National Tourism Development Plan 2016-2022

Linking Planning and Budgeting Towards an Effective Public Financial Management

2nd Quarterly Seminar & Meeting (July 26-29, 2017)
Philippine Association for Government Budget Administration (PAGBA)
L Fisher Hotel, Bacolod City
2016 Tourism Performance

- 8.6% of GDP
  - Php 1.24 T GVA
  - 12.3% annual growth

Tourism Revenue
- Php 2.42 Trillion
- 20% annum growth

Inbound Tourism
- Php 313 Billion
- 8% of Exports

Domestic Tourism
- Php 2.1 Trillion
- 19.8% of Household consumption

Inbound Visitors
- 5.97 Million
- 9% annual growth

Domestic Travellers
- 79.3 Million
- 16% annual growth

5.22 Million Employed
- 12.8% of Total Employment
- 4% annual growth

1.8 Million
- 33.6% of Tourism workforce

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REPUBLIC ACT No. 9593
otherwise known as
Tourism Act of 2009
and
Its Implementing
Rules and Regulations

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Department Order No. 2015-23

Terms of Reference

1st Steering Committee

Focus Group Discussions

Site Assessments

2nd Steering Committee

Forecasting

Report Writing & Drafting

3rd Steering Committee

Adjustments based on SONA and President's Agenda

Presentations: ManCom and Industry Assns

August 2016

Regional Pres to Industry Assns

November 2016

UNWTO Advisory Mission

February 2017

Tourism Coordinating Council (TCC) Meeting

Tourism Summit

Philippine Association for Government Budget Administration (PAGBA)

L Fisher Hotel, Bacolod City
Consulted Stakeholders

Focused Group Discussions

National Consultations

Tourism Summit

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AmBisyon Natin 2040 and National Tourism Development Plan

MATATAG, MAGINHAWA AT PANATAG NA BUHAY

FOUNDATION FOR INCLUSIVE GROWTH, A HIGH-TRUST SOCIETY AND A GLOBALLY COMPETITIVE KNOWLEDGE ECONOMY

“MALASAKIT”
ENHANCING THE SOCIAL FABRIC
- Clean, efficient and citizen-centered governance
- Swift and fair administration of justice
- Promote awareness and value cultural diversity

“PAGBABAGO”
REDUCING INEQUALITY
- Expand economic opportunities
- Increase access to economic opportunities

“KAUNLARAN”
INCREASING POTENTIAL GROWTH
- Promote technology adoption
- Encourage innovation
- Maximize demographic dividend

Strategic trade and fiscal policy, macroeconomic stability, competition policy

Ensure peace and security

Accelerated and strategic development of infrastructure

Build up resiliency

Maintain ecological integrity, clean and healthy environment

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AmBisyon Natin 2040 and National Tourism Development Plan

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Competitiveness and Growth

Transport Infrastructure Development

Travel Facilitation

Tourism Investments and Business Environment

Product Development

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Competitiveness and Growth

Expanded Marketing Plan

Human Resource Capacity and Service Standards

Quality Standards

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Sustainability and inclusive growth

MSME Development in Tourism

Gender and Women Empowerment

Cultural Offerings

Environment and Climate Change Adaptation

Risks and Crises Management Programs

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Philippine Association for Government Budget Administration (PAGBA)
L Fisher Hotel, Bacolod City
<table>
<thead>
<tr>
<th>AmBisyon Natin 2040</th>
<th>NTDP 2016-2022</th>
</tr>
</thead>
</table>
| **Expand and increase economic opportunities** | - Transport Infrastructure Development  
- Travel facilitation  
- Tourism Investments and business environment  
- Product development  
- Expanded marketing plan |
| **Reduce vulnerability of the poor** | - MSME Development in Tourism  
- Gender and Women Empowerment  
- Risks and Crises Management Programs |

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## AmBisyon Natin 20240 and National Tourism Development Plan (NTDP 2016-2022)

<table>
<thead>
<tr>
<th>AmBisyon Natin 20240</th>
<th>NTDP 2016-2022</th>
</tr>
</thead>
</table>
| **Accelerate human capital** | - Human resource capacity and service standards  
- Initiatives in embracing quality standards |
| **Ensure ecological integrity** | - Environment and Climate Change Adaptation |
| **Promote cultural diversity** | - Cultural Offerings |

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Philippine Association for Government Budget Administration (PAGBA)  
L Fisher Hotel, Bacolod City
OUTCOMES

Number of destinations developed
Number of tourism products and services
Number of accredited tourism enterprises
Investment in tourism
Competent, better supply / inventory of HR
Crisis-ready destination with comprehensive
tourism support programs

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NTDP Guiding Principles: CLUSTER APPROACH

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L Fisher Hotel, Bacolod City
NTDP Guiding Principles: CONVERGENGE APPROACH

Tourism Clusters

Accommodation, Attractions, Standards, Promotions

Airports, Roads, Seaports, Travel Facilitation

Safety and Security, Cleanliness, Training, Legislation, Culture of Tourism

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Tourism Clusters and Destination Areas

