Advanced Draft Value Chain Analysis (VCA) of the Tourism Sector in Thailand

ECEAT May 2021

Credit: TAT UK

**This report is a final draft at national level. The full final draft will include VCA at pilot destination level.*

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1. Executive summary of key results and recommendations

Thailand is a regional tourism leader, with an advanced ecosystem of sustainable tourism policies and organisations. Stakeholders are working to develop and promote Thai tourism, while piloting innovative solutions to tackle significant social and environmental challenges.

Nevertheless, many opportunities remain for *a more systematic and scaled uptake of socially and environmentally responsible practices* among Thai tourism businesses. This is essential for building destination resilience and ensuring a profitable and sustainable future for Thai tourism.

TourLink aims to *green the Thai tourism supply chain by a business led approach, involving EU buyers, Thai tour operators and their suppliers*: facilitating end to end, B2B sustainable supply chains partnerships, from Thai communities and MSME's through to European markets.

This Value Chain Analysis (*VCA*) describes the Thai sustainable tourism policy and stakeholder environment; identifies key sustainability issues in Thai tourism supply chains and destinations; introduces a sample of Thai-EU tourism operators; and helps to identify which Thai tourism products, suppliers, destinations and routes to prioritize in the Thai-EU tourism value chain. The VCA also identifies opportunities for collaboration with related organizations and projects.

The VCA confirms the TourLink project logic that inbound Thai tour operators are in a unique position to be ambassadors for sustainable tourism: both by the product choices which they make and offer to clients, and by motivating their suppliers to raise sustainability performance.

After COVID, tourism will be different. Sustainable tourism awareness and demand is at an all-time high. Trends which are opportunities for sustainable, Thai tourism include heightened awareness of health issues; demand for privacy and nature tourism. Experiences will continue to be a trend, especially linked to *communities, health and wellness, and family travel.* Issues of *climate change* (carbon) *and communities* resonate strongly with tourists and B2B partners.
However, tourists will also be very *price sensitive*. While some tourists will search for sustainability; others will want to dive out of COVID claustrophobia into mass tourism. Differentiated strategies will be necessary to manage niche and mass tourism more sustainably.

The *most important destinations for European travellers,* proposed by Thai tour operators interviewed in the VCA, are 1) *Phuket* and Andaman, 2) *Bangkok* and 3) *Chiang Mai*. This confirms the TourLink project's choice of target destinations. Based on increasing demand for local experiences and emerging destinations (including among Thai travellers, who are a key market during COVID recovery), we also recommend a secondary-focus on *Sukhothai* and *Nan*.

Summarised from across the VCA, *the following products and activities are most important*:

<table>
<tr><td colspan="2" align="center">Day and multi day tours</td></tr>
<tr><td>Most important tourism suppliers</td><td>Most important tourism activities</td></tr>
<tr><td>Accommodation
3-5 star accommodations, plus homestays and guesthouses (niche)
Shopping
Independent, local shops
Food and beverage
All kinds of restaurants
Include a focus on 'Local eateries'
Local transport
Mainstream: taxis, chauffeur driven sedans, vans and busses
Motorized boating
Local: tuk tuks, long tail boats, river boats, song thaew trucks
Car rental (developing a code of conduct)
Tour guides
MICE (but likely to recover more slowly)</td><td>Cultural products and experiences
Sightseeing / City tours
Visiting buildings and cultural heritage
CBT / home meals
Hands-on learning activities
Cooking courses
Market visits
Farm visits
Sports, Adventure and Nature activities
Island tours
Cycling
Trekking
Wildlife
Ethical animal excursions
Elephant activities
Activities including monkeys
Health and wellness</td></tr>
</table>

Thai tourism supply chains are complex and touch multiple aspects of sustainable development. Due to the scope and complexity of supply chains, it will be necessary to *scope and prioritize suppliers carefully*, and offer *different levels of engagement for different types of suppliers*.

The most important factors for *competitiveness* in EU markets proposed by the TO's are service quality, health and safety and variety of offer. The biggest obstacles to scaling up *sustainability* proposed by tour operators were price ceilings, the challenges of working with sustainable suppliers, and the limited capacity of Thai tour operators to approach and train their suppliers.

Downstream, respondents reported that most outbound B2B partners view sustainability positively (85%), with highest expectations for sustainability from Northern European and Australia Pacific B2B partners. Key priorities / needs for raising sustainability performance, proposed by the tour operators, include *transport* (including boating) and *built heritage*.

Upstream, key factors when choosing suppliers are 1) License, insurance and compliance; 2) Health & safety; and 3) Product & service. The interviews showed that while sustainability was not a deciding criterion for choosing a supplier; it was rated 'important' by all VCA respondents.

To sell more sustainable tourism will require clearer, more attractive, value-added promotion of sustainable product features and benefits, at earlier stages of booking and decision making.

Responding Thai tour operators are very interested to cooperate with the TourLink project.

Many operators already take action on sustainability, such as reducing single use plastic, working to reduce carbon, supporting communities / CBT, and working with hotels and other suppliers using checklists and contracts with sustainability clauses. Priorities for improvement include *tracking or measuring sustainability and running sustainability training for suppliers*.

The COVID crisis creates a space to 'build back better.' But the crisis has also created many obstacles, key of which are reduced savings, debt, and loss of many skilled, experienced staff.

TourLink can also support the Thai-EU tourism industry to prepare for COVID recovery. However, we must expect that Thai tour operators and suppliers will have few resources to invest, and be under-staffed. TourLink will need to provide sufficiently simple, tailored tools.

The VCA shows high interest in TourLink facilitating a common approach to engaging Thai tourism suppliers, sustainability standards and training for tour operators and their suppliers.

The TourLink project can play a useful role to coordinate individual efforts, including setting common minimum standards for suppliers, and a joint approach towards inviting suppliers to complete self-assessments (checklists), join training and engage with sustainability standards.

Prioritised, specific conclusions and related recommendations for future action include:

- More collaboration across the industry is needed to create more synergies and closer cooperation between public and private sector organisations and initiatives. Although good will between Thai and international organisations is generally high, opportunities to optimise cooperation and knowledge sharing are impacted by language barriers. The TOURLINK project should continue to focus on collecting best practices from project partners, and translating these best practices between Thai and English languages;
- A 'taskforce' (e.g.: led by DASTA/PATA/TEATA) could help build bridges between sectors and increase awareness and industry wide participation in greening the supply chain. Partners should consider whether to support an existing forum, or facilitate a new one. To be sustainable, this may best be affiliated with an existing organisation or forum.
- Time and resources can be saved by reducing multiple, supplier sustainability checks. Common checklists can be a tool to streamline supplier self-assessments and audits.
- While best practices continually advance, many tourism businesses and suppliers still only have a basic level of understanding of sustainability issues. Standards, tools and codes must be simple. Training must be tailored to the 'step-in' point of trainees. This will be particularly crucial in the COVID recovery period, where resources will be scarce.
- Interviews with project partners emphasized that language barriers (English) and lack of familiarity with online platforms can also be key obstacles to engaging Thai SME tourism suppliers in the project. Thai translation of criteria and trainings must be a top priority.
- To definitely support SME's, which are less comfortable with English and technology, the team must allow sufficient time for training and one-on-one coaching for suppliers.
- This will require the TOURLINK project team to scope which supplier groups to prioritise.

To reach and motivate Thai tourism businesses, the following actions are recommended:

- Reach out to Thai tour operators, through their associations, to join TourLink activities. The key activities are to join trainings, and cooperate over standards (see below);
- A direct call for active TO's to join a *working group of inbound TOs on sustainability*, to:
    - Train staff on sustainability and work towards Travelife certification;
    - Share best practices, case studies etc. (which can then be translated);
    - Provide input and collaborate on common minimum standards for suppliers;
    - Provide input into and distribute common consumer codes of conduct;
    - Develop and agree on common formats for contractual tools and checklists;
    - Share details on key / preferred suppliers and invite them to training workshops;
    - Jointly approach hotels and tour suppliers to engage in training and standards;
    - In certain cases, support training suppliers in sustainability (share best practices).
    - It may also be possible to work as a group to negotiate reduced prices for more sustainable supplies, using economies of scale (e.g. sustainable plastic bottles).

Training:

To be attractive, training will need to be designed to help COVID-redundant Thai tourism professionals (who are feeling demotivated) to upskill and become more employable.

- Core content, related to TourLink, which can add value to these trainees can include:
    - Health issues, health and safety
    - How to track or measure sustainability
    - How to transition to more sustainable management / operations
    - How to design more unique, high-value, sustainable experiences, including more 'luxurious local' experiences, to attract high-value markets that TAT aim for
    - Operationalising waste management, focus on reducing plastic and food waste
    - How to manage and reduce carbon, carbon calculation and offsetting
    - How to effectively communicate sustainability practices to clients and the public, including a focus on storytelling to add value to sustainability messaging
    - Employing people with special needs

Recommendations related to specific TourLink Activity Clusters (AC's) include:

Collaborating with Thai tourism associations and businesses to raise sustainability standards, deeper into Thai-EU tourism supply chains, is at the heart of the Tourlink project approach.

Faced with the stark realities of climate change, *systematic sustainability management is becoming a required mark of quality, safety and professionalism*; and a key to doing business with EU outbound tour operators. In the post-COVID tourism landscape, tourism professionals with the skills to deliver positive results for profit, planet and people will be more employable.

Standards and codes of conduct for excursions and activities, which are a TourLink priority (AC1-3), must *be simple and accessible*. For smaller supplier groups, with less experience, engagement can begin with only +/- 20 key criteria, covering the highest-impact issues.

Based on needs proposed by Thai tour operators*, activity supplier training* should also include content on product and service expectations, insurance and compliance, and health and safety.

Working groups can be established for *prioritised tour operator supplier groups* (to be discussed / agreed), to focus on key sustainability issues and pain points, relevant to each supplier group.

Climate change and carbon are now moving to full consciousness among consumers and businesses. Among responding tour operators, there is high interest in carbon calculation and offsetting. However, this remains a big challenge, especially for Thai SME tour operators. The TourLink project should *actively support the Carbon Balance project*, to benefit Thai SME's.

Plastic and food waste activities should build upon existing resources.

Key recommendations related to *destinations and CBT* are to 1) actively support DASTA to link tour operators and CBT communities; 2) train Thai tour operators, tour guides and community members to have a common understanding about CBT and work together more smoothly as a team and 3) develop a 'step in' standard for communities which are unable to reach full CBT.

It is also recommended to conduct research to understand the situation of Kayan communities in Thai tourism, hold a round table for stakeholders, and make recommendations for change.

Acronyms and Abbreviations

ABTA	Association of British Travel Agents
AC	Activity Cluster
ACEWG	Asia Captive Elephant Working Group
ADEQ	Association for the Development of Environmental Quality
AEDP	Alternative Energy Development Plan
ANVR	Dutch Association of Travel Agents and Tour Operators
ASEAN	Association of Southeast Asian Nations
ATTA	Association of Thai Travel Agents
B2B	Business to Business
B2C	Business to Consumer
BCG	Bio-Circular-Green Economy
BEPTA	Board of Environmental Promotion for Tourism Activity
BOT	Bank of Thailand
CBI	Centre for the Promotion of Imports from developing countries
CBO	Community-Based Organisations
CBT	Community Based Tourism
CBT-I	The Thailand Community based Tourism Institute
CDD	Community Development Department
CEWR	Centre of Elephant and Wildlife Research
CMU	Chiang Mai University
COVID	Corona Virus Disease
CREST	Centre for Responsible Travel
CSR	Corporate Social Responsibility
DASTA	Designated Areas for Sustainable Tourism Administration
DEDE	Department of Alternative Energy Development and Efficiency
DEQP	Department of Environmental Quality Promotion
DLD	Department of Livestock Development
DMC	Destination Management Company
DNP	Department of National Parks, Wildlife and Plant Conservation
DOT	Department of Tourism
DWF	Department of Women’s Affairs and Family Development

ECEAT	European Centre for Ecological and Agricultural Tourism
ECPAT	End Child Prostitution in Asia Tourism
EGAT	Electricity Generating Authority of Thailand
EMAS	Eco Management and Auditing System (EU version of the ISO 14001 standard)
EU	European Union
F&B	Food and Beverage
FAO	Food and Agriculture Organization of the United Nations
FTF	Fair Tourism Foundation
FFW	Foundation for Women
FIT	Free Independent Traveller / foreign independent tourist (depending on definition used)
FPO	Fiscal Policy Office
FTA	Free Trade Agreement
FTE	Full-Time Equivalent
GDP	Gross Domestic Product
GHG	Greenhouse Gas
GIZ	German Agency for International Cooperation
GIT	Group Inclusive Tour
GLF	Green Leaf Foundation
GSTC	Global Sustainable Tourism Council
H&S	Health and Safety
HRD	Human Resources Development
HRIA	Human Rights Impact Assessment
IATA	International Air Transport Association
IFC	International Finance Corporation
ILO	International Labour Organisation
ISEAL	Global membership association for credible sustainability standards (FSC, MSC)
ISO	International Organization for Standardization
ITC	UN International Trade Centre
ITO	International Tour Operator
IUCN	International Union for Conservation of Nature
LGBTIQA+	Lesbian, Gay, Bisexual, Transgender, Intersex, Queer/Questioning, Asexual
MEA	Metropolitan Electricity Authority
MFU	Mae Fah Luang University
MICE	Meetings, Incentives, Conferences, and Exhibitions

MNRE	Ministry of Natural Resources and Environment
MOAC	Ministry of Agriculture and Cooperatives
MOC	Ministry of Commerce
MOE	Ministry of Energy
MOI	Ministry of Interior
MOJ	Ministry of Justice
MOL	Ministry of Labour
MOTS	Ministry of Tourism and Sports
MoU	Memorandum of Understanding
MSDHS	Ministry of Social Development and Human Security
MSME	Micro, Small, and Medium Enterprises
MTCO	Mekong Tourism Coordinating Office
MWA	Metropolitan Waterworks Authority
NESDP	National Social and Economic Development Plans
NFI	National Food Institute
NGO	Non-Governmental Organisation
NHRCT	National Human Rights Commission of Thailand
NRCT	National Research Council of Thailand
OIC	Office of Insurance Commission
ONEP	Office of Natural Resources and Environmental Policy and Planning
OTA	Online Travel Agents
PATA	Pacific Asia Travel Association
PCD	Pollution Control Department
PEA	Provincial Electricity Authority
PGA	Professional Tourist Guide Association of Thailand
PWA	Provincial Waterworks Authority
PMUC	Program Management Unit for Competitiveness
RLPD	Rights and Liberties Protection Department
SCP	Sustainable Consumption and Production
SDF	Sustainable Development Foundation
SDG	Sustainable Development Goals
SE	Social Enterprise
SEA	Southeast Asia
SEC	Securities and Exchange Commission

SEP	Sufficiency Economy Philosophy
SET	Stock Exchange of Thailand
SME	Small and Medium Enterprises
SOP	Standard Operating Procedure
SSCM	Sustainable Supply Chain Management
TAT	Tourism Authority of Thailand (official destination marking and promotion)
TBCSD	Thailand Business Council for Sustainable Development
TCC	Thai Chamber of Commerce
TCEB	Thailand Convention and Exhibition Bureau
TCT	Tourism Council of Thailand
TEAA	Thai Elephant Alliance Association
TEATA	Thai Eco and Adventure Travel Association
TEI	Thailand Environment Institute
TGO	Thailand Greenhouse Gas Management organisation (public organisation)
THA	Thai Hotel Association
THB	Thai Baht
TISI	Thai Industrial Standards Institute
TO	Tour Operator, both inbound and outbound
TRF	Thailand Research Fund
TRTA	Thai Responsible Tourism Association
TSRI	Thailand Science Research and Innovation
TWEF	Thai Women Empowerment Funds
UN	United Nations
UNEP	United Nations Environment Programme (UN Environment)
UNESCO	United Nations Educational, Scientific and Cultural Organization
UNGP	United Nations Guiding Principles
UNWTO	United Nations World Tourism Organisation
USD	U.S. dollar
VCA	Value Chain Analysis
WAP	World Animal Protection
WTTC	World Travel and Tourism Council
WWF	World Wide Fund for Nature

2. Background and introduction

Rapid economic growth in Asia has lifted many countries out of poverty. However, this progress has come at a cost of increased use of natural resources, growing GHG emissions and amounts of waste. Sustainability today is about making fundamental changes in the way business is done and the way that the world consumes. Results can only be achieved by rethinking our business models and supply chains and designing new consumption patterns. To tackle these challenges, the *EU funded, SWITCH-ASIA facility* is working with over 130 projects across Asia to promote sustainable development, contribute to economic prosperity and poverty reduction in Asia and contribute to a transition towards a low-carbon, resource-efficient and circular economy.

Thailand is a regional leader in tourism. Prior to the coronavirus (COVID-19) outbreak, tourism was the largest and fastest growing sector of the global economy, and a crucial export service for Thailand, accounting for about a fifth of GDP and 20 percent of employment (Leigh, 2021)

Thai tourism stakeholders have a proud history of significant efforts and achievements in sustainable tourism, at policy and operational level. This includes the inclusion of sustainability principles across Thai government tourism policies, world class green hotel programs, and pioneering Community Based Tourism (CBT), which is recognised globally as a success story.
Nevertheless, many opportunities remain for *a more systematic and scaled uptake of socially and environmentally responsible practices* among Thai tourism businesses. This is essential for building destination resilience and ensuring a profitable and sustainable future for Thai tourism.

Faced with the stark realities of climate change, *systematic sustainability management is also becoming a required mark of quality, safety and professionalism*; and a key to doing business with EU outbound tour operators. In the post-COVID tourism landscape, tourism professionals with the skills to deliver positive results for profit, planet and people will be more employable.

When businesses use more sustainable suppliers and products, each 'better choice' is multiplied by every customer who uses the service. Funded by SWITCH-ASIA, *TourLink* (2020-2024) is a tourism supply chain initiative, linking EU buyers with Thai TO's and suppliers. TourLink will create benefits for people and planet by raising sustainability performance along Thai tourism supply chains and boosting demand for more sustainable product choices.

TourLink aims to "*green the Thai tourism supply chain by a business led approach, involving EU buyers, Thai tour operators and their suppliers*;" facilitating *end to end, B2B sustainable supply chains partnerships,* from Thai communities and MSME's to European markets.

The project unites the experience, expertise and energy of Thai-EU sustainable tourism pioneers: the European Centre for Ecological and Agricultural Tourism (ECEAT), Designated Areas for Sustainable Tourism Administration (DASTA), Pacific Asia Travel Association (PATA), Thai Eco and Adventure Travel Association (TEATA), and Thai Hotel Association (THA).

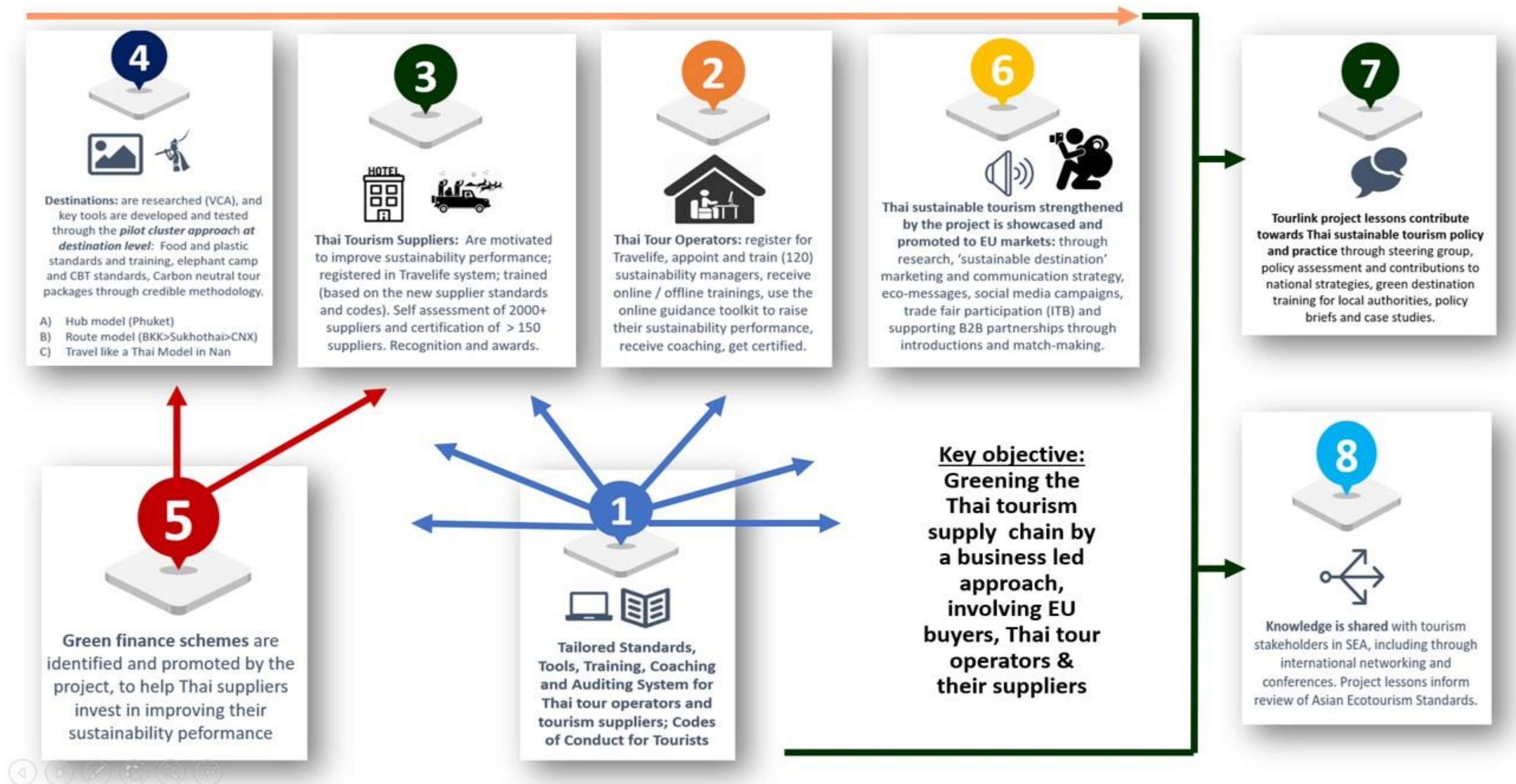
The core of TourLink's innovative approach is ***mobilising and mentoring tour operators, accommodations and other tourism supply chain providers in Thailand to achieve minimum standards for sustainable consumption and production*** (SCP). Specific criteria include managing waste, purchasing environmentally friendly products, conserving natural resources, providing staff welfare, using local suppliers and interacting responsibly with local communities.

Tour operators adopting sustainable practices will be coached, certified and awarded by the Travelife programme, which has been developed over 20 years in partnership with EU travel associations; and is recognized internationally as the leading sustainability management system for tour operators and travel agents in the tourism industry. The project will also support Thai tourism businesses to invest in sustainability, by promoting *Green Finance* opportunities; and make strategic contributions to the key challenges of *plastic and food waste*; reducing *carbon emissions*; and ensuring that tourism benefits *destinations, local Thai communities and SMEs*.

This value chain analysis (VCA) of the Thai tourism industry aims to understand the current state of sustainability in Thai tourism supply chains. The VCA will *help to identify priority actions for future Tourlink project implementation and serve as a point of reference for monitoring*.

A sustainable tourism sector strongly depends on the behaviour and operations of actors in the *destinations* visited and the availability of *sustainable solutions and supplies from supporting sectors* such as *water and energy, waste management, transport, food, and other types of green trade*. The VCA will describe key supply chains and identify opportunities for Thai tourism businesses to integrate more sustainable suppliers into operations and products. It will also identify opportunities for synergies and collaboration with other organisations and projects.

Figure 2.1: Understanding TourLink - Overview and Interconnectivity of TourLink Project Activity Clusters and Activities



The diagram above illustrates the scope, flow and key interconnectivities between the eight TourLink project Activity Clusters (AC's).

3. Value Chain Analysis: What, Why and How?

3.1 What are value chains?

Value chains (VC) are the "*sequence of related business activities from the provision of specific inputs for a particular product to primary production, transformation, marketing, and up to the final sale of the particular product to consumers*" and "*The objects being considered in a value chain are always products or services"* (Partale, 2020). We *map* the inputs in value chains to visualise *where and how value is created by each supplier, providing each individual input.*

By carefully mapping value chains, we can identify strategic opportunities to add different types of value for different target groups, depending on our objectives. For example, we may focus on identifying opportunities to source more local products, with the aims of creating more local jobs and / or decreasing GHG emissions. Thus, "*the value chain is much more than just a model for structuring and describing* [supply] *processes."* It is a tool *"for supporting management processes and strategically planned development projects from start to finish*" (Partale, 2020).

By studying VC's, we see where we should focus our effort, to effectively add the most value.

3.2 What are tourism value chains?

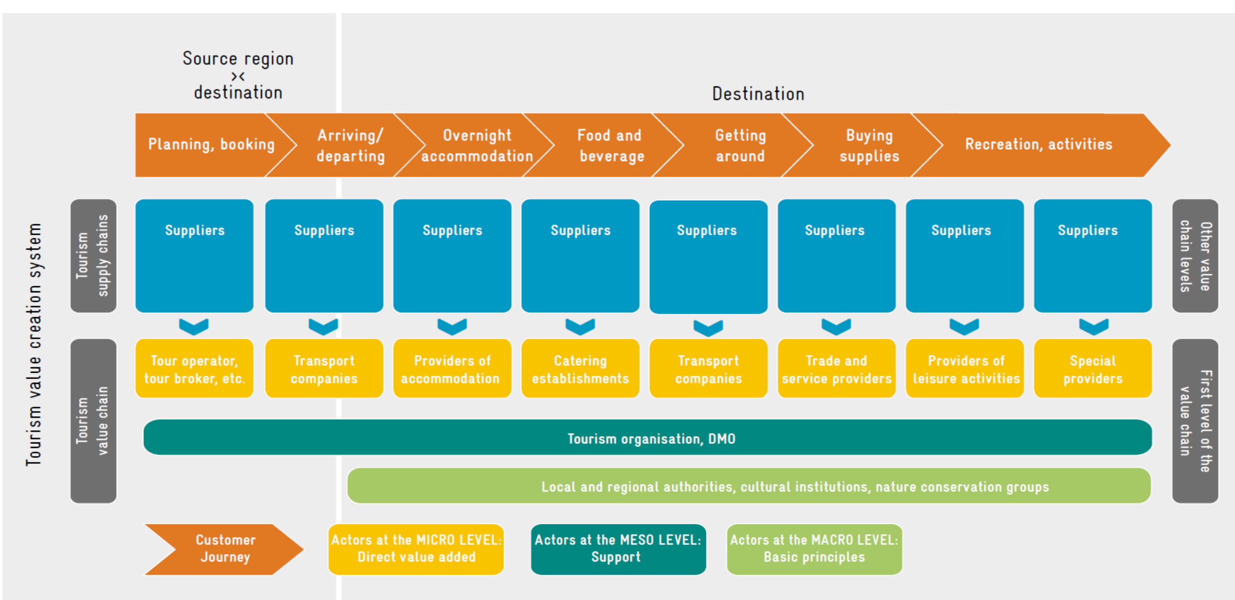
The *'tourism value chain,'* includes the full range of activities required to bring a tourist to a destination and provide all of the necessary services during a holiday (e.g. accommodation, catering, retail, excursions, guiding, etc.). The tourism value chain "*includes the tourists and suppliers of all the goods and services creating and delivering tourism products. The economic value of tourism arises entirely from expenditures made by domestic and international visitors."* Thus, *"value flows from the customer, in the form of demand, to the suppliers" (*Feller, 2006, in (Hummel, 2020)). *"Suppliers along the value chain are highly interdependent, some more powerful than others, and rely on each other to generate profit*." (van Strien & ECEAT, 2020).

3.3 What is a value chain analysis?

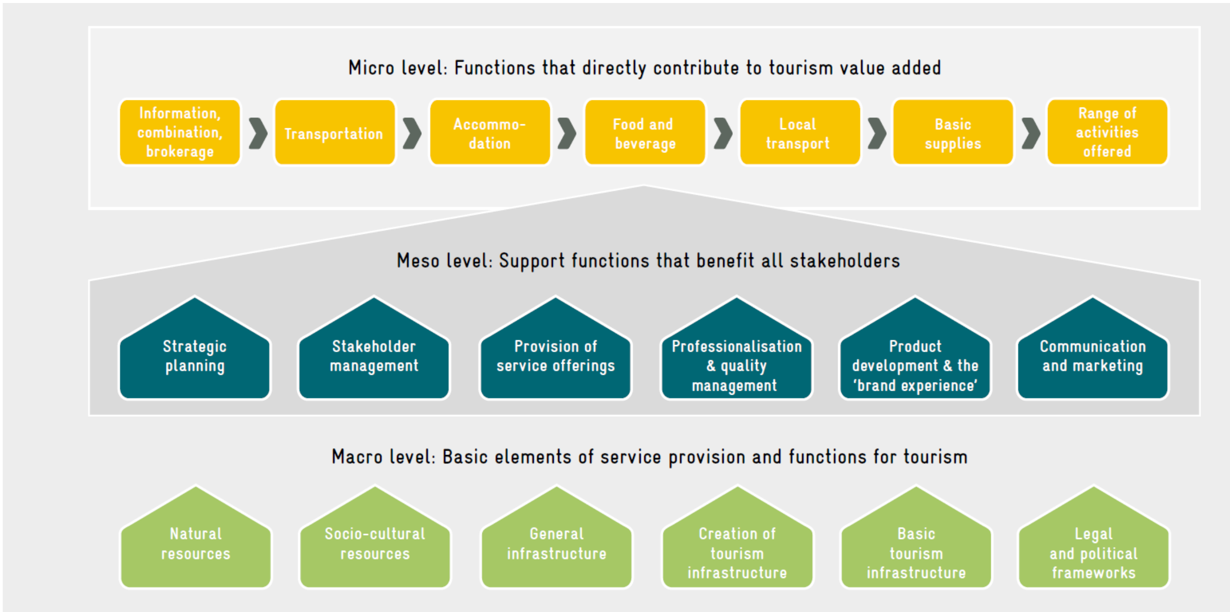
In the early 2000s, the concept of *value chain analysis* was introduced in development aid, as one of a range of tools aiming to achieve sustainable poverty reduction at scale, and shift thinking from *projects* to *interventions that harness markets and deliver impact at scale* (Hummel, 2020). VCA goes beyond conventional supply chain analysis by taking the entire sector as the unit of analysis (Mitchell and Ashley, 2009, in Hummel et al, 2020). While recognizing that tourism is mainly a private sector activity, VCA's are designed to acknowledge that the external governance of the value chain, (the regulatory and enabling environment), the domain of the public sector, also has a crucial impact on the level of sustainability outcomes.

GIZ's *Tourism Value Chain Analysis and practical approaches for development cooperation projects* (Partale, 2020) offers many highly useful insights and directions for conducting a VCA.

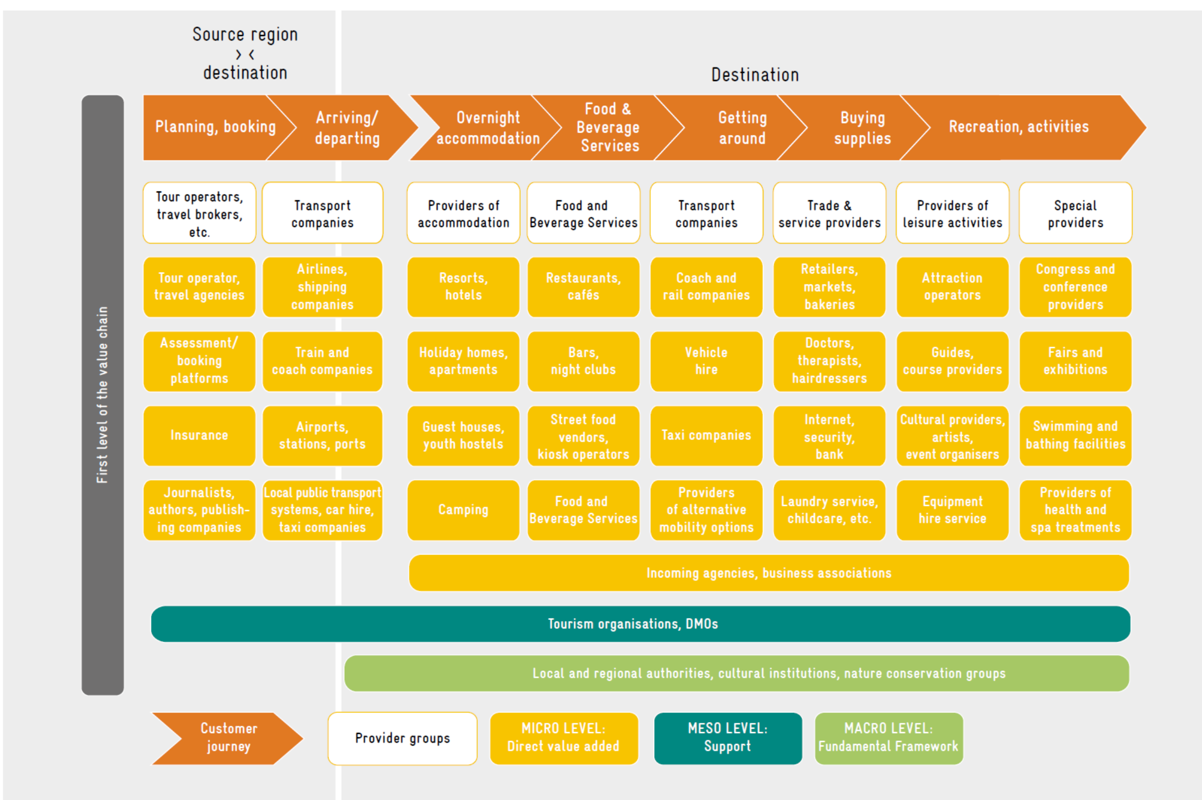
Value chains quickly become very complex and busy! GIZ helped to summarise and visualise this complexity into a single '*tourism value creation system*.' GIZ's model illustrates the VC using the *customer journey* - the *businesses which provide core services* to tourists before and during their holiday - and the micro, macro and meso level *supporting environment*. GIZ distinguishes between the *'value chain'* and '*supply chains*.' The value chain is made of the businesses which provide core services to tourists. Supply chains refer to the suppliers of these core businesses:



GIZ's illustration of key micro, meso and macro level VC inputs and supports is also useful:



GIZ (Partale, 2020) mapped a significant sample of the tourism value chain at two levels. The first level mapped the specific types of businesses providing core services, in greater detail:



The second level (Idem, 2020) mapped the key suppliers of these businesses in more detail:

Second level of the value chain	Planning, booking	Arriving/ departing	Overnight accommodation	Food & Beverage Services	Getting around	Buying supplies	Recreation activities, being active	Special activities
Food shops		●	●	●				●
Furniture stores		●	●	●			●	●
Textile trade	●	●	●	●	●		●	●
Bakeries		●	●	●		●		●
Butcher's shops		●	●	●		●		●
Breweries, wine-press houses		●	●	●		●		
Beverage production		●	●	●		●		
Textile production		●	●	●	●	●		
Shoe production						●		
Arts and crafts			●	●		●		
Jewellery production			●	●		●		
Production of sports equipment			●			●	●	●
Toy production			●			●		
Cosmetics production			●			●		●
Educational institutions, market research institutes	●	●	●	●	●	●	●	●
PR and advertising agencies	●	●	●	●	●	●	●	●
IT service providers, telecommunications	●	●	●	●	●	●	●	●
Legal advisors, tax advisors, management consultants	●	●	●	●	●	●	●	●
Printers' shops	●	●	●	●	●	●	●	●
Insurance, finance	●	●	●	●	●	●	●	●
Real estate		●	●	●	●	●	●	●
Joineries		●	●	●		●	●	●
Garden centres		●	●	●			●	●
Installers, painters, etc.		●	●	●	●	●	●	●
Repair, maintenance		●	●	●	●	●	●	●
Petrol stations		●	●		●			
Security services		●	●	●	●	●	●	●
Facility management		●	●	●		●	●	●
Building-cleaning services		●	●	●		●	●	●
Textile cleaning		●	●	●	●	●	●	●
Agriculture		●	●	●		●		
Fisheries & aquaculture		●	●	●		●		
Construction sector		●	●	●	●	●	●	●
Energy sector		●	●	●	●	●	●	●
Water sector		●	●	●	●	●	●	●
Waste management		●	●	●	●	●	●	●
Ministries, authorities, administration	●	●	●	●	●	●	●	●
Promotion of economic development, associations	●	●	●	●	●	●	●	●

● Trade ● Production ● Services
● Agriculture and the construction sector ● Delivery of basic services ● Supporting organisations

GIZ note that "*it is not absolutely necessary to look at the entire supply chain from raw material to the finished product. Relevant impact can often be achieved by shaping the second level of the value chain. This is also where there is a direct interface with the tourism sector*." The TouLlink VCA will adapt these diagrams as key tools for visualising Thai tourism supply chains; and identifying the most important types of tourism suppliers to engage during the project.

3.4 Why conduct a value chain analysis?

There are opportunities to *Add Value* throughout the process of creating and consuming products: from raw material extraction to consumption by end customers. *The purpose of conducting a Value Chain Analysis is to identify where and how value can be added: economically, socially and / or environmentally*. From a circular economy perspective, value can also be added during the processes of *recycling, upgrading or reusing* a product (Partale, 2020).

VCA also focuses on *understanding interrelationships among the various actors* involved in a value chain, and their implications for development, including sustainability, inclusiveness and level of competitiveness. Such analysis reveals gaps and weaknesses, and helps make *informed projections and better choices* with regard to the impact of potential actions and interventions.

TourLink is a project, being implemented within limited time and resources. The VCA will help the team to *identify, prioritize and focus on the most important tourism suppliers and actions*.

3.5 How to build on the results of a VCA?

GIZ (Partale, 2020) identified 6 key strategies for adding value in tourism value chains:

- Strategy 1: *Organisation / process optimization* (e.g., advisory or steering committee)
- Strategy 2: *Regionalizing added value* (e.g., links to non-touristic, sustainable suppliers)
- Strategy 3: Promoting the *circular economy*
- Strategy 4: *Environmental and social standards*
- Strategy 5: Sustainable growth through *product quality and innovation*
- Strategy 6: Sustainable growth through *communication and marketing*

Regional value added can be promoted "*by systematically shaping the tourism value chain*" (focusing on core tourism businesses); "*systematically shaping selected tourism supply chains*" (focusing on their suppliers); or taking a circular economy approach by adding value to "*the raw materials used, processed and consumed* [which] *are also discarded at the destination*." Examples of all of these strategies are already included in the TourLink project Activity Clusters.

To achieve results and avoid being overwhelmed by all of the details, *specific, high-potential value / supply chains should be identified and prioritized*. This can be done using criteria e.g.:

- Strategic importance of market segments / business sectors (volume of demand)
- Feasibility of more sustainable products / services to be competitive in the market?
- Feasibility of project team to access key stakeholders and influence change?
- Feasibility of influencing change within the project time frame (effectiveness)

GIZ emphasize *the importance of stakeholder engagement and participatory process* to achieve systematic change. This can be achieved through *mobilizing* '*value networks'*, or "*strategic partnerships between actors in the value chain. The network aims to generate benefit for all actors involved and promote the system as a whole in line with the overarching objectives of enhancing economic value added, minimizing environmental burdens and optimizing socio-cultural impacts*" (Partale, 2020). Networks are harnessed to create impacts by:

- Step 1: Defining the value chain
- Step 2: Initiating value networks
- Step 3: Analysing the value chain
- Step 4: Defining objectives (consult over the benefits which partners expect)
- Step 5: Developing solutions

The proposed process for developing solutions is:

- Collect solutions
- Assess solutions
- Find care-takers (responsible hosts)
- Plan implementation

Engagement with 'neighbouring sectors' (e.g. agriculture) must be based on market research, which confirms that there is sufficient demand to justify the effort of mobilizing the network. GIZ recommends focusing on "*supply chains that include many suppliers from outside the region and have huge and so-far untapped potential for business relations within the region*."

3.6 Integrating Circular Economy thinking into VCA?

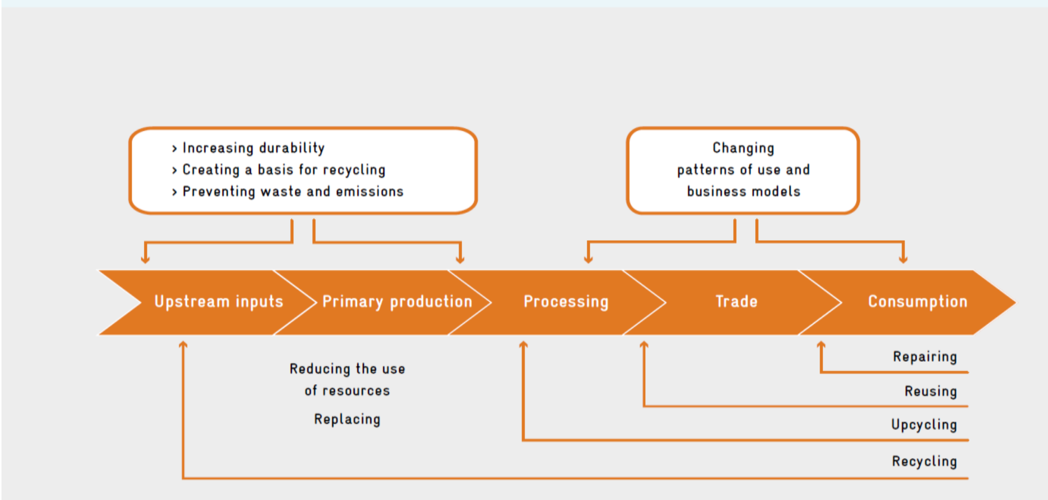
The circular economy is a regenerative system that minimizes the use of resources and the production of waste and emissions within energy and material cycles. The circular economy is the opposite of the linear economy in which most of the raw materials are processed, sold, used and then ***thrown away and not recycled*** (Partale, 2020).

Key entry points for a circular economy are:

- the use of renewable raw materials and energy,
- the durable construction of physical goods,
- the maintenance and repair of these goods,
- their reuse and
- Product recycling

GIZ (Partale, 2020) visualized the integration of circular economy principles into VCA in this diagram:

Figure 2: The circular economy in the value chain



Tourism offers many opportunities e.g. through renewable energy, reducing single-use portions, encouraging staff and customers to recycle, improving vehicle maintenance, etc.

4. TourLink Value Chain Analysis Design

4.1 Context of the TourLink VCA: Thailand

Key opportunities which tourism offers local people are new jobs and markets for their products. VCA is often used to identify opportunities for tourism to benefit poor people in destinations. Tourism value chains include many services. *Commodities* play an important role e.g., supply of agricultural products for food, crafts for decoration and souvenirs etc. VCA for poverty alleviation includes identifying the main bottlenecks in local supply chains e.g.: poor quality and limited diversity of local products, difficult access to local SME's, unreliable supply due to a lack of transport, poor management, low capacity, and organisational difficulties of agricultural community-tourism industry relations (Spenceley, cited in (Hummel, 2020)).

Thailand's development priorities continue to include community development and poverty alleviation. The wealth gap in Thailand is recognized as a key underlying cause of recent political unrest. However, there are significant differences between Thailand and neighboring countries, where VCA has been used as a Pro-Poor tourism tool. In 2011, Thailand became an upper-middle income country. Poverty declined substantially over the last 30 years, from 65.2% in 1988 to 9.85% in 2018 (WorldBank, 2021). Pre-COVID, Thai tourism already employed approximately 12% of the Thai work-force (BangkokPost, 2021). Therefore, economic goals need to be carefully balanced alongside managing the challenges of success, including environmental management, tackling climate change and improving tourism labour conditions.

Reflecting this context, TourLink has a broad, sustainability focus, covering issues including: raising standards across sustainability management; reducing and offsetting carbon emissions; managing plastic and food waste; and creating benefits for communities. The aim of this report is to *create a common understanding of the tourism value chain in Thailand and to identify strategic interventions along the value chain to reduce negative impacts and create positive impacts for planet, people and profit*. The VCA provides an overview of the Thai tourism situation and environment and proposes recommendations across TourLink's various themes.
Recommendations will be prioritised for action, based on resources and potential for impact.

4.2 Objectives and expected results of the VCA

The main objectives of the value chain analysis are to understand:

1. Key TO's in Thailand and their supply chains, focusing on their key activities and supplies (i.e. focusing on level 1 of the tourism value chain as defined by GIZ (Partale, 2020));
2. Stakeholder mapping of the organisational and sustainability related policy and project environment of the tourism sector;
3. The key sustainability / greening and commercial drivers and relations / backward linkages of tour operators to other sectors e.g., agriculture / food, transportation, water supply and management, energy supply and waste management in the selected pilot destinations, and their interaction with local communities;
4. The obstacles which hinder tour operators in increasing sustainable exports to European and Western markets and opportunities to overcome these obstacles.

This analysis will inform prioritised, market-based recommendations; which will contribute to overcoming the identified obstacles and translating the opportunities into useful action.

In line with the objectives above, the VCA will deliver the *following key results*:

1. An inventory of tour operators and supply chains (based on a sample of market-leading tour operators in Thai-EU tourism supply chains);
2. An overview of Thai tourism stakeholders, policy and project (initiative) environment;
3. An overview of sustainability and commercial drivers and links with other sectors;
4. An overview of key obstacles and opportunities for Thai TOs to increase the sales of sustainable products to European and Western markets;
5. Recommendations for future project actions.

4.3 VCA process and methodology

An expert team of an international (via ECEAT) and local expert were contracted to carry out the activities as described in the Terms of Reference. ECEAT's in-house team also supported this process, in particular Desk Research for objectives 2 and 3. Key activities were:

Desk research

Desk research focused on policy documents, trade statistics, research, and industry reports. Thailand's government policies were studied, to analyse how sustainability and greening have been integrated into Thai tourism policy, and the tourism value chain in Thailand. The desk study also reviewed the agreed project documents (the Action and Annexes) and Log Frame.

Interviews with key-informants

Interviews with key-informants (e.g. tour operators, business membership organisations, governmental organisations, civil society organisations, etc.) *helped to clarify Thailand's sustainable tourism environment*: including policies, actors, initiatives, main constraints and risks, opportunities for synergies, and market-based solutions to remove constraints and support activities.

In-depth, in-bound tour operator interviews

In-depth interviews were conducted with 18 Thai tour operators focusing on European markets. Interviews clarified their products and supply chains; and lead to a deeper understanding of their experiences, attitudes, actions and needs related to different aspects of sustainability.

Tour operators were requested to share a list of key suppliers (hotels, restaurants, sites/attractions, guides, transportation, handicrafts, etc.) and main excursion suppliers, per identified activity.

Presentation of draft VCA results for feedback and input

A draft of the VCA (focusing on the results of interviews with Thai inbound tour operators) was presented to the TourLink project partners on April 22nd, 2021. Lessons learned so far were shared. Remaining knowledge gaps in the VCA were presented to partners, for their input.

Consultation and clarification of target destinations

During a TourLink partners' meeting held on July 13th, the partners built on the results of the inbound tour operator surveys and key informant interviews to confirm high potential, pilot destinations to test the TOURLINK project tools at destination level. This decision enabled the VCA team to further scope the pilot destinations to be targeted under Objective 3 of the VCA:

- *Hub Model*: focusing on Phuket and the surrounding area;
- *Route Model:* reviving the classic overland route between Bangkok and Chiang Mai, by including a stop-over in historical Sukhothai, a DASTA showcase CBT destination;
- *Travel Thai Model*: showcasing Nan province, where DASTA and TEATA have projects. There is currently high domestic demand for Nan, and ITOs are becoming interested.

The potential for TourLink to support current DASTA and TEATA projects in Nan and Sukhothai was a key reason for expanding the scope of destinations beyond Chiang Mai and Phuket. TourLink's ability to cover these destinations will depend on support from DASTA and TEATA.

Further research and interviews to gain deep insights into the target destinations

Additional desk research and key informant interviews were conducted at pilot-destination level, to identify key issues, opportunities and recommended actions in the pilot destinations.

Summary, analysis and recommendations

Results were synthesized, summarized and analysed, and key recommendations proposed. GIZ's VCA maps were used as tools to help prioritize and target value and supply chain actors.

4.4 Challenges and limitations conducting the VCA

This VCA was conducted during the most challenging period in the history of global tourism.

Faced with the existential threat of COVID-19, closed borders, and a complete lack of income from tourism, private and public sector stakeholders have faced extraordinary challenges. Government and non-government organisations had to completely redesign their plans to be relevant in the COVID new normal; against the backdrop of huge needs from suffering tourism stakeholders, and constant, dynamic, very expensive changes. The private sector, at association and business levels, has faced immense financial loss, unemployment, debt and bankruptcy.

Strong support has been given to the VCA by all of the interviewed tour operators. However, different tour operators shared different levels of details about their supply chains and suppliers. Concerns around disclosing suppliers impacted the depth of the research results.

Tour operators were left with few resources and staff working fulltime in their organisations. Tourism businesses and suppliers were literally closing their doors and their businesses daily. Tour operators were sometimes not fully aware which of their suppliers remain open for business. This created further obstacles to identifying a reliable, up to date picture of suppliers.
Tour operators were sensitive about sharing information related to salaries, wages and income.

The VCA primarily represents Thai tour operators' perspectives. It helps to identify priority supplier groups for engagement. More work will be needed to understand the specific needs, opportunities and challenges for these suppliers to raise their sustainability performance.

For these reasons, *this VCA report finally provides a useful but partial picture of Thai tourism value and supply chains*. In Chapter 6, the GIZ models of 1st and 2nd level value and supply chain suppliers have been tailored to the Thai context. The report does clearly identify 1st level (core) Thai tourism value chain service-providers. This information will be useful to prioritize target suppliers, and guide the next steps of the Tourlink project. However, the VCA report does not identify the full details and volumes of 2nd level Thai tourism value chain suppliers. The VCA offers a starting point for further research, deeper into excursion and activity supply chains.

4.5 Overview of VCA report structure

Previous chapters of this report provided a background to the TourLink project and value chain analysis. The main objectives of the VCA, study process and design were introduced.

Chapter 5 presents a brief *context of the tourism sector in Thailand*. First, the chapter introduces key tourism and sustainability policies and initiatives for greening the Thai tourism sector. Next, it reviews demand for Thailand. Tourist arrivals from European and other western markets, and their expenditure in Thailand, are presented. Key findings are discussed.

Chapter 6, the VCA, is the heart of the report. This chapter introduces Thai tourism value chains and the institutional environment in Thailand; presents the results of an analysis of the pilot destinations; and makes key recommendations for TourLink project synergies and future action.

First, based on surveys and interviews, the VCA introduces a *sampled* overview of tour operators in the Thai tourism value chain and their supply chains. The analysis focuses on tour operators that handle a large percentage of the inbound market, and have an active commitment to sustainable development: specifically, PATA, TEATA and Travelife member inbound tour operators and their supply chains. The chapter focuses on three elements: an *inventory of supply chain actors*, the *travel product* and *competitiveness.*

In the *travel product,* the VCA focuses on the inbound market from European and other Western Countries. What are the key-products being offered to these markets? What types of itineraries are being offered? What are the possibilities for alternative destinations and CBT? The information is used to identify the priority suppliers for future TourLink project activities.

In *competitiveness*, the analysis investigates how far Thai tour operators are able to sustainably produce quality products that meet European market demand and requirements?

Next, the VCA delivers stakeholder mapping of the *policy environment of the tourism sector*: identifying national and international organisations with roles related to green and sustainable tourism. The chapter identifies and describes the positions, roles and policies of Thai tourism associations and governmental organisations, donor programmes, research and training institutes in the value chain. The chapter also identifies *opportunities for creating synergy with these organisations*, in relation to the objectives of the TourLink project. For example, existing collaboration between various stakeholders (e.g. public-private projects and working groups) are identified, and possible synergies are proposed, to be further discussed with stakeholders.

The VCA moves on to describe *how the value chain connects with sustainable development*. The report identifies highly important environmental and social issues in the value chain, shows where in the value chain they occur; and provides suggestions for activities, which can be undertaken to improve the sustainability performance of tour operators and their suppliers.

The report discusses *key sustainability and commercial drivers and the backward linkages between tour operators and other sectors*: water supply and management, energy supply, waste management, transport, agriculture/food, sustainable destinations, tour operators' interaction with local communities in the selected pilot destinations, and other green trade.

The next part of the chapter draws on all of the previous sections to summarise *value chain constraints, risks and opportunities.* The report describes key bottlenecks in the value chain, which are hindering Thai tour operators from increasing sustainable exports to EU markets. The report also presents some key market opportunities to sell (more) sustainable products and services. The report identifies specific activities that could remove constraints, overcome bottlenecks, increase competitiveness and boost sustainable Thai tourism exports to the EU.

These themes are also used to analyse and *identify specific challenges and opportunities in the selected pilot destinations*: *Phuket* and *Chiang Mai* (from the proposal) plus *Sukhothai* and *Nan*. The new pilot destinations are DASTA's target areas, which emerged as high potential 'alternative' destinations from tour operator interviews conducted during the VCA. The report describes how tourism can support local communities in the selected destinations.

In the final Chapter 7, the *conclusions and recommendations* of the VCA are presented. This focuses on advising which suppliers the TourLink project team should focus on, and suggestions for specific actions related to the various project themes (carbon, plastic, communities, etc.)

5. Context of the Thai tourism sector

5.1 Tourism and sustainability policies and strategies in Thailand

5.1.1 Sustainability

Thailand's development is directed by the National Social and Economic Development Plans (NESDP). Since 2002, the NESDP's have been guided by the Sufficiency Economy Philosophy (SEP), conceived by His Majesty the Late King Bhumibol Adulyadej. SEP is an environmentally and socially conscious philosophy, which advocates moderation and "*a balanced lifestyle that promotes growth and conserves the environment at the same time*" (VNR, 2017). Thailand's 12th National Economic and Social Development Plan (NESDC, 2017) aims to achieve "*stability, prosperity, and sustainability*" for the economy, society, and natural resources through a "*sufficiency economy*" philosophy. SEP and the UN SDGs are fully integrated in the plan.

Social issues

Almost 100% of Thais have access to clean water and sanitation, 93% are literate, and Thailand has impressive universal health care and education systems. Thailand's Voluntary National Review (VNR, 2017) of progress towards the UN SDG's reported that Thailand had already successfully reduced the number of people living in poverty and hunger by half and the proportion of undernourished population from 34.6 per cent to 7.5 per cent. However, poverty and inequalities persist. Around 7.2% of Thais live under the national poverty line (Idem).

As standards of living and life expectancy (M 74.4 / F 80.6) have risen, Thailand has focused on expanding education; HRD; preparing for an ageing society, and managing the impacts of development. Significant social challenges include rising inequality, institutional corruption, the drug trade and human trafficking. Inequality is a fuel for Thailand's ongoing political unrest. Addressing inequality is a key target in national development plans. Various schemes have been implemented to support and generate income for the poor such as micro financing, providing financial support, welfare and benefit for low income earners, and establishing social enterprises at every province to support community development (VNR, 2017) .

Environmental issues

As Thailand has developed into an industrialized, upper-middle income country (World Bank), environmental management has become increasingly challenging. Significant challenges include loss of biodiversity, air pollution from vehicle emissions; water pollution from organic and factory wastes; water scarcity; deforestation; soil erosion; wildlife populations threatened by illegal hunting, and hazardous waste disposal. In 2016, Thailand had 58 mammal species, 54 bird species, 106 fish species and 152 plant species on the IUCN Red List of Threatened Species.

Thailand is party to diverse international agreements, including biodiversity, Climate Change, (including the Kyoto Protocol and Paris Agreement), Desertification, Endangered Species, Hazardous Wastes, Law of the Sea, Marine Life Conservation, Tropical Timber and Wetlands. (FactBook, 2021). As part of the 2030 agenda, the Thai National Assembly has developed a 20-year National Strategy (2017–2036), which is being used by relevant ministries to develop *policy frameworks that enable more sustainable environmental outcomes*. For example:

- Thailand is classified as a high-risk country for the long-term impacts of climate change. Thailand's Climate Change Master Plan (2015-2050) aims to enhance adaptation and mitigation capacity of various sectors (TNC-MNRE, 2015) (VNR, 2017).
- The Thailand SCP roadmap 2017- 2036 aims to promote SCP in different sectors, and implement various medium and long term plans and strategies on green industry, chemical and waste management, environmental management, green procurement, and green labelling schemes to ensure the achievement of SDG 12.
- The 20–Year Integrated Energy Plan 2015-2036 is the road map for Thailand's energy security. It aims to diversify energy sources, improve energy efficiency and promote community participation in energy management. Thailand aims to increase the proportion of alternative energy from 13.83% to 30% by 2036 (Idem).
- Areas under marine resource and ecological management regimes account for 15.68% of total marine area in Thailand, including 18,136 square kilometres of protected marine

and coastal areas. The National Plan of Action to prevent, deter and eliminate IUU fishing (DOF, 2015) aims to fulfil Thailand's responsibilities to marine fisheries resources.

- Thailand aims to increase forest area from 31.6% of land area to 40 per cent through various forestation schemes and financial mechanisms. Authorities are also working with communities in forest areas to uplift their well-being, providing alternative means of income and reducing the need to deforest or endanger biodiversity. The Elephant Ivory Act 2015 (Act, 2015) aims to control illicit ivory trade and possession.

5.1.2 Tourism and sustainability

In Thailand, the main public sector institution, responsible for managing tourism is the Ministry of Tourism and Sports (MOTS). MOTS is responsible for the development and integration of tourism and sports, to enhance sustainable economic and social development in Thailand. MOTS is responsible for creating and supporting the implementation of tourism policy, development, and strategic planning. Operating under MOTS, the Department of Tourism (DOT) is responsible for tourism development including tourism quality and standards, tourism business and personnel regulation, and safety in tourism. Meanwhile, the Tourism Authority of Thailand (TAT) focuses on tourism promotion and marketing Thailand as a preferred, sustainable destination.

Besides, MOTS, two major public organisations focus on specific sectors in tourism. The Designated Areas for Sustainable Tourism Administration (DASTA) focuses on destination and attraction development, including CBT (Community-Based Tourism) development, supporting local administrative organisations (LOA: the smallest political units in Thai society), and promoting sustainable tourism. Meanwhile, the Thailand Convention and Exhibition Bureau (TCEB) focuses on MICE industry: promoting sustainability practices and internationally compatible MICE standards; supporting knowledge and skills development in the MICE industry.

In addition to government agencies with a direct responsibility for the tourism industry, there are other public organisations with supporting roles and responsibilities to sustainable tourism development. These include the Thailand Greenhouse Gas Management Organisation (TGO), which focuses on development and promotion of greenhouse gas reduction, the Ministry of Natural Resources and Environment (MNRE), the Department of National Parks, Wildlife and Plant Conservation, and the Community Development Department (CDD), Ministry of Interior (MOI), which focuses on sustainable development and local community capacity building.

Sustainability in tourism at policy level

Overall, Thailand has a great diversity of very impressive sustainable tourism policies, projects and initiatives. Sustainable tourism in Thailand is vibrant, active and not reliant on foreign aid.

MOTS is responsible for developing National Policy, Development Plans, and Strategic Plans for the tourism and sport industries. MOTS and other tourism agencies (e.g. TAT and DASTA) are guided by Thailand's 12th National Economic and Social Development Plan (2017-2021) and the National NESDP 20-year Strategic Plan (2017-2036).

MOTS Tourism Policy has focused on quality, sustainability, and environmentally friendly tourism. The policy also includes maintenance and development of tourist attractions, products and standards development, tourism risks and safety, personnel development, modern marketing, and cooperation with neighbouring countries.

Since 2012, MOTS has launched 4-year Tourism Development Plans and 4-year Tourism Strategic Plans, both integrated with SEP and the UN SDGs, aiming to enhance tourism confidence and revenue, as well as to improve Thailand's comprehensive tourism infrastructure through a sustainable approach. Five key tourism strategies are:

1. Development of tourism infrastructure and facilities
2. Sustainable development and rehabilitation of tourist attractions
3. Development of tourism products and services, including creative economy, standard development, and personnel development
4. Building confidence and promoting tourism
5. Promoting the participation of both public and private sectors in tourism resource management

In 2021, MOTS has updated its approach towards sustainable economic development by incorporating *BCG (Bio-Circular-Green Economy) Model* (NSTDA, 2020) into the National Development and Strategic Plans. The new approach allows greater integration of technology and innovation to support sustainable development in tourism, as well as other sectors.

Sustainability in tourism at operational level

MOTS and its agencies also help move sustainability in policies and plans into action. For example:

- DASTA works with local public sector, local communities and business owners to make sustainability standards operational in its Designated Areas for Sustainable Tourism Administration. DASTA is developing tourism destinations and supporting communities' capacities to reach the CBT Thailand standard following the GSTC criteria. DASTA works with organisations such as Social Enterprise Association of Thailand to support new generation Thais to return home to develop innovative new sustainable tourism SE's.
- TAT is committed to promote Thailand as a preferred, sustainable tourism destination. TAT developed the Thailand Tourism Awards to be a quality mark of Thailand's tourism products. The TAT '7 Greens' was a pioneering effort to communicate sustainability to the public in a fresh and fun way. TAT partnered with PTT Global Chemical PLC and ECOALF Foundation under the "*Upcycling the Oceans, Thailand*" project (TAT, 2019) to promote waste management in attractions on the coasts of the Thai seas and environmentally-friendly management of the attraction sites. In 2020, TAT promoted and advised 10 communities towards sustainable product development (TATH, 2020).
- TCEB launched 'Meet Sustainable' financial subsidies for the MICE industry to position Thailand as a sustainable practices leader in the region and beyond (SiamTimes, 2019). Other sustainability-related activities of TCEB include the implementation of 7 ISO initiatives (e.g. ISO 14001, and ISO 22000), which have been achieved by 33 Thai MICE venues. The Food Waste Prevention Programme with 8 participating venues, and the Farm to Functions project (TCEB, 2016), which has engaged 20 venues.

- Thailand also has many examples of collaboration between private and public sectors towards sustainable tourism. A current showcase initiative is the *Carbon Balance* project (TGO, 2021), a cooperation of 8 organisations including DASTA, TAT, TCEB, TGO, TEATA, PMUC, TSRI, and TCC. The project aims to mobilize the tourism industry to fight against climate change. The project will develop a management tool to calculate carbon emissions based on Thai emission factors and create carbon offset schemes.

5.2 Tourism in Thailand

Over half a century, Thailand has built a reputation as a welcoming, safe, great-value destination; and a hub for regional travel. From white sand beaches and verdant forests to the urban energy of Bangkok, Thailand's appeal covers mainstream to niche travel; with a product range spanning leisure; adventure, cultural and ecotourism; corporate travel and MICE. Thai peoples' natural sense of hospitality and creativity has stimulated continual innovations across niches from culinary travel, adventure, sports, spa and wellness; and from some of the world's most luxurious hotels to hidden health retreats and authentic local community experiences.

Prior to the COVID-19 crisis, international arrivals to Thailand grew from 8.5 million arrivals per year in 1999, to 39.9 million arrivals in 2019. As Thailand has grown into a regional tourism leader, the country has not only achieved outstanding success attracting visitors, but also at keeping them coming back. In 2017, according to former Minister of Tourism and Sports, Ms. Kobkarn Wattanavrangkul, 70% of international travellers coming to Thailand were repeaters (Lew, 2017). This familiarity and popularity have contributed towards Thailand's resilience and ability to bounce back quickly from disasters like the 2004 tsunami, and political instability.

Western markets are traditionally important to Thailand, and still represent over 25% of total visitor spend. However, market shifts in the past decade have lead Asian, in particular Chinese markets to become increasingly important. Domestic tourism, stimulated by the growing middle class and Thai government policies (including travel subsidies) is a significant sector.

Prior to the COVID-19 pandemic, tourism accounted for about a fifth of GDP and 20 percent of employment (Leigh, 2021), employing over 8,000,000 people (WTTC, 2021). The crisis brought international travel to a total standstill (WolrdBank, 2021). In 2020, the closure of Thailand's international borders reduced arrivals to only 6.7 million. From Jan to June 2021, Thailand welcomed a mere 16 thousand arrivals. Over 1.2 million jobs have been lost (WTTC, 2021)

From March 2020 to July 2021, only domestic travel was possible, supported by government campaigns and travel stimulus subsidies. At the time of writing (August 2021), even domestic travel continues to be paralyzed by waves of the pandemic; with ongoing, intermittent lockdowns and interprovincial travel restrictions. People continue to lose their jobs every day.

Thailand's economic recovery "*depends on the recovery in foreign tourist arrivals*", whose spending "*accounts for 11 percent of GDP*," while "*tourism-related businesses accounts for 20 percent of total employment in Thailand*" (BOT, 2021).

After a year of total paralysis, efforts are being made to test opening the country again.

In July 2021, the Phuket Sandbox initiative started allowing quarantine free arrivals to Phuket for vaccinated international travellers. The sandbox saw 14.055 arrivals in July 2021.

The scheme was extended to Koh Samui Island. At time of writing, 'Samui Plus' had already received bookings for 11,000+ hotel nights by to the end of December 2021 (Koumelis, 2021)

Plans to reopen other provinces have been delayed, due to a slow vaccine roll-out (Kasemsuk, 2021). This will significantly impact the upcoming (usually) high season. The Thai tourism industry is waiting nervously to see how effective vaccine drives will be in coming months.

While Thai tourism stakeholders are reeling from the impacts of COVID-19, many private and public sector stakeholders remain well aware that rapid growth prior to the current pandemic had also caused serious challenges, including over-development, over-tourism, insufficient infrastructure, and tourism management. Re-opening brings opportunities to build back better with sustainability and responsible tourism as very important concepts. The COVID-19 period has seen many exciting efforts to use down-time to build sustainability awareness and capacity.

Section 5.2.1 looks at tourist arrivals in detail, and chapter 5.2.2 addresses the tourism spends.

5.2.1 Tourist Arrivals

In 2019, Thailand recorded an all-time high of 39.92 million international visitors (TAT). The table below gives an overview of the most important worldwide markets to Thailand in 2019.

Table 5.2.1.1: International tourist arrivals to Thailand in 2019

Market	% total arrivals	%total spend	Group %	Non Group %
East Asia	69.32%	58.86%	28.68%	71.32%
Europe	12.65%	18.09%	19.01%	80.99%
The Americas	3.91%	5.50%	11.53%	88.47%
South Asia	5.90%	5.24%	27.91%	72.09%
Oceania	2.19%	3.24%	8.72%	91.28%
Middle East	1.82%	3.00%	18.18%	81.82%
Africa	0.49%	0.70%	20.46%	79.54%
Russia	3.71%	5.38%	32.65%	67.35%

In 2019, East Asia was the top source market for arrivals into Thailand. Europe was the second biggest source market, followed by South Asia, The Americas and Russia, making up the top 5. China was the single biggest East Asian market, with just over 11.1M arriving passengers or nearly 28% of total arrivals in Thailand. Europe was the second biggest international market into Thailand, accounting for 5,049,383 passengers or 12.65% of all arrivals to Thailand in 2019.

The top 3 source markets within Europe were 1) United Kingdom; 2) Germany and 3) France.

Table 5.2.1.2: Top three European tourist arrivals to Thailand in 2019, by country

Market	Arrivals 2019 (TAT)	% of EU arrivals*	Avg. stay days	Avg. spend $ USD / day	Total spend Mill. $ USD	% of EU spend
UK	946,744 pax	18.75%	17.83	$ 137.97	2,329.11	20.91%
Germany	836,926 pax	16.57%	17.37	$ 115.58	1,680.18	15.08%
France	713,405 pax	14.13%	17.26	$ 112.02	1,379.30	12.38%

**(exc. Russia)*

A significant difference between European and East Asia markets is the duration of stay (TAT).

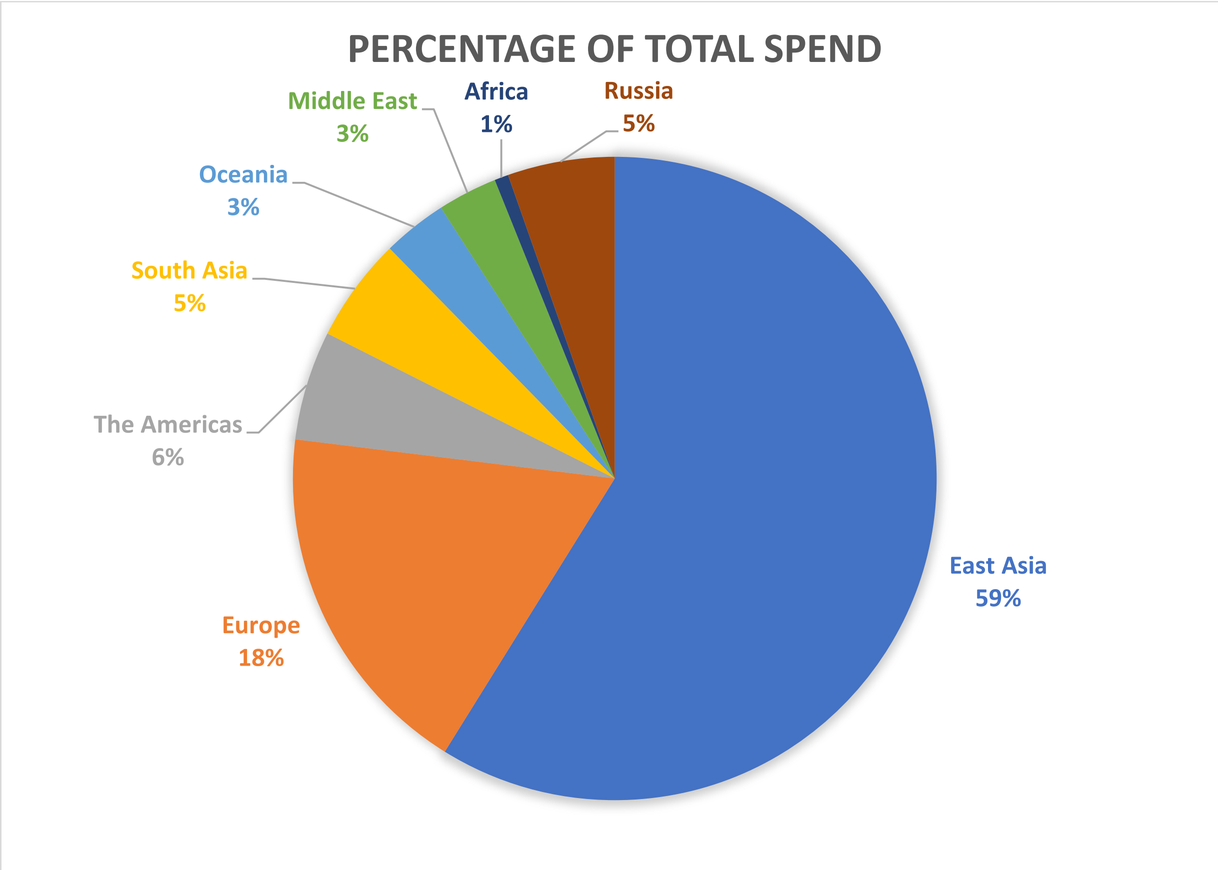
We can see from this data that Chinese visitors make approximately three times more trips to Thailand than Europeans. However, once they have arrived, Chinese travellers stay shorter, average duration of just 7.8 days per trip; compared to average stays of over 17 days in per trip for the top 3 European markets. Thus, the gap in the total number of arrivals is significantly balanced-out by the longer stays of Europeans, who spend over twice as long in Thailand. For this reason, the importance of European tourists to Thai tourism remains very significant.

In July 2021, the Phuket Sandbox had been open for 1 month, welcoming a total of 14.055 international arrivals. The top 5 nationalities in numbers of arrivals under the scheme so far were: 1) USA with 1.802 arrivals; 2) UK with 1.558 arrivals; 3) Israel with 1.455 arrivals; 4) Germany with 847 arrivals and 5) France with 839 arrivals (TATNews, 2021).

5.2.2 Trip expenditure in Thailand

International travel to Thailand generated $USD 63.2BN or 1.9 trillion THB in spending, representing 20% of total exports from Thailand in 2019 (WTTC, 2021). In 2019, worldwide arrivals into Thailand stayed an average of 9.26 days; with per capita spend of $166.58 USD per day. EU markets spend per capita was below average, but length of stay was almost double the worldwide average. It is notable that European markets (excl. Russia) represent 12.65% of all international arrivals into Thailand. However, the total market expenditure of USD 11,138 Million represents 18.09% of the total amount spent across international inbound arrivals to Thailand in 2019. Again, the European market remains highly important for Thai tourism.

Figure 5.2.2.1: Percentage of total Thai tourism spend by source, inbound market



According to TAT figures, Group Inclusive Tours (GIT) represented 10,264 M visitors, while Non-Group Tours including Free Independent Travelers (FIT) represented 29,652 M visitors. A gap in spends per day are a fact between these two segments. The inclusive nature of GIT sees spend per day of almost 188 USD per day. Non-Group Tours spend almost 162 USD per day in average.

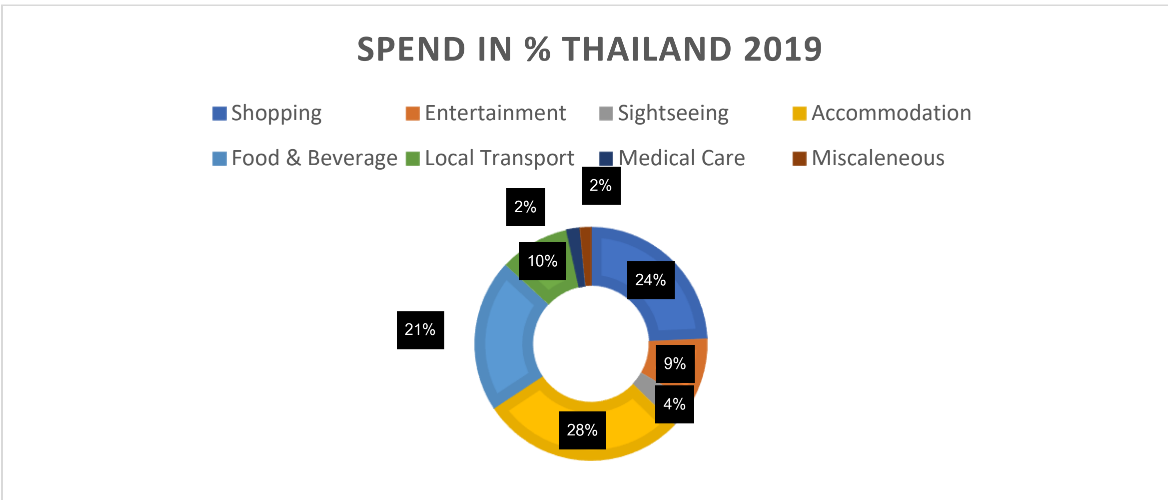
GIT represents an accumulated 20.8% of all tourism expenditure, while Non-Group Tours cover the remaining 79.2%. Both GIT and FIT are extremely important drivers for Thai tourism.

An author's (Jorgensen, 2021) personal experience in the Thailand travel industry confirms that several key European markets have seen a gradual decline in GIT and growth in individual travel. This trend has been observed in the Dutch, UK and Scandinavian markets.

At the start of the pandemic, there was much speculation whether COVID-19 would be the end of group tours. Lately, more optimistic outlooks have surfaced, with some of the historic group tour operators' overseas partners seeing strong interest in their products. It remains to be seen, how the pre and post pandemic percentages and demand for GIT Vs independent will compare.

Looking at the total expenditure, the TAT figures divide the spend into 7 defined categories and 1 miscellaneous category. Below, data is formatted to visualize the % spend for each category.

Figure 5.2.2.2: Percent of tourism spend on Thailand by category, in 2019

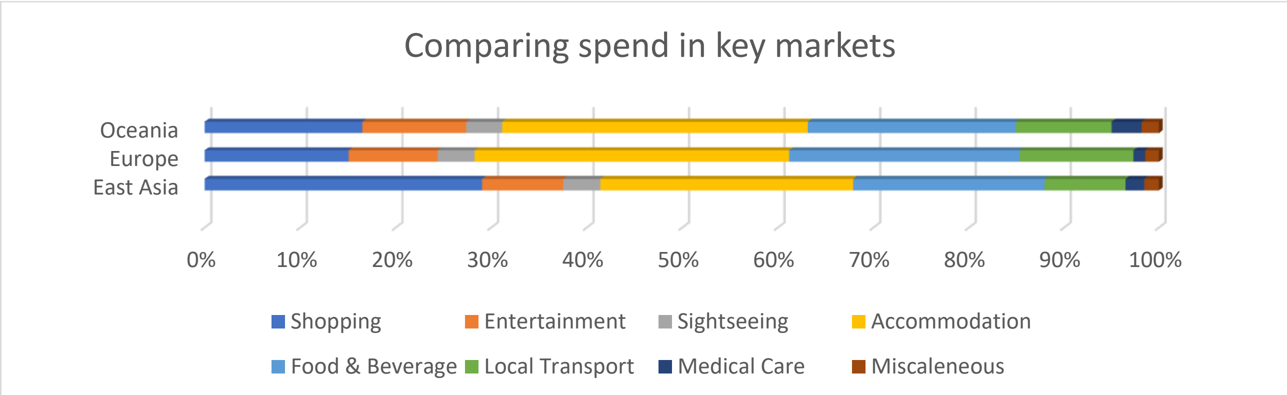


Listed from largest to smallest categories, the data shows that:

1. *Accommodation* is the biggest category, representing 28% of total spend
2. *Shopping* is the second biggest category, representing 24% of total spend
3. *Food & Beverage* is the third largest category, representing 21% of total spend
4. *Local Transport* is fourth largest category representing, 10% of total spend
5. *Entertainment* comes in as fifth largest category, representing 9% of total spend
6. *Sightseeing* sixth largest category, representing 4% of total spend
7. Medical Care and Miscellaneous on a shared 7th place. Each holding 2% share of spends.

The figures above reflect the total spend across all markets. The data becomes more interesting when comparing spending between a few of the key markets e.g. comparing spend by category between East Asia, Europe and Oceania, we can see differences and common trends.

Figure 5.2.2.3 Comparing Thai tourism spend in key markets (2019)



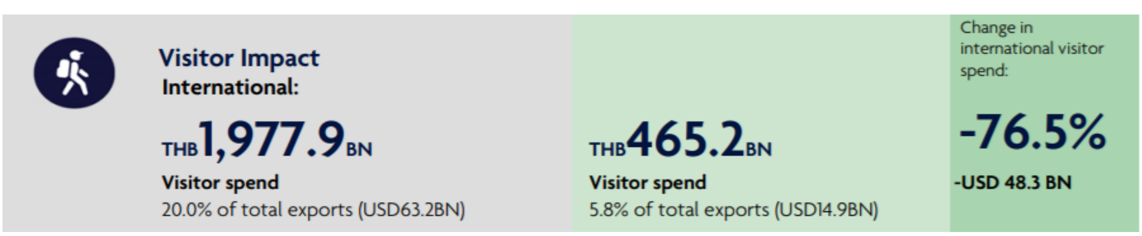
Some takeaways:

- *Accommodation* is the biggest portion across all 3 markets.
- European markets spend a higher proportion on A) *food and beverages* and B) *transport* compared to Oceania and East Asian markets.
- Spend on *entertainment* and *sightseeing* are comparable across the markets;
- *Shopping* is most important to East Asian but least important to European markets;
- Oceania is leading the percentage spend on medical Care

This data suggests that, while shopping is an important part of tourism for all markets, *product and experience development (including creative dining experiences) will add relatively more value to European customers*. This is important strategic intelligence for the TourLink project, which is supported by research on European market demand (CBI, Netherlands).

Research on the impacts of COVID-19 on Thai tourism (WTTC, 2021) shows dramatic impacts. International spending dropped 76.5% from $USD 63.2BN in 2019 to $USD14.9BN in 2020:

Figure 5.2.2.4: Decline in international visitors, due to COVID-19 (2019 to 2020, WTTC)



From 2019-20, the proportion of international vs domestic spend in the Thai tourism sector fell from 70% to 43%; and the proportion of leisure vs business spend fell from 89% to 77%.

July 2021, the first month of the Phuket Sandbox, saw 14.055 international arrivals and tourism spend of 829 million THB. The top categories of spend were:

1 *Accommodation* with total spend of 282 million THB (Approximately 35% of total)
2 *Product/Service** with total spend of 194 million THB (Approximately 23% of total) (**Including excursions, activities, entrance fees, transport, sightseeing and shopping*)
3 *F&B* with total spend of 175 million THB (Approximately 21% of total)
4 Health and medical total spend of 124 THB (Approx. 15% of total) (TATNews, 2021)

Tourism spend from the sandbox has generated 210 million THB in salaries in Phuket for the period. The portion of accommodation is growing and so is F&B and health/medical. There is not sufficient data at the time of writing to conclude any further trends. However, as COVID-19 has been a global crisis, causing widespread economic hardship, it makes sense to assume that long-haul tourism coming out of COVID recovery will be even more price-sensitive than usual. Tourists will be looking for cheap deals. In this environment, Thailand can benefit from its reputation for good value, but may find the first years of recovery offer tight profit margins.

6. Value Chain Analysis (VCA)

Chapter 6, the VCA, is the core of the report. The key activities undertaken to understand the Thai tourism value chain were in-depth questionnaires and interviews with a sample of 18 Thai tour operators, with significant interest in sustainability. These tour operators are all engaged with Travelife and / or TOURLINK project partners. Findings were further informed by desk research and follow-up interviews with tour operators and tourism supporting organisations.

Chapter 6 starts with a sampled analysis of the Thai tourism value chain. First, the tour operator respondents are introduced (6.1.1). Next, the results of interviews are presented under the key headings of supply chain actors (6.2.1), travel products (6.2.2) and competitiveness (6.2.3).

Next, the institutional and governing environment of the value chain is described. This builds on the information in section 5.1.2. We go into further detail by describing an extended ecosystem of supporting organisations: their roles, current projects, and potential synergies with TourLink.

Next, links between Thai tourism and key sustainable development issues are described, including plastic, waste, carbon, local communities and relations / backwards linkages to other sectors. The report identifies market opportunities for sustainable products and services, and identifies opportunities for Thai tourism businesses to increase benefits to local communities. These issues are also a key tool used to inform an analysis of the TourLink pilot destinations.

Next, the chapter summarizes value chain constraints, risks and opportunities. Finally, the chapter provides conclusions and priority recommendations for future engagement and action.

Thai tourism is a colossal industry, spanning thousands of businesses, hundreds of markets, and multiple, long and complex supply chains. This report does not attempt to cover all potential points of synergy and interest. The report aims for sufficient detail to inform useful future action. While the information and recommendations presented in this report are necessarily partial, the authors are confident that they do offer useful direction to the TourLink project.

6.1 Respondent profile

6.1.1 The roles of Destination Management Companies (DMC's)

The majority of interview respondents are Thai inbound tour operators, operating as full Destination Management Companies (DMC's). DMC's are a central hub in the tourism supply chain. DMC's put together packages which combine all of the tourism services which tourists require in-country, from arrival until departure. DMC's frequently developed and operate tours on behalf of international tour operators, under their branding (white labelling). DMC's are also increasingly responsible for ensuring suppliers' compliance with various types of standards.

The table below gives a simple overview of the key roles of DMC's.

Figure 6.1.1.1: Key roles of Inbound Tour Operator/DMC (Jorgensen, 2021)

6.1.2 Who are the respondents (Thai Tour Operators)?

The VCA team approached 30 Thai Tour Operators / DMC's. These operators are predominantly members of Travelife, PATA and TEATA, with a main focus on European and Western Markets.

Of 30 operators, 18 completed the VCA questionnaire (See appendix) and a follow-up interview.

All 18 operators participated willingly and actively in the value chain analysis and showed strong interest in cooperating further with the TourLink project. The 18 operators are:

- *Andaman Discoveries*
- *Khiri Travel Thailand*
- *Asian Trails Thailand*
- *Go Vacation Thailand*
- *Destination Asia Thailand*
- *Asiajet*
- *Tour East Thailand*
- *Diethelm Travel Thailand*
- *Discova Thailand*
- *Exo Travel Thailand*
- *Nutty's Adventure*
- *Easia Travel Thailand*
- *Similancharter & Tour*
- *Panorama Destination Thailand*
- *Krabi Spesialisten*
- *Trunk Travel*
- *Peak*
- *East West Siam Holidays*

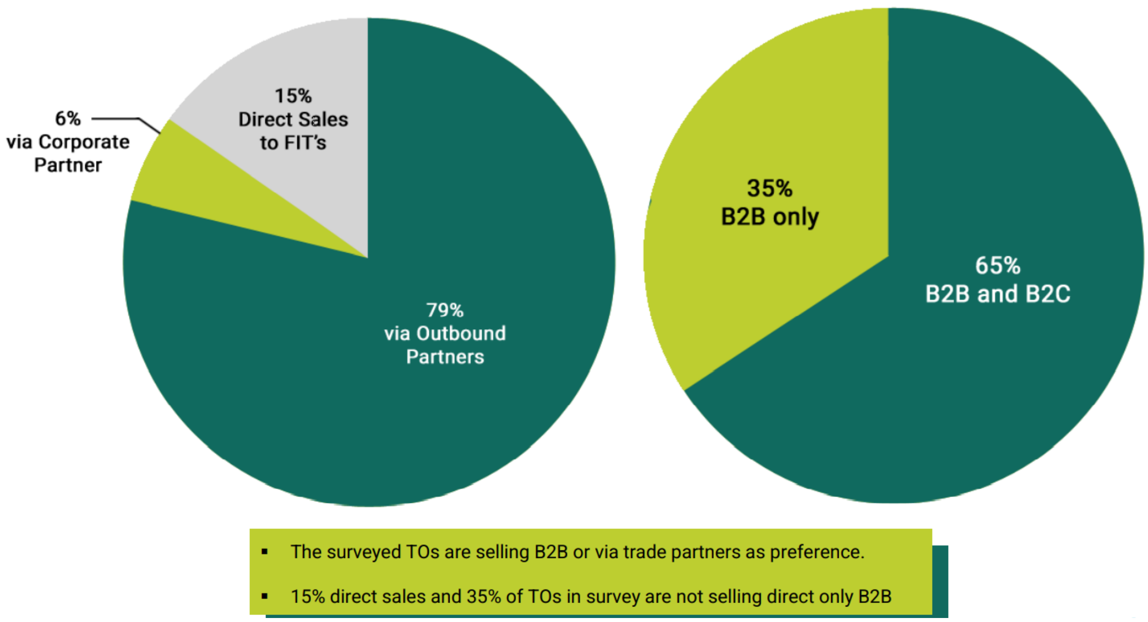
The tour operators are all registered and have all been engaged long term in inbound tourism to Thailand; and they focus on servicing segments within European and western markets. Together, the tour operators represent a good mix of small, medium, and large operators:

- 18 DMCs/operators actively operating in Thailand
- 13/18 operators are present in multiple countries in the region
- 7/18 operators are owned or affiliated in ownership with overseas tour operators, travel corporations or multinational companies.
- 5/18 operators conduct operations in Thailand only.
- 3/18 operators do operations beyond the Asia Region.

6.1.3 Balance of focus: B2B / B2C

The surveyed TOs are selling predominantly B2B or via selling partners. Most direct selling is within the Free Independent Travelers segment (FIT). 35% of the operators are doing all of their business in a Business-to-Business context, 65% are engaged in both B2B and B2C.

Figure 6.1.3.1: How do you sell your products in percentage of tourist volume?



There is a tendency for bigger TOs to dedicate their services and products to B2B partners. This is to ensure they are not in any direct or perceived competition with their business partners.

Other DMC's have different channels and work with both B2B and B2C customers. Thirdly some have almost entirely their focus on B2C and direct customers either internationally or locally.

6.1.4 Scale of operations and target markets

The sample of TO's are mainly small (2/3) and medium (1/3) sized companies. However, these companies together represent a significant sample of Thai-EU tourism supply chains.

Before the pandemic, the sizes of these companies varied from a few to hundreds of fulltime employees (FTEs). According to 2020 data, in terms of the number of FTE, 70.6% of the responding TO's can now be defined as small companies (less than 30 FTE) and 29.4% of the responding TO's can now be defined as medium sized companies (between 30-100 FTE's).

Chapter 6.4.4 will look in further detail at gender balance and workforce. In addition to FTEs, each of the operators also employs significant numbers of free-lance or part time employees (e.g. tour guides). More details on this are in chapter 6.2.1, Supply Chain Actors.

In terms of declared income (DBDDataWarehouse, 2021), 65% of the responding TO's can be defined as small companies; 24% of the responding TO's can be defined as medium sized companies and 6% of the responding TO's can be defined as large.
The tour operators disclosed an average of 22K arrivals per operator from the European market. Australia Pacific was the second most important market, closely followed by East Asia. Operators are doing significant business across a number of segments in important markets.

Figure 6.1.4.1: Passenger numbers & average revenue across responding tour operators (USD, 2019)

There were considerable differences between tour operators, regardless of size. However, key observations based on scale of operations, relevant to interpreting the data usefully include:

- Scale of operations does make a difference, but there are no singular conclusions.
- All operators can increase sustainability in their products; using either economy of scale to influence their supply chain; elevated operational control, or other general practices.
- These can be hands on and often include guides to enhance sustainability e.g., by collecting trash, recycling efforts, drawing customers' attention to sustainability best practices in a similar way that safety procedures are communicated to their customers.

- Medium to larger operators tend have more purchasing power across a larger number of suppliers. Some also feature a larger number of self-operated tours and activities.
- Larger tour operators rely mainly on B2B business. This gives them economy of scale and potential to influence their supply chains to a larger extent, whether in rate negotiations or uptake on company policies and "must haves" for their customers. They can put more demand on suppliers to change to more sustainable practices.
- Other large TO's even have direct or indirect ownership of assets such as hotels or other related accommodation properties, fleets of vehicles or dedicated carpools created from multiple privately owned vehicles. This gives them more direct influence.
- Smaller operators often offer just a few products) e.g. one TO operates boat tours as their main activity. They have great operational control and among other things have been a pioneer in using more environmental friend fuels (E85) to operate their boats. These specialist operators can allow us insights into very specific supply chains;
- There is potential for collaboration across all sizes of operators towards a greener supply chain. The interest is there, which should be materialized by TourLink partners.
- Ownership of the operators has financial and other importance. If the owning company is on a stock exchange, their business is committed to compulsory disclosures of various kinds which are likely to cascade best practices required throughout their businesses e.g. efforts on anti-bribery and corruption practices. On the other hand, passionate owners are driving such values throughout regardless of business size and ownership.
- Suppliers' size and volume also influences tour operators' purchasing power and influence. Commonly defining minimum sustainability requirements among important suppliers will make for wider and deeper impacts across the tourism industry.

6.1.5 Common denominator: interest in sustainability

The tour operators are quite different from each other. Common denominators are that most of their clients are European or from other Western Markets; and that all have a strong interest in sustainability. This is visible from their websites and various policy statements, as well their commitments towards sustainability actions and international memberships and participation.

The VCA team reviewed each tour operators' public sustainability communications. The following issues / actions were mentioned most frequently by surveyed tour operators:

Issue / action	# of TO	Where to look for best practices
Support local communities / local culture / CBT / Community development projects	8	Andaman Discoveries / Nutty Adventures (NA) (CBT), Go Vacation (community projects) / Panorama (local restaurants initiatives), Discova (Om Goi community project)
Climate action (e.g. goals, carbon measurement, offsetting, carbon neutral)	7	EXO Travel (calculate scope 1-3 emissions), Khiri Travel (Carbon neutral), Intrepid Declared a Climate Emergency, Destination Asia (DA) Carbon Offset, E-Asia calculation / voluntary carbon offset
Travelife (Sustainability Standards)	6	EXO, Khiri, NA, DA, Asian Trails
Support local businesses / SMEs / jobs	6	NA / DA / Go Vacation / Panorama / Trunk
Waste management / 4Rs	6	DA / DISCOVA (re-usable bottles, biodegradable wet tissues) / Asian Trails (plastic), EAsia refill not landfill project / Recyglo / Trunk Travel Zero SUP
Wildlife, especially elephants	5	DA / Asian Trails / EAsia w/ elephant standard
Sustainable office practices (water/energy efficiency, sustainable procurement)	5	Nutty Go Vacation /Panorama
Designing sustainable trips / Low impact / environmentally friendly activities	5	EXO support AD, Asian Trails (Sustainable Trails)
Conservation (marine / terrestrial)	4	EXO / Peak / Go Vacation / AD
Child protection	4	DA / Go Vacation
In house sustainability foundation	3	EXO Foundation, Khiri Reach, Intrepid
Pay tax. Fight corruption	3	DA / Go Vacation / Panorama
12 Human / equal rights, staff welfare, anti-human trafficking, anti-racism	3	DA (on corruption / equal rights) /Peak (on gender, human rights), Go Vacation

We can see that the tour operators are all motivated to become more sustainable and taking action. However, depths of understanding of sustainability issues are different. Some tour operators are addressing sustainability at deep, strategic levels; where others are presenting achievements at activity level. The review confirms that working on a systematic sustainability scheme enables TOs to achieve more depth and breadth of sustainability achievements.

The issues communicated by the tour operators complement the focus issues of the Tourlink project. We can observe high motivation to benefit local communities and businesses; integrate sustainability into product design; contribute towards tackling climate change; protect the environment and wildlife; reduce and manage water, energy and waste; and help support child protection and human rights. This suggests that TOs will be motivated to engage with TourLink.

6.1.6 Other key interviews

In addition to tour operators, interviews were carried out with a number of organisations such as active TOURLINK partners, private and public relevant organisations within Thai Tourism:

- *Pacific Asia travel Association (PATA)*
- *Thai Ecotourism and Adventure Travel Association (TEATA)*
- *Professional Tourist Guide Association of Thailand (PGA)*
- *Association of Thai Travel Agents (ATTA)*
- *Thai Hotel Association (THA)*
- *The Thailand Community based Tourism Institute (CBT-I)*
- *Department of Tourism (DOT)*
- *Tourism Authority of Thailand (TAT)*
- *Designated Areas for Sustainable Tourism Administration (DASTA)*
- *Fair Tourism Foundation (The Netherlands based) (FFA)*

Information gained from these interviews is integrated across the VCA report and analysis.

6.2 Supply chain and product profile

This section of the VCA is presented in three sub-sections: 6.2.1 Supply Chain Actors, 6.2.2 Travel Product and 6.2.3 Competitiveness. The tour operators focus on European and other Western markets, while also servicing other markets. The interviews give useful insights about the most popular types of services and products for European / other Western markets.

However, the authors wish to emphasize that, while common elements can be identified, every tour operator is different. Services differ between specific business partners and customers.

For example, each operator has different levels of reliance on each product category. E.g., all tour operators will see accommodation as an important product category, but the volume of business which this represents for each TO is different. Several inbound tour operators supply many room nights to their customers. For these operators, accommodation is a key product and represents a significant part of their sales volume and VCA survey results. For other tour operators, accommodation is a much smaller part of their product or services volume, either because it is not related to their product offerings or is not in demand from their customers.

Another influencing factor is how partners and customers handle a given product category. Some tour operators serve a large number of inbound visitors, but accommodation is contracted directly by their overseas partner (typically a tour operator in their source market). Other nuances can be found in the typical packages in demand from their target segments in the market, which is also often influenced by overseas tour operators' choices of products featured to their customers. Some TO's service customers buying full packages, including all services and activities before arrival to Thailand, with little free time to fill in the destination. Other TO's only sell the basics, and have in country resources to sell additional activities and services or it's up to the travellers' own initiative to build on their itineraries once in country.

Results presented in the following chapters are therefore based on the strongest statements and averages obtained throughout the interviews, questionnaire, and desk studies.

6.2.1 Supply chain actors

Inbound tour operators / DMC's are the central hub of professional, B2B tourism supply chains. They are the middle-men sourcing and connecting local services to overseas tour operators (and their clients); as well as developing and offering their own unique products and services.

Inbound TO's key roles include product development, tour operations and providing marketing assets to help their outbound partners attract customers (e.g. accurate and attractive product descriptions, photos, video, engaging stories, etc.). Inbound TO's must ensure consistent service quality for customers traveling in-country. Effective and professional inbound TO's add significant value to all aspects of experience delivery, health and safety, and compliance.

Historically this role as 'local expert on the ground' has been highly sought after by international tour operators with volume and need for diversified products and services. Nowadays, advances in IT enable tourists to research and book directly with local suppliers. However, many tourists still prefer to book via a tour operator in their own country. Therefore, tour operators are still in a key position to drive positive changes through the supply chain.

Tour operators often sell a wide range of itineraries, and have hundreds of suppliers in their contact lists. However, most volume will go through a smaller list of *preferred or key suppliers*.

Key Suppliers for day or multiple day touring consists of *transport*, *meals / F&B, activities*, *sight entrances*, and *guides*. Multiday tours normally include various types of *accommodation*.

The VCA does not present data on *all* of the participating TO's suppliers. This is because A) it would have been very complex to collect and present data on all of the TO's suppliers in a meaningful way (many suppliers are 'on the books' but actually rarely or never used and B) TO's consider some of their suppliers to be a carefully kept secret, and part of their competitive advantage, and so are not prepared to divulge their names and / or contact details.

Inbound tour operators are increasingly being requested to share information about the safety and sustainability of their suppliers with outbound operators. In principle, in the fields of H&S and sustainability assessment, many inbound tour operators said they are in favour of sharing supplier details into a common database, as this will save time and resources when each tour operator no longer needs to contact each supplier individually to assess their performance.

However, tourism is highly competitive. Inbound tour operators must negotiate an increasingly challenging environment where Online Travel Agents (OTAs e.g. Booking Com) and other sharing economy platforms (E.g. Trip Advisor, Airbnb) make it easier for their business partners and tourists to search and book directly with suppliers. With so much information available online, it is becoming more increasingly difficult to defend distinct products and experiences from competitors. For this reason, the names of unique suppliers have competitive, commercial value. Finally, some tour operators were willing to share info on suppliers, and others were not.

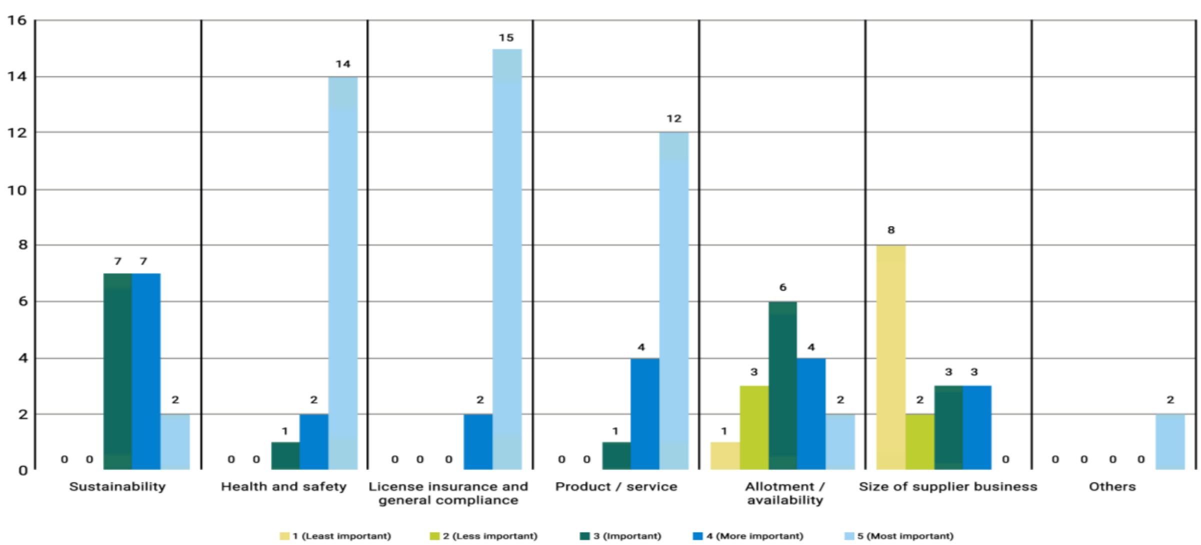
To manage this situation, the interviewed TO's were asked to share their *top 10 key suppliers by product category*. In these top 10 supplier lists, we can observe that the same supplier only occasionally served several of the responding TO's as a key supplier. This does not mean that these suppliers are not doing any business at all with the other tour operators. However, it indicates that there are enough suppliers in the market for preferred relationships to have a level of distinctiveness. Data outside the key suppliers is not captured by the Top 10 analysis.

6.2.1.1 Criteria for selecting supply chain partners

Tour operators and suppliers commonly have closes relationships, with good understanding on deliverables and service levels. Suppliers are selected according to key criteria required to deliver professional travel services to customers. The survey showed that the most important selection criteria for European and western market tour operators to select a supplier are:

- General compliance including licensing and insurances
- A serious commitment towards health and Safety (including H&S audits / inspections)
- Consistent, high quality of products & Services

Figure 6.2.1.1.1: What is most important when you select a supplier?

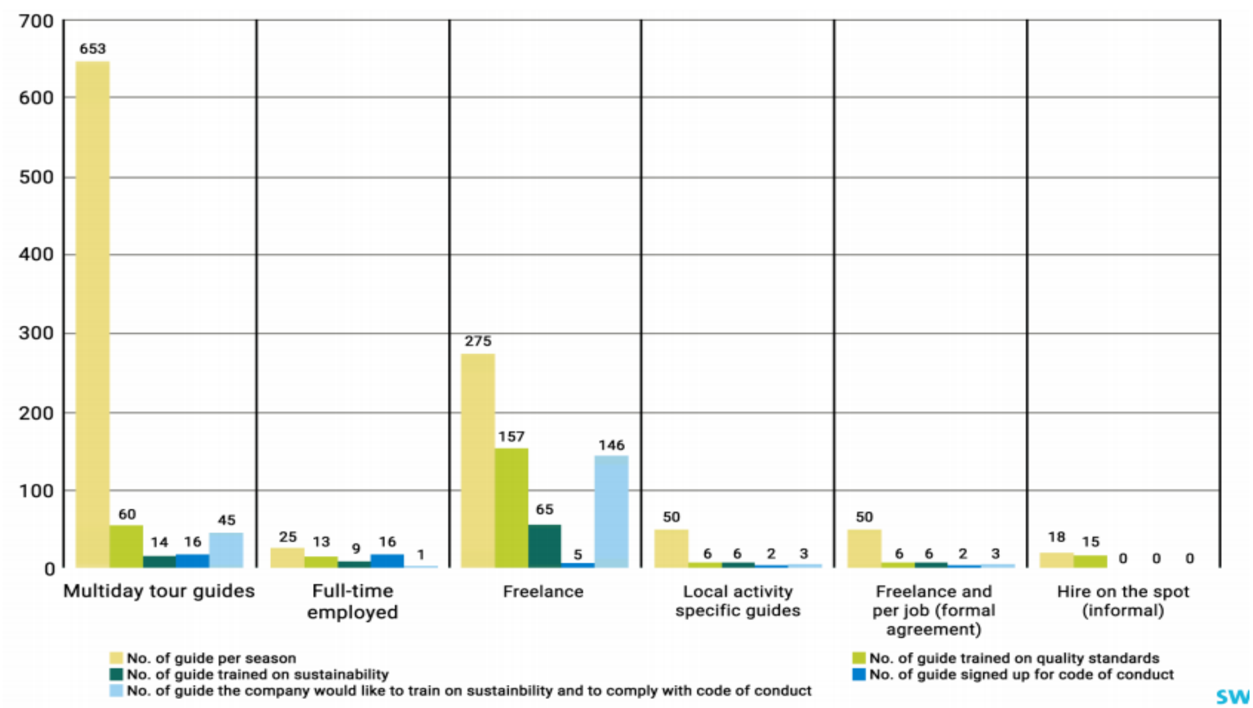


The interviews showed that *sustainability was not a deciding criterion* for choosing a supplier. The level of importance given to suppliers' sustainability commitment and performance differed between tour operators. However, *sustainability was rated at least as 'important' by all interview respondents*. No respondents classified sustainability as either 'less' or 'least' important. In general, we can say that suppliers are expected to be on board with any chosen sustainability actions which are agreed between the tour operator and supplier. These agreements are usually based on practical, hands-on agreements, like not using single use plastics, or represent outbound tour operators by supplying reusable drinking bottles, etc.

6.2.1.2 The key role of professional tour guides

During the interviews, tour operators emphasized the importance of tour guides as a key resource and supply for successful execution of products and services. 59% of the tour guides assigned by interviewed tour operators are doing multiday touring. Most tour guides are employed on a free-lance and per job basis, while only 2% are hired as FTEs with operators.

Figure 6.2.1.2.1: How do you employ and manage your guides?



The graph above illustrates a training gap for tour-guides. Where training has been provided by TO's, it has mainly focused on quality issues (tour delivery). Most participating tour operators do conduct some tour guide training. However, it is clear that the companies still need to conduct tour guide training more deeply and broadly into their supply chains. High interest in conducting sustainability training for tour guides is an opportunity for TourLink to add value.

Guides can add significant value to visitors and community members. A recommendation is to use high interest in training to have TourLink and partners continue training of guides. Interest also exists to develop a code of conduct. More information is presented in chapter 6.5.4.

6.2.1.3 The role of tour leaders

During the interview with the Thai Guide Association, we learned that there are over 60 thousand licensed, Thai guides. Only half of them actually work as guides in some capacity.

Tour guides working in their own countries (e.g. Thai guides working in Thailand) are generally referred to as Tour Guides. However, when Tour Guides lead trips overseas, they are generally referred to as Tour Leaders. Many countries, including Thailand, have laws which only provide legal guide licenses to nationals (i.e. Thai citizens) who have passed guide courses and exams.

There are supply-demand challenges related to the number of Thai guides which can or cannot speak various foreign languages required to service different markets. This gap has traditionally been filled by foreign tour leaders. Gradually, Thai guides have up-skilled, and laws on 'illegal foreign guides' (sometimes known as 'ghost guides') have been more strictly enforced. Now, foreign tour leaders are tolerated, but legally required to work with licensed Thai tour guides.

The importance of language differs from market to market. There are still an insufficient number of Thai guides which can speak Chinese and Russian. In European and western markets English is common, while German, French, Spanish and Italian are sought after 3rd language skills. A guide mastering a language in demand will obtain significantly higher earnings per job.

Pre-pandemic the lack of language specific guides was often a bottle neck for inbound operators. With international tourism disrupted, the Guide Association is seeing many of their members engaging in reskill trainings, as a necessity to find other income. This situation presents a further opportunity for the TourLink project to contribute to upskilling guides, and preparing the industry to be ready and more sustainable once demand returns for Thai tourism.

6.2.1.4 The informal sector

In this report, the focus is on the direct suppliers of the interviewed tour operators. In addition to these (usually) legally established and formally-contracted supply chain partners, local vendors in the informal supply chain are very important to the inbound tour operators' overall product and experience offer e.g. *boatman, tuk-tuk drivers, local food stalls*, etc. Sometimes these informal sector vendors are contacted on the spot by the tour guides; and sometimes tourists explore and find these vendors by themselves, during free-time or optional activities.

In Thailand, the COVID crisis has had a devastating impact on the informal sector. Swiss based consultancy, Focus Right and PATA collaborated on an impact study which found that "*94% of informal workers interviewed have experienced employment impacts due to the lack of international visitors. As a result, 86% have experienced financial hardship leading to negative effects on mental health and quality of life. Many interviewees reported feeling depressed from a lack of prospects for the future* [2]." (PATABlog, 2020-2021).

The TourLink project aims to engage deeply into Thai tourism supply chains. Engagement in the informal sector, where workers often lack formal education and training, has the potential for significant benefits for the guest experience, local SMEs and the environment. However, effective engagement will need to be very simple, tailored to the 'step-in' point of trainees.

Relevant to the TourLink project approach, interviews with project partners TEATA and DASTA both emphasized and confirmed that *language barriers (English) and lack of familiarity with online platforms* can be key obstacles to engaging Thai SME tourism suppliers in the project.

Inbound TO's are the coordinating hub in B2B supply chains, often consulted by outbound TOs wishing to improve their products and sustainability performance. This gives them a unique 'ambassador' position: helping to raise issues and awareness, develop better products, select and support suppliers, and support sustainability performance across all product categories.

In their report on COVID-19 impacts on the Thai Tourism Supply Chain (PATABlog, 2020-2021), Focus Right and PATA recommend that "To reopen international tourism safely and sustainably, the informal workers highlighted the need for training and capacity building related to 1) health and hygiene standards and operating safety procedures, 2) community-based tourism product re-development and marketing, and 3) understanding the new needs and wants of tourists post COVID-19 to be able to offer attractive experiences to them." These needs are compatible with planned TourLink activities. However, care is needed to prioritize which suppliers to focus on.

Chapters 6.4.5 and 6.2.3 will elaborate further on sustainability in TO-suppliers relations.

6.2.2 Travel product

6.2.2.1 Day touring and multi day touring

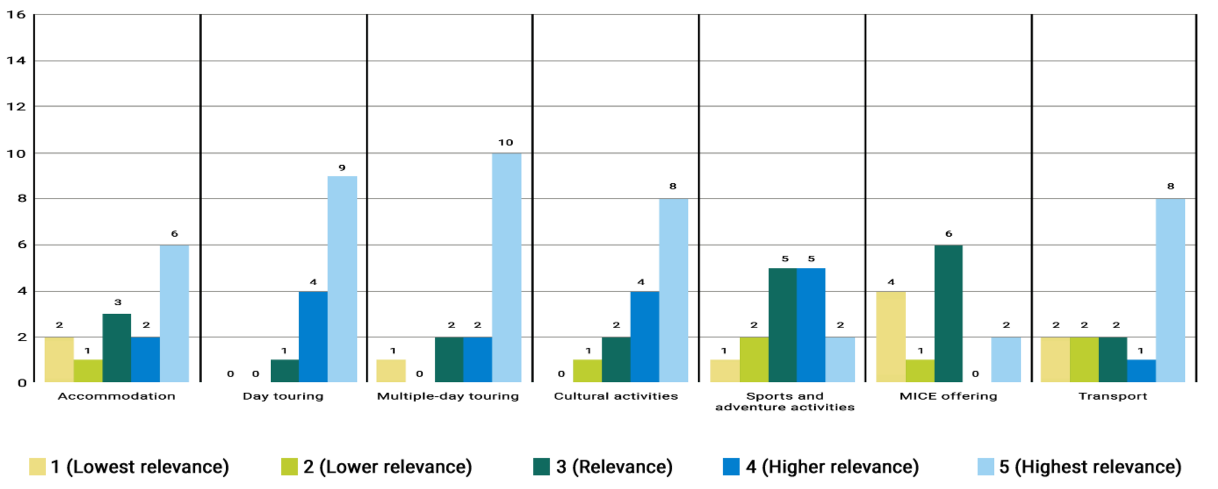
Overall, *Day Touring* and *Multi Day Touring* are the most important products identified by tour operators which participated in the VCA. Day touring is usually either half day or full day tours, with specific itineraries across the various activities in demand. Popular examples are *island tours, city tours* and other tours which allow travellers to experience sights and highlights in the location. Tours are often fully focused on experiences and activities.

Multiday touring is where the traveller is spending from two days to several weeks touring the country. It often covers multiple destinations, including combining itineraries with neighbouring countries. Multiday tours often follow routes such as from Bangkok to the north of Thailand, where Chiang Mai historically has been in big demand. This trend has also spread travellers onwards and outwards to surrounding, secondary destinations e.g., Chiang Rai, Mae Hong Son.

The most *popular / important products* mentioned by respondents are:

1) Day Touring + Multiple Day Touring
2) Cultural Activities + Transport
3) Accommodation
4) Sports and adventure activities + MICE

Figure 6.2.2.1.1: Question 22: What is your key product offering for EU/Western markets?



Further analysis:

- In terms of volume, *Accommodations* of all kinds are important, with relevance to all travellers. For European markets, the most important types of accommodations are hotels and resorts of 3-5 star categories. Niche accommodations are homestays, guesthouses etc., when either due to limited options or it supports the experience.

- In Thailand, a range of *transport* was mentioned by respondents. Most important are mainstream commercially registered transport vehicles: Taxis, Chauffeur driven sedans, vans and busses. Public transportation is used as long as it meets international safety standards. Some local transport is used for short distances and if supporting the experience, while deemed safe to use (local laws and regulations). Decisions to use transport depend on health and safety and supporting safety equipment as fire extinguishers, first aid kits, seat belts, driver performance, vehicle standards etc.

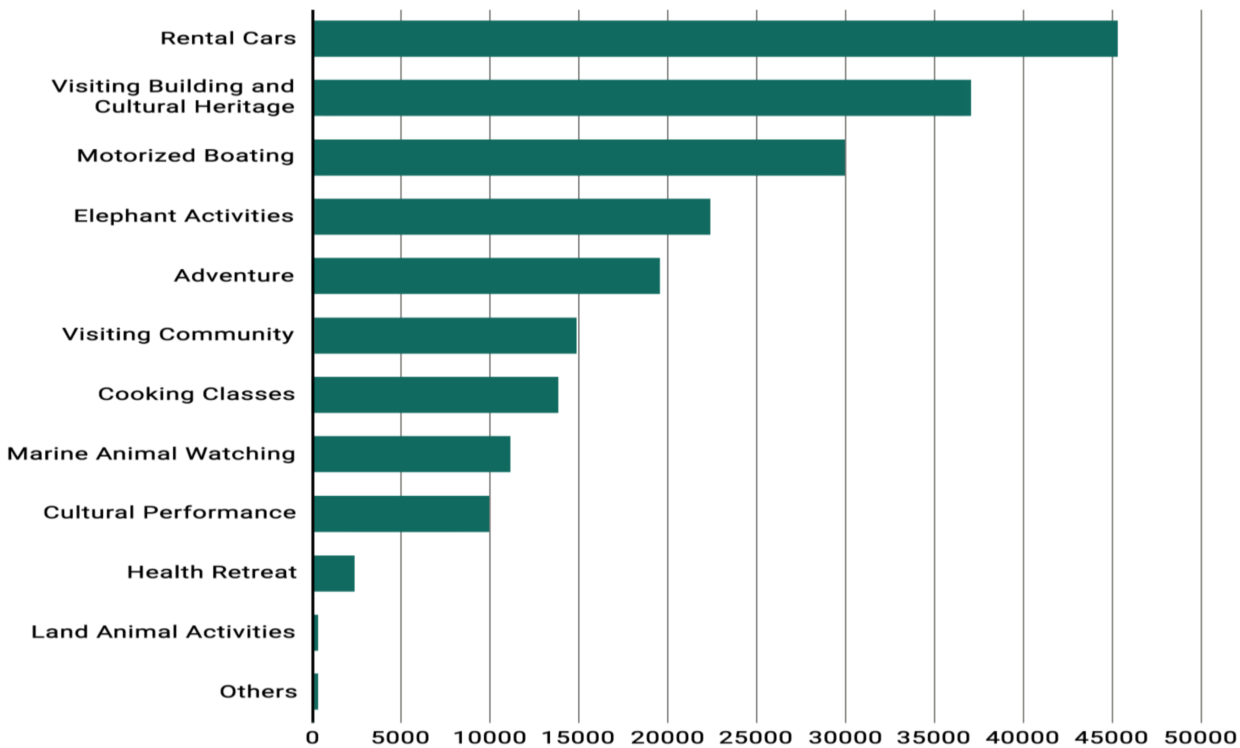
- Multiday tours normally include *food and beverage* services across multiple suppliers, and can include multiple national / local / specialist *tour guides*. Types of F&B vary, and western markets seem curious to try all kinds of restaurant and eateries as long the sanitary and hygiene standards are good. More can be done to train and promote local eateries, which feature a cuisine that is somewhat close to be 100% locally sourced.

6.2.2.2 Most popular products and activities

Overall, the result of the questionnaires shows that there is very high demand for various kinds of 'activities.' TO's shared some details on the types of suppliers providing these activities. However, further research would be useful. E.g., to learn more about which kinds of sports and adventure suppliers are most important in terms of volume for EU-Thai supply chains. This in-depth research into various kinds of activity supply chains could be built on in future projects.

Combining responses to Q22 (above) and Q6, gives some insights into most popular activities.

Figure 6.2.2.2.1: Question 6: How many of your clients are involved in the following activities?



The slide above shows the Top 5 activities, measured by the number of travellers which have done these activities while traveling on routes and itineraries designed by the tour operators.

The most *popular / important activities* mentioned by respondents are:

1st Transport/car rental 29%

2nd Visiting buildings and cultural heritage 19%

3rd Motorized boating 14%

4th Elephant Activities 10%

5th Adventure e.g., biking, trekking etc. 9.9%

Key lessons learned from the survey and follow up interviews:

- Activities that include Thai culture are a must for most travellers
- Natural sightseeing is another very popular activity
- Animal activities are not popular in EU markets or at least EU markets are questioning the offerings and only feature most ethical products. Most of TOs and their partners for EU markets are aware of the impact of using animal interactions for commercial use.
- The importance of cultural activities confirms that communities / CBT are a key supplier.

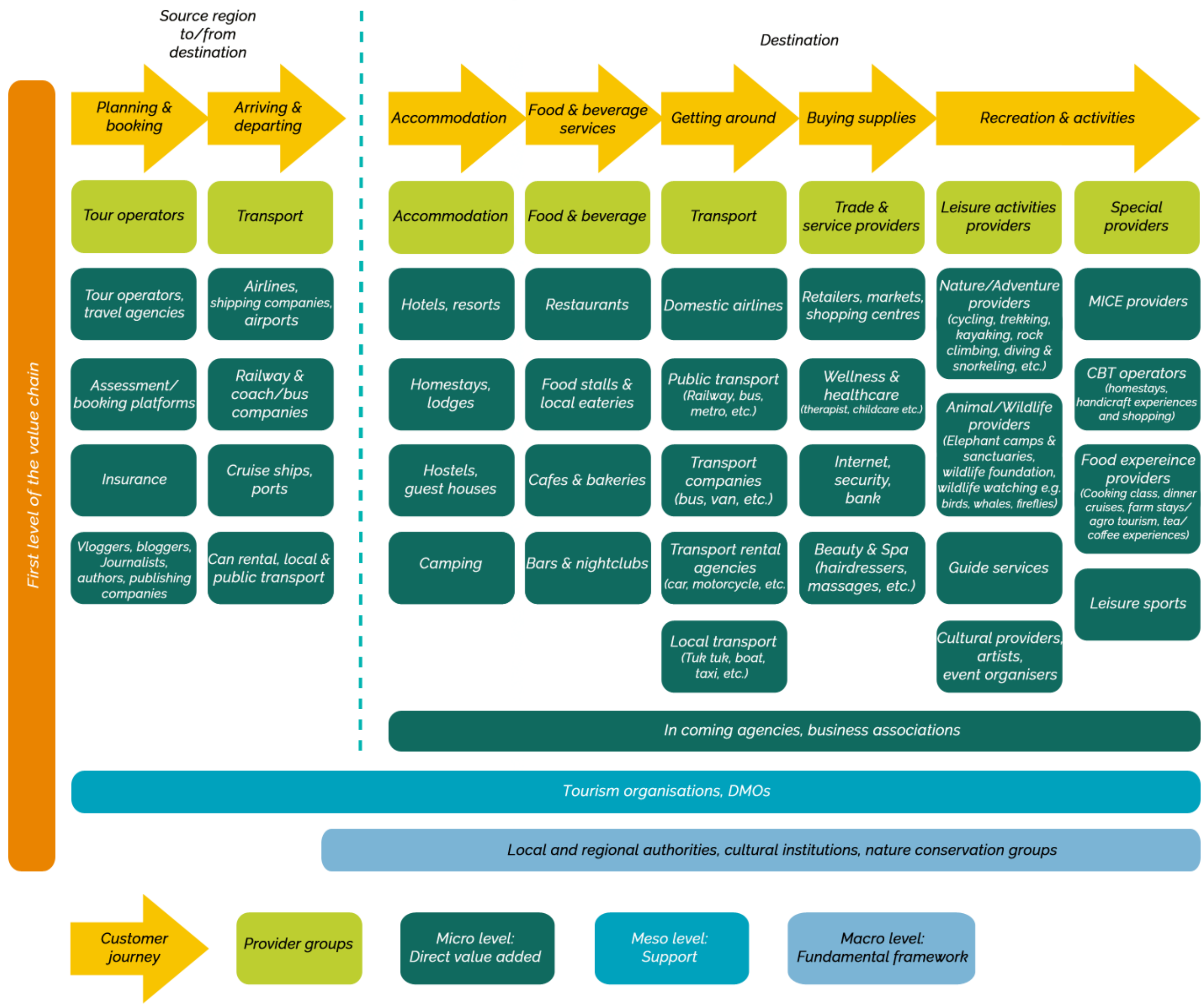
Further analysis:

- *Transport* was again highlighted as important from arrival, through travel between and within destinations, to departure. *Motorized boating* is a very popular activity, especially in island destinations including Phuket. The results show the importance of the TourLink project engaging with and helping to green transport supply chains.
- *Thai cultural products* are still in high demand. However, there is less demand for staged cultural performances (unless they are excellent). There is more demand for CBT / visiting communities and 'authentic' hands on experiences like cooking classes.
- *Elephant activities* are in high demand. However, due to increased consumer awareness over animal welfare, *elephant viewing* is now more popular than elephant activities among respondents. Many offer elephant viewing, with information. E.g., at elephant sanctuaries, but do not offer any elephant riding or other direct physical interaction.
- *Adventure* is very popular, with *biking* and *trekking* mentioned as key activity-types.

6.2.2.3 Mapping Thai tourism value and supply chains

Based on the information above, we tailored a VC map to illustrate the first level of the Thai tourism value chain, based on the GIZ model which was introduced in Section 3.3 of the report.

Figure 6.2.2.3.1: The Thai Tourism Value Chain (based on GIZ (Partale, 2020))



The next diagram is a draft, tailored map of key Thai tourism business suppliers (also described as 'second level tourism value chains' by GIZ (Partale, 2020). The map helps to show which suppliers are particularly important, because they provide inputs across the value chain.

Figure 6.2.2.3.2: The Second Level Thai Tourism Value Chain (based on GIZ (Partale, 2020))

			Planning, Booking	Arriving/departing	Accommodation	Food & beverage services	Getting around	Buying supplies	Recreation & activities	Special activities
Second level of the value chain	Trade	Food shops		o	o	o			o	o
		Markets			o	o			o	o
		Furniture stores		o	o	o			o	o
		Textile trade	o	o	o	o	o		o	o
	Production	Bakeries		o	o	o		o	o	o
		Butcher's shops		o	o	o		o	o	o
		Beverage production		o	o	o		o	o	o
		Textile production		o	o	o	o	o	o	o
		Shoe & bag production						o	o	o
		Art & crafts			o	o		o	o	o
		Jewellery production			o	o		o	o	o
		Sports equipment production			o			o	o	o
		Toy production			o			o		o
		Cosmetic production			o			o		o
		Stationery production		o	o			o	o	o
		Cleaning materials production		o	o	o	o	o	o	o
		Electronic devices production	o	o	o	o	o	o	o	o
		Vehicle production		o	o	o	o	o	o	o
		Music & visual production	o	o	o	o	o	o	o	o
	Services	Educational institutions, market research institutes	o	o	o	o	o	o	o	o
		PR & advertising agencies	o	o	o	o	o	o	o	o
		IT service providers, telecommunications	o	o	o	o	o	o	o	o
		Legal & tax advisors, management consultants	o	o	o	o	o	o	o	o
		Printing services	o	o	o	o	o	o	o	o
		Insurance, finance	o	o	o	o	o	o	o	o
		Real estate		o	o	o	o	o	o	o
		Healthcare services	o	o	o	o	o	o	o	o
		Landscape & garden centres		o	o	o		o	o	o
		Installer, painter, carpenter, etc.		o	o	o	o	o	o	o
		Building & cleaning services		o	o	o		o	o	o
		Repair & maintenance services		o	o	o	o	o	o	o
		Petrol stations		o	o		o			
		Security services		o	o	o	o	o	o	o
		Facility management		o	o	o		o	o	o
		Postal and courier services								
		Transportation services		o	o	o	o	o	o	o
		Religious services		o	o	o	o	o	o	o
		Agriculture		o	o	o		o		o
		Fisheries & aquaculture		o	o	o		o		o
		Construction sector		o	o	o	o	o	o	o
	Basic utilities	Energy sector		o	o	o	o	o	o	o
		Water sector		o	o	o	o	o	o	o
		Waste management		o	o	o	o	o	o	o
	Supporting organisations	Ministries, authorities, administration	o	o	o	o	o	o	o	o
		Promotion of economic development, associations	o	o	o	o	o	o	o	o
		Health & safety sector	o	o	o	o	o	o	o	o
		Certification institutions	o	o	o	o	o	o	o	o

Source: Adapted from GIZ 2021, by VCA team.

6.2.2.4 Some observations on sustainability in product offer

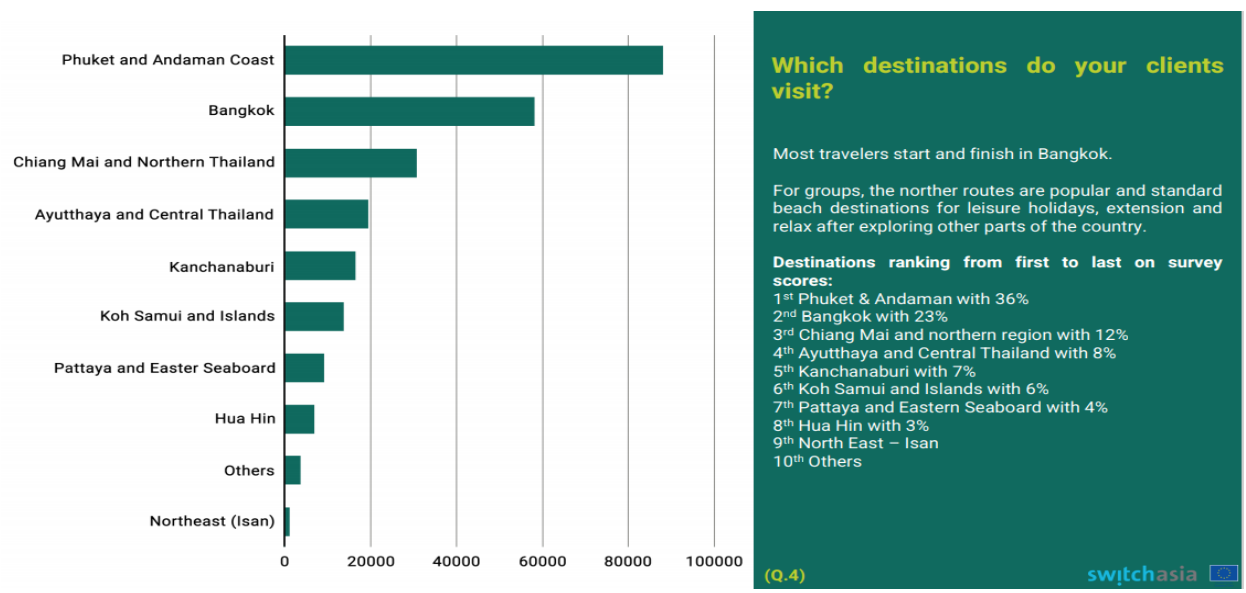
Tour operators and stakeholders have different perspectives and approaches towards carrying out activities in a sustainable way. There is great need and opportunity to share pioneer efforts and best practices between tour operators and suppliers, to build on and scale up current best practices. For example, one operator has fuelled its' boats with biofuel E85 for many years.

In many products, communities are core to guest experience and very relevant to how tour operators are trying to differentiate their product feature. 100% of respondents stated that they work to ensure benefits for local communities, supporting and engaging in Community based tourism. While understanding of CBT among operators is not consistent, the results show considerable goodwill towards local communities by the interviewed tour operators.

6.2.2.5 Most popular destinations

Another key focus was which destinations are most important to the tour operators / DMCs.

Figure 6.2.2.5.1: Which destinations do your clients visit?



Phuket and Andaman destinations lead the list of destinations most visited by the customers of the participating tour operators. Most travellers start their trip in Bangkok.

6.2.2.6 Most popular routes

Section 6.2.2.1 mentioned that *Bangkok to Chiang Mai* is a very popular Thai travel route. Travelers sometimes travel north by air, which has become much cheaper due to many low-cost flight options. However, most GIT and some FIT still travel north from Bangkok overland, for the experiences and insights into central Thailand. This classic travel route starts from Bangkok, with stops in Ayutthaya before continuing up through destinations like Phitsanuloke and Sukhothai, which cater well to overnight stays with plenty of suitable accommodation.

Bangkok to Chiang Mai offers the chance to combine culture, history and nature: from the bustling, modern Thai capital to former capitals and Kingdoms, including the UNESCO world heritage sites at *Ayutthaya* and *Sukhothai* Historical Parks, continuing north to Chiang Mai, former capital of the ancient Lanna Kingdom. This route is one of the most recognizable and well-branded routes of destinations and experiences in Thailand. It is notable that project partner, DASTA have developed well established CBT programs in Sukhothai, and are keen to attract more quality, international travellers to these destinations after COVID recovery.

Southern Thailand offers iconic natural landscapes, including the classic, coconut-fringed, white-sand beaches which made Thailand so famous. Trips to the south are also popular, but focused more on relaxing on the beach with island-hopping tours rather than extensive traveling. This makes Phuket more interesting as a 'hub' than as a 'route' destination.

From interviews and social media, the research team observed a trend that several DMCs are trying to develop new products in Nan and some areas of North-East Thailand (Isaan). This could be influenced by the TAT campaign to promote 55 secondary cities to domestic and international travellers. It is notable that project partners DASTA and TEATA are both working on existing projects (including CBT and ecotourism) in *Nan* province. During COVID, Nan province, known for its clean and peaceful environment, also attracts many Thai travellers.

Figure 6.2.2.6.1: Thailand's top 5 destinations with largest jump in ranking (June 20-21), Agoda

See also Annex 1 Overview of top products offered by participating tour operators

6.2.2.7 High potential destinations for CBT experiences

The VCA team also asked TO's to score their interest in DASTA's target destinations, and to indicate other, secondary destinations where they saw potential for growth.

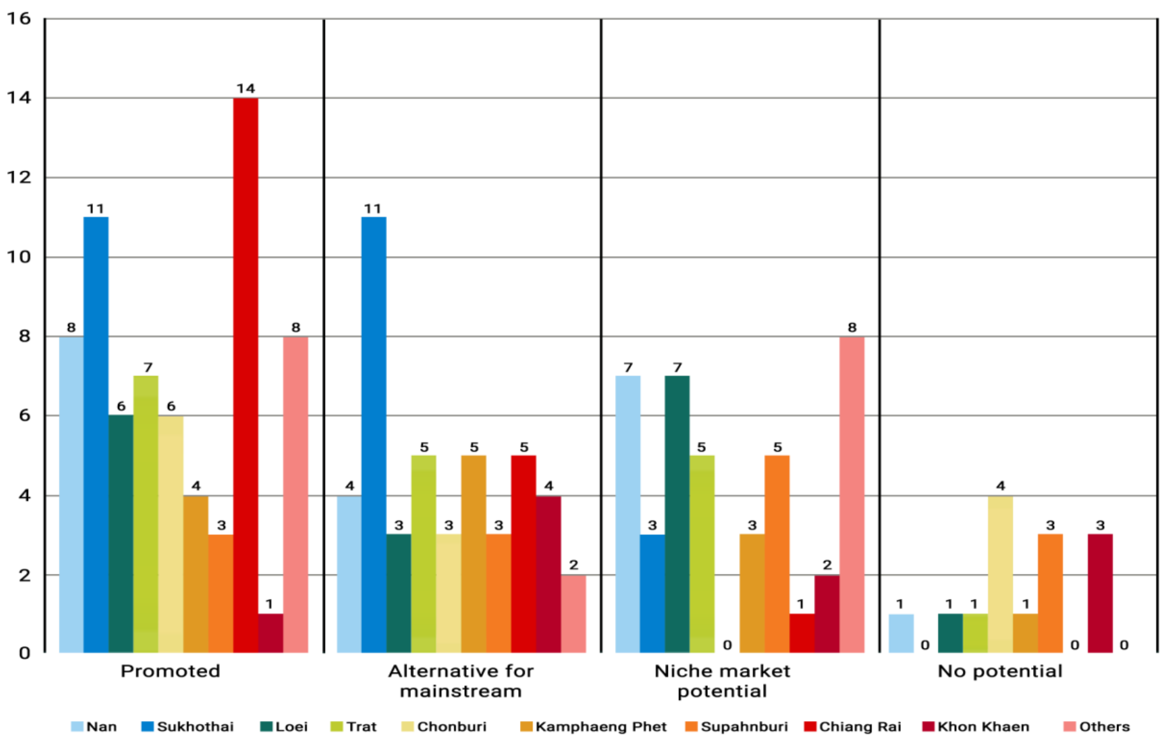
The Top 5 DASTA destinations were:

1. Chiang Rai (can be an extension from Chiang Mai)
2. Sukhothai (can be visited on route between Bangkok and Chiang Mai)
3. Trat
4. Nan (TEATA and DASTA both have current, active projects here)
5. Loei

Other destinations suggested by the TOs were:

1. Khao Lak (easily accessible from Phuket)
2. Ang Thon
3. Sanghklaburi
4. Phayao
5. Phattalung

Figure 6.2.2.7.: Which of the following destinations do you perceive as having a potential for your markets?



Some of these destinations are already being promoted by responding TO's. Several TOs mentioned that they have not had much opportunity to work with DASTA. It would be useful to the TO', DASTA and their partner communities to support linkages between DASTA/TAT and TOs and more widely. More findings on key destinations are summarized in chapter 6.5.

6.2.2.8 Solutions moving forward to access deeper tourism supply chains

A key to prioritizing which supplier groups to focus on in the project is the absolute importance of each different type of supplier i.e. how many passengers use each type of supplier per year.

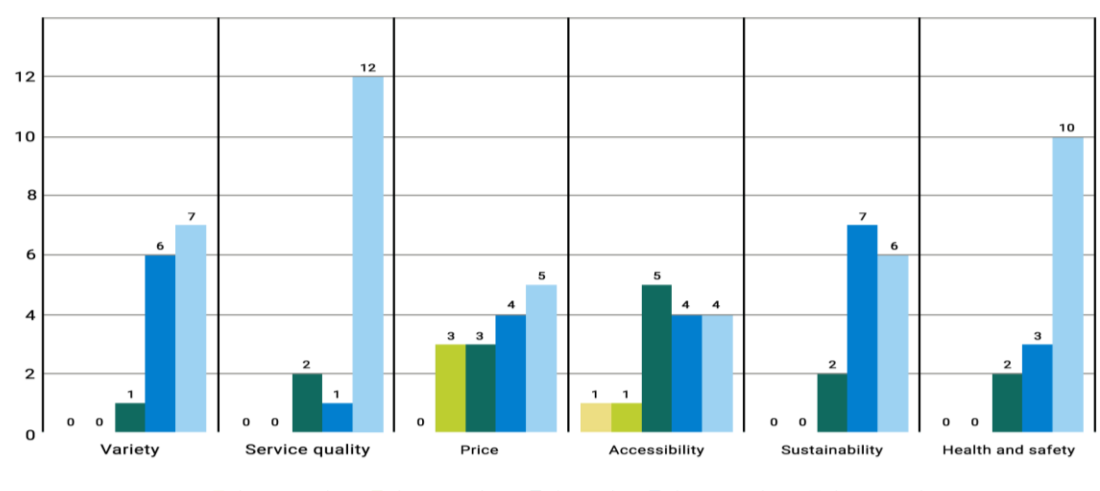
Inbound tour operators are interested in the TourLink project, but many have not agreed yet to share supplier details. This has limited the analysis of the scale of different types of suppliers.

The tour operators may be more motivated by *a call to action*, compared to assisting research. The research team recommends that the TourLink project take a stepped approach to accessing more data on suppliers, gradually building trust, proving that the project can concretely benefit the tour operators, and encouraging more sharing through practical activities. For example by pooling information so that TO's suppliers can be contacted for training / to join the common supplier system. This should begin with a presentation to inform the tour operators about the results of the VCA and the vision for the next steps of TourLink, and an invitation to support these steps.

6.2.3 Competitiveness

A blend of business is frequently seen, which can be hard to navigate. Hotels register as operators, while operators own hotels. Supply chains are interchangeable. Operators rated the qualities which they perceived most sets them apart from their direct competitors.

Figure 6.2.3.1: What do you feel sets you aside from your competitors?



Service quality scored the highest and relates back to all suppliers. *Health and safety* followed closely, with a particular focus on the ongoing pandemic. However, with or without COVID-19, the operators are fully committed to ensuring customers' health & safety throughout the trip.

Respondents emphasized the important role played by guides to guarantee safety through the supply chain, at operational, day to day level e.g. when using transport, guides must ensure that vehicles are in good condition, and all safety equipment is present and used as directed.

Another significant competitive parameter is *variety*: as in range of product and services, uniqueness or even exclusivity if possible. Products of all kinds whether a transfer from the airport, day tour or multiday touring itinerary all contribute towards differentiation from one operator to the next. One way is to work with different suppliers or diversify product offerings even with a shared supplier. Again, tour operators were sometimes unwilling to share details.

Naturally *price* was proposed as an important aspect of competition. Tour operators mentioned multiple times that cost and thereby price is one of the obstacles towards more sustainable products. Sustainability is general is perceived to add costs. Nevertheless, "price" came in 5th place behind sustainability as a completive driver. There may be potential for respondent bias, as the tour operators are aware that the VCA is attached to a sustainable tourism project, so may feel (unconscious) pressure to value sustainability. See also chapter 6.4.10 on constraints.

Price is seen as a direct outcome from managing agreements with suppliers. Constant negotiations are the norm. An impact on the cost of a product or service often calls for new rounds of negotiations, making supply chains very competitive. Even impacts well outside the supply chain can have significant impacts on price. E.g. oil prices, financial ups and downs in source markets, increased competition in a market segment or international exchange rates.

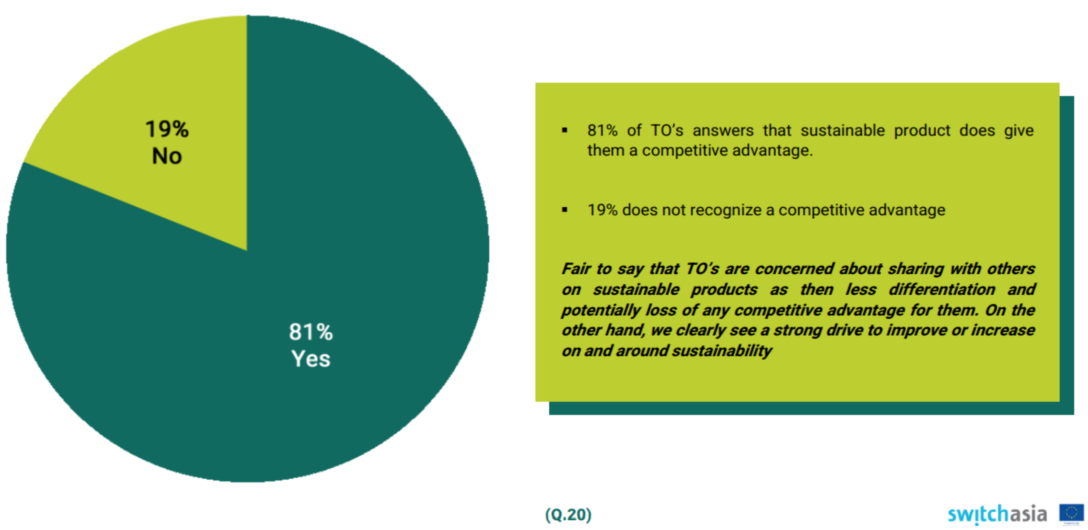
Customers and markets often dictate pricing to be in a specific currency that safeguards their pricing, which creates vulnerability on the rates given by the Thai operator. Meanwhile, inbound operators' contracts with suppliers in Thailand are always in Thai Baht. Hence, TO's are essentially buying in one currency and selling in another. This creates opportunities and threats. Even when market rates are stable, big fluctuations in leading currencies like Euro or USD can cause outbound partners to scrutinize prices and try to negotiate for lower local rates.

The least important competitive force identified in the research was *accessibility or ease of doing business*. Nevertheless, this is still considered important. E.g. many operators have invested or are investing in new systems and B2B platforms, where the business partners can do purchases and perhaps even make some modifications to the services or products. Instant purchase, instant availability and system integration are well sought-after functionalities.

Technology is considered the biggest disruptor in travel and tourism, which directly or indirectly, intentionally or unintentionally drives new ways of buying and doing things.

81% of responding tour operators agreed that sustainable products give them a competitive advantage; e.g.: contributing more to local communities, minimizing and offsetting carbon footprints, and disallowing single use plastics. Several tour operators are using down time to work on sustainability. Respondents emphasized the importance of ensuring effective communications and messages, so that sustainable products are easier to identify, whether by eco-labelling or digitally featuring the latest products relevant to sustainability; and the importance of keeping B2B partners closely connected to sustainable product developments.

Figure 6.2.3.2: Are sustainable product offerings giving you a competitive advantage?



Threats of new entrants to the industry were discussed with a range of stakeholders. There are low entrance barriers or almost no entry barriers for a new company to enter the industry as a tour operator. In the supply chain, this can also be the case, although investing in the assets needed to supply specific services or experiences can be a significant entry barrier for some.

6.3 Institutional environment

Section 6.3 builds on the previous section to provide an organisational lens on important private and public sector stakeholders, with direct and indirect connections to the Thai tourism industry. First, overall structure and governance of the sector is introduced. Next, information about key public and private sector organisations is presented in tables. Annexes at the end of the report provide additional information about the most important organisations introduced in these tables. Finally, the section makes key recommendations for synergies with TourLink.

6.3.1 Value chain with overall structure and governance of the travel sector

The diagram 6.3.1.1 (below) categorises stakeholders regarding their roles in the industry:

1. Public sectors in tourism industry are institutions operating in relation to the Thai government structure and policy in tourism industry. As introduced in Section 5.1.2, the main government institution is the Ministry of Tourism and Sports (MOTS), responsible for the development and integration of tourism and sports to enhance Thailand's economic and social development. Under MOTS, the Department of Tourism (DOT) focuses on tourism development (as a government agency), and the Tourism Authority of Thailand (TAT) focuses on tourism promotion (as a state enterprise). The Tourist Police Bureau is responsible for tourists' safety during their holiday in Thailand. In addition, MOTS oversees two public organisations which focus on specific sectors in tourism, Designated Areas for Sustainable Tourism Administration (DASTA) that focuses on destination (or attraction) development and the Thailand Convention and Exhibition Bureau (TCEB) which focuses on the MICE industry.

2. Private sectors including non-governmental organisations includes businesses involved with the operation and delivery of tourism products and services from the beginning (trip arrangement), during the holiday (in the destination), and to the end of the holiday (tourists return to their home countries). The businesses do not only deal with and provide services to customers, but they also cooperate in associations that act as non-profit or non-governmental organisations to support each other for mutual benefit and a successful Thai tourism industry.

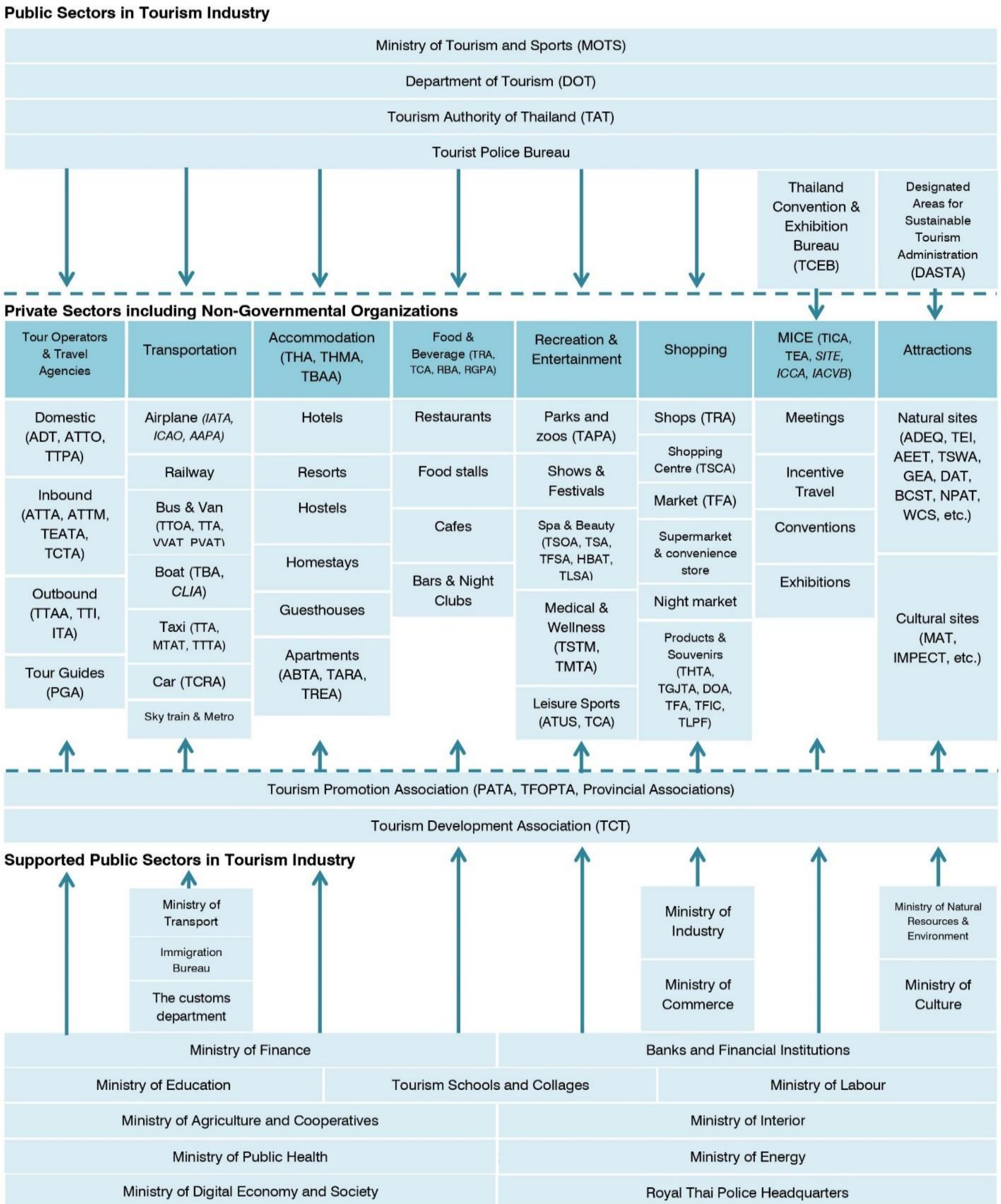
   This sector can be divided into eight categories regarding the nature of businesses, including

   - Tour Operators /Travel Agencies
   - Accommodations
   - Recreation & Entertainment
   - MICE
   - Transportations
   - Food & Beverage
   - Shopping
   - Attractions

In addition to tourism business, multiple organisations have been established to support the tourism industry in different aspects of tourism promotion and tourism development. Table 6.3.1.1 (below) shows the abbreviated names of associations which support different sectors of businesses in the Thai travel and tourism industry. Names in plain text formats are national organisations and those in *italic formats* are international organisations. Full names of the organisations are provided in the section 'Tourism organisations divided by business sectors.'

3. Supporting public sectors in tourism industry are institutions which operate in relation to the Thai government structure and policy but do not have direct roles and responsibilities in the tourism industry. For example, the transportation sector is supported by the Ministry of Transport and the Immigration Bureau and the Customs Department. In the meantime, the Ministry of Industry and the Ministry of Commerce provide support to the shopping sector, while the Ministry of Natural Resources and Environment and the Ministry of Culture supports the attractions sector. In addition, there are other agencies such as banks and financial institutions, the Ministry of Public Health, Royal Thai Police Headquarters, as well as the Ministry of Education, the Ministry of Labour, and tourism schools that play important roles in tourism personnel development.

Figure 6.3.1.1: The Thailand Tourism Value Chain



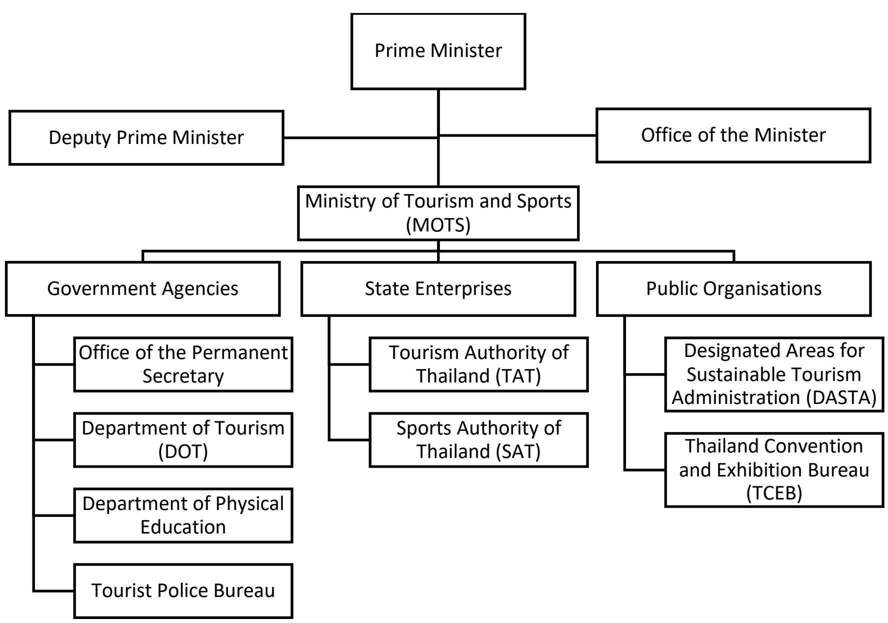
The sections below provide more details on key stakeholders in public and private sectors.

6.3.2 Public Sector Organisations

The public sector can be categorised as organisations with direct and indirect roles and responsibilities in the travel and tourism industry. This report focuses on introducing the relationships of organisations with direct roles to the tourism industry through the structured chart in section 6.3.1, and through a brief overview of each organisation as follows:

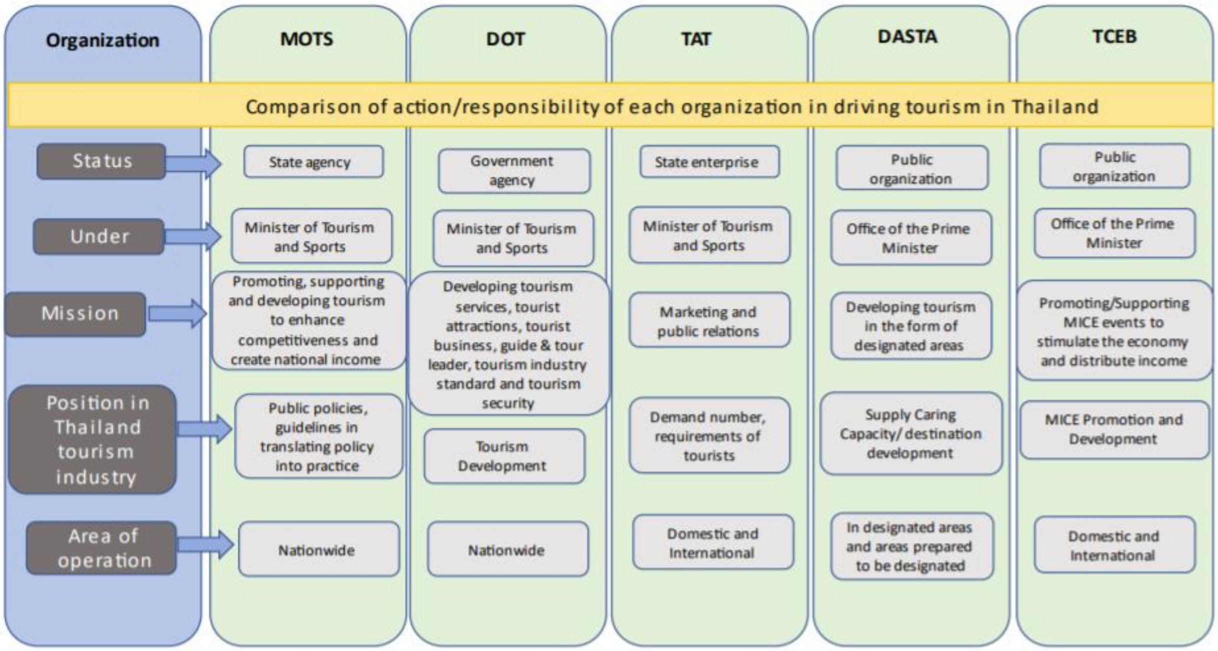
1. Government Agencies are organisations established as Ministry, Department, or Bureau. They operate in relation to the government tourism industry structure and policies. This includes agencies such as the Department of Tourism.
2. State Enterprises are organisations with responsibilities for tourism promotion. The management system of state enterprises is semi-government and semi-private. It is able to seek its own income while still receiving partial financial support from, under control of the government. This includes agencies such as Tourism Authority of Thailand (TAT).
3. Public Organisations are agencies that usually work on specific themes / areas in tourism including Designated Areas for Sustainable Tourism Administration (DASTA) and Thailand Convention and Exhibition Bureau (TCEB)

Figure 6.3.2.1: The organisational hierarchy of Thai government tourism authority



The table below provides quick comparison of the roles of these key public organisations.

Figure 6.3.2.2: The roles and positions of key Thai public sector organisations



The following section provides further information on these Thai GOV organisations. This information complements section 5.1.2, but is focused on overall roles, not on sustainability.

6.3.2.1 Ministry of Tourism and Sports (MOTS)

Key responsibility: Promotion and development of tourism, sports, and other government services. The Ministry of Tourism and Sports (MOTS), established in 2002, has the authority for the promotion and development of tourism, sports, education, recreation industries, and other government services. MOTS is responsible for guiding Thailand's tourism direction through the establishment and implementation of policies and plans, as well as supporting the development of tourism infrastructure, personnel, and management systems.

6.3.2.2 Department of Tourism (DOT)

Key responsibility: Tourism Development. The Department of Tourism (DOT), established in 2002, is responsible for developing standards for Thai tourism products and services, personnel, and attractions, as well as supporting safety in tourism and foreign film production for the positive economic, environmental, and socio-cultural development of Thailand. DOT follows the national tourism policies, development and strategic plans, and relevant laws and regulations.

DOT's key activities include tourism planning and implementation, including standard development and certification, of tourism services, attractions, business operations and personnel (e.g. tour guides and tour leaders). This work involves supporting sustainable tourism development on many different levels, from supporting CBT (village) networks and local administrative organisations, to coordinating with public and private organisations in Thailand and overseas. In addition, DOT also supports foreign movies affairs in Thailand.

6.3.2.3 Tourism Authority of Thailand (TAT)

Key responsibility: Marketing and promotion of tourism in Thailand on national and international level. The Tourism Authority of Thailand (TAT) was established in 1959 with the aim to promote Thai tourism and ensure its good reputation for quality and sustainability. Strategic approaches of the TAT are expanding the market base of quality tourists, increasing the volume of tourists' expenditure, and creating confidence in Thailand as a tourism destination.

TAT also partners with other organisations for the development of tourism infrastructure and facilities. TAT's responsibilities in marketing and promotion of Thailand tourism includes advising and cooperating with other national and international organisations, training and education, and collecting tourism data and statistics for marketing purposes. Oftentimes, TAT work jointly with other organisations such as DOT or DASTA on tourism-related development projects. TAT currently has 49 offices nationally (including head quarter) and 20 offices worldwide.

6.3.2.4 Designated Areas for Sustainable Tourism Administration (DASTA)

Key responsibility: Coordinated Destination Development, Supply Carrying Capacity. DASTA was established in 2003 for the sustainable development of tourism destinations in Thailand. DASTA's objectives are to ensure the fair distribution of income through CBT, develop destinations following the Global Sustainable Tourism Criteria (GSTC) guidelines, increase the carrying capacity of tourism, and create a sustainable tourism development model. This includes supporting and promotion of environmental development and conservation, facilitating participation of people and communities, and local culture preservation for sustainable tourism.

DASTA aims to achieve its goals by coordinating with public and private organisations both domestically and internationally on sustainable tourism administration and development, promoting tourism information and research, supporting the development of designated areas with sustainable tourism potentials, and supporting the Co-Creation of sustainable tourism administration at a local/regional scale. Currently, DASTA runs 9 Designated Area Offices and maintains 8 Tourism Development Clusters throughout Thailand.

6.3.2.5 Thailand Convention and Exhibition Bureau (TCEB)

Key responsibility: MICE Promotion and Development. Thailand Convention and Exhibition Bureau (TCEB) was established in 2002 with aims of creating income and economic development, as well as driving the MICE industry through innovation. TCEB's objectives are to promote, ensure the sustainable development and be the centre of information of Thailand's MICE industry.

TCEB's work includes providing knowledge and development (seminars, training, etc.) for business operators, government officers, or private sector staff and supporting MICE Thailand to meet international standards. TCEB's main roles and responsibilities are making policies and measures to support MICE (nationally and internationally), developing and promoting research, projects, and activities in relation to MICE, establishing MICE standards and certification, and collaborating with both domestic and international organisations regarding MICE activities.

Public sectors with indirect roles and responsibilities to the travel and tourism industry

In addition to the government organisations directly responsible for tourism, there are other government organisations with indirect roles and responsibilities to tourism. Organisations are presented in tables below. To skip the details and learn which organisations have been identified as top priority for synergies with TourLink, please go directly to section 6.3.4.

6.3.2.6 Government organisations with roles related to tourist attractions

This refers to organisations that supervise tourist attractions. Natural attractions are mainly under the supervision of the Ministry of Natural Resources and Environment, while cultural attractions are maintained by the Ministry of Culture and the Ministry of Interior, including

	Ministry of Natural Resources and Environment		
	Government Agency	*State Enterprise*	*Public Organisation*
Natural Attractions	• Department of National Parks, Wildlife, and Plant Conservation • Office of Natural Resources and Environmental Policy and Planning • Royal Forest Department • Department of Environmental Quality Promotion • Pollution Control Department • Department of Mineral Resources • Department of Marine and Coastal Resources • Department of Water Resources • Department of Groundwater Resources •	• Forest Industry Organisation • The Zoological Park Organisation • The Botanical Garden Organisation	• Thailand Greenhouse Gas Management Organisation (TGO) • Biodiversity-Based Economy Development Office
	Ministry of Culture	Ministry of Interior	Ministry of Culture
	Government Agency	*State Enterprise*	*Public Organisation*
Cultural Attractions	• The Fine Arts Department • Department of Religious Affairs • Department of Cultural Promotion • Office of Contemporary Art and Culture • Bunditpatanasilpa Institute	• Community Development Department (CDD)	• Princess Maha Chakri Sirindhorn Anthropology Centre • Film Archive • Moral Promotion Center

6.3.2.7 Government organisations with roles related to tourist infrastructure

This refers to basic tourism infrastructure such as transportation systems, waterworks system, electric systems, communication networks, and public facilities that are under the supervision of several Ministries in Thailand, including

<table>
<tr><td rowspan="3">Transportation</td><td colspan="3">Ministry of Transport</td></tr>
<tr><td>Government Agency</td><td>State Enterprise</td><td>Public Organisation</td></tr>
<tr><td>• Department of Airports (DOA)
• Department of Rail Transport (DORT)
• Department of Land Transport (DLT)
• Marine Department (MD)
• Department of Land Transport (DLT)
• Department of Highways (DOH)
• Department of Rural Roads (DRR)
• The Office of Transport and Traffic Policy and planning (OTP)</td><td>• Civil Aviation Training Center (CATC)
• Airports of Thailand PLC. (AOT)
• The Civil Aviation Authority of Thailand (CAAT)
• Aeronautical Radio of Thailand LTD. (AEROTHAI)
• Thai Airways International PLC.
• State Railway of Thailand (SRT)
• Bangkok Mass Transit Authority (BMTA)
• The Transport Company Limited
• Port Authority of Thailand (PAT)
• Expressway Authority of Thailand (EXAT)
• Mass Rapid Transit Authority of Thailand (MRTA)
• Airport Rail Link (SRTET)</td><td>N/A</td></tr>
</table>

<table>
<tr><td rowspan="2"></td><td>Ministry of Agriculture and Cooperatives</td><td>Ministry of Interior</td><td>Ministry of Energy</td></tr>
<tr><td>Government Agency</td><td>State Enterprise</td><td>State Enterprise</td></tr>
<tr><td>Waterworks</td><td>• Royal Irrigation Department (RID)</td><td>• Provincial Waterworks Authority (PWA)
• Metropolitan Waterworks Authority (MWA)
• Wastewater Management Authority (WMA)</td><td>N/A</td></tr>
<tr><td>Electricity</td><td>N/A</td><td>• Provincial Electricity Authority (PEA)
• Metropolitan Electricity Authority (MEA)</td><td>• Electricity Generating Authority of Thailand (EGAT)</td></tr>
</table>

Public facilities	N/A	• Department of Lands (DOL) • Department of Public Works and Town & Country Planning (DPT)	N/A
Communication networks	Ministry of Digital Economy and Society		
	Government Agency	*State Enterprise*	*Public Organisation*
	• Meteorological Department of Thailand (TMD) • National Statistical Office (NSO) • Office of the National Digital Economy and Security Commission	• TOT (Telephone Organisation of Thailand) PCL. • CAT (Communication Authority of Thailand) Telecom PCL. • Thailand Post Limited	• Electronic Transactions Development Agency (ETDA) • Digital Economy Promotion Agency (DEPA)
	Office of the National Broadcasting and Telecommunications Commission (Autonomous Agency)		

6.3.2.8 Government organisations with roles related to tourist support

This refers to services that support smooth travel experiences such as security, finance (currency exchange, tax refunds, etc.), public health service, and disaster protection that are under the supervision of several agencies in Thailand, including

Security	Royal Thai Police Headquarters	Immigration Bureau
Finance	Ministry of Finance (Government Agency)	The Customs Department The Revenue Department The Excise Department
	Banks and financial institutions	
Health	Ministry of Public Health	
Disaster protection	Ministry of Interior	Department of Disaster Prevention and Mitigation

6.3.2.9 Government organisations with roles related to tourism products and services

This refers to organisations that supervise business operations and maintain the fairness, safety, standards, and legitimacy of Thai tourism products and services. Trade, consumer protection, and exports are the responsibilities of The Ministry of Commerce, while functions related to market promotion and management are established as state enterprises under the

Ministry of Interior and Ministry of Agriculture and Cooperatives. Meanwhile, the Ministry of Industry is responsible for the promotion and regulation of industries. Organisations include:

<table>
<tr><td rowspan="3">Trade</td><td colspan="3">Ministry of Commerce</td></tr>
<tr><td>Government Agency</td><td>State Enterprise</td><td>Public Organisation</td></tr>
<tr><td>• Department of Trade Negotiations
• Department of Business Development
• Department of International Trade Promotion (DITP)
• Department of Foreign Trade (DFT)
• Department of Intellectual Property (DIP)</td><td>• Public Warehouse Organisation (PWO)</td><td>• The Gem and Jewelry Institute of Thailand
• The Support Arts and Crafts International Centre of Thailand
• International Institute for Trade and Development</td></tr>
<tr><td rowspan="3">Market</td><td>Ministry of Interior</td><td colspan="2">Ministry of Agriculture and Cooperatives</td></tr>
<tr><td>State Enterprise</td><td colspan="2">State Enterprise</td></tr>
<tr><td>• Market Organisation</td><td colspan="2">• Marketing Organisation For Farmers</td></tr>
<tr><td rowspan="3">Promotion and regulation</td><td colspan="3">Ministry of Industry</td></tr>
<tr><td>Government Agency</td><td>State Enterprise</td><td>Autonomous Agency</td></tr>
<tr><td>Industrial Economic Cluster
• The Office of Industrial Economics (OIE)
• Office of Cane and Sugar Board (OCSB)
Production Process Supervision Cluster
• Department of Industrial Works (DIW)
• Department of Primary Industries and Mines (DPIM)
Industrial and Entrepreneurial Promotion Cluster
• Department of Industrial Promotion (DIP)
• Thai Industrial Standards Institute (TISI)</td><td>• Industrial Estate Authority of Thailand</td><td>• Thailand Productivity Institute (FTPI)
• Thai - German Institute (TGI)
• National Food Institute (NFI)
• Textile Industry Development Institute (TIDI)
• Management System Certification Institute (MASCI)
• Thailand Automotive Institute (TAI)
• Electrical and Electronics Institute (EEI)
• Small and Medium Enterprises Development Institute (SMEDI)
• Iron and Steel Institute of Thailand (ISITX)
• Plastics Institute of Thailand (PIT)
• Construction Institute of Thailand (CIT)</td></tr>
</table>

6.3.2.10 Government organisations with roles related to tourism personnel development

This refers to organisations that focus on promoting, supporting, developing, and creating personnel to enter the tourism labour market, including the Ministry of Education and The Ministry of Labour, as well as public schools and colleges that offer tourism-related studies.

<table>
<tr><td rowspan="3">Personnel development</td><td colspan="3">Ministry of Education</td></tr>
<tr><td colspan="3">Ministry of Labour</td></tr>
<tr><td>Tourism Public Schools and Colleges</td><td>• Chiang Mai University
• Burapha University
• Maejo University
• Mae Fah Luang University
• Walailak University
• Mahasarakham University
• Srinakharinwirot University
• Prince of Songkla University
• Kasetsart University
• Silpakorn University
• Khon Kaen University
• Ubon Ratchathani University
• Nakhon Phanom University
• University of Phayao
• Naresuan University
• School of Tourism and Hospitality Management, Suan Dusit University</td><td>• Ramkhamhaeng University
• King Mongkut's University of Technology North Bangkok
• Suan Sunandha Rajabhat University
• Dhonburi Rajabhat University
• Chandrakasem Rajabhat University
• Phranakhon Si Ayutthaya Rajabhat University
• Pibulsongkram Rajabhat University
• Rajabhat Maha Sarakham University
• Phetchaburi Rajabhat University
• Rajamangala University of Technology Tawan-ok
• Rajamangala University of Technology Suvarnabhumi
• Nakhon Sawan Rajabhat University
• Bansomdejchaopraya Rajabhat University
• Rajamangala University of Technology Krungthep
• Rajamangala University of Technology Lanna
• Rajamangala University of Technology Srivijaya
• Valaya Alongkorn Rajabhat University under the Royal Patronage</td></tr>
</table>

6.3.3 Private Sector Organisations

The private sector of travel and tourism industry in Thailand refers to those businesses which operate to provide services to tourists both directly and indirectly, including:

- Tour Operators and Travel Agencies, including domestic, inbound, outbound tourism, and tour guides
- Transportations, including airplane, railway, bus and van, boat, taxi, car, and sky train and metro
- Accommodations, including hotels, resorts, hostels, homestays, guesthouses, and apartments
- Food & Beverage, including restaurants, food stalls, cafes, and bars and night clubs

- Recreation and Entertainment, including parks and zoos, shows and festivals, spa and beauty, medical and wellness, and leisure sports
- Shopping, including shops, shopping centre, market, supermarket and convenience store, night market, and products and souvenirs
- MICE, including meetings, incentive travel, conventions, and exhibitions
- Attractions, including natural sites including beaches, lakes, rivers, reefs, mountains, forests, etc. and cultural sites including ethnic villages, pagodas, temples, museums, archaeological sites, traditional communities, etc.

Interest groups often establish associations to provide services to their members and facilitate support from government. In the next section of the report, key organisations are presented in tables by sector. The tables present the full names of organisations in public and private sectors that have direct and indirect relationships to the Thai tourism industry on a national level, divided by business sectors. Please refer to figure 6.3.1 (tourism value chain in Thailand) to see relationships between relevant actors.

Organisations are presented in tables. To skip the details and learn which organisations have been identified as top priority for synergies with TourLink, please go directly to section 6.3.4.

6.3.3.1 Tour Operators and Travel Agents

Tour Operators & Travel Agents		Public Sector	Private Sector
	Domestic	Ministry of Tourism and Sports (MOTS)	– Association of Domestic Travel (ADT) – Association of Thai Tour Operators (ATTO) – Thai Tourism Promotion Association (TTPA)
	Inbound		– Association of Thai Travel Agents (ATTA) – Thai Ecotourism and Adventure Travel Association (TEATA)
	Outbound		– Thai Travel Agents Association (TTAA)
	Tour guide		– Professional Tourist Guide Association of Thailand (PGA)

6.3.3.2 Transportation

<table>
<tr><td rowspan="8">Transportation</td><td></td><td>Public Sector
(Ministry of Transport)</td><td>Private Sector</td></tr>
<tr><td>Airplane</td><td>– Department of Airports (DOA)
– Civil Aviation Training Centre (CATC)
– Airports of Thailand PLC. (AOT)
– The Civil Aviation Authority of Thailand (CAAT)
– Aeronautical Radio of Thailand (AEROTHAI)
– Thai Airways International PLC.</td><td>N/A</td></tr>
<tr><td>Railway</td><td>– Department of Rail Transport (DORT)
– State Railway of Thailand (SRT)</td><td>N/A</td></tr>
<tr><td>Bus & Van</td><td>– Department of Land Transport (DLT)
– Bangkok Mass Transit Authority (BMTA)
– The Transport Company Limited</td><td>– Provincial Van Association of Thailand (PVAT)
– The Tourist Transport Association (TTA)
– Thai Transportation Operators Association (TTOA)</td></tr>
<tr><td>Boat</td><td>– Marine Department (MD)
– Port Authority of Thailand (PAT)</td><td>– Thai boat Association (TBA)</td></tr>
<tr><td>Taxi (including motorcycle and Tuk Tuk)</td><td rowspan="2">– Department of Land Transport (DLT)
– Department of Highways (DOH)
– Department of Rural Roads (DRR)
– The Office of Transport and Traffic Policy and planning (OTP)
– Expressway Authority of Thailand (EXAT)</td><td>– Motorcycle Taxi Association of Thailand (MTAT)
– Thai Taxi Association (TTA)
– Thai Tuk Tuk Association (TTTA)</td></tr>
<tr><td>Car</td><td>– Thai Car Rental Association (TCRA)</td></tr>
<tr><td>Sky train & Metro</td><td>– Mass Rapid Transit Authority of Thailand (MRTA)
– Airport Rail Link (SRTET)</td><td>N/A</td></tr>
</table>

6.3.3.3 Accommodation

<table>
<tr><td rowspan="4">Accommodation</td><td></td><td>Public Sector</td><td>Private Sector</td></tr>
<tr><td>Hotels & Resorts</td><td rowspan="3">Ministry of Tourism and Sports (MOTS)</td><td rowspan="3">– Thai Hotels Association (THA)
– Thai Hotel & Hospitality Management Association (THMA)
– Thai Boutique Accommodation Trade Association (TBAA)</td></tr>
<tr><td>Hostels</td></tr>
<tr><td>Homestays &Guesthouses</td></tr>
</table>

	Apartments	N/A	– Apartment Business Trade Association (ABTA) – Thai Apartments& Rooms Rental Trade Association (TARA) – The Thai Real Estate Association (TREA)

6.3.3.4 Food and Beverage

Food & Beverage		Public Sector	Private Sector
	Restaurants Cafes Food Stall Bars & Night Clubs	N/A	– Thai Restaurant Association (TRA) – Food and Beverage management Association (FBMA) – Food Services Association of Thailand (FSAT) – Restaurant Business Association (RBA) – Thai Organic Trade Association (TOTA) – Thai Organic Consumer Association (TOCA)

6.3.3.5 Recreation and entertainment

Recreation & Entertainment		Public Sector	Private Sector
	Parks & zoos	N/A	– The Thai Amusement and Leisure Park Association (TAPA)
	Shows & Festivals	N/A	– Dramatic Works Association (DWA) – The National Federation of Motion Pictures and Contents Associations (MPC)
	Spa & Beauty	N/A	– Thai Spa Association (TSA) – The Federation of Thai Spa & Wellness Association (FTSA) – Hair Dresser & Beauty Specialist Association of Thailand (HBAT) – Thai Lanna Spa Association (TLSA)
	Medical & Wellness	N/A	– Thai Medical and Wellness Tourism Association (TMTA) – Thai Society of Travel Medicine (TSTM)
	Leisure Sports	N/A	– Association of Thailand Underwater Sports (ATUS) – Thai Cycling Association (TCA)

6.3.3.6 Attractions

<table>
<tr><td rowspan="4">Attractions</td><td rowspan="2">Natural Attractions</td><td>Public Sector
(Ministry of Natural Resources and Environment)</td><td>Private Sector</td></tr>
<tr><td>– Department of National Parks, Wildlife, and Plant Conservation
– Office of Natural Resources and Environmental Policy and Planning
– Royal Forest Department
– Department of Environmental Quality Promotion
– Pollution Control Department
– Department of Mineral Resources
– Department of Marine and Coastal Resources
– Department of Water Resources
– Department of Groundwater Resources
– Forest Industry Organisation
– The Zoological Park Organisation
– The Botanical Garden Organisation
– Thailand Greenhouse Gas Management Organisation (TGO)
– Biodiversity-Based Economy Development Office</td><td>– Association for the Development of Environmental Quality (ADEQ)
– The Association For Environmental Education of Thailand (AEET)
– Bird Conservation Society of Thailand (BCST)
– Diving Association of Thailand (DAT)
– Green Earth Environmental Sustainable Association (GEA)
– National Park Association of Thailand (NPAT)
– Thailand Environment Institute (TEI)
– Thai Sea Watch Association (TSWA)
– Wildlife Conservation Society (WCS) Thailand</td></tr>
<tr><td rowspan="2">Cultural Attractions</td><td>Public Sector
(Ministry of Culture)</td><td>Private Sector</td></tr>
<tr><td>– The Fine Arts Department
– Department of Religious Affairs
– Department of Cultural Promotion
– Office of Contemporary Art and Culture
– Bunditpatanasilpa Institute
– Princess Maha Chakri Sirindhorn Anthropology Centre
– Film Archive
– Moral Promotion Centre</td><td>– Inter Mountain Peoples’ Education and Culture in Thailand Association (IMPECT)
– Museum Association of Thailand (MAT)</td></tr>
</table>

6.3.3.7 Shopping

		Public Sector		Private Sector
		Ministry of Industry	Ministry of Commerce	
Shopping	Shops & markets	– Market Office, Bangkok	– Department of Commercial Registration	– Thai Fresh Market Association (TFMA) – Thai Retailers Association (TRA) – Thai Shopping Centre Association (TSCA)
	Products & Souvenirs	– Thailand Industrial Standards Institute – Management System Certification Institute (ISO) – Department of Industrial Promotion – Institute for SME Development	– Department of Commercial Registration	– Thai Furniture Association (TFA) – Thai Furniture Industry Club (TFIC) – Thai Gem & Jewellery Traders Association (TGJTA) – Thai Handicraft Promotion Trade Association (THTA) – Thai Lifestyle Products Federation (TLPF)

6.3.3.8 MICE

	Public Sector	Private Sector
MICE	– Thailand Convention and Exhibition Bureau (TCEB)	– Thailand Incentive and Convention Association (TICA) – Trade Exhibition Association (TEA) – SITE Thailand Chapter

6.3.3.9 Tourism Promotion and Development

		Public Sector	Private Sector
Tourism Promotion	Provincial Administrative Organisations*	– Tourism Authority of Thailand (TAT)	– PATA Thailand Chapter – Thai Federation of Provincial Tourist Associations (TFOPTA)
			– Provincial Associations**
Tourism Development		– Department of Tourism (DOT)	– Tourism Council of Thailand (TCT)

6.3.3.10 Provincial Administrative Organisations

Bangkok Culture, Sports and Tourism Department	Central region Tourism and Sports Division – 21 Provinces
Northern region Tourism and Sports Division – 9 Provinces	Northeastern region Tourism and Sports Division – 20 Provinces
Eastern region Tourism and Sports Division – 7 Provinces	Western region Tourism and Sports Division – 5 Provinces
Southern region Tourism and Sports Division – 14 Provinces	

6.3.3.11 Provincial Associations

Northern region – Chiangmai Tourism Business Association (CTBA) – Maehongson Tourism Business Association (MTBA) – Pai Tourism Business Association (PTBA) – Nakhon Lampang Tourism Association (NLTA) – Chiangrai Tourism Association (CTA) – Lamphun Tourism Association (LTA) – Phrae Business Tourism Association (PBTA) – Phayao Tourism Trade Association (PTTA) – The Association of Mae Taeng Tourism Federation (AMTTF) – Nan Tourism Business Association (NTBA) – The Association of Northern Tourism Federation (ANTFED) – Tourism Association of Chiangmai (TAC) – Phitsanulok Tourism Business Association (PTBA)	Northeastern region – Khonkean Tourism Business Association (KKTBA) – Udonthani Tourism Association (UTA) – Loei Tourism Business Association (LTBA) – Tourism Business Association of Nongkhai (TBAN) – Sakon Nakhon Tourism Association (SNTA) – Nakhon Phanom Tourism Business Association (NPTBA) – Ubonratchathani Tourist Business Association (UTBA) – Sisaket Tourist Associaiton – (STA) – Mukdahan Tourism Industrial Association (MTI) – Tourism Business Association of Kalasin (TBAK) – Nakhon Ratchasima Tourism Business Association (NTBA) – Buriram Tourism Association (BTA) – Chaiyaphum Tourism Trade Association (CTTA) – Surin Tourist Promotion Association (STPA) – Chaiyaphum Tourist Promotion Association (CTPA) – Khao Yai Tourism Association (KYTA)

Central region	Eastern region
– Ayutthaya Tourist Business Association (ATBA) – Nakhonpathom Tourism Association (NTA) – Chainat Tourism Business Association (CTBA) – Kanchanaburi Tourist Business Association (KTBA) – Tourism Promotion Society of Kanchanaburi (TSK) – Nakhonsawan Business Tour Association (NBTA) – Tourism Business Association of Suphan Buri (TBASB) – Uthai Thani Tourism Business Association (UTTBA) – Lopburi Tourism Business Association (LTBA) – Hua-Hin / Cha-am Tourism Association (HHCATA) – Tourism Association of Prachuapkhirikhan (TAP) – Chao Phraya River Tourism Association (CPRTA) – Samutsakhon Tourism Promotion Association (STPA) – Pathumthani Tourism Association (PTTA) – Petchburi Tourism Association (PTA) – Pattaya Business and Tourism Association (PBTA) – Tourism Development Samutprakan Trade Association (TDSTA) – Saraburi Tourism Association (STA) – Nakhon Nayok Tourism Promotion Association (NNTPA) – Chachoengsao Tourism Association (CTA)	– Trat Tourist Association (TTA) – Rayong Tourist Association (RTA) – Chanthaburi Tourism Association (CTA) – Tourism Association of Koh Samed Rayong (TAKSR) – Sa Kaeo Tourism Business and Services Association (SKTSA) Southern region – Chumphon Tourism Business Association (CTBA) – Ranong Tourism Association (RTA) – Tourism Association of Koh Samui (TAKS) – Surat Thani Tourism Business Association (STTBA) – Phuket Tourist Association (PTA) – Krabi Tourism Association (KTA) – Phang-Nga Tourism Association (PNTA) – The Southern of Thailand Tourist Promotion Association (STPA) – Trang Tourism and Hotel Association (TTAHA) – Nakhon Si Thammarat Tourism Association (NTA) – Satun Tourism Business Association (STBA) – Tourist Business Association of Narathiwat (TAN) – Pattani Tourist Business Association (PTBA) – Songkhla Tourism Association (STA) – Tourists Business Federation of Songkhla Thailand (TFOS) – Hatyai Songkhla Hotels Association (HSHA)

6.3.4 Priority opportunities for tourism related synergies with the TourLink project

The list below presents a prioritized analysis of potential synergies with key tourism organisations in Thailand. The table identifies organisations to engage with during the TourLink project cycle.

Organisations are categorized into 13 tourism-related sectors. The table recommends how actively the TourLink project team should engage with each organisation (e.g. no action, passive update, active outreach) and provides suggestions for areas of potential collaboration.

It is not expected that the TourLink team will be able to follow up all of these potential synergies. Many organisations labelled as 'passive' are suggested for public relations purposes. Note that recommendations for collaborations with *non-tourism related organisations*, across key project themes (e.g. carbon, waste, and local community benefits) are summarised in Section 6.4.5.

Prioritised list of tourism organisations with potential for synergies with the TourLink project

	Organisations	Recommendation for action			
		No action	Passive update	Active outreach	Suggestions for synergies?
0	Public sector tourism				
	Ministry of Tourism and Sports (MOTS)			/	Cooperation to align and develop standards
	Department of Tourism (DOT)			/	Cooperation to align and develop standards
	Tourism Authority of Thailand (TAT)			/	Marketing of Thailand as a sustainable destination / learn from 7 Greens initiative
	Designated Areas for Sustainable Tourism Administration (DASTA)			/	Project Partner: Destinations / CBT standards / Supporting VCA, green tourism finance
	Thailand Convention and Exhibition Bureau (TCEB)			/	Potential Project Partner - Cooperation on food waste and carbon tools / Carbon Balance/ Asia Convention Alliance
1	Tour operators & Travel Agents				
	Domestic				

	Organisations	Recommendation for action			
		No action	Passive update	Active outreach	Suggestions for synergies?
	Thai Ecotourism and Adventure Travel Association (TEATA)			/	Project Partner: tour operators & excursions / supplier standards / Carbon Balance / training
	Association of Thai Travel Agents (ATTA)			/	Potential partner/ outreach for training / certification body?
	Thailand Responsible Tourism Association (TRTA)			/	Consult over standards, outreach for training
	The Association of Domestic Travel (ADT)		/		outreach for PR training & certification
	The Association of Thai Tour Operators (ATTO)		/		outreach for PR training & certification
	Thai Tourism Promotion Association (TTPA)		/		outreach for PR training & certification
	Outbound				
	Thai Travel Agents Association (TTAA)		/		outreach for training
	Tour guides				
	Professional Tourist Guide Association of Thailand (PGA)			/	outreach for guide training / code of conduct, Potential partner for guides
2	Transport				
	(Ministry of Transport)			/	Cooperation to align and develop standards / PR to transports
	Thai Transportation Operators Association (TTOA)			/	outreach for transport training / code of conduct, Potential partner for transports
	Regional/Provincial Van Association (PVA)	/			
3	Accommodation				
	Thai Hotels Association (THA)			/	Project Partner: Hotels / hotel standards & training (Green Leaf) / food waste and plastic
	Thai Hotel & Hospitality Management Association (THMA)		/		outreach for hotel training / code of conduct
	Thai Boutique Accommodation Association (TBAA)	/			N/A

	Organisations	Recommendation for action			
		No action	Passive update	Active outreach	Suggestions for synergies?
4	Food and beverage				
	Thai Restaurant Association (TRA)		/		outreach for food waste standards & training / Potential partner for restaurants
	Restaurant Business Association (RBA)		/		outreach for food waste standards & PR training
	Thai Organic Trade Association (TOTA)		/		N/A
	Thai Organic Consumer Association (TOCA)		/		outreach for PR products to consumer / potential for carbon neutral tour package
5	Recreation and entertainment				
	Thai Amusement and Leisure Park Association (TAPA)		/		Potential for carbon neutral tour package
	The Federation of Thai Spa & Wellness Association (FTSA)		/		Potential for carbon neutral tour package
	Thai Lanna Spa Association (TLSA)	/			N/A
6	Shopping				
	Thai Chamber of Commerce (TCC)			/	Carbon Balance / outreach food waste training & standard/ Circular economy
	(Ministry of Commerce)		/		Green Finance / Supplier network (restaurant, souvenir, MSMES, etc.)
	Federation of Thai Industries (FTI)			/	Marketing and promotion/ food standard/ connection to SEA tourism/ NESDC
	(Ministry of Industry)		/		Green industry (providers)
7	MICE				
	Thailand Incentive and Convention Association (TICA)			/	Potential partner for MICE/ events training and standard/ food waste/ Asia Convention Alliance
	SITE Thailand Chapter		/		outreach for M&I training & certification (CITP)
8	Attractions				
	(Ministry of Natural Resources and Environment)			/	MNRE (policy, destination, elephant) TGO (carbon tool, training, package) DEQP (destination environment assessment, green hotel, green product & service database, green/ environmental

	Organisations	Recommendation for action			
		No action	Passive update	Active outreach	Suggestions for synergies?
					training - office, restaurant, consumption, etc.)
	(Ministry of Culture)			/	Carbon neutral tour package + destinations (culture)
	(Community Development Department, Ministry of Interior)			/	Destinations & CBT development
	International Union for Conservation of Nature (IUCN) Thailand			/	Destination management & policy/ plastic/ education and conservation approaches
	Thailand Community-Based Tourism Institute (CBT-i)			/	CBT training, standard & certification
	World Wildlife Fund (WWF) Thailand			/	Green finance/ elephant/ SCP project in Nan
	United Nations Environment Programme (UNEP) Thailand			/	Plastic/ Policy/ International corporation
	North Andaman Network Foundation			/	CBT management/ Carbon neutral tour package
	Community-Based Tourism Association of Thailand (local community network – coming soon)			/	
	Thailand Environment Institute (TEI)			/	Green & low carbon labels (products)/ destinations/ green meeting/ SCP & Plastic Phuket/ food waste/ Policy
	International Finance Corporation (IFC) Thailand		/		Green finance & loan
	Wildlife Conservation Society (WCS) Thailand	/			N/A
	Inter Mountain Peoples' Education and Culture in Thailand Association (IMPECT)	/			N/A
9	Tourism Promotion and Development				
	PATA Thailand Chapter			/	Project Partner: Plastic & Food waste/ Carbon/ trainings/ Market research/ PR

	Organisations	Recommendation for action			
		No action	Passive update	Active outreach	Suggestions for synergies?
	Tourism Council of Thailand (TCT)			/	Center of tour operator associations/ seminar & training PR & logistics/ tourism MSMEs
	Thai Federation of Provincial Tourist Associations (TFOPTA)		/		outreach for PR training & certification
	(about 70) Provincial Tourism Business Associations	/			outreach for (regional) PR training & certification
10	Tourism schools and colleges				
	Prince of Songkla University*			/	Phuket CBT management & Carbon neutral tour package/ training & capacity building
	Chiang Mai University*			/	Chiang Mai CBT development & Carbon neutral tour package/ training & capacity building
	Kasetsart University*			/	Tourism (safety) standard development/ training & capacity building/ CBT development
	King Mongkut's Institute of Technology Ladkrabang*			/	Sustainable food (Thai Chefs for Good Manifesto)/ training & capacity building
	Maejo University*		/		Training & capacity building
	King Mongkut's University of Technology North Bangkok*			/	Carbon neutral (cruise) tour package/ training & capacity building
	Silpakorn University		/		Destination-community development & management/ training & capacity building
	Khon Kaen University*		/		Destination research & development (North eastern region)/ training & capacity building/ North eastern region tour package
	MUIC: Mahidol University International College*			/	Training & capacity building
	University of the Thai Chamber of Commerce*			/	Circular Economy/ training & capacity building
	Rajabhat University (38 campuses)			/	Destination research & development / training & capacity building/ Carbon neutral tour package
	Institute of Community Colleges			/	Community development & management /

	Organisations	Recommendation for action			
		No action	Passive update	Active outreach	Suggestions for synergies?
					training & capacity building/ MSMEs & community relations
	National Institute of Development Administration (NIDA)			/	Tourism academic development/ training & capacity building/ SEP Innovation Platform
	Chulalongkorn University		/		(Marine) plastic waste (Sameasan Model)/ (ASEAN) training & capacity building
	School of Tourism and Hospitality Management (Suan Dusit)*		/		Training & capacity building
	Thammasat University*	/			Community development & management/ training & capacity building/ SDGs Lab
	Srinakharinwirot University*	/			Community development & management/ training & capacity building
	King Mongkut's University of Technology Thonburi*	/			Community development & management/ training & capacity building
	Mae Fah Luang University*	/			Training & capacity building
11	Tourism research institutes				
	National Research Council of Thailand (NRCT)			/	Destination-community research & development/ CBT development
	Thailand Science Research and Innovation (TSRI)			/	Tourism research & information system development
	Office of National Higher Education, Science Research, and Innovation Policy Council			/	Thai SCP Network/ (SCP) policy
12	Market / Financial support organisation				
	Bank for Agriculture and Agricultural Cooperatives			/	Green finance (Green Bond)/ Carbon neutral tour package/ Community development & management
	Small and Medium Enterprise Development Bank of Thailand (SME Bank)		/		Tourism MSMEs development & management/ tourism marketing & promotion
	Krungthai Card PCL		/		Community development & management/ Carbon neutral tour package/ tourism marketing & promotion

6.4 Sustainability and responsibility

6.4.1 Brief overview of sustainable tourism standards in Thailand

The TourLink project has a key focus on sustainable tourism standards development, and will need to liaise and cooperate with public and private standards organisations in Thailand. This section provides a quick overview of key related organisations and initiatives.

The Department of Tourism (DOT), under the Ministry of Tourism and Sports (MOTS), is the main organisation overseeing and certifying tourism products and services in Thailand. DOT has launched 56 tourism standards in total which can be categorised into four sectors – accommodation, service, excursion, and destination. (Visit here to see all standards).

In addition to DOT, there are national and regional level organisations such as the Association of Southeast Asian Nations (ASEAN) and Green Leaf Foundation that offer tourism products certification. This section will introduce all relevant standards according to the following categories: accommodation, excursion, service, destination, and tourism business and guides.

Certified tourism products and services can be reviewed at Thailand Tourism Standard.

6.4.1.1 Accommodation

1. Accommodation Standards for Tourism (Hotel)
   Initiated in 2012 by DOT to develop quality and standardised accommodation, and define a distinct level of service quality for different types of accommodation, include
   - Accommodation Standards for Tourism for 5 Star Hotels
   - Accommodation Standards for Tourism for 1 to 4 Stars Hotel

2. Accommodation Standards for Tourism (Resort)
   Initiated in 2012 by DOT to develop quality and standardised accommodation, and define a distinct level of service quality in different types of accommodation, include:
   - Accommodation Standards for Tourism for 5 Stars Resort
   - Accommodation Standards for Tourism for 1 to 4 Stars Resort

3. Accommodation Standards for Long Stay Tourism was initiated by the DOT to develop quality and standardized accommodation, and increase confidence in long stay services.

4. Green Hotel (Environmentally Friendly Hotel) was initiated in 2013 by the Department of Environmental Quality Promotion (DEQP) to enhance hotels' use of resources and energy and improve service standards to become more environmentally friendly.

5. Green Leaf Foundation was initiated in 1998 by the Board of Environmental Promotion for Tourism Activity (BEPTA) to standardize environmental best-practices for all hotels, and promote the efforts of those which already contributed to efficient management of energy and resources. The certification takes sustainability into account for environmental, social, and economic aspects. Many criteria of the certification are designed to work in parallel with the national and other related regulations.

6. ASEAN Green Hotel Standard and certification process is initiated by ASEAN to promote energy conservation and environmentally-friendly practices in the ASEAN accommodation industry. The standard establishes a professional green hotel operation, such as environmental planning, green products, human resource, and environmental management. The standard aims to enable the environment and communities to benefit from a collective approach to operational professionalism.

6.4.1.2 Excursion

Thailand has 15 tourism standards established by DOT and 1 set of criteria by MOTS that can be categorised into adventure and nature-based activities, freshwater and marine-based activities, animal-related activities, and community-based activities. In addition, 2 tourism standards developed by ASEAN are also being used in Thailand. All standards are presented below:

1. Adventure and nature-based activities
   - Hiking/trekking standard
   - Wild plants watching standard
   - Rafting standard

- Mountain climbing standard
- Camping standard
- Camping standard
- Eco lodge standard

2. Freshwater and marine-based activities
   - Snorkelling and scuba diving standard
   - Canoeing/ Kayaking Standard
   - Jet Ski standard

3. Animal-related activities
   - Elephant camp standard
   - Bird watching standard
   - Butterfly Watching standard

4. Community-based activities
   - Cultural attractions standard
   - Thailand CBT criteria
   - ASEAN CBT standard
   - Thailand Homestay Standard
   - ASEAN Homestay Standard

6.4.1.3 Service

Thailand has 13 tourism standards established by DOT that can be categorised into transportation, food service, souvenirs and shops, and health and wellness. In addition, 2 tourism standards developed by ASEAN are being used in Thailand. All standards are:

1. Transportation
   - Van service standard for tourism
   - Coach service standard for tourism
   - Tourist boat standard

- Raft service standard for tourism

2. Food service
    - Dinner cruise standard
    - Food service standard for tourism
    - Halal food service for tourism

3. Shops and souvenirs
    - Souvenirs shop service standard for tourism
    - Souvenirs shop (gem stone products) service standard
    - Service and safety standard in shopping centre for tourism

4. Health and wellness
    - Wellness services standard for tourism
    - Tourism service for disabilities, senior, families with young children, and pregnant woman
    - Public restroom standard for tourism (international level)
    - ASEAN Spa Standard
    - ASEAN Public Toilet Standard

6.4.1.4 Destination

Thailand has 15 tourism standards established by DOT that can be categorised into natural-based destinations, cultural-based destinations and other destination-related standards. All standards are presented below

1. Natural-based destinations
    - Natural attractions standard
    - Natural attractions standard (waterfall)
    - Natural attractions standard (beach)
    - Natural attractions standard (island)
    - Natural attractions standard (rapid)

- Natural attractions standard (cave)
- Natural attractions standard (terrain)

2. Cultural-based destinations
    - Tourist attractions standard (arts and sciences)
    - Recreational attractions standard
    - Cultural attractions standard
    - Historical attractions standard

3. Other destination-related standards
    - Ecotourism standard
    - Agritourism standards
    - Health tourism standard (natural hot spring)
    - Tourism destination management standard

6.4.1.5 Tourism personnel, business, and guide

1. Tourism Business Standard

The standard is launched in 2020 following the Tourism Business and Tourist Guide Act B.E. 2008 that aims to protect consumer rights of tourists and promote standardised business operators.

2. Tourist Guide Standard

The standard is launched in 2020 following the Tourism Business and Tourist Guide Act B.E. 2008 that aims to protect consumer rights of tourists and promote standardised tourist guides.

3. Thailand Sustainable Event Management Standard

The standard is initiated by Thailand Convention & Exhibition Bureau (TCEB) to be a tool for MICE industry entrepreneurs to reflect their awareness of the importance of sustainable business practices and to create a competitive advantage in both regional and global markets.

In addition to official standards, Thailand also has several prestigious *tourism awards*, which include sustainability criteria and third party judging processes. The most famous awards are the Thailand Tourism Awards, also known as the Kinnaree Awards. The theme of the awards changes somewhat from year to year. In 2021 the awards were for destinations, accommodations and health tourism. GSTC criteria have been included in the judging criteria design for several years.

6.4.2 Key environmental issues in the tourism value chain

6.4.2.1 Carbon

Carbon emissions are the key environmental impact of the travel sector, caused by transports (e.g. flights and busses), accommodations (e.g. heating), and activities (e.g. motorboats). There are considerable discussions on the definition and assessment of overlaps between the scopes of measurements taken within tourism supply chains. Three scopes are defined:

- Scope 1 - direct from companies' own facilities and vehicles;
- Scope 2 - indirect from purchased electricity, steam, heating / cooling for own use;
- Scope 3 - indirect impacts from waste generated in operations (upstream) and end-of-life treatment of sold products (downstream).

Scope 1 and Scope 2 are often within a company's influence, yet many in Scope 3 are outside and difficult to include in baseline assessment and reduction initiatives. Scope 3 contains the greatest climate impact, yet is the most difficult for the company to address. Major initiatives already exist to motivate and incentivise large businesses to reduce carbon footprints. However, at high level, due diligence for tourism scope 3 emissions and financial disclosure (TCFD, 2020) required for re-financing post COVID is creating a highly complex and expensive environment for measurement and disclosure.

Thailand is classified as a high-risk country for the long-term impacts of climate change. Interviews with stakeholders in Thailand confirmed that several major hotel chains and airlines inside Thailand are involved in international initiatives to achieve 'Net Zero' carbon emissions by 2050. These schemes are already established and well-funded (Tourlink Project Manager personal interview with PATA, July 2021). However, complexity, and high costs associated with auditing, is obstacles for SMEs to engage.

Thailand Greenhouse Gas Management Organisation (TGO) was established in 2007 as an autonomous public organisation to manage and expedite development and implementation of greenhouse gas reduction projects and support public, private and international organisation partnerships to promote implementation of climate action. TGO supports tourism projects, including the Carbon Balance project, partnered with DASTA and TEATA (also Tourlink partners).

TOURLINK plans to develop a *carbon management and compensation tool*, and *carbon-neutral travel packages*, based on CARMACAL, a carbon management tool for tour operators, initiated by ANVR (the Dutch tour operator association) in partnership with the NHTV University Centre for Transport and Environment. CARMACAL is connected with global hotel databases and IATA for detailed flight information. GHG data can be used by tour operators and clients to reduce carbon impact, promote sustainable product development, and support carbon offsetting.

Interviews (PATA, TEATA, 2021) confirmed the particular challenges faced by Thai tourism SMEs to calculate, manage and reduce their carbon emissions. Thailand has about 3 million SME's and start-ups, representing 99.7% of all enterprises (OECD, 2018), and contributing 35% of GDP in 2019. Approximately half of these SMEs are tourism businesses (Theparat, 2021)

COVID makes SME's ability to invest infinitely more difficult. 20,000 Thai SME's mostly involved in tourism, closed in the first Q of 2021 (OSMEP, 2021). Most tourism SMEs which remain open "*does not have access to financial support, such as soft loans from commercial banks*" (Idem). Thai SMEs require proactive support to be able to engage in Carbon reduction.

PATA advised the VCA team to scope the focus of Carbon activities towards smaller, local tour operators, which will mainly offset through voluntary markets, and also have fewer resources and support than bigger players. The CARMACAL would then be adapted to the needs of local Thai SME tour operators. Carbon offsets would be included in Thai SME tour operators' product offers, and the offsets would finance projects which directly support biodiversity, local Thai communities and innovative, small-scale circular economy related projects (to be identified).

Based on a focus on SME tour operators, TOURLINK's activities align well with the *Carbon Balance* project initiated by TourLink partners TEATA and DASTA, and partners (TGO, TAT, TCEB, PMUC, TSRI, and TCC). The project aims to fight against climate change by developing a *management tool to calculate carbon emissions* based on Thai emission factors that are available in other industries but not in tourism. CARMACAL does not cover local contexts, such as Thai local transportation (e.g. long-tailed boats, speedboats, Tuk Tuk) or small operators (homestays, eco-lodges, etc.). The Carbon Balance project aims to create *a carbon offset scheme for Thai SME's,* to encourage the use of carbon tools and minimize the difficulty of high offsetting costs.

6.4.2.2 Plastic waste

Every minute, one garbage truck full of plastic is dumped into the ocean; and each year, 8 million tonnes of plastic enters the world's oceans (TUI, 2020). In a timespan of only 60 years, plastics have become one of the most used and produced materials globally. They are cost-effective, lightweight and durable. Some can be recycled. However, without better management, by 2050, there will be as much plastic waste in the oceans as there are fish (WEF in PATA 2020) creating devastating impacts on flora, fauna, food chains and human health.

Plastics can be managed through the 4R's: Reduce, Reuse, Replace and Recycle. There are opportunities to manage and reduce plastic waste at many points along tourism supply chains, and across a broad range of tourism activities and departments within businesses.

In the tourism and hospitality industry, numerous programs have been initiated at global, national and local levels to reduce and eliminate single use plastics, focusing, for example, on disposable straws, plastic cutlery, amenities and laundry bags in hotels. Some types of plastic are bio-degradable and compostable. Some innovative types of plastics like bio-plastics and PLA can be composted under specific conditions. Some plastics are designed to be recycled. However, currently only approximately 15% of plastics actually end up being recycled.

A key challenge is to identify *practical, cost-effective solutions, which demonstrate how to reduce single-use plastic in tourism without compromising the guest experience or safety standards*. To be successful, programs need to involve suppliers, management, staff and guests (Travelers without Plastic, PATA, 2020). At global level, programs and toolkits include:

- The Let's Reduce Single-Use Toolkit makes it easy for hotels and accommodation providers to take practical steps to reduce unnecessary single-use plastic consumption, track and record progress, engage staff and communicate with guests. Testimonials report that the toolkit has enabled businesses to make real change that can be tracked in terms of impact, and increased confidence to completely eliminate unnecessary products (plastic or not), and make more informed choices around alternatives to single-use plastics, based on their credibility.
- Plastic Reduction Guidelines for Hotels (TUI) provides a very useful of overview of specific types of plastic waste by location and department, and offers suggestions for alternatives, as well as actions to eliminate or reduce the use of these items.
- PATA's Plastic Free Toolkit for Tour Operators was designed to assist tour operators to tackle the use and management of single use plastics in tour operations; by systematically assessing the businesses' current consumption of plastics, considering different alternatives, and deciding how to reduce plastic footprints.
- The toolkit's step by step approach includes: getting approval and commitment from senior management; setting up a plastic free working group; conducting a baseline assessment of plastic use; establishing performance targets; developing and implementing an action plan; communicating, marketing and raising awareness among staff, suppliers, customers and the media; and monitoring and evaluation.

Part of TOURLINK's foreseen activities are to *develop a repository of best practices within hotels and among excursions, leading to a plastic waste best practice standard* for different types of suppliers (4.3A); *integrate key criteria into other supplier standards* (4.3B) and *develop an online package on plastic awareness and reduction* (4.3C). PATA is the lead partner, supported by ECEAT, responsible for leading plastic activities for TourLink.

Single use plastic is a huge issue, globally, leading to a large number of existing resources. To optimise TourLink's contribution, building upon existing work and scoping the target groups will be essential. TourLink activities may need be adjusted to avoid replication with existing schemes, or to include a focus on additional target groups, for which fewer tools currently exist in Thailand.

Possible activities could include:

- Developing a repository of plastic waste management criteria and best practices, tailored to standards for different types of (prioritised) Thai tourism suppliers
- Translating PATA's Plastic Free Toolkit for Tour Operators translated into Thai language
- Conducting plastic waste management training for Thai tourism businesses

6.4.2.3 Food waste

Food waste refers to "*the decrease in the quantity or quality of food resulting from decisions and actions by retailers, food service providers and consumers*" (SOFA in FAO, 2020) and falls under SDG 12 (sustainable consumption and production), target 12.3.1.b (FAO, 2016).

About one-third of all food produced worldwide gets lost or wasted in the food production and consumption systems, amounting to 1.3 billion tonnes. This wasted food would be sufficient to feed the estimated 900 million hungry people in the world (UNEP-FAO, 2020).

Less food loss and waste would lead to more efficient land use and better water resource management with positive impacts on climate change and livelihoods (FAO-UN, 2019)

There are numerous initiatives at global, national and local levels to understand, monitor and reduce food waste at various points in supply chains. Global initiatives are being led by UNEP and FAO, and coordinated around the One Planet Network (10YFP). Notable initiatives include Think.Eat.Save and the Waste and Resources Action Program (WRAP).

A key challenge to reducing food waste is to understanding what causes food losses at various stages of the supply chain; from production and post-production to processing, distribution and consumption (FAO, 2016). Without clearly understanding where, why, how and by who food is being wasted, it is impossible to reduce food waste systematically and effectively.

In tourism and hospitality, a key One Planet initiative is the development of a Global Roadmap on Food Loss and Waste Reduction in the tourism sector (UNEP, 2020).

According to food waste experts, LightBlue Consulting (in PATA, 2020), 25-42% of all food purchased ends up wasted and hotels and restaurants with no food monitoring system waste 3 to 8 times more food than they think. These figures illustrate the key importance of raising the awareness and commitment of tourism staff and consumers to reduce food waste.

According to PATA (2020), about 75% of food waste in hospitality is avoidable. Historically, a lot of attention has been paid to managing hotel and restaurant buffets, which are seen as a particularly wasteful way of offering food. However, when prioritising where to focus efforts, it’s important to note that 50% of food is wasted during the steps of 1) Purchasing, 2) Receiving, 3) Distribution, 4) Storage and 5) Preparation of food and beverages; while only 15% of food waste is created from buffets and plates (LightBlue Consulting cited in PATA 2020).

By 2021, many different tools have been developed to reduce food waste. Most of these tools are aimed at restaurants and hotels. The Pledge on Food Waste is a third party audited certification system, designed specifically for hotels, restaurants and canteens. PATA have also developed a BUFFET toolkit, with step-by-step instructions for action including measuring food waste, optimising procurement and inventory management, managing food preparation, considering types of service and managing a buffet, portion control and food rescue.

Part of TOURLINK's foreseen activities are to develop a *food sustainability standard* for hotels and restaurants (AC 4.2A) and *food waste training package* (online and toolkit) in Thai. PATA is the lead partner, responsible for leading food waste activities for TourLink.

Due to the very large number of existing resources, building upon existing work and scoping the target groups will be essential. To optimise TourLink's contribution, activities may need be adjusted e.g. to include a focus on additional target groups, for which fewer tools exist.

Possible activities could include:

- Developing a repository of food waste management criteria and best practices, tailored to standards for different types of (prioritized) Thai tourism suppliers
- Translating PATA's BUFFET Toolkit into Thai language
- Conducting plastic waste management training for Thai tourism businesses

6.4.3 Key social issues in the Thai tourism value chain

6.4.3.1 Legal compliance

Thailand has a complex legal environment, with many laws covering tourism related businesses. During the past 20 years, law enforcement has gradually become stricter. A key challenge is consistency of law enforcement, including corruption (for special treatment, leniency, etc.).

The travel and tour guide business is regulated by the Tourism Business and Guide Act (2008).

Before engaging in the tourist business, one has to apply for a Tourism Authority of Thailand (TAT) license with the Tourist Business and Guide Registration Office. The license is categorized into inbound, outbound and domestic tourism. The travel and tour guide business is a restricted activity under the Foreign Business Act. A foreigner that wants to open a tourist business will have to incorporate a juristic person to apply for the TAT license. The company must have majority Thai ownership and a local director to sign for the tourism license.

Hotels must apply for a hotel license, with different criteria depending on the number of rooms.

Tour guides in Thailand must also have a license to work legally. Only Thai nationals can be legal, licensed tour guides. They must pass an accredited course.

There are several categories of Thai tour guide licenses, from local to national levels, and giving differentiated right to provide guide services for domestic and international travellers.

Within the formal tourism sector, businesses generally follow the law. However, in the hotel industry, pressure if often put 'under the table' to change the legal status of land from 'agriculture only' zoned land, to land with a full 'Red Garuda' land certificate, which gives full ownership and permission to undertake commercial business. There is a large, informal sector.

The ability of the TourLink project to lobby for changes in Thai law within the project time-frame will be very limited. It is recommended that TourLink focus on voluntary measures.

6.4.3.2 Local communities

Meeting and interacting with local people in destinations is a top highlight for many travellers. During the past two decades, demand for welcoming, authentic, local experiences has grown constantly. Emerging from COVID, research suggests that demand will continue (CBI, 2020).

Tourism engages with local communities in diverse ways. Beautiful, scenic spots are often home to local farmers and fishers, who rely on healthy eco-systems and access to land and natural resources to maintain their livelihoods and feed their families. Tourism can provide new jobs, income, markets for micro-entrepreneurs, social welfare, and funding for local social and environmental initiatives (e.g. local schools, health clinics, nature conservation). Offering tourism services (e.g. nature trekking) can help to reduce exploitation of natural resources.
However, tourism can also limit access and put pressure on natural resources, create waste, and change the dynamic of social relations, causing serious negative impacts and conflicts.

The challenge of 'how to do' tourism, which reduces negative impacts and increases local benefits is highly contested. Stakeholders inside and outside communities have many different (often opposing) views, depending on their respective values, roles, interests and objectives.

Twenty years of experiences developing tourism in and alongside local communities now provides tourism professionals with best practices and lessons learned from success and failure.

Currently, '*inclusive tourism'* and '*community-based tourism'* (CBT) offers valuable lessons.

"*Inclusive business in tourism can be defined as tourism that increases business linkages between people from low-income communities and tourism-industry actors for long-lasting mutual benefit*" (GIZ, 2014). In this model, communities can engage with tourism as *employees* or *entrepreneurs* (Idem). As employees, community members can find jobs working for tourism businesses outside (usually) or inside the community (e.g., a boutique hotel, coffee shop, etc.).

As entrepreneurs, community members can choose to offer their products and services to tourists *inside the community* (buyer travels to seller); or offer their products and services to tourists or businesses *outside the community* (seller travels to buyer). GIZ (GIZ, 2014) identified 7 fields of opportunity for inclusive tourism: Maintenance and Services; Activities; Crafts; Food and beverages; Transportation; Natural conservation and Construction. Benefits for businesses were defined as product quality, innovation, reputation management, risk mitigation and cost reduction (Idem). In this model, culture is seen primarily as a tourism development resource.

One useful definition of Community Based Tourism (CBT) is "*tourism owned and/or managed by communities and intended to deliver wider community benefit*" (GoodwinandSantilli, 2009). CBT may be managed through a loose, cooperative approach (a village tourism club or committee) or a formal partnership with an ethical, outside investor (e.g. a Joint Venture to develop a CBT eco lodge). The partnerships between Thailande Autrement and Pha Mon Karen community, and Lisu and Lanjia lodges by Asian Oasis are examples of CBT JV's in Thailand.

It is not easy to achieve true 'win-win' partnerships between communities and businesses. According to ITC and CBT-I, (CBI-ITC, 2018) (ITC, Community-based Tourism Training of Trainers (CBT-TOT), 2021), successful CBT requires two key skill sets, spanning tourism (e.g. product development, marketing and operations) and community development (e.g. mobilising, capacity building, facilitating consensus and conflict resolution).

CBT which is developed carefully, through systematic training, can help communities build skills, earn income and retain significant influence over the direction of tourism development. Living culture (i.e. traditional consultation) can play a central role. However, to succeed, communities must be open to working with businesses and meeting their customers' needs.

Three key principles can help to identify genuine CBT (ITC, 2020):

1. Step by step capacity building to prepare community members to welcome guests, manage and deliver tourism services and activities;
2. Systematic efforts to share opportunities for work and income, including indirectly through a community fund or similar mechanism;
3. Cross-cultural exchange based on aspects of local life which community members feel proud and comfortable to share with visitors.

Thailand has been a global pioneer of CBT since the 1990's. The Responsible, Ecological, Social Tours Project's CBT Handbook (REST, 2004) was highly influential to CBT development across Asia. In 2007, REST and the Thailand Research Fund (TRF) partnered to establish the Thailand Community Based Tourism Institute. CBT-I and partners in NGOs and academia pioneered CBT research and development, mobilizing networks of Thai communities to work with Thai tour operators, and communicate their needs to the Thai government. The principles of local community participation and benefits were gradually embedded across Thai tourism policy.

TourLink project Partner, DASTA established the ground-breaking Office of Community Based Tourism Development, elevating CBT into a National Agenda, developing a GSTC recognised Thai CBT standard, (NTPC, 2019) and supporting exciting, new CBT initiatives across Thailand. Currently, DASTA is working with the DOT, which is the legal host of Thai tourism standards, to adjust the Thai CBT standard to be compatible with the GSTC-D (Destinations) standard. DASTA are supporting a great diversity of CBT initiatives, including work at the crossroads of Social Enterprise (SE) and CBT, which is considered a great innovation by new generation Thais.

The DASTA CBT standard is carefully designed and useful. However, it is a difficult standard. Meanwhile, most of the communities which TO's in Thai-EU supply chains actually visit during their tours are not certified. Two strategies are to 1) encourage Thai tour operators to include more certified CBT into their offer; and 2) help existing partner communities to reach at least minimum sustainability standards. TourLink foresees several CBT related activities in Thailand, including: AC 4.5A, an inventory of popular TO community visits; AC4.5B, an adapted DASTA CBT standard; and AC 4.5C assessment of 20 communities using the adapted standard. A key aim is to develop a 'step in' standard which is more accessible for Thai tourism communities.

During interviews, 100% of tour operators stated that they work to ensure benefits for local communities; and support / engage in Community based tourism. Furthermore, most operators also contribute to community projects and/or work with suppliers that contribute to communities. In general, there is high interest among the TO's to support communities, including considerations on developing employment for people in local communities. It should be noted that, within this general good will, there were significant differences in how TO's understood CBT. Overall, CBT is still a niche market, but demand is clear and growing.

Figure 6.4.3.2.1: Do you work to ensure benefits to local communities?

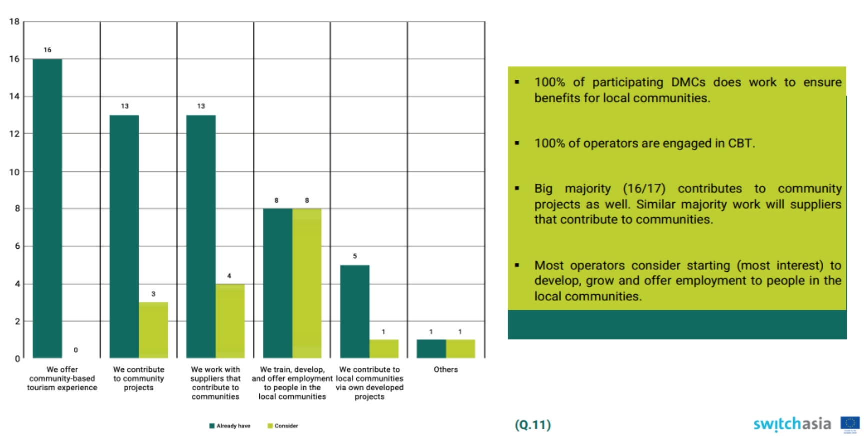
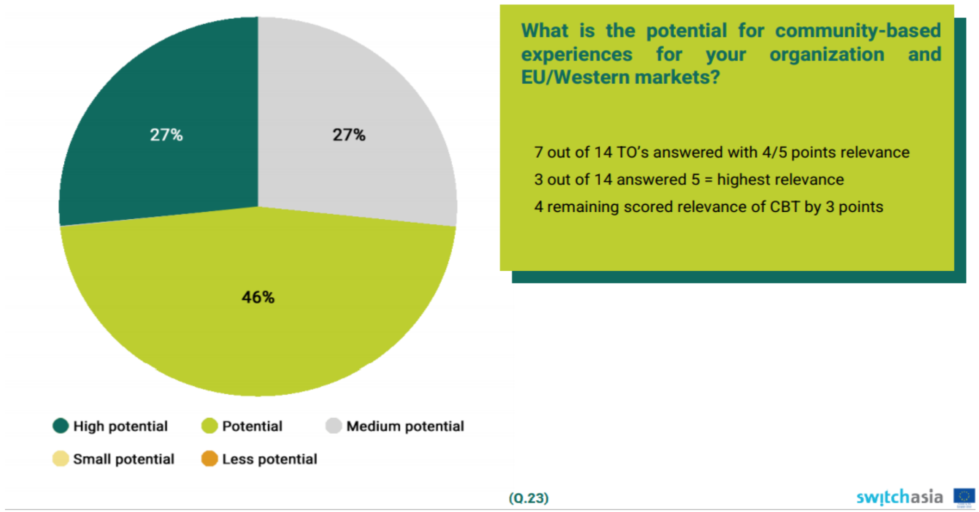


Figure 6.4.3.2.2: What is the potential for community-based experiences for your org. and EU/Western markets?



For maximum benefit, CBT activities should be seen as part of TourLink's broader, pilot destination approach. This will allow local communities, (and other sustainable SME's in the destinations), to benefit from selling their products to tourists and tourism businesses inside and outside the community (e.g. selling agricultural goods, textiles, handicrafts to hotels). The 'pilot destinations' section of the VCA (section 6.5) provides recommendations by destination.

Stakeholder interviews conducted during the VCA identified the following, additional needs:

- Standards must not be too difficult, including different incentives for different levels;
- There is interest among interviewed Thai tour operators to learn more about Thai CBT, and other creative and low carbon tourism. The TO's requested more information;
- DASTA's experience also confirms that tour operators and associations are interested to work with communities, but find it very complex, are concerned about price and need hands-on support. DASTA is interested to network with DMCs / inbound tour operators.
- Communities are interested to welcome different types and volumes of tourists. This means that marketing planning and match-making between appropriate communities (sellers) and tour operators (buyers) is important to meet communities' needs. This may be done at association level. E.g. TEATA / TRTA for niche TOs and ATTA for mainstream;
- DASTA have a network of 300 communities, with different capacities and potentials. A diagnostic (self-assessment) tool would help CBT's to define their needs, capacities and potentials. Comparing this data with TO needs would enable systematic matchmaking;

- Part of DASTA's role is coaching communities to reach the CBT standard. It may be possible in the future for DASTA to support CBT partnerships to succeed by training other supply chain actors (e.g. tour guides, DMCs). This will require clear, actionable standards (or SOP) for each actor along the chain, to define expectations for their roles;
- Professional guides are not confident in the skills of local guides. Training is needed to help professional and CBT guides to understand each other's roles and work as a team.
- Several interviewed TOs recognised that it is better for TOs to support existing initiatives rather than creating ad hoc developments. This creates potential demand for Private-Public-Civil Society projects. It would be useful to collect information about Thai organisations with the capacity to assist tour operators to develop new CBT initiatives. These organisations need to be skilled enough to deliver differentiated products;
- Specific trainings should include 1) how professional guides and local community guides can work as a team; 2) how TO's can survey, reach agreements and book CBT.
- At pilot-destination level (sec. 4.5), there is a broad need to identify CBT initiatives and other sustainable SMEs and suppliers, which can be included in future tours for EU TO's.

6.4.3.3 Working conditions

Working conditions are a key pillar of sustainability. While working to create opportunities for communities and suppliers, companies also need to look after their own staff as a priority. Engaging in sustainability activities can be highly motivating for staff's sense of purpose. A number of organisations within Thailand are responsible for decent work and gender balance.

The Ministry of Labour (MOL) is responsible for labour administration and protection, skill development and employment promotion. Offices include the Department of Employment (DOE); Department of Skill Development (DSD); Department of Labour Protection and Welfare (DLPW); Office of Social Security (SSO) and Thailand Institute of Occupational Safety and Health (TOSH). The MOL has launched campaigns to support employment and decent work such as Smatjobcenter, Hiring new graduates, and provincial professional training.

The Ministry of Social Development and Human Security (MSDHS) duties are mainly focused on social development, creation of fairness and equality in society, promotion and development of quality and security in life, families, and communities as a whole. The agencies under MSHDS' authorities include: Department of Social Development and Welfare (DSDW); Department of Children and Youth (DCY); Department of Women's Affairs and Family Development (DWF); Department of Older Persons (DOP); Department of Empowerment of Person with Disabilities (DEP) and the Community Organisations Development Institute (CODI).

The Human Rights Impact Assessment in Thailand and Myanmar (HRIA, 2020) concluded that minimum wages are respected in Thailand: "*National laws on wages and working hours are respected – workers have regulated working hours (9h / d) and get one day off per week.*" However, the report also remarked that "*Dissatisfaction was expressed regarding salary increases; career development and promotional opportunities*" and "*The minimum wage in the sector does not sufficiently reflect the cost of living and is not considered to be enough to support a family, especially in Phuket and Bangkok. Many workers in the tourism sector depend on a second income*." Tourism can also directly lead to increased costs of living, as is the case in many major Thai tourism destinations (e.g. Phuket, Pattaya, Hua Hin).

Tour guides was found to be usually freelance workers, which matches the findings in this report. Guides are mentioned among informal workers together with drivers. Guides raised the "*unpredictable working hours and income, lack of insurance and that they need a secondary income to cover living costs*". Regarding the drivers, it was mentioned "*working hours of drivers (transfers, coaches) often extend regulated working time. Drivers are highly dependent on tips*."

The report included useful recommendations for tour operators and the industry:

Figure 6.4.3.3.1: Working conditions in Thailand: areas of action for tour operators

Aspired outcome	Potential measures for TOs	Potential partners
Suppliers respect fundamental worker's rights	• Develop supplier code of conduct and make sure it is signed and implemented by suppliers; • Make sure that contracted hotels and other service providers comply with national labour legislation; • Train key suppliers in supplier code of conduct, with a focus on adequate working conditions; • Further develop certification schemes such as Travelife in relation to workers' rights; • Distribute toolkit from ITP and Shiva Foundation on modern slavery and anti-trafficking and raise awareness amongst key suppliers;[33] • Distribute training developed by Hilton Hotel Group on modern slavery;[34] • Provide training on human rights to key suppliers in collaboration with the NHRCT, who developed the 'Human Rights Due Diligence Handbook' for the hospitality sector and conducted a pilot project with hotels in Phuket where the handbook is applied in practice.	• Travelife • International Tourism Partnership (ITP) • Hotel associations • TAT • ILO • PATA • ASEAN Centre for responsible business • The National Human Rights Commission of Thailand (NHRCT)
Working conditions of subcontracted staff are improved	• Make sure maximum driving hours are respected and that itineraries are feasible within the regulated driving hours. Apply RT guidance on driving personnel.[35]	• DMCs • RT
DMCs develop their own CSR policies and respect human rights	• Support DMCs to develop their own CSR policies and human rights due diligence process. Support certification; • Provide training on human rights and promote RT Tools.[37]	• DMCs • Travelife for tour operators • TourCert • RT

Recommendations such as developing a code of conduct for suppliers, developing certification schemes such as Travelife in regards to workers' rights, and respecting maximum driving hours for drivers are all relevant and can be included in the recommendations of this report.

A key observation by project partners is that a large number of tourism and hospitality workers have lost their jobs during the COVID crisis, and are looking to re-skill and upskill. This is an opportunity to embed sustainability awareness and skills in the post-COVID, tourism workforce.

6.4.3.4 Human rights

Human rights in Thailand tourism industry

The Human Rights Impact Assessment Thailand and Myanmar (HRIA, 2020) was developed based around the UN Guiding Principles on Business and Human Rights (UNGPs), are delivered useful key conclusions on human rights in Thailand's tourism industry as follows:

Economic inclusion: Tourism is used as a tool to support economic growth and perceived to improve the livelihood of local communities. However, several challenges regarding human rights and economic inclusion in tourism were found. Local communities often have inadequate access to consumer markets and business networks, receive unequal share of benefits compared to other stakeholders, and have insufficient support from the government (permission and certification for tourism purposes). In addition, products offered in accommodations of mainstream beach destinations are from large wholesalers and do not benefit the local economy. The increase of all-inclusive resorts is negatively impacting local restaurants and services. *The TourLink project could help to make large hotels more aware of local, sustainable options.*

Loss of cultural identity: Although tourism can benefit local communities, it can also have negative impacts on the rights of indigenous people, which can lead to the loss of their cultural traditions. The Thai government promotes destinations with indigenous groups as tourist attractions. However, many indigenous peoples and marginalised groups cannot gain Thai citizenship, which hinders their basic rights to education, healthcare, etc. In addition, artificial villages are built and traditions are commercialised to attract tourists without getting permission from or sharing the benefits with the indigenous peoples. Tourists also behave inappropriately to the local culture. In many destinations, local communities have been forced to leave their lands and traditions, or priced out of the area due to tourism development and rising cost of living.

A specific issue is the treatment of Kayan communities in Thai tourism. Known as 'Long Neck Karen', the Kayan were originally refugees from conflict in Myanmar. Iconic, photogenic, brass rings worn by Kayan ladies made them into a tourist attraction. Lacking Thai citizenship and rights to travel freely, many Kayan in Thailand live inside gated communities, where they sell trinkets and earn money for tour operators. A pioneering CBT initiative at Huay Pu Kaeng (FT, 2021) helped community members to have greater influence and benefits from tourism. Lessons from this initiative could be useful for other vulnerable communities inside Thailand.

Recommendations for improving this specific issue are to conduct research to better understand the situation and needs of Kayan community members in Thailand, assess the interest of villagers and Thai businesses to adapt CBT models to their areas, organize a study tour to Huay Pu Kaeng, hold a round table for Kayan tourism stakeholders, and make recommendations for change.

Working conditions: Staff accommodation is reported to be good and staff benefits are appreciated by workers. Migrant workers (mainly from SEA) must be legally registered and have rights according to migrant labour laws. However, migrant workers still have less opportunities and labour rights than Thai nationals and often get very low-ranking jobs. The government also enforces laws and activities to tackle human rights abuses in trafficking and forced labour. However, indigenous peoples (e.g. Kayan) who lack citizenship and are not allowed to move outside their areas, and are illegally trafficked to other parts of Thailand to work in artificial cultural villages or tourism attractions. This sad situation impacts the positive image of Thai tourism in European markets.

Although employers usually follow national laws on wages and working hours, workers frequently report that the minimum wage in the tourism sector is insufficient for the cost of living, particularly in Phuket and Bangkok. Many tourism sector workers need a second income, especially during the low season. Labour issues were raised in some professions such as boat and bus drivers who usually have longer working hours which result in insufficient rest and involvement in drug use. Tour guides, usually freelancers, have unpredictable working hours and income, lack insurance, and often need a second income to cover living costs.

Environmental impacts: The tourism industry frequently causes excessive waste, which results in negative impacts on the environment and local communities. Waste management is relatively poor in many destinations. When tourism spots are kept clean, waste is often brought to poorly managed dumpsites, which can create health and environmental problems for local communities, as well as impact customer satisfaction (views of litter). The increase of tourism facilities such as golf courses and water parks also causes higher pressure on water shortage in local communities, while many communities without land rights do not have access to water and electricity. In many regions, waste water is discharged in the river or sea, which negatively impacts the environment and the communities.

Children's rights: Child labour can be found in the tourism supply chain, usually in the agriculture and construction sectors. However, children are also involved directly through activities such as helping in shops or restaurants, selling goods and souvenirs to tourists, and performing cultural shows. Children are also being exploited for sexual purpose in tourism. One of the main challenges regarding sexual exploitation of children in travel and tourism is the lack of law enforcement. The activity is likely to occur within the less regulated environment (e.g. unclassified, and one-star or two-star hotels). However, it could exist in any kind of properties. Although several organisations such as the Code and ECPAT are working with hotels against this issue, sexual exploitation of children is still a hidden and illegal activity that complicated to define and disclose for the Thai community.

It should be noted that involving children in work as part of their 'life education' (alongside rather than instead of school), as a way of maintaining cultural traditions (e.g. crafts, arts and dance) and as a way of showing gratitude to their families, are considered very positively in many sectors of Thai society. During previous EU funded projects (e.g. CSR-MAP) defining what kinds of work children should be allowed (or indeed encouraged) to participate in Vs what should be considered exploitative child labour was a key issue in sustainability standards discussions. This issue needs to be approached sensitively, and with some flexibility to local norms and values.

Sexual harassment and discrimination: Women are at risk for sexual harassment in tourism-related workplaces such as spas and housekeeping. Although Thailand is promoted as LGBTIQA+ friendly destination, LGBTIQA+ individuals often face discrimination when applying for jobs in the tourism sector, while transgender individuals often have limited roles in hospitality, entertainment, or the sex industry.

Land rights: A key issue identified in the report is government policies having unintended, negative impacts on local, especially indigenous, communities. For example, the Forest Reclamation Policy was established to promote and protect national forest and marine resources. As a result, many areas were announced as national reserved areas, partly for touristic activities. On the other hand, these laws have resulted in the eviction of communities, including indigenous groups who have lived in the area for generations. Even long-standing communities do not necessarily have land ownership or formal land titles. This gives limited opportunities to be entrepreneurs in tourism (e.g. accommodations or excursions). Community members may be forced from their lands, resulting in the discontinuation of traditional livelihoods such as fishing or farming. Eventually, the same lands may be sold to investors with the money and influence to benefit from tourism.

The report (HRIA, 2020) concluded that local communities are frequently not informed and consulted about investments and projects, while compensation and remedy are insufficient.

Human rights institutions in Thailand

The Office of the National Human Rights Commission of Thailand (NHRCT), established in 2001, is an independent organisation overseeing human rights in Thailand. NHRC is responsible for investigation and report of human rights violation, recommendation for national regulations regarding human rights, promotion of human rights-related research and education, and support partnership between organisations regarding human rights activities. Aside from NHRCT, the Rights and Liberties Protection Department (RLPD), a government agency under MOJ, is responsible for measurements and operations regarding human rights.

In addition to governmental-based organisations, several non-governmental organisations focus on human rights issues in Thailand; including the United Nations Human Rights Council (UNHRC), Amnesty International (AI), the International Labour Organisation (ILO), the Global Alliance Against Traffic in Woman (GAATW), and End Child Prostitution in Asia Tourism (ECPAT).

Thailand's human rights policies and plans

RLPD has launched the National Human Rights Plan (NHRP) since 2008. The current NHRP 2019-2022 (RLPD, 2019-2022) aims to reduce human rights violations and covers vulnerable groups through the Handbook on National Human Rights Plans of Action. The Handbook includes 10 sectors as follows: 1) judicial process, 2) education, 3) natural resources and environment, 4) economic and business, 5) transportation, 6) public health, 7) information and information technology, 8) politics, governance and security, 9) residence, and 10) community, culture and religious rights; as well as 12 groups as follows: 1) children and youth, 2) human rights defenders, 3) prisoners, 4) ex-convicts, 5) elderlies, 6) disabilities, 7) ethnic groups, stateless, and urban asylum seekers, 8) LGBTIQs, 9) HIV infected, AIDS patients, and drug users, 10) women, 11) farmers and labourers, and 12) victims and witnesses.

Moreover, Thailand's first National Action Plan on Business and Human Rights (NAP, 2019–2022) was adopted and launched by the cabinet in 2019. The NAP provides analysis and overview of the business and human rights situations, challenges and action plans. In this plan, activities, responsible agencies, timelines, indicators, and linkages with the National Strategy and Sustainable Development Goals (SDGs) are explicitly elaborated. NAP encompasses 4 key priority areas which are 1) Labour 2) Community, Land, Natural Resource and Environment 3) Human Rights Defenders 4) Cross Border Investment and Multi National Enterprises (UNDP, 2020).

Sustainability and human rights in Thailand tourism

HRIA Thailand and Myanmar (HRIA, 2020) has recommended measures that can be undertake by tour operators to improve human rights situation, especially in the tourism sector as follows:

Figure 6.4.3.4.1: Recommended measures to be undertaken by tour operators (Human rights)

Type of measure	Examples
Influencing policy	Advocate for sustainable business practices in business associations at relevant government agencies
Sensitizing / awareness raising	Organise workshops and training to discuss issues and solutions, distribute or develop information material
Foster dialogue	Join Multi-Stakeholder Initiatives (MSI), discuss human rights issues through responsible tourism platforms
Customer information	Develop and distribute information on appropriate behaviour, provide information on how to buy local and support local communities
Inhouse training	Develop training for procurement, sales/marketing, human resources, etc.
Business partner training	Develop training for tour guides, DMCs, hotels, transportation companies, excursion providers, etc.
Product development	Develop products that benefit local communities, promote communi-ty-based tourism products and sustainable excursions
Adapting buying practice	Blacklist unethical suppliers, incentivise good practice, adhere to fair pricing practices
Business partner due diligence	Develop and implement supplier code of conduct, conduct regular supplier visits

6.4.3.5 Gender

Gender in Thailand tourism industry

Women are important driving force in the tourism sector. Airbnb revealed that the number of female accommodation owners on its platform in Thailand increased 45% in 2018 (TheStandard, 2019). The academic seminar (Mahidol, 2005) declared that the percentage of females (8.9-9.3%) working in Thai hotels and restaurants from 2002-2004 was twice higher than males (4.0-4.3%). However, HRIA Thailand and Myanmar (HRIA, 2020) reported that even though the majority of the workforce in the Thai tourism sector is female, most management positions are taken by men. UNWTO (UNWTO, 2020) confirmed that women tend to be concentrated in the lowest paid / status tourism jobs, while performing a large amount of unpaid work in family tourism businesses. Women are more likely to be employed in part-time and temporary positions. Professions such as a tour guide were perceived as unsuitable for women (Dunn, 2007); and women face a far higher risk of sexual harassment in tourism-related workplaces such as spas and housekeeping (HRIA, 2020).

Although prostitution is illegal in Thailand, it is well-known as a sex tourism destination. This involves Thailand's long history of social structure and gender roles. In the past, women's status in Thailand has been traditionally low. Polygamy is common for upper-class Thai men, which supports the existence of prostitution. Poverty is another essential factor for woman to enter sex industry or where Thai girls in rural areas are sold into prostitution. Although working in the sex industry is not ideal, financial hardship and limited career choices for women force many to become prostitutes (Cheng, 2010). Even though sex tourism generates about $6.4 billion a year or about 3% of the country gross domestic product (Amendral, 2021), sex workers are not eligible for welfare and are not protected under Thailand's labour law (HRIA, 2020).

Gender institutions in Thailand

Women empowerment and gender equality in Thailand are overseen by several organisations, both public and private. The Department of Women's Affairs and Family Development (DWF), established in 2002 under the Ministry of Social Development and Human Security (M-Society), is accountable for promoting women's potential, gender equality, and solidarity of family institution for stability of livelihood. DWF carries out its goals by enhancing and developing measures and mechanism, promoting and supporting technical matter and resources for the implementation of networks to preserve and protect women's rights. Moreover, in 2015, Thai Women Empowerment Funds (TWEF), under Community Development Department (CDD), was established to allocate funds for the development of women's roles and welfare. Meanwhile, Thai Health Promotion Foundation (ThaiHealth) also launched Women's Wellbeing and Gender Justice Program in 2012 to promote sexual equality and prevent gender-based violence.

In addition to the governmental-based organisations, there are several non-governmental organisations that operate in the areas of women empowerment and gender equality in Thailand, such as Women and Men Progressive Movement Foundation (WMP), Foundation for

Women (FFW), Foundation for Women, Law and Rural Development (FORWARD), Raks Thai Foundation, and Teeranat Foundation. (Visit more organisations here)

Thailand's gender policies and plans

The Constitution of the Kingdom of Thailand B.E. 2560 (2017), section 27, chapter 3, states that '*all persons are equal before the law, and shall have rights and liberties and be protected equally under the law; Men and women shall enjoy equal rights.*' Gender Equality Act B.E. 2558 (2015) is established to protect the rights of those who are discriminated on the basis of gender and to promote equality between men and women, as well as LGBTIQA+. In addition, DWF has launched the Women's Development Strategy (2017 – 2021) that aims to create equality in society, eliminate discrimination, and promote women empowerment. The Strategy consists of 5 gender equality development strategies as follows: 1) Paradigm Shift; 2) Empowerment; 3) Enabling Condition; 4) Protective and Corrective; 5) Strengthen WID Mechanism and Processes.

Sustainability and gender in Thailand tourism

Several projects and initiatives occurred in Thailand to support women empowerment and gender equality in the tourism industry such as:

- RATCH Group Public Company Limited has partnered with Thailand Environment Institute (TEI) in 2016 on the project 'Bhumree Women's Power to Save the Environment' (TEI, 2016) focusing on Nan province. The project aims to strengthen the roles and capacity of women in the management of natural resources and environment.
- CDD has partnered with several organisations to promote and support women's roles, and to reduce inequality. For example, arranging 'Inside Product by Thai Women Fund Rally' together with TWEF in Lopburi province (TWEF, 2018), and signing the MoU with organisations in Narathiwat province including TAT, TCT, and TWEF on the 'Thai fabric conservation and promotion project' that involves jobs creation for women.
- Raks Thai Foundation, funded by ILO, has worked on the project 'Safe and Fair: Realizing Women Migrant Workers' Rights and Opportunities in the ASEAN Region' to assist with skill development and to create awareness regarding labour rights and violence against women among migrant workers in Chonburi and Rayong provinces.

6.4.3.6 Elephants in Thai tourism

Elephant in Thailand's tourism industry

The estimated number of elephants in Thailand is 6,783–7,483, including 3,783 elephants in a captive environment and 3,000–3,500 living in the wild (Bansiddhi, et al., 2018). In Thailand, elephants have been domesticated since the 13th century and used for various purposes such as war, religious and cultural ceremonies, and logging (Bansiddhi , Brown , & Thitaram , Welfare Assessment and Activities of Captive Elephants in Thailand, 2020). After the logging ban in 1989, elephants have mainly been used for tourism (Lair, 1997). Therefore, the use of captive elephant has been continuing and the number of elephants used for tourism has been increasing. In 2017, approximately 2,700 elephants were working in 250 tourist venues (elephant camps) across Thailand (Thitaram, Bansiddhi, & Brown, 2019). Activities in the camps involve feeding, bathing, walking, riding, observation, and various kinds of shows (Bansiddhi, et al., 2018).

The popularity of elephant activities has led to increasing attention and criticism by animal rights activists, especially from western countries. Elephant welfare has become a debated topic in recent years. There are many divergent opinions on what are and are not appropriate practices regarding elephant welfare. Many western tour operators have taken the decision to completely ban elephant riding, which has had an economic impact on the camps and mahouts which rely on elephants to make a living. The symbolic and cultural importance of elephants as a symbol of the Thai state makes these discussions particularly sensitive, requiring diplomacy.

Elephant institutions in Thailand

Elephant protection and conservation in Thailand is overseen by many organisations, both public and private. Key organisations as follows:

- Centre of Elephant and Wildlife Research (CEWR), Faculty of Veterinary Medicine (VET CMU), Chiang Mai University (CMU)

  Centre of Elephant and Wildlife Research (CEWR), established in 2010, aims to conserve the Asian elephant and elephant-related cultures through research and education.

CEWR's objectives are to be a centre for education, research, service and development for Asian elephant information and conservation, as well as to support and promote elephant-related tourism.

- Department of National Parks, Wildlife and Plant Conservation (DNP)

  DNP is a government agency under the Ministry of Natural Resources and Environment (MNRE) and is responsible for promotion and support, conservation, and restoration of forest resources, wildlife, and plant species. DNP's activities regarding elephants involve promoting the ban of ivory trade and World Elephant Day (Naewna, 2015) and (DNP, 2018), solving and management of human-elephant conflict (WWF, 2019) and (ThaiPost, 2021), and elephant conservation management (ThaiRath, 2021).
- Department of Livestock Development (DLD)

  DLD is a government agency under MOAC and is responsible for supervising and controlling animal husbandry including health, disease treatment, breeding, food quality control, veterinary, and livestock, as well as processing animal products. DLD's activities regarding elephants is establishment of policies, plans, and measures for elephant welfare management (DLD, 2021)
- Asian Captive Elephant Working Group (ACEWG)

  In 2015, a group of elephant experts and practitioners from ASEAN countries met in Thailand to discuss the captive elephant issues in tourism and how to ensure the sustainable development for captive elephant in Southeast Asia. Therefore, the ACEWG was established with objectives to develop best captive elephant practices and protocols, create assessment system for existing elephant camps, and provide educational/training materials. ACEWG had partnered with TAT, PATA, and leading sustainability-focused tour operators to work on elephant-related matters.
- Thai Elephant Alliance Association (TEAA)

  TEAA was established in 2017 by a group of elephant camp owners in Northern Thailand with the main goal to ensure all camps provide the best care for elephants following welfare criteria and using appropriate elephant management. TEAA's objectives are to promote member unity and work together on elephant-based tourism issues, encourage positive perspectives about captive elephants and the way of life with elephants, be a support center for education and consulting about elephant-related topics, help members provide good veterinary care, and encourage and improve elephant conservation messages used by member facilities and others.

- World Animal Protection Thailand (WAP)

  WAP, establish since 1950, aims to protect animals, encourage authorities to recognize the need for animal protection, and promote and support the importance of animal welfare and protection. WAP is actively working on elephant protection activities in Thailand including awareness raising (e.g. Elephants. Not Commodities. Report), campaigns (e.g. Elephant Breeding Ban), collaboration with other organisations (e.g. Unite for The Herd), and supporting ethical elephant facilities (e.g. Build Back Better for Elephants).

In addition to the aforementioned organisations, more non-governmental organisations are operating elephant protection and conservation programs in Thailand such as Asian Elephant Foundation of Thailand, Human and Elephant Voices Network, Southern Thailand Elephant Foundation, and Wildlife Friends Foundation.

Thailand's elephant policies and plans

Thailand has several laws and regulations that involve elephant welfare and protection. In 2014, the Cruelty Prevention and Animal Welfare Act B.E.2557 (2014) was launched to motivate animal owners to provide appropriate care and shelter, and to stop the illegal meat trade (Klangboonkrong, 2015). The act also covers animals in nature. The elephant is also relevant to the Wildlife Preservation and Protection Act B.E. 2562 (2019) , which aims to enhance the protection levels of endangered species, the Beast of Burden Act 2482 B.E. (1939) that classifies elephants as draught animals along with horses, donkeys, and oxen, and the Animal Epidemics Act B.E. 2558 (2015). Specific regulations regarding the elephant in Thailand are the Elephant Ivory Tusks Act B.E. 2558 (2015) that aims to strengthen elephants protection and regulate the ivory trade; and the Bangkok Ordinance on Elephant Control in Bangkok B.E.2553 (2010) which aims to control the use of elephants for income in the Bangkok area.

Sustainability and elephants in Thailand tourism

Numerous tourism-related elephant initiatives have been launched by both the government and private organisations such as:

- The Department of Tourism (DOT) has launched the Elephant Camp Standard in 2009 to be the standard and guidelines of elephant camp activities for tourism. 30 camps out of about 223 camps (Worrachaddejchai, 2020) are certified by DOT (DOT, 2021).
- In addition to DOT, MOAC has launched the Good Animal Practices for Elephant Facility (2008) and the Animal Welfare Management in Elephant Facility (2020) that cover good practices for welfare in elephant facility.
- As the majority of Thai laws protect wild elephants but not captive elephants. Therefore, the Elephant Bill (WAP, 2021) is created and proposed to the Thai government. The aim of this Bill is to close the loopholes in the law for elephants in captivity and ensure all elephants are protected under the Thai laws.
- CEWR has been conducting training courses since 2015 that aims at four audiences - mahouts, veterinary assistants, veterinarians, and biologists. At the mahout level, regional training is conducted in collaboration with NEI (National Elephant Institute) and TEAA, and topics cover basic health care, as well as animal welfare concepts relevant to elephants (Bansiddhi , Brown , & Thitaram , Welfare Assessment and Activities of Captive Elephants in Thailand, 2020).

The TourLink project includes Activity 4.4 Responsible Elephant Tourism. The project aims to: A. Establish a multi-stakeholder dialogue between EU and Thai stakeholders (scientists, animal welfare organisations, in and outbound TO's), leading to a common understanding, meetings and a FAM-trip for EU key stakeholders from the travel sector to see best practices in Thai elephant tourism. B. Establish a best practice standard, audit guidelines and an award scheme. C. Training mahouts in animal welfare. D. Assess and award 25 Thai elephant camps.

6.4.4 Backwards linkages of tour operators to other services

6.4.4.1 Agriculture / food

Agriculture/food in tourism industry

Food is present in every step of a trip, from meals in an airplane, drinks in a bar, to stalls in a market. However, in Thailand, agriculture and food are also among the main motivating factors for travel. Agriculture supports tourism through food production. Agriculture-tourism or agritourism links agricultural production and/or processing with tourism. This includes initiatives such as farm stays and farm to table. Agritourism in Thailand has a positive development due to the increased popularity of food tourism. Thansettakij (Thansettakij, 2016) reported that Thailand has 1,215 agritourism destinations across the country, which can be categorised into 87 from the government, 969 from local/private sector, and 163 from Agricultural Learning Centres (ALC).

Food tourism or gastronomic tourism is reported by UNWTO to make 150,000 million US dollars worldwide. Gastronomic tourism also connects to agritourism, ecotourism, and wellness tourism. Due to its rich and extensive cuisine, Thailand also actively promotes and supports gastronomic tourism through activities such as the 'Amazing Thai Taste' project from the government or cooking schools and street food festivals. In 2015 The Department of Tourism (DOT) reported that gastronomic tourism covers 20% of the country's total tourism revenue (PSU, 2016).

Agriculture/food in Thailand

Agriculture is an important sector for Thailand's economic and social development because it employs over 30% of the country's labour force, covering 6.4 million households. Agriculture also covers 40% of the country's land use. However, it accounts for only 10% of Thailand's GDP which is slower than other sectors. The problems due to several structural issues in the agricultural sector such as insufficient access to water resources, 40% of farmers do not have their own land, and lack of continuity in implementation of policy and plans from the government (BOT-KKU-KU-PIER-TDRI, 2019).

The Ministry of Agriculture and Cooperatives (MOAC) is responsible for agriculture, procurement of water resources, development of irrigation systems, promotion and development of farmers and cooperative system, as well as production process and agricultural products. MOAC divided its responsibilities into four government sectors, four state enterprises, and three public organisations supervising different areas of agriculture and irrigation. In addition to MOAC, other organisations are involved in Thai agriculture and food production, such as the Ministry of Commerce (MOC) which oversees the prices of agricultural products and supports trade, the National Food Institute (NFI) responsible for promotion and development of food production, and the Food and Drug Administration (FDA), responsible for health quality and safety standards.

Sustainability and agriculture/food in tourism

The government and leading non-governmental organisations actively support sustainable (organic) agriculture and food production, as well as agritourism and gastronomic tourism through initiatives such as:

- The government launched the National Organic Agriculture Development Strategy 2017-2021 that aims to increase organic farming areas and farmers, as well as to expand the domestic-expert market to 40-60 and support the local organic agriculture (DIT, 2017).
- MOC launched the ‘Organic Training Program’ to develop farmers’ knowledge in organic agriculture and sustainable product development (MOC, 2017).
- In 2016, the Department of Health (DOH-MOPH) and MOTS implemented the ‘Food Safety Route and Fresh Market’ project to promote food tourism and Thai ways of life, as well as to develop food establishments to meet quality and safety standards (ThaiHealth, 2016).
- In 2019, MOTS launched the ‘Food Tourism Network Development’ project that aims to support food/gastronomy tourism and elevate local Thai cuisine, as well as to create food tourism network. 30 communities from 5 regions in Thailand were chosen to participate in this project (LifeBizNews, 2019).

6.4.4.2 Water supply and management

Water use in the tourism industry

According to the TAT (TATReview, n.d.), water use in the tourism industry is less than 1% of total global water use (70% is used for agriculture). However, many popular tourism destinations that also face water shortage such as Barbados, Cyprus, and Malta use about 7.3% of total water for tourism purposes. On average, tourist use 84-2,000 litres of water per day. According to a research 'Tourism and water use: Supply, demand, and security. An international review' (Ceron, Hall, & Peeters, 2012), water use per one tourist in Thailand is up to 913-3,423 litres per room per day.

Water use in tourism includes accommodation (higher in luxury hotels), activities (higher in golf activities and MICE), infrastructure, fuel use (especially air travel), and food and beverages. Moreover, it is estimated that water use in tourism will be higher due to the increased number of tourists, higher standard of hotels, and increased number of high water use activities.

Water supply and management in Thailand

The main water supply in Thailand is from the Metropolitan Waterworks Authority (MWA) and the Provincial Waterworks Authority (PWA). Both organisations are state enterprises under the Ministry of Interior, which is responsible for the production and distribution of potable water in Thailand. MWA is responsible for Bangkok, Nonthaburi, and Samut Prakan provinces, while PWA is responsible for other provinces throughout Thailand. People in urban areas and lowlands, especially in Bangkok and the Metropolitan, usually do not source water from other sources. However, in many provincial areas, groundwater and surface water are the main water sources due to the cost-efficiency and accessibility. The Department of Groundwater Resources (DGR) is responsible for groundwater activities in Thailand. In addition, due to the rainy or monsoon season, rainwater is available and widely used in Thailand. Households and buildings usually collect rainwater in a water barrel or a cistern as secondary water or for non-consumable uses such as washing cars and watering plants, or for agricultural purposes.

Several government agencies work towards water management in Thailand. The main agency is the Royal Irrigation Department (RID), a government agency under MOAC, which has the responsibilities for water management and water-related disaster prevention and alleviation in Thailand. RID has 17 regional branches across Thailand.

Sustainability and water use in tourism

Thailand promotes and supports sustainable water use in tourism industry through several initiatives such as

- Green Hotels - The Department of Environmental Quality Promotion (DEQP) launched the 'Environmentally Friendly Hotel or Green Hotel' project in 2013 with aims to enhance the use of resources and energy (including water) of hotels and improve service standards to become more environmentally friendly. Over 400 hotels are certified under this standard.
- Green Leaf Foundation (GLF) – was found in 1998 by a working committee called the Board of Environmental Promotion for Tourism Activity (BEPTA), consisting of six organisations - EGAT, MWA, ADEQ, THA, UNEP, and TAT. GLF aims to provide knowledge and understanding on resource efficiency, waste minimisation and handling, and environmental protection to hoteliers. GLF also initiated Green Leaf Certification program to standardise environmental best-practices for all hotels and promote the efforts of those who already make a contribution. 245 hotels are certified by GLF.
- TCEB supports the 'Water Empowerment' project that aims to reduce water use and promote sustainable water management in MICE industry (MICE standards, TCEB)

The Human Rights Impact Assessment in Thailand and Myanmar (HRIA, 2020) recognised access to water as a human right, and impacts on water as an infringement of human rights. The report made several recommendations to tour operators:

Figure 6.4.4.2.1: recommendations of water activities for tour operators

4.2 Potential measures for tour operators

Aspired outcome	Potential measures for TOs	Potential partners
Hotels implement measures to reduce water consumption	• Deliver workshops for hotels and tourism service providers on water-saving measures; • Disseminate water management guidelines to hotels and begin measurement activities with key hotel partners. Incentivise hotels. • Foster collaboration between private sector and government to ensure better management and planning.	• ITP • Phuket Hotel Association • Kuoni water manual • TAT • CSOs • Local authorities
Suppliers implement measures to reduce waste and to foster circular economy	• Train suppliers on waste management; • Address issue with associations in the tourism sector and join forces with other TOs to reduce waste in tourism; • Inform customers about appropriate behaviour and how to be respectful towards the environment.	• TAT • GIZ lab of tomorrow • Phuket Hotel Association • Local authorities
Projects to protect natural habitats and mangroves are implemented in collaboration with partners	• Work with environmental organisations (WWF, IUCN and others) to jointly implement mangrove protection projects.	• CSOs • Government • Communities • Tourism associations

Table 6: environmental impacts in Thailand: areas of action for tour operators

6.4.4.3 Energy supply

Energy use in the tourism industry: Tourism is connected to energy consumption both directly (transportation) and indirectly (accommodation, food and beverage, buildings, and activities). A study on the impact of tourism on demand for energy use in Thailand by the Energy for Environment Foundation (EFE) found that for every 1 million tourists, the demand of petroleum refineries use increases 0.05% while the demand of electricity and gas use increases 0.10%)EFE, 2016).

Energy supply in Thailand: The Electricity Generating Authority of Thailand (EGAT) is the main electricity supplier in Thailand. EGAT is a state enterprise under the Ministry of Energy (MOE) and responsible for electric power generation and transmission, as well as bulk electric energy sales, in Thailand. Nowadays EGAT generates 34.79% of the electricity from its 50 power plants throughout Thailand and buys 32.27% of the electricity from Independent Power Producers (IPP), 20.53% from Small Power Producers (SPP), and 12.41% from foreign producers in neighbouring countries (i.e. Lao PDR and Malaysia). SPP sells most of their electricity to EGAT and also to nearby industrial plants. Meanwhile, Very Small Power Producers (VSPP) produces energy from renewable sources (solar, wind, hydroelectric, biomass, biogas and waste, etc.) and for their own use. Then they sell the remaining electricity to MEA and PEA.

Figure 6.4.4.3.1: Thailand's Electricity Supply Chain

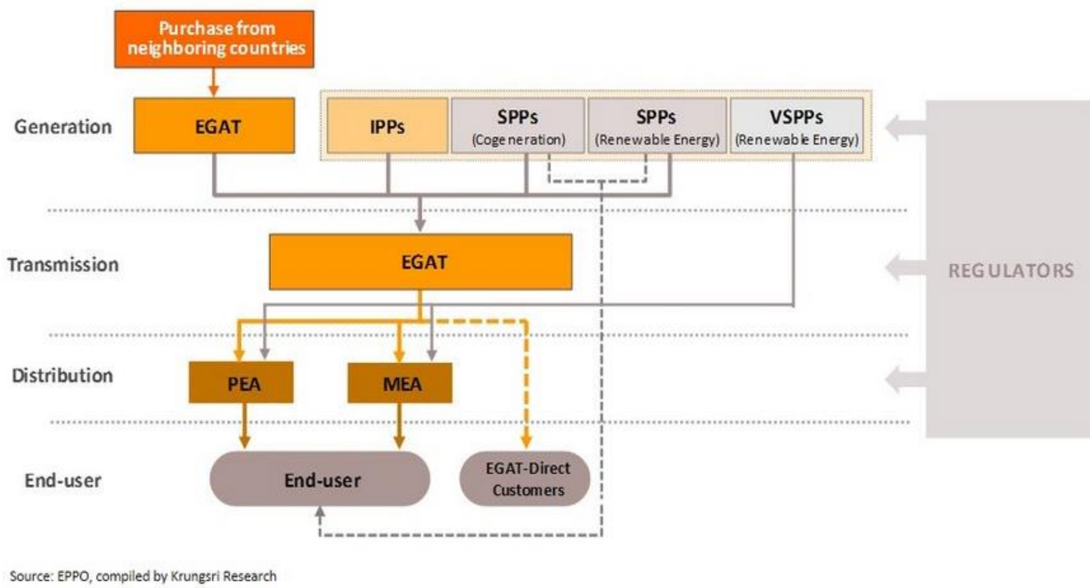


Figure 6.4.4.3.1 represents Thailand's Electricity Supply Chain. In addition to EGAT, the Metropolitan Electricity Authority (MEA) and the Provincial Electricity Authority (PEA) are state enterprises under the Ministry of Interior, responsible for distributing electricity in Thailand. MEA is responsible for Bangkok, Nonthaburi, and Samut Prakan provinces, while PEA is responsible for other Thai provinces. Households or buildings cannot select the types of energy by themselves when using electricity distributed by MEA or PEA. However, the proportion of fuel used for electricity generation in the EGAT's system in 2021 (EGAT, 2021) shows that renewable energy (hydroelectric, etc.) constitutes about 16.31% of the entire EGAT power generation, while natural gas is the highest proportion in power generation (60.43%), followed by coal (including lignite) (22.92%), diesel fuel (0.09%), fuel oil (0.02%), and others (Lao PDR,

Malaysia, Lamtakhong Cholapa Watthana) (0.23%). Therefore, users can assume that part of their electricity consumption is already sustainable.

In addition, solar power energy is accessible for small-scale use in Thailand. Many buildings and households, including EGAT, install solar energy panels. The main drawback of solar energy is the high cost of appliances and installation, which many consider unprofitable. A person or a company must have a permit from MEA to install solar panels. Besides, additional energy produced from solar power can be sold to MEA and PEA.

Aside from EGAT, other agencies under MOE support energy promotion and management. The Department of Energy Business (DOEB) is responsible for energy business activities, the Department of Alternative Energy Development and Efficiency (DEDE) is responsible for driving Thailand's renewable energy production and reducing the nation's overall energy consumption, while 76 Provincial Energy Offices act as representatives of MOE on a provincial level.

Sustainability and energy use in tourism

Thailand supports and works towards renewable energy development and sustainable energy consumption through several initiatives such as:

- No.5 Label – EGAT launched the Electricity Saving Label No.5 in 1993 to encourage the economical and efficient use of electricity among the public, as well as to promote the manufacture and import of high-performance electrical appliances with reasonable prices among manufacturers and importers. The No. 5 Label indicates information about electrical appliances such as levels of energy efficiency, types of certified products, and electricity cost per year. Currently, 22 types of appliances are certified by the No. 5 Label such as refrigerators, LED bulbs, air conditioners, and washing machines.
- Alternative Energy Development Plan (AEDP, 2015). The development of alternative or renewable energy in Thailand is gradually increasing. In 2015, renewable energy use accounted for 12% of total energy use in Thailand. AEDP 2015 aims to have 30% renewable energy use by 2036. Strategies are 1) Preparation of raw materials and renewable energy technologies; 2) Increasing the efficiency of production, use, and

renewable energy market; 3) Raising awareness and access to renewable energy knowledge and facts. AEDP 2015 aims to reduce 39,388 ktoe fossil fuels use, equivalent to approximately 140 million tons of carbon dioxide equivalent (tCO2e) energy.

- Green Leaf Foundation (GLF) (mentioned above) includes energy efficiency criteria.

6.4.4.4 Waste management

Waste management in tourism industry

In Thailand, one person creates approximately 1.13 kg of waste per day which means 75,046 ton of waste/capita/day is generated = 27.40 million ton/year (2017). 43% of waste is disposed properly, 31% is recycled, and 26% is disposed improperly (Prachachat, 2019). Tourism adds more waste to this equation, especially when the destination does not have proper waste management systems. For example, approximately 38.10 kg of waste (43% food waste and 21% plastic waste)/day or 0.43kg/capita/day was created by tourists at Kaeng Krachan National Park during July-December 2018 (Meephol, Permphool, & Teampanpong, 2019). The increased number of tourist results in higher waste generated, exceeding waste management capacity of the National Park. This has a negative impact to the ecosystem and tourism experience. While the Department of Marine and Coastal Resources (DMCR)'s study shows that 54,000 pieces of waste/year (mainly plastic) were collected in the sea during 2009-2012 (Ganghair, 2015). According to IUCN (IUCN, 2020), 54% of plastic waste from tourism in Thailand was mismanaged (improperly disposed and uncollected).

Waste management in Thailand

Waste legislation in Thailand mainly focuses on waste management by and within government organisations. However, legislation in relation to waste management of individual and private organisations is limited. The main legislations are the Enhancement and Conservation of National Environmental Quality Act B.E. 2535 (1992); the Public Health Act B.E. 2535 (1992); and the Act on the Maintenance of the Cleanliness and Orderliness of the Country, B.E. 2535 (1992). These legislations merely focus on waste recycling on the individual level of the waste management problems. The main focuses of waste-related legislation of Thailand are the procedures of governmental waste management and the waste-free preservation of public spaces such as highways and rivers. Waste management and recycling in household and private organisations are insufficient and require urgency for further development.

In 2016, the government is aware of the situation and has launched the Country Master Plan for Solid Waste Management (2016 - 2021) that aims to manage solid waste and hazardous waste on a national level. Moreover, the Plastic Waste Management Roadmap 2018 – 2030 by the Pollution Control Department (PCD - MNRE) has been approved. This Roadmap aims to reduce the use of certain kinds of plastics within 2022 and to have the maximum capacity to recycle the used plastics within 2027. This policy has taken private sectors into account and has taken key actions in 2020 to ban single-use plastic bags in 43 department stores and to ban microbeads in rinse-off products (in progress).

Waste recycling in Thailand can be handled by both the government and private organisations. Each municipality handles waste recycling differently. For example, Bangkok receives about 10,526 tons of waste daily and 10,706 tons go to landfill and only 180 tons go to recycling (1.71%) due to the overwhelming amount of waste and inefficiency of the recycling system (Thongthab, 2019). Therefore, the sustainability of waste recycling by the local municipality can be ambiguous. On the positive side, there are a growing number of alternatives for private waste recycling organisations specialising in recycling different materials such as Thai Plastic Recycle, Green Waste Gold, Won Project, Green Road Project ,E-Waste with AIS, and GEEP.

Sustainability and waste management in tourism

The government and leading NGOs are currently working on more extensive policies and action plans to include more stakeholders in the waste management supply chain. For example:

- In 2019, MOTS announced 'The Eco Tourism Hero' project to raise awareness on conservation and plastic in coastal destinations, promote and develop CBT, and develop responsible trekking routes (MOTSNews, 2019).
- Coca-Cola Foundation Thailand, DNP, and Sustainable Development Foundation (SDF) partnered in the 'Keep Thailand Beautiful' project. The project aims to develop 10 pilot

national parks across the country as model destinations of solid waste management (Prachachat.net, 2019)

- In 2020, DNP, PCD, and PTT Global Chemical (PTTGC) launched a waste management project targeting 12 national parks, under the Plastic Waste Management Roadmap 2018 – 2030, using circular economy principles (Techsauce, 2020).
- Thailand Convention and Exhibition Bureau (TCEB) support the 'Food Waste Prevention' project that aims to promote food waste prevention and management in MICE industry (MICE standards, TCEB).
- The Pacific Asia Travel Association (PATA) launched the BUFFET toolkit to provide a solid foundation for practical hospitality training in food waste. PATA is working with a range of stakeholders such as SOS scholars of sustenance, which rescues food which would otherwise become food waste (e.g. by providing Food Rescue Hampers to communities and CBOs for food security) and Suan Sampran, renowned expertise in farm to table.

On a household and private sector scale, regardless of stated laws or regulations, waste management and recycling are implemented through actions such as waste separation and partnership with local recycling companies. Aside from governmental waste separation services, there are extensive options for private waste recycling organisations of different kinds of waste such as:

- Plastic - Thai Plastic Recycle, Won Project, Green Road Project, Precious Plastic Bangkok
- Paper - KS Paper, Paper X, PPP Recycle, Paper Ranger
- Glass - Chansin Recycle
- Metal and aluminium - Metal Industrial Mahanakorn, STG, S. Charoenchai Industry
- Tires - Siam Pattana, Yangkao Minburi
- Batteries - Metal Industrial Mahanakorn, Samui Recycle, Green Waste Gold
- Electronic waste - E-Waste with AIS, Chula Loves the Earth, DTAC Think Haid D
- Textile waste - ZARA, Uniqlo, Mirrorf, Pankan Society

6.4.4.5 Other green trade

Green trade in Thailand

Trade and tourism are inseparable industries and important drivers of economic growth. Tourism is the fastest-growing economic sector worldwide, accounting for about 30% of global trade in services. Tourism is also driven by small and medium-sized enterprises (SMEs) and is significant for socio-economic progress (ITC, Trade and sustainable tourism, 2017). Tourism value chains cover a wide range of goods and services while green trade encompasses several areas in tourism and non-tourism sectors including green economy, green finance, sustainable consumption and production (SCP), as well as sustainable public procurement.

Green trade in tourism industry

Green trade in Thailand involves many actors that vary from trade supervision to sustainable products promotion and development. The Ministry of Commerce (MOC) is responsible for trade, business and service, and intellectual property in Thailand. MOC's roles for domestic trade include supervising domestic market pricing, ensuring customer's rights, promotion and development of trade business, as well as overseeing insurance business and protection of intellectual property. While MOC's roles for international trade include management of import and export, maintaining commercial interests, and negotiation under the framework of WTO, FTA, etc. In addition to MOC, there are other organisations involved with green trade such as the Ministry of Industry which is responsible for industrial promotion and development, Community Development Department (CDD), under MOI, is responsible for supporting and promoting of community development, and the Department of Environmental Quality Promotion (DEQP), under MNRE, is responsible for environmental-related promotion and development.

Sustainability and green trade in tourism

The government and leading non-governmental organisations are actively supporting sustainable (green) trade through both national and international initiatives such as:

- In 2021, EU SWITCH-Asia SCP Facility, together with Thai organisations (PCD, ONEP, and DEQP) has organised a kick-off seminar aimed to promote green and sustainable procurement in piloting agencies (SWITCH-Asia.EU, 2021).
- MOC and TAT have jointly worked on the initiative Trade & Tourism Alliance (TTA) to develop and connect trade and tourism. TTA aims to attract tourism revenues, enhance Thailand's competitiveness in international trade and tourism, support local and SMEs businesses, and fairly distribute income. The pilot sectors for TTA are health and wellness, gems and jewellery, locally-produced goods, agriculture and innovative agriculture, health tourism, franchise business, and restaurants with Thai Select label (MOC-News, 2019).
- Five financial organisations including the Fiscal Policy Office (FPO), Bank of Thailand (BOT), Securities and CDD Exchange Commission (SEC), Office of Insurance Commission (OIC), and Stock Exchange of Thailand (SET) established the 'Sustainable Finance Working Group' for financial actions for sustainability in the Thai financial sector. In 2021, the Working Group jointly published the 'Sustainable Finance Initiatives for Thailand'. The Initiative is one of the key collaborations to define the direction and framework for Thai sustainable finance, with 5 key guidelines as follows 1) Developing a Practical Taxonomy; 2. Improving the Data Environment; 3.Implementing Effective Incentives; 4.Creating Demand-led Products and Services; 5.Building Human Capital (Prachachat.news, 2021)
- MOTS have developed the Green Tourism Promotion Strategy (2017-2021), which aims to promote and develop green/sustainable tourism services, as well as to improve laws and regulations to promote green tourism. It consists of three strategies - 1. Development of green tourism resources and products; 2. Creating and improvement of mechanisms to support and promote green tourism; 3. Green tourism marketing promotion.

Locally produced and environmentally friendly products are also the part of green trade. Thailand has extensive ranges of local and green label/standard initiatives including:

- Green Label was initiated by Thailand Business Council for Sustainable Development (TBCSD), in corporation with other organisations such as MNRE, Ministry of Industry, and Thai Industrial Standards Institute (TISI) in 1993, to be an independent green label agency that provides information about environmentally friendly products and services.
- Thai Eco products Database is a platform to search for certified environmentally friendly products / services e.g. Label No.5, Green Label Green Leaf Standard, Carbon Label, etc.
- One Tambon One Product (OTOP) is a local entrepreneurship stimulus program initiated in 2003 to support locally made and marketed products in each of 7,255 Thai sub-districts. OTOP encourages communities to improve the quality and marketing of local products. It provides a local and national stage to promote these products. OTOP is managed by CDD (CEP, CDD).

6.4.5 Priority opportunities for sustainability synergies with the TourLink project

Based on the sections above, the table below prioritizes Thai organisations working on key sustainability issues for action, based on 1) no action, 2) passive update and 3) active outreach.

	Organisations	Recommendation for action			
		No action	Passive update	Active outreach	Suggestions for synergies?
	Tourism sustainability standards and training				
	Ministry of Tourism and Sports (MOTS)			/	Cooperation to align and develop standards
	Department of Tourism (DOT)			/	Cooperation to align and develop standards
	Designated Areas for Sustainable Tourism Administration (DASTA)			/	Project Partner: Destinations & CBT standards / Supporting VCA, green tourism finance
	Thailand Convention and Exhibition Bureau (TCEB)			/	Potential Project Partner - Cooperation on tourism (MICE) standard & training
	Thai Hotels Association (THA)			/	Project Partner: Hotels / hotel standards & training (Green Leaf)
	Green Leaf Foundation			/	Potential Project Partner - Hotel (Green

	Organisations	Recommendation for action			
		No action	Passive update	Active outreach	Suggestions for synergies?
					Leaf) standard
	Department of Environmental Quality Promotion (DEQP)			/	Destination environment assessment, green hotel, green product & service database, green/ environmental training - office, restaurant, consumption, etc.)
	The Association of Southeast Asian Nations (ASEAN)			/	Cooperation to align and develop standards and training at ASEAN level
	Carbon / low carbon tourism				
	Thailand Greenhouse Gas Management Organisation (TGO)			/	Potential Project Partner - Cooperation on carbon activities/ Carbon Balance project
	PATA Thailand Chapter			/	Project Partner: Carbon/ trainings/ Market research/ PR
	Thai Ecotourism and Adventure Travel Association (TEATA)			/	Project Partner: tour operators & excursions / supplier standards / Carbon Balance / training
	Thailand Convention and Exhibition Bureau (TCEB)			/	Potential Project Partner - Cooperation on carbon activities / Carbon Balance
	Thai Chamber of Commerce (TCC)			/	Carbon Balance / outreach food waste training & standard/ Circular economy
	Thailand Business Council for Sustainable Development (TBCSD)			/	Green Reduction certification & label/ Green Meeting standard
	Thailand Science Research and Innovation (TSRI)		/		Carbon Balance / Tourism research & information system development
	Overall waste management				
	Department of National Parks, Wildlife and Plant Conservation (DNP)			/	Green National Park criteria, waste management in nature-based destination
	Pollution Control Department (PCD)			/	Waste management guidance for community
	Local Administrations		/		Local waste management & recycling
	Plastic waste				
	PATA Thailand Chapter			/	Project Partner: Plastic waste activities / trainings/ Market research/ PR
	Thailand Convention and Exhibition Bureau (TCEB)			/	Potential Project Partner - Cooperation on plastic waste activities

	Organisations	Recommendation for action			
		No action	Passive update	Active outreach	Suggestions for synergies?
	Thai Hotels Association (THA)			/	Project Partner: plastic waste activities
	Department of National Parks, Wildlife and Plant Conservation (DNP)			/	Plastic waste management in nature-based destination
	Pollution Control Department (PCD)			/	Plastic waste management roadmap
	Thailand Environment Institute (TEI)			/	destinations/ green meeting/ SCP & Plastic Phuket/ Policy
	Food waste				
	PATA Thailand Chapter			/	Project Partner: Food waste activities / trainings/ Market research/ PR
	Thailand Convention and Exhibition Bureau (TCEB)			/	Potential Project Partner - Cooperation on food waste activities
	Thai Hotels Association (THA)			/	Project Partner: Hotels / food waste activities
	Thailand Environment Institute (TEI)			/	destinations/ green meeting/ food waste/ Policy
	Local communities / CBT				
	Community Development Department (CDD)			/	Destinations/CBT development & management
	Designated Areas for Sustainable Tourism Administration (DASTA)			/	Project Partner: Destinations & CBT standards & training
	Sustainable Development Foundation (SDF)			/	Coastal destination & community management
	Thailand Community-Based Tourism Institute (CBT-i)			/	CBT training, standard & certification
	Labour				
	Tourism schools and colleges			/	Tourism personnel development (training & capacity building)
	The Ministry of Labour (MOL)	/			Skill Development& training, labour & welfare guidance/standard
	The Ministry of Social Development and Human Security (MSDHS)	/			Community & personnel development
	Gender and human rights				

	Organisations	Recommendation for action			
		No action	Passive update	Active outreach	Suggestions for synergies?
	International Labour Organisation (ILO)		/		Labour & welfare guidance/standard
	The Code		/		Child protection in tourism industry (guidance & training)
	End Child Prostitution in Asia Tourism (ECPAT)		/		Child protection in tourism industry (guidance & training)
	the Rights and Liberties Protection Department (RLPD)		/		Human rights policy & plan (NHRP 2019-2022)
	Thai Health Promotion Foundation		/		Women empowerment promotion & development (training, workshops)
	Foundation for Women (FFW)		/		Community/ minorities/immigrants (women & child) empowerment
	Raks Thai Foundation		/		Community development/ women, & children empowerment (including migrant workers)
	The Office of the National Human Rights Commission of Thailand (NHRCT)	/			Human rights activities
	Amnesty International (AI)	/			Human rights activities
	Association for Human Rights and Women's Rights in Development (AWARD)	/			Women empowerment & human rights promotion & development
	The Department of Women's Affairs and Family Development (DWF)	/			Women empowerment promotion & development
	Thai Women Empowerment Funds (TWEF)	/			Skill development & training for women (community level)
	Women and Men Progressive Movement Foundation (WMP)	/			Gender equality promotion & development
	Foundation for Women, Law and Rural Development (FORWARD)	/			Women empowerment & human rights promotion & development
	Teeranat Foundation	/			Women empowerment activities
	Agriculture / food				
	Department of Environmental Quality Promotion (DEQP)			/	green product & service database, green/ SCP promotion & development

	Organisations	Recommendation for action			
		No action	Passive update	Active outreach	Suggestions for synergies?
	National Food Institute (NFI)			/	(MSMEs) Food providers promotion & development/ standard & training/ Thai Food Heritage
	The Ministry of Agriculture and Cooperatives (MOAC)		/		organic agriculