and Exhibitions
MRA	Mutual Recognition Arrangements
MSME	Micro-Small-Medium Enterprises
MTIP	Medium-Term Infrastructure Program
NCTDC	National Cruise Tourism Development Committee
NAITAS	National Association of Independent Travel Agencies
NITAS	Network of Independent Travel Agencies
NEDA	National Economic and Development Authority
NEDA-ICC	NEDA Investment Coordination Committee
NEDA-TRIP	NEDA-Three-Year Rolling Infrastructure Program
NES	National Ecotourism Strategy
NHCP	National Historical Commission of the Philippines
NM	National Museum
NPF	Nayong Pilipino Foundation
NPDC	National Parks Development Committee
NTDP	National Tourism Development Plan
O&M	Operations and Maintenance
PCSSD	Philippine Commission On Sports and Scuba Diving
PCW	Philippine Commission on Women
PHILTOA	Philippine Tour Operators Association
PHOA	Philippine Hotel Owners Association
PPA	Philippine Ports Authority
PPP	Public-Private Partnership
PRA	Philippine Retirement Authority
SAP	Strategic Action Program
SCP	Sustainable Consumption and Production
SD	Strategic Direction
SDG	Sustainable Development Goals
SIPP	Strategic Investments Priorities Plan
TCP	Tourism Congress of the Philippines
TDA	Tourism Development Areas
TEZ	Tourism Enterprise Zone
TFDTPD	Task Force on Domestic Tourism Product Development
TIBFI	Tourism Industry Board Foundation Inc.
TIEZA	Tourism Infrastructure and Enterprise Zone Authority
TPB	Tourism Promotions Board
TRIP	Tourism Road Infrastructure Program
TRRP	Tourism Response Recovery Plan
UNWTO	World Tourism Organization
WB	World Bank
WTTC	World Travel and Tourism Council

NOTE: THE ACTION PLAN MATRIX BELOW MAPS OUT INDICATIVE ACTIVITIES AND PROJECTS.

Strategy And Action Plan Elements		Description of Activities			Timing		Cost Estimate (2021-22)	Sample Inputs from DOT & Attached Agencies	Lead DOT Offices & Attached Agencies	Implementing NG Partners	Preliminary Success Indicators/ Milestones (2022)
		2021	2022	2023- 28	Php M						
Strategic Direction 1 : Promote Fun, Safe, and Competitive Tourism					67,770						
1.1 Accelerate Green and Safe Travel Infrastructure and Facilitation Initiatives											
1.1.1 Prepare the Annual Tourism Infrastructure Program for FY 2022 and multi-year programming for 2022-2028 to fund the priority airports (under LIPAD), seaports, road network (under TRIP) and Active Transport Project for bicycle tourism, and destination management infrastructure such as but not limited to internet connectivity in major tourist destinations accessible to visitors for an improved tourist experience, healthcare facilities and services, safe quarantine facilities, contact tracing capabilities, and solid waste management facilities for proper disposal of used equipment (TouRIST projects)	<div><div><div>▪ Prioritize the projects to be funded under the clusters and TDAs and identify those for funding by national government, LGUs, and private sector (See preliminary/indicative list and budget in the attachment)</div><div><div>- Gateway Airports (iLIPAD)</div><div>- Seaports</div><div>- Roads (TRIP)</div><div>- Active Transport Project for bicycle tourism</div><div>- Support infrastructure for TEZs, IA and NPDC and rehabilitation projects</div><div>- Destination Infrastructure (healthcare facilities and equipment eg. Land and sea ambulances, hyperbaric chamber, first aid stations, Telecommunications/ Wifi Connectivity, Sanitation, Waste Management)</div></div><div>Under Internet Connectivity:</div><div>National Broadband Program<ul style="list-style-type: none">Free Internet Access in Public Places/Free Wi-Fi for AllGovernment Emergency Communication System</div></div></div>		X			Annual Tourism Infrastructure Program Preparation of the NTDP 2023-2028 Strategic guidance to the LGUs for the localization of the NTDP to be prepared by DOT	Convergence Unit & DOT-OTDPRIM with inputs from DOT-TRCRG, TIEZA, IA, NPDC, PCSSD	DOTR, CAAP, PPA, MARINA, DPWH, DOH, DICT, DENR, DILG, LGUs	Infrastructure Program and Budget Approved MTTIP under the next NTDP 2023-2028 approved by 2 nd Semester of 2022 (By end of 2028, increased number of destinations with complete infrastructure projects)		

Strategy And Action Plan Elements	Description of Activities	Timing			Cost Estimate (2021-22)	Sample Inputs from DOT & Attached Agencies	Lead DOT Offices & Attached Agencies	Implementing NG Partners	Preliminary Success Indicators/ Milestones (2022)
		2021	2022	2023-28					
					Php M				
	<ul style="list-style-type: none"> Prepare and Secure TCC Approval for the Medium-Term Tourism Infrastructure Program (MTTIP) 2023-2028 under the new NTDP 2023-2028 Implement the Approved Medium-Term Tourism Infrastructure Program 								
	<ul style="list-style-type: none"> Secure approval for the E.O adopting TouRIST as Flagship Program of the National Government Implement the infrastructure components of the TouRIST projects in areas of Coron, El Nido, Bohol, Siquijor, Siargao, Davao, and Samal covered by the ADB and WB and NEDA-DOT Masterplans (<i>Note: ADB and WB Projects subject to ongoing NEDA-ICC evaluation</i>) Identify new areas to be covered/ funded under the TouRIST for inclusion in the MTIP 2023-2028 under the NTDP 2023-2028 Syndicate funding/investment package for the new batch of projects (<i>Cross Reference : SAP 1.3</i>) 	X	X	X		<ul style="list-style-type: none"> Inclusion of the TouRIST program and projects in the PIP and NEDA-TRIP Engagement with executing and implementing agencies and financing partners Identification of new project areas under the TouRIST program 	DOT-OLSC DOT-OLSC, TIEZA	NEDA, ADB, WB, Development/ Financing Partners LGUs (for local infrastructure projects),	EO APPROVED Approved Projects for Implementation by 2022
	Regional Airport PPP Program <ul style="list-style-type: none"> Collaborate with the private airport operators in Mactan-Cebu and Clark, in the implementation of safe travel protocols (<i>Cross-Reference: SD1: SAP 1.1.4</i>) 	X	X	X		<ul style="list-style-type: none"> For 2021, engagement of LIPAD and GMR MEGA WIDE for safe travels and post-COVID 19 resilient recovery, focusing on 	Convergence Unit, OTD (DOT-OPMD), DOT-TRCRG, DFPC	DOTr, CAAP, Existing and (Prospect) Airport Operators	Safe travel protocols adopted and implemented

Strategy And Action Plan Elements	Description of Activities	Timing			Cost Estimate (2021-22)	Sample Inputs from DOT & Attached Agencies	Lead DOT Offices & Attached Agencies	Implementing NG Partners	Preliminary Success Indicators/ Milestones (2022)
		2021	2022	2023-28					
	<ul style="list-style-type: none"> ▪ <i>Provide inputs to the O&M plans of proponents for other airports (Iloilo, Bacolod, New Bohol, Davao, Laguindingan, Bicol Airports)</i> ▪ Prepare, review and update position paper on package of incentives as part of route development action plan. 		X	X		safe processes in the airport community <ul style="list-style-type: none"> ▪ Market insights/due diligence inputs from overseas and regional offices in the preparation of position papers/review of proposals ▪ Provision of inputs to any ongoing review of proposals/designs for airport development particularly O&M to benefit tourism clusters/TDAs, and TEZs 			Increased access
	<i>Program for Other International and Domestic Airport and Seaport Gateways</i> <ul style="list-style-type: none"> ▪ Expand digitization initiatives in airports, seaports and bus terminals for safe travels ▪ Ensure provision of security machine/equipment for safe mobility in the airports and seaports ▪ Improve port and maritime facilities for inter-island vessels in support of inter-island tourism circuit development thru 	X	X	X		<ul style="list-style-type: none"> ▪ Conduct of regular assessment of travel experience in airports, seaports, and land transport terminals and provision of feedback to the partner agencies for timely resolution of concerns/bottlenecks ▪ Using best practices/ case studies, engage operators and LGUs in pilot areas aligned to SD 1, SAP 1.2 priorities to adopt 	CONVERGENCE UNIT, DOT-TRCRG, OTD (DOT-OTDPRIM), DFPC	DOTR, CAAP, PPA, DPWH, MARI NA, LTO, Airport Authorities (MIAA, CIAC, MCIAA, DIAA) and Private Operators, LGUs	Safe travel protocols adopted by operators and digitization of processes initiated by 2022 Safe inter-island facilities in pilot circuits implemented

Strategy And Action Plan Elements	Description of Activities	Timing			Cost Estimate (2021-22)	Sample Inputs from DOT & Attached Agencies	Lead DOT Offices & Attached Agencies	Implementing NG Partners	Preliminary Success Indicators/ Milestones (2022)
		2021	2022	2023-28					
					Php M				
	but not limited to RORO, boats, yachts as part of the Blue Ocean Economy tourism (Cross-Reference: SD1, SAP1.1.4 ; 1.2.2)					digitization of processes for higher benefits post-COVID-19			
	<ul style="list-style-type: none"> Amend the CAAP Law (i.e. Passage Of the Philippine Airports Authority) To Modernize The Air Transport System and network (Bill is undergoing deliberation in Congress) 	X	X	X		<ul style="list-style-type: none"> Submission of position paper to Congress and participation during hearings and deliberations (e.g. how the creation of a national airport authority contributes to increasing value proposition of tourism clusters/TDAs Post-Covid-19 Pandemic) 	DOT-OLSC, OTD(DOT-OPMD)	CAAP, DOTR	Creation of the PAA to separate conflicting functions of CAAP and enable CAAP to focus on safety and regulatory oversight
	<ul style="list-style-type: none"> When the National Transportation Safety Board (NTSB) is created (it is scheduled for 2nd and 3rd reading in the Lower House by May 2021; approved already by the Senate on 3rd reading), promote compliance with safety standards by tourist transport operators (Cross-Reference : SD1, SAP 1.6) 	X	X	X		<ul style="list-style-type: none"> Assessment of implications on tourist transport operations/ regulations Participation in the crafting of IRRs and safety standards in transportation (across all modes) to affect tourist mobility IEC to contribute to promotion of safety standards in tourism transport 	DOT-OLSC, DOT-TRCRG (DOT-OTSR)	CAAP, DOTR, LTO, PNP, MMDA, LGUs	Creation of the NTSB to separate conflicting functions of CAAP and enable CAAP to focus on safety and regulatory oversight

Strategy And Action Plan Elements	Description of Activities	Timing			Cost Estimate (2021-22)	Sample Inputs from DOT & Attached Agencies	Lead DOT Offices & Attached Agencies	Implementing NG Partners	Preliminary Success Indicators/ Milestones (2022)
		2021	2022	2023-28					
1.1.2 Increase readiness of the industry for domestic and international travel facilitation initiatives (e.g. online visa application, IATA Travel Pass, immunity/green/safe passport)	<ul style="list-style-type: none"> ▪ Leverage the IATF resolution on uniform travel protocols, assess the use of time-limited, risk-based approach based on high & low risk contexts for domestic tourism re-start and later on international tourism ▪ Consolidate information on COVID-19 situation in destinations, other procedures/requirements implemented by LGUs in destinations and convert them into an online platform for easy access by travellers ▪ Use the platform as an incentive to promote the accredited enterprises and destinations that have received the Safe Travels stamp from WTTC 	X	X	X		<ul style="list-style-type: none"> ▪ Development, updating, and promotion of the interactive online platform (TRACKER) that can be linked to international initiatives like UNWTO, WTTC, IATA 	TFDTPD DOT-TRCRG (DOT-OTSR), OTD (DOT-OTDPRIM : DOT-PFICD)	IATF, DILG, LGUs, LCP, LMP, LPP, PRIVATE SECTOR (E.G. TCP, BAR,ACAP, PHILTOA), DFA	Working and user-friendly platform used by the markets
	<ul style="list-style-type: none"> ▪ Assess the feasibility of implementing these global initiatives in the gateways of the country ▪ Invest in automation of border control processes ▪ Work with ASEAN in prioritizing and implementing the recommendations from the white paper on ASEAN travel facilitation initiatives 	X	X	X		<ul style="list-style-type: none"> ▪ Conduct of meetings with the Airlines, IATA, DFA, BI, Airport Operators ▪ Preparation of brief scoping Report About Feasibility of Implementing the Programs (Regulatory Impact Assessment) with inputs from overseas offices ▪ Participate in the ASEAN tourism working group 	(DOT-OTDPRIM: DOT-PFICD, DOT-OPMD)	DFA, CAAP, BI, BOC, BOQ, OTS, Airport Operators	

Strategy And Action Plan Elements	Description of Activities	Timing			Cost Estimate (2021-22)	Sample Inputs from DOT & Attached Agencies	Lead DOT Offices & Attached Agencies	Implementing NG Partners	Preliminary Success Indicators/ Milestones (2022)
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					Php M				
1.1.3 Develop Green Corridors (e.g. Market-Segment based Like Balikbayans And VFR Market, or spatial - Bilateral Or Regional) as strategy to re-open borders utilizing more gateway airports like Clark, Cebu for direct flights	<ul style="list-style-type: none"> Identify the destinations and match with domestic source markets (bilateral or regional, or market segment oriented) using risk-based, evidence-based approach, and readiness of destinations Mobilize the stakeholders – airport operators, airlines, accommodation, travel and tours, transport, tour guides, among others - and prepare them for the travel corridor arrangements based on a target timeline Prepare communication plan for the stakeholders and the markets on the timeline of the restart <p><i>(Note: activities to be calibrated depending on the situation. Green corridors can be dropped once « no border restriction policy » is issued by government)</i></p>	X	X	X		<ul style="list-style-type: none"> Recommendations on corridors to be opened and supported until such time that border restrictions are completely removed Collaborate with the airlines for point to point flights for domestic and international rebound Work with ASEAN for the implementation of the ASEAN framework agreement on travel corridors 	TFDTPD DOT-OPMD	IATF, DFA, BI, DOTR, CAAP, LGUS with gateway airports, airport operators like LIPAD Consortium, GMR-Megawide, MIAA, Private sector (e.g. associations like TCP, PHILTOA, PHOA,HRAP, HSMA,NITAS , NAITAS)	Green corridors/travel bubbles launched and sustained until no border restriction (domestic and/or international) policy is implemented
1.2 Diversify Product And Provide Safe and High-Quality Experience									
1.2.1 Fund and implement the action Plan of the Task Force On Domestic Tourism Product Development (TFDTPD) <i>The strategic activities below are intended to complement and not substitute programs prepared by the Task Force</i>	<i>Please refer to the task force action plan for details and cross referencing with the rest of the strategic tasks under this action program</i>						TFDTPD		<i>Pls refer to task force action plan indicators</i>

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1.2.2 Invest in market research/intelligence, mapping programs (i.e. food and cultural), and strategy/roadmap for products such as Halal Tourism, Nautical and Cruise Tourism, Marine/Coastal tourism) <i>(note : below is an initial list/sample of product specific activities for validation ;</i>	<ul style="list-style-type: none"> Conduct product assessments/Mapping activities in the priority areas (see sample below) Integrate crisis readiness and risk mitigation for each product-market strategy/roadmap (<i>Cross-reference: SD2, SAP 2.4</i>) Work with ASEAN for inclusion of appropriate Philippine tours in its product packages for nature-based tourism (Marketing ASEAN as a single and safe destination under the updated ASEAN Tourism Strategic Plan 2021-2025) 	X	X	X		Guidance during the conduct of research and strategy formulation	TFDTPD		New and/or enhanced products – packages, itineraries - developed and promoted by the private sector
Culinary/Cultural Tourism	<ul style="list-style-type: none"> Complete the ongoing food mapping/cultural mapping programs for the <i>select</i> areas Produce itineraries and packages based on the results of the mapping activities and assessments Translate the mapping activities into guidance note/guidebook for the LGUs to include (i) requirements for safety standards, ethical/responsible practices in sourcing and sustainable consumption and production; and (ii) crisis readiness (first aid, etc) and risk mitigation for each product-market strategy/roadmap (<i>Cross-reference: SD2, SAP 2.4</i>) 	X	X	X		<p>Guidance during the conduct of research and strategy formulation</p> <p>Development of resource materials for the LGU resource center (cross reference, SD3 : SAP 3.1)</p>	(DOT-OPMD ; DOT-OTDPRIM :DOT-PFICD, DOT-SEAIMD), IA, TPB	NCCA, NATIONAL MUSEUM, NHCP, DA, LGUS, PRIVATE SECTOR	

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		2021	2022	2023- 28					
	<ul style="list-style-type: none"> Conduct capacity-building for the LGUs starting in pilot areas 		X	X					
Halal Tourism	<ul style="list-style-type: none"> Conduct market research on the Halal Tourism Market/Muslim Friendly Market Integrate crisis readiness and risk mitigation for each product-market strategy/roadmap (Cross-reference: SD2, SAP 2.4) Identify the TDAs most ready to cater to target market segments Conduct capacity building programs including crisis readiness in relation to the Halal tourism market Develop the ecosystem of the Halal tourism market in relation to the supply chain development program of the DTI Leverage the Incentives Provided under strategic investment programs to promote investments in the Halal Tourism Ecosystem 	X	X	X		<p>Guidance during the conduct of research and strategy formulation</p> <p>Development of resource materials for the LGU resource center (cross reference, SD3 : SAP 3.1)</p>	(DOT-OPMD, DOT-OTDPRIM :DOT-PFICD, DOT-SEAIMD), DOT-TRCRG; TPB	DTI, DOST, PRIVATE SECTOR	
Nautical and Cruise Tourism	<ul style="list-style-type: none"> In light of COVID 19 impacts, update the cruise tourism strategy to include : (i) adoption of safety and health protocols following the WTTC global protocols for cruising adopted by international cruise lines ; (ii) domestic cruising to upgrade the local ports, promote safe inter-island movements i.e.g Batangas-Mindoro, 		X	X		<p>Guidance during the conduct of research and strategy formulation</p> <p>Development of resource materials for the LGU resource center (cross reference, SD3 : SAP 3.1)</p>	OTD (DOT-OPMD, DOT-OTDPRIM :DOT-PFICD, DOT-SEAIMD, NCTDC)	PPA, MARINA, BI BOC	

Strategy And Action Plan Elements	Description of Activities	Timing			Cost Estimate (2021-22)	Sample Inputs from DOT & Attached Agencies	Lead DOT Offices & Attached Agencies	Implementing NG Partners	Preliminary Success Indicators/ Milestones (2022)
		2021	2022	2023-28					
	<p>Cebu-Bohol especially post COVID-19, and provide safe off-shore experiences ; (iii) crisis readiness and risk mitigation (<i>Cross-reference : SD2, SAP 2.4</i>) ; (iv) development of the “private island” concept so as to expand the country’s cruise products</p> <ul style="list-style-type: none"> Participate in the updating and implementation of the ASEAN cruise tourism strategy/program Pursue active representation in the international associations for post covid-19 recovery 		X	X					
Adventure/ Mountain/Bicycle Tourism	<ul style="list-style-type: none"> Identify priority tourism circuits Integrate bicycle lanes in the local infrastructure programs to support products with low carbon footprints Integrate crisis readiness and risk mitigation in the strategy and fund the requirements (<i>Cross-reference : SD2, SAP 2.4</i>) 	X	X	X		<p>Guidance during the conduct of research and strategy formulation as part of DOT’s contribution to the NES implementation</p> <p>Development of resource materials for the LGU resource center (<i>cross reference, SD3 : SAP 3.1</i>)</p>	TFDTPD OTD (DOT-OTDPRIM), NPDC, NPF	DENR, protected area managers, LGUs	
Marine/Dive/Sun and Beach	<ul style="list-style-type: none"> In light of the economic contributions of coastal recreation activities on the Blue Economy and COVID-19 impacts, update the product roadmaps to integrate: (i) safety and health travel protocols ; (ii) influences of climate change and environmental 		X	X		<p>Identification of priority sites/destinations</p> <p>Identification of emergency response system requirements</p>	TFDTPD, OTD (DOT-OPMD, DOT-OTDPRIM : DOT-SEAIMD)		

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		2021	2022	2023-28					
					Php M				
	consciousness on behavior and preferences, (iii) ways to nudge the markets to change behavior towards positive contributions to the Blue Ocean Economy sustainability, (iv) inputs to conservation financing particularly for marine protected areas (<i>Cross-Reference SD2, SAP 2.3</i>), and (iv) integration of crisis and risk management (<i>Cross-Reference SD2, SAP 2.4</i>)					Inputs for the conservation financing models Development of resource materials/center for LGUs			
1.2.3 Develop and/or improve the tour quality and experience in the priority tourism circuits that match market preferences for safe travels in open spaces/outdoors, nature-based, curated, sensorial, and inclusive products (based on domestic and international survey results) (<i>Cross Reference : SD2, SAP 2.3</i>)	<ul style="list-style-type: none"> Ensure social acceptability of tourism among communities identified to be part of the Tier 1 circuits in light of COVID-19 concerns and highlight the need for responsible tourists in the overall communications plan to the target market segments. Increase readiness of the communities – enterprises and households - along the circuits through training in safety and health protocols Fund the site facilities to be improved to ensure safety of communities and travellers Review O&M for these sites and engage Private Sector for potential sustainable O&M <p>(note : leverage the funding for training and product development in the TouRIST project areas to be funded by WB and ADB)</p>	X				Documentation on the social acceptability of tourism circuit development and promotion during and post covid 19 Conduct of training programs Guidance to the LGUs on identification of improvements to be done Concept note on private sector participation in tourism O&M	TFDTPD DOT-TD (DOT-OPMD , DOT-OTDPRIM :DOT-PFICD, DOT-SEAIMD), DOT-TRCRG(DOT-OIMD/DOT-OTSR), TIEZA	NCCA, LGUS	New and/or enhanced products patronized/purchased by target markets

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1.2.4 Collaborate with the private sector and destination management organizations for hybrid MICE Programs and big impact events (Cross Reference : SD1, SAP 1.5)	▪ Prioritize destinations that can host hybrid meetings and conventions		X	X		Preparation of the destinations for hosting high impact events using hybrid model	TPB, DOT-TD (DOT-OPMD , DOT-OTDPRIM :DOT-PFICD, DOT-SEAIMD), MICE ADVISORY COUNCIL	OP, IATF, DOTR, CAAP, AIRPORT OPERATOR, LGUS, PRIVATE SECTOR	Visitor Spending and Total Impacts Of Events	
	▪ Sustain investment in the training of MICE professionals, destinations, and workforce	X	X	X	Conduct of training programs					
	▪ Leverage on the hosting of the WTTC on October 2021 and WTTC Safe Travel stamps for safe restart and recovery of international meetings	X	X	X	Hosting of the WTTC					
1.3 Protect Livelihood and Enable Innovative Financing and Investments										
1.3.1 Increase utilization of financial assistance and social protection programs for enterprises and workers under but not limited to existing national recovery initiatives (e.g. National Employment Recovery Strategy) DOT Commitments under NERS (1) Issuance of World Trade and Tourism Council Safe Travels Seals; (2) Issuances on Health and Safety Protocols and Guidelines for Operation of Tourism Enterprises; (3) Waiving of Accreditation fees for tourism enterprises; (4)	▪ Update the TRRP to reflect the priority measures of support for 2021-2022	X				Update the TRRP	DOT-TD (DOT-OTDPRIM), DOT-OLSC, DOT-TRCRG	DOLE, NEDA, DTI, PRIVATE SECTOR	Funding support for TRRP secured ; utilization of the assistance programs ; employment generated in job fairs	
	▪ Implement the tourism employment recovery strategy under the NERS and RECHARGE national programs	X	X	X	Engage the PSA in preliminary discussion for the conduct of a scoping study for the informal economy					
	▪ Make representation in congress for the ongoing deliberations of additional measures to assist critically impacted industries									
	▪ Grant waiver on accreditation fees	X	X							

Strategy And Action Plan Elements		Description of Activities		Timing			Cost Estimate (2021-22)	Sample Inputs from DOT & Attached Agencies	Lead DOT Offices & Attached Agencies	Implementing NG Partners	Preliminary Success Indicators/ Milestones (2022)
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	Hospitality Sanitation Support Program; and (5) CARES for TRAVEL Program										
1.3.2	Diversify investment and financing program portfolio for traditional and non-traditional investments particularly in TEZs	<ul style="list-style-type: none">Conduct market sounding of traditional and non-traditional investments in light of COVID-19 impacts especially for the TEZsStudy the impacts of the CREATE law on tourism investments and business environment particularly for the MSMEs and provide inputs to the formulation of the Strategic Investment Priorities Plan (SIPP)Coordinate with ASEAN on regional investment promotion efforts under the ASEAN Tourism Strategic Plan 2021-2025) and DTI on bilateral and regional economic partnership agreements for potential tourism investments and BLEISURE market segment	X	X	X		<p>To utilize the pandemic period to consolidate the existing and proposed big ticket investment portfolios of clusters and TDAs and TEZs and develop online platform to assist investors in conduct of due diligence.</p> <p>Provision of market insights from overseas offices</p> <p>Conduct training with pilot LGUs on how to prepare their expanded investment portfolio (<i>Cross reference</i>: SD3, SAP 3.2)</p> <p>Prepare inputs for the crafting of the SIPP under CREATE and organize forum to disseminate the impacts of the CREATE law on tourism investments and business environment</p> <p><i>Conduct investment promotion (Cross-</i></p>	DOT-OSEC (DOT-LLU), DOT-TD (DOT-OPMD, DOT-OTDPRIM), TIEZA, DOT-TRCRG (PIED), TPB, PRA	DTI, BOI, DFA, LGUS OF PILOT AREAS	<p>Updated investment portfolio</p> <p>Online investment platform developed</p>	

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						reference : SD1 : SAP1.5)				
1.3.3	Expand engagement with NEDA-PPP, TIEZA, and LGUs to identify and package investments for destination infrastructure improvements/ rehabilitation e.g. heritage district development, solid waste management, water supply, sanitation among others. (Cross-Reference: SD1, SAP 1.1)	<ul style="list-style-type: none">Prepare studies for private sector engagement in development of local heritage districts and sustainable financing, and destination infrastructure (e.g. TIEZA assets and infrastructure – healthcare facilities, inter-island transport, solid waste management, water supply, and sanitation, tourist site maintenance within or outside of TEZs)Review the proposal for the development of new exhibition and trade venues/centers in Metro Manila, Clark, Cebu, Davao and other key urban capitals for post covid 19 recovery and include in the 2023-2028 program.	X	X		Identification of priority areas to build critical mass of infrastructure projects for resilient rebound (e.g. Intramuros, initial tourist project areas); provision of inputs to terms of reference	DOT-OLSC, TIEZA TRCRG, DOT-TD (DOT-OTDPRIM), DOT-TRCRG (PIED)	NEDA, PPP CENTER, LGUs	Business cases completed and/or feasibility studies for priority areas procured and/or completed for investment packaging and promotions	
			X	X		Conduct of the review and timing of investment promotions for new venue centers	TPB, DOT-OPMD, MICE ADVISORY COUNCIL			
1.4 Foster Upskilling of Human Resources and Improve Service Standard										
1.4.1	Invest in the re-Skilling/Upskilling of Human Resources in the use of Digital Technology and Solutions	<ul style="list-style-type: none">Implement hybrid training programs to ensure safety of workers, tourists and communitiesCollaborate with companies (e.g. manufacturing, technology, knowledge centers, and/or start-up companies to upskill members of the formal and informal economy (that make up 60% of the tourism employment) for safe transactions and market access (e.g. online tours/experiences)	X	X	X	Conduct of the training programs	DOT-OIMD	DOST, DTI, DICT	Number of beneficiaries participating in the new and/or enhanced tours/itineraries/ experiential products	
				X	X	Identification of pilot areas where upskilling of informal economy can be implemented through global development alliance models or development partners' projects to prepare for mainstreaming in 2023-2028			Number of workers and enterprises adopting digital solutions	

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		2021	2022	2023-28					
		X							
1.4.2 Facilitate Tourism Education and Training	<ul style="list-style-type: none"> Promote cooperation in the implementation of the ASEAN framework agreement on digital tourism Design programs to support the needs of workers especially those with or transitioning to green jobs Continue the provision of grants for skills improvements and productivity upgrading Create incentives package for studying foreign languages for tourism purposes or for undergoing training as tour guides in the case of returning overseas workers Enhance the quality and content of tour guide training through research grants for tour guides 	X	X	X		Design and conduct of training programs Assessment of incentive package Provide research grants for enhancement of tour content and quality	DOT-TRCRG (DOT-OIMD), NPF	CHED, TESDA, TIBFI, DENR	
1.4.3 Build capacity of the industry to respond to the dynamic changes in the tourism labor market through the implementation of the human resource capacity development roadmap	<ul style="list-style-type: none"> Implement priority projects under the roadmap and the DOT-CHED-TESDA-TIBFI Convergence Program Strengthen Industry/Academe Linkages and the K-12 Tourism Education Offering Collaborate with institutions to design executive and lifelong learning programs for private and public sector on sustainable tourism governance 	X	X	X		Implementation of priority projects under the convergence	DOT-OIMD	CHED, TESDA, TIBFI, NPF, PRIVATE SECTOR, LG US	<i>Pls refer to the indicators of the human resource capacity development plan</i>

Strategy And Action Plan Elements		Description of Activities	Timing			Cost Estimate (2021-22)	Sample Inputs from DOT & Attached Agencies	Lead DOT Offices & Attached Agencies	Implementing NG Partners	Preliminary Success Indicators/ Milestones (2022)
			2021	2022	2023-28	Php M				
1.4.4	Leverage the Initiatives in ASEAN in human resource capacity development including but not limited to the ASEAN MRA on Tourism Professionals Program	▪ Collaborate with ASEAN for the implementation of the MRA based on the priorities under the Action Plan 2021-2023 and ATSP 2021-2025	X	X	X		Participation of tourism professionals in the programs at the ASEAN level	DOT-OIMD, DOT-TD (DOT-PFICD)	CHED, TESDA, TIBFI, PRIVATE SECTOR,LGUS	Number of Filipino beneficiaries from the ASEAN program
1.5 Design and Implement Innovative Marketing and Promotions Programs										
1.5.1	For Domestic Tourism, Implement the marketing action plan prepared by the TFDTPD. The succeeding action programs are intended to complement the task force action plan	▪ Implement the action plan prepared by the TFDTPD	X	X	X			TFDTPD		Pls refer to the indicators of the TFDTPD
1.5.2	Collaborate with the private sector and specific institutions (i.e. DepEd, CHED) in designing and promoting tourism in the education sector including but not limited to educational trips within the learning modalities to be implemented (Cross-Reference, SD1: SAP 1.2)	▪ Undertake a scoping activity with the private sector to identify ways to align the education trips (online and offline when applicable and safe) with the learning modalities of students ▪ Coordinate with the LGUS for safe travel protocols	X	X	X		Conduct of scoping activity Engagement of LGUs in select areas	TFDTPD	Private sector, educational institutions, LGUS	
1.5.3	Implement tactical promotions to complement branding by focusing on specific activity market segments that exhibit continuous and high growth i.e. farm tourism, diving, trekking/hiking, cultural events (Cross Reference: SD1, SAP 1.3)	▪ Based on market sounding, identify the most effective promotional tool for target segments including local expatriate market (Cross-Reference: Output of the Marketing Workshops)	X	X	X		Design and implement promotional tools	TFDTPD, TPB, DOT-TD (DOT-OTDPRIM : DOT-SEAIMD ; DOT-OPMD)	Private sector, LGUs	

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		2021	2022	2023-28					
1.5.4 Relaunch a Balikbayan and VFR promotions program <i>Cross-Reference : SD1 : SAP 1.1 and 1.2)</i>	<ul style="list-style-type: none"> Conduct market sounding with the foreign offices of DOT, DTI, DFA, DOLE and airlines (based on surveys like IATA that the VFR market will rebound faster than leisure) Prepare concept note on rationale and implementation mechanism and make representation with the IATF (<i>cross reference: SD1: SAP 1.1 and 1.2)</i> Collaborate with the private sector and other agencies for the safe implementation 	X	X	X	Php M	Conduct of the market sounding and preparation of restart plans with stakeholders (taking into account the evolution in the covid-19 situation) <i>Note : Activities stretch towards 2023 depending on the evolution of the covid-19 situation</i>	TPB, DOT-TD (DOT-OTDPRIM : DOT-SEAIMD ; DOT-OPMD)	Private Sector, LGUS	
1.5.5 Invest in mix of umbrella branding campaign, sustainability campaign, and investment promotions	<ul style="list-style-type: none"> Create a campaign program to shift the tourism narrative towards sustainability to answer “why sustainable tourism?” Develop IEC materials (including possible new volume of tourism stories in partnership with UNWTO AND WTTC) to promote awareness on destinations with presence of investments in conservation, inclusive and resilient projects Highlight presence of international/foreign projects on conservation and sustainability in identified TDAs (<i>Cross-Reference: SD1, SAP 1.3)</i> 	X	X	X		<ul style="list-style-type: none"> Guidance in the preparation of the campaign materials Document sustainability stories of destinations, enterprises and projects (i.e. improvements in sanitation, waste management, etc.) 	DOT-OLSC, TPB DOT-TD (DOT-OPMD)	DTI, DFA	New campaign launched

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			2021	2022	2023-28	Php M				
1.5.6	Invest in the organization and hosting of international events of major impact by the Tourism Promotions Board	<ul style="list-style-type: none">▪ Survey associations of short-term and medium-term plans of organizing events as part of market sounding activities▪ Provide incentives package to organizers and host destinations▪ Collaborate with partners like financial institutions, travel insurance providers, transport operators among others	X	X			Engagement with the market and the destinations Conduct of training programs Preparation of marketing materials	TPB, DOT	LGUS	Value of expenditures and number of participants
1.6 Embrace Tourism Quality Initiatives										
1.6.1	Nurture the Culture of Safety in Tourism Enterprises, LGUs, And Destinations	<ul style="list-style-type: none">▪ Promote accreditation and use of online accreditation▪ Design and implement system of incentives and penalties for compliant and non-compliant enterprises and destinations▪ Promote the UNWTO Code of Ethics for the protection of tourists and enterprises	X	X	X		Conduct of training programs and campaign for the safe travels protocols Guidance for the LGUs in operationalizing system of incentives and penalties	DOT-TRCRG(DOT-OTSR, DOT-OIMD)	LGUS, PRIVATE SECTOR	Number of accredited enterprises
1.6.2	Campaign for the adoption of global safe travel protocols and the WTTC Safe Travels Stamp for destinations and facilities/enterprises	<ul style="list-style-type: none">▪ Sustain the campaign for the adoption of the global safe travel protocols and provide benefits/incentives in areas such as marketing and linkages with overseas clients	X	X	X		Sustained information dissemination, efficient and effective processing of applications	DOT-OTSR,DOT-TD, DOT-PFICD	Private Sector, LGUS	Number of accredited enterprises with SAFE TRAVEL stamps
1.6.3	Promote the Adoption of ASEAN Quality Standards and Certification Processes Within The Philippine Context In Facilities Like	<ul style="list-style-type: none">▪ Conduct regular training programs for tourism enterprises in order to comply with the quality standards of facilities▪ Campaign for adoption of environmental standards by enterprises	X	X	X		Conduct of training Campaign for the shift to sustainable practices in enterprises (LGU can harmonize their	DOT-OTSR	Private Sector, LGUS	Number of enterprises receiving awards Number of enterprises that

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					2021	2022	2023-28	Php M				
	Homestays, Spa Services, And Public Toilets								operational requirements with DOT standards)			adopted/shifted to green practices
Strategic Direction 2: Resilient, Inclusive, & Sustainable Tourism								PHP 620				
2.1 Upgrade MSMEs In the Tourism Value Chain												
2.1.1	Enhance their capability to reach markets and improve quality of products to access markets and increase yields	<ul style="list-style-type: none"> Maximize partnerships with private sector platforms/web-based services that will promote their facilities and services and contactless transactions Collaborate with the DTI to harness benefits for tourism MSMEs (including supplier communities) in the implementation of the e-commerce roadmap 	X	X	X				Identifying possible linkages of MSMEs with tourism markets through inclusive business models/global value chains	DOT-TRCRG-DOT-OTSR & PIED DFPC	DOST, DTI-BOI Private Sector	Number of tourism MSMEs with online presence in platforms Number of tourism MSMEs assisted in productivity upgrading
2.1.2	Expand the campaign for Sustainable Consumption and Production (SCP)	<ul style="list-style-type: none"> Collaborate with national agencies and development Partners to expand the program on greening the value chain for tourism enterprises in order to expand and promote green jobs Create an award system for enterprises/groups/coalitions promoting SCP and use their stories and destinations as part of the global campaign on sustainability 		X	X				Upscale and expand the sectors covered by greening the value chain program	OTD(DOT-OTDPRIM), DOT-TRCRG-DOT-OTSR, DOT-OLSC (BRANDING AND MARCOM), TPB	DOST, DTI, DENR, DEVELOPMENT PARTNERS	Number of tourism MSMEs adopting SCP practices (cross-reference on productivity upgrading)

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			2021	2022	2023-28	Php M				
2.2. Ensure Safe Access to Opportunities and Tourism Experience for All										
2.2.1	Increase participation of women and marginalized sectors in tourism development (Cross-Reference SD3 : SAP 3.1)	<ul style="list-style-type: none">Upscale the development of baseline data for women participation in local tourism for proper targeting of programsSupport LGUs in crafting gender sensitive policies and guidelines for tourism infrastructure, promotions, marketing, and information and IEC materials.	X	X			Provision of resource kits and guidance to LGUs	DOT-OLSC	LGUS, PCW	Baseline data in select areas completed Gender policies/ guidelines formulated in select areas
2.2.2	Promote Barrier-Free Tourism and Conduct Capacity Building Programs For Stakeholders	<ul style="list-style-type: none">Identify sites/ attractions that can be accessible to all as part of Covid-19 Recovery.Conduct sensitivity training programs for enterprises, workers, and community based organizations	X	X	X		Conduct of training programs using resource tools from UNWTO, DOT, ASEAN	DOT-TRCRG (DOT-OIMD, DOT-OTSR)	PCW, DSWD	Number of beneficiaries and sites included in the packaging of new and/or enhanced products
2.2.3	Engage Local Communities (Including IP Groups) in crafting the recovery programs	<ul style="list-style-type: none">Demonstrate local participation in recovery programs in TEZs and TDAs.						TIEZA	LGUS, Private Sector, Development Partners	
2.3. Build and Strengthen Capacities of Destinations for Conservation and Climate Smart Investments										
2.3.1	Develop a shortlist of ecotourism sites within protected areas under the NIPAS and marine sanctuaries for low-density recreation and educational purposes and opened up for private sector investment (Cross Reference: SD1, SAP 1.2 and 1.3)	<ul style="list-style-type: none">Implement the Updated National Ecotourism StrategyImprove trails and introduce new facilities such as bike trails, camping sites, picnic grounds view decks, ecolodges, in prioritized parks based on the assessments (Cross-Reference: SD1: 1.2 and 1.3)	X	X	X			(DOT-OTDPRIM)	DENR, DOST, NPDC	Number of parks improved and integrated in the new and/or enhanced products

Strategy And Action Plan Elements		Description of Activities	Timing			Cost Estimate (2021-22)	Sample Inputs from DOT & Attached Agencies	Lead DOT Offices & Attached Agencies	Implementing NG Partners	Preliminary Success Indicators/ Milestones (2022)
			2021	2022	2023-28	Php M				
2.3.2	Implement a flexible tourism carrying capacity studies as a planning tool for specific sites and attractions particularly those reflective of threatened and fragile environment	<ul style="list-style-type: none">Conduct inventory of sites with TCC in order to identify the next group of sites to be prioritizedCollaborate with NGAs, LGUs, private sector and development partners in establishing flexible TCC in destinationsUpscale technology-driven visitor management programs for spatial and intertemporal dispersal of tourism flows (e.g. Microsite of Rajah Tourism Knowledge Center)	X	X	X		Priority sites under the NES for completing TCC studies Syndicating partnerships with development partners to upscale development of technology-based solutions in light of covid-19	DOT-TD	DENR, PRIVATE SECTOR, LGUS	Number of protected areas/ destinations adopting the capacity recommendation s and/or implementing visitor management programs
2.3.3	Study conservation financing measures in nature-based sites especially protected areas offering ecotourism or nature-based experiences (Cross-Reference: SD2: SAP 2.3)	<ul style="list-style-type: none">Conduct pilot study of a review of the financing or conservation fees in select sites and the potential impacts under the national ecotourism strategyOrganize workshop on tools used and results of the review as part of the knowledge sharing with LGUsCollaborate with ASEAN for the ASEAN climate smart destination network		X	X		Identify list of areas to be prioritized per year Conduct training programs to the LGUs and site managers Participate in the ASEAN program on promoting climate smart investments	DOT-OTDPRIM : DOT-SEAIMD, DOT-PFICD	DENR, PRIVATE SECTOR	Number of destinations/ LGUs that adopted the results/recommen dations from the assistance (e.g. issuance of local ordinance)
2.4	Formulate Measures to Address Tourism Risks and Crisis									
2.4.1	Provide guidance to the LGUS and private sector in preparing and updating their crises readiness, risk mitigation and business continuity plans (Cross-Reference; SD1, SAP 1.1 for	<ul style="list-style-type: none">Using Guidelines Provided By International Bodies Such As UNWTO And ASEAN, develop crisis readiness, risk mitigation, and Business Continuity Plans particularly for MSMEs and LGUs	X	X			A dedicated unit on crisis and risk mitigation that will develop guidance and Additional resource tools for the LGUs to adopt and implement	DOT-OLSC,DOT-TRCRG(DOT-OTSR)	NDRRM, LGUS, PRIVATE SECTOR DEVELOPME NT PARTNERS	Number of LGUs/private sector enterprises that completed the plans for implementation

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		2021	2022	2023- 28	Php M					
	emergency response infrastructure)		X	X		Conduct of initial training programs for roll-out by the LGUs to their stakeholders				
				X						
2.4.2	Undertake a program for the hospitality industry in complying with public health standards and undertaking occupational safety measures in the workplace (Cross-Reference: SD1 : 1.6)		X	X		▪ Updating of protocols for and ▪ Campaign accreditation compliance	DOT-TRCRG (DOT-OTSR, DOT-OIMD)	IATF, DOH, LGUS, PRIVATE SECTOR	Compliance Rate	
			X	X						
			X							

Strategy And Action Plan Elements		Description of Activities			Timing		Cost Estimate (2021-22)	Sample Inputs from DOT & Attached Agencies	Lead DOT Offices & Attached Agencies	Implementing NG Partners	Preliminary Success Indicators/ Milestones (2022)
		2021	2022	2023- 28	Php M						
Strategic Direction 3: Strengthen Governance and Destination Management					PHP 250						
3.1 Upgrade the Destination Tourism Information Infrastructure											
3.1.1 Improve data gathering, processing, consolidation, and reporting of sex-disaggregated data related to tourism activities – both demand and supply – at the LGU levels.	<ul style="list-style-type: none">▪ Based on the SDG and measuring sustainable tourism framework and impact of technology on data availability and accessibility, develop an updated statistical plan for the sector and create sustainable tourism dashboards for national and pilot area(s)▪ Conduct the training on development of destination tourism indices and dashboard▪ Develop e-learning platforms and resource center for LGUs to utilize	X	X	X		Design of the framework and ways to use the data Design of an approach to strengthen data collection using technology-aided applications Design of prototype of dashboard that LGU can adopt and implementation using the DOT website as platform	DOT-OTDPRIM	DICT, LGUS , PRIVATE SECTOR	Developed tourism infostructure in select/pilot areas		
3.1.2 Improve the digital infrastructure and information structure in DOT and LGUs	<ul style="list-style-type: none">▪ Provide interactive platform of information to users and sources of data starting with pilot areas/destinations within the bounds of the Data Privacy Act▪ Identify other data sources e.g. advance passenger information system, crowd sourcing, social media, vouchers, use of wifi, big data can be used within the bounds of the Data Privacy Act▪ Implement MOA with private sector partners in providing complementary platform for information and knowledge sharing		X	X		Upgrading of DOT Infrastructure	DOT-OTDPRIM	DICT, PRIVATE SECTOR	Development of industry knowledge center/platform under PPP model		

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		2021	2022	2023-28					
3.1.3 Enable harmonious system of DOT standards and LGU operational requirements	<ul style="list-style-type: none"> Establish pilot partnerships with LGUs in harmonizing the LGU operational requirements with dot standards of accreditation 		X	X	Php M	Review of gaps and provision of guidance to the LGUS	DOT-TRCRG (DOT-OTSR)	DILG, LCP, LMP, PRIVATE SECTOR	Harmonized operational requirements achieved in pilot areas
3.2 Develop and Strengthen Capacities for Local Planning and Implementation									
3.2.1 Assess the impacts of covid-19 on tourism enterprise and workforce, especially those who have received assistance and disseminate results in timely manner for strategic decisions of national government	<ul style="list-style-type: none"> For the LGUs to take pro-active role in monitoring the impacts and their recovery program, particularly in terms of utilizing the stimulus package for the tourism sector 	X	X	X		Guidance to the LGU in monitoring and reporting	DOT-TRCRG (DOT-OTSR)	DILG, DOLE, LGUs	Regular monitoring report submitted by the LGU
3.2.2 Provide capacity-building/training programs to LGUs to prepare and/or implement their <i>local</i> plans for post-COVID-19 recovery	<ul style="list-style-type: none"> Develop or update local recovery programs post COVID-19 aligned to national goals and thrusts Conduct workshops and training for pilot LGUs on areas such as product development, marketing, investment packaging, and financing (<i>Cross-Reference: SD1: 1.1 and 1.3</i>) Create route development committees in gateway destinations/clusters to support national route development framework and action plan 	X	X X	X X		<p>Selection of priority/pilot areas and mainstreaming in succeeding years</p> <p>Provision of guidance to the LGUs particularly those that have completed their masterplans/local plans</p> <p>Provide guidance to the LGUs on how to create and institutionalize route development to support national initiatives</p>	DOT-OLSC, OTD (DOT-OTDPRIM, DOT-OPMD), CONVERGENCE UNIT	LGUs of HUCCs And 1st Class Municipalities, Private sector	Adopted plans by the LGU Creation of institutionalized route development programs to support and implement national programs