- 20 Tourism Clusters
  - 7 Northern Philippines
  - 6 Central Philippines
  - 7 Southern Philippines

  of which 9 are Gateway Clusters (with international airports)

- 49 Tourism Development Areas
## Medium Term Tourism Infrastructure Program (Million Php)

<table>
<thead>
<tr>
<th></th>
<th>2017</th>
<th>2018</th>
<th>2019</th>
<th>2020</th>
<th>2021</th>
<th>2022</th>
<th>TOTAL</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Airports</strong>[^1]</td>
<td>7,788</td>
<td>18,027</td>
<td>12,338</td>
<td>7,659</td>
<td>9,484</td>
<td>7,472</td>
<td>62,768</td>
</tr>
<tr>
<td><strong>Cruise Ports</strong>[^2]</td>
<td>1,858</td>
<td>1,100</td>
<td>600</td>
<td>950</td>
<td>900</td>
<td>700</td>
<td>6,108</td>
</tr>
<tr>
<td><strong>Roads</strong>[^3]</td>
<td>22,500</td>
<td>35,000</td>
<td>38,400</td>
<td>42,000</td>
<td>26,500</td>
<td>20,100</td>
<td>184,500</td>
</tr>
<tr>
<td><strong>Railway</strong>[^4]</td>
<td>150</td>
<td>300</td>
<td>150</td>
<td>300</td>
<td>47,500</td>
<td>207,500</td>
<td>255,900</td>
</tr>
<tr>
<td><strong>Site Infrastructure</strong>[^5]</td>
<td>23,066</td>
<td>23,631</td>
<td>24,416</td>
<td>25,442</td>
<td>26,731</td>
<td>28,343</td>
<td>151,629</td>
</tr>
<tr>
<td><strong>TEZs</strong>[^6]</td>
<td>792</td>
<td>2,282</td>
<td>2,316</td>
<td>2,817</td>
<td>3,522</td>
<td>4,402</td>
<td>16,131</td>
</tr>
<tr>
<td><strong>Sub-Total Public</strong></td>
<td>56,154</td>
<td>80,340</td>
<td>78,220</td>
<td>79,168</td>
<td>114,637</td>
<td>268,517</td>
<td>677,036</td>
</tr>
<tr>
<td><strong>Transport Units</strong></td>
<td>176</td>
<td>184</td>
<td>257</td>
<td>269</td>
<td>351</td>
<td>367</td>
<td>1,604</td>
</tr>
<tr>
<td><strong>Accommodation</strong>[^7]</td>
<td>232,287</td>
<td>263,964</td>
<td>306,462</td>
<td>356,253</td>
<td>412,859</td>
<td>480,265</td>
<td>2,052,089</td>
</tr>
<tr>
<td><strong>Aircraft Acquisition</strong>[^8]</td>
<td>39,700</td>
<td>39,700</td>
<td>39,700</td>
<td>39,700</td>
<td>39,700</td>
<td>39,700</td>
<td>238,200</td>
</tr>
<tr>
<td><strong>Sub-Total Private</strong></td>
<td>272,162</td>
<td>303,848</td>
<td>346,420</td>
<td>396,222</td>
<td>452,909</td>
<td>520,332</td>
<td>2,291,893</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td>328,316</td>
<td>384,188</td>
<td>424,640</td>
<td>475,390</td>
<td>567,546</td>
<td>788,849</td>
<td>2,968,929</td>
</tr>
</tbody>
</table>

[^1]: Budget of DOTr including estimates of improvement costs in NAIA; Excludes estimated value of the privatization of the regional airports (New Bohol, Davao, Iloilo, Bacolod and Laguindingan) equivalent to PhP202 B and of NAIA for PhP 72.5 B; CAAP Budget on annual improvements not yet included

[^2]: National Cruise Tourism Strategy 2016-2022

[^3]: Based on the estimated road network requirements of the clusters

[^4]: Includes estimates for Manila-Clark, Clark-Cordillera, Cagayan de Oro-Davao railway programs based on design-build modality

[^5]: Includes power, streetscapes, water, signages in the tourism development areas

[^6]: Based on the budget of TIEZA for 2017-2022 and estimated requirements for 2021 and 2022

[^7]: Based on the estimated room requirements across various tourism development areas

[^8]: Based on reflecting program of Philippine carriers (5 A350s, 3 A320s, 30 A321 neos, and 16 ATR72600)
## NTDP 2016-2022 Indicative Budget Breakdown

### Strategic Direction 1: Improving Competitiveness and Enhancing Growth

<table>
<thead>
<tr>
<th>Activity</th>
<th>Budget (PHP)</th>
</tr>
</thead>
<tbody>
<tr>
<td>1.1 Intensify transportation and infrastructure development</td>
<td>677,036 M</td>
</tr>
<tr>
<td>1.2 Pursue travel facilitation initiatives</td>
<td>120 M</td>
</tr>
<tr>
<td>1.3 Attract tourism investments</td>
<td>2,291,893 M</td>
</tr>
<tr>
<td>1.4 Expand product development initiatives</td>
<td>207 M</td>
</tr>
<tr>
<td>1.5 Design and implement an expanded marketing program</td>
<td>9,250 M</td>
</tr>
<tr>
<td>1.6 Build human resource capacity and improve service standards</td>
<td>477 M</td>
</tr>
<tr>
<td>1.7 Promote initiatives in embracing quality standards</td>
<td>866 M</td>
</tr>
<tr>
<td><strong>Sub-Total</strong></td>
<td><strong>2,979,849 M</strong></td>
</tr>
</tbody>
</table>

### Strategic Direction 2: Pursue Sustainability and Inclusive Growth

<table>
<thead>
<tr>
<th>Activity</th>
<th>Budget (PHP)</th>
</tr>
</thead>
<tbody>
<tr>
<td>2.1 Support MSME development in tourism</td>
<td>434 M</td>
</tr>
<tr>
<td>2.2 Support gender and women empowerment initiatives</td>
<td>48 M</td>
</tr>
<tr>
<td>2.3 Expand and promote cultural offerings in tourism sites</td>
<td>556 M</td>
</tr>
<tr>
<td>2.4 Adopt measures to enhance environment preservation and climate change adaptation</td>
<td>210 M</td>
</tr>
<tr>
<td>2.5 Formulate measures to address tourism risks and crises</td>
<td>87 M</td>
</tr>
<tr>
<td><strong>Sub-Total</strong></td>
<td><strong>1,335 M</strong></td>
</tr>
</tbody>
</table>

**Grand Total**: Php 2,981,184 M
# Targets

<table>
<thead>
<tr>
<th>Indicators</th>
<th>Baseline</th>
<th>Targets</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Revenue (Php Billion)</strong></td>
<td>2,077</td>
<td>2,156</td>
</tr>
<tr>
<td>Inbound</td>
<td>307</td>
<td>353</td>
</tr>
<tr>
<td>Domestic</td>
<td>1,771</td>
<td>1,803</td>
</tr>
<tr>
<td><strong>Employment (Million)</strong></td>
<td>5.0</td>
<td>5.2</td>
</tr>
<tr>
<td>Share to Total Employment (%)</td>
<td>12.7</td>
<td>13.0</td>
</tr>
<tr>
<td><strong>Visitors (Million)</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Inbound</td>
<td>5.4</td>
<td>5.9</td>
</tr>
<tr>
<td>Domestic</td>
<td>67.8</td>
<td>70.5</td>
</tr>
<tr>
<td><strong>Number of Poor Beneficiaries (000)</strong></td>
<td>486</td>
<td>449</td>
</tr>
</tbody>
</table>
## Tourism Development Program
(in million pesos)

<table>
<thead>
<tr>
<th>Agency</th>
<th>2013</th>
<th>2014</th>
<th>2015</th>
<th>2016</th>
<th>2017</th>
<th>2018</th>
</tr>
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<tbody>
<tr>
<td>DPWH</td>
<td>12,000.00</td>
<td>14,451.14</td>
<td>16,253.52</td>
<td>24,000.00</td>
<td>11,763.95</td>
<td>31,994.42</td>
</tr>
<tr>
<td>DOTr</td>
<td>3,514.80</td>
<td>9,552.57</td>
<td>10,262.41</td>
<td>7,136.31</td>
<td>3,590.73</td>
<td>6,904.02</td>
</tr>
<tr>
<td>DOJ</td>
<td>110.10</td>
<td>602.46</td>
<td>577.49</td>
<td>632.14</td>
<td>859.83</td>
<td></td>
</tr>
<tr>
<td>DOLE</td>
<td>371.10</td>
<td>378.94</td>
<td>501.50</td>
<td>551.60</td>
<td>650.40</td>
<td></td>
</tr>
<tr>
<td>DOH</td>
<td>144.00</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>641.00</td>
</tr>
<tr>
<td>DTI</td>
<td>32.10</td>
<td>5.96</td>
<td>97.74</td>
<td>20.82</td>
<td>546.83</td>
<td></td>
</tr>
<tr>
<td>DepEd</td>
<td></td>
<td>828.20</td>
<td></td>
<td>294.60</td>
<td>400.00</td>
<td>222.35</td>
</tr>
<tr>
<td>DENR</td>
<td>16.00</td>
<td>212.50</td>
<td>311.85</td>
<td>218.30</td>
<td>14.00</td>
<td>121.10</td>
</tr>
<tr>
<td>DILG</td>
<td>160.00</td>
<td></td>
<td>4.17</td>
<td></td>
<td>40.00</td>
<td></td>
</tr>
<tr>
<td>DFA</td>
<td>26.00</td>
<td>42.00</td>
<td>86.55</td>
<td></td>
<td>15.00</td>
<td></td>
</tr>
<tr>
<td>DOF</td>
<td>181.82</td>
<td></td>
<td></td>
<td></td>
<td>14.00</td>
<td></td>
</tr>
<tr>
<td>DOE</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>83.66</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>16,251.92</strong></td>
<td><strong>26,377.77</strong></td>
<td><strong>28,091.06</strong></td>
<td><strong>32,653.77</strong></td>
<td><strong>15,856.51</strong></td>
<td><strong>42,008.95</strong></td>
</tr>
</tbody>
</table>

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TOURISM IS EVERYONE’S BUSINESS

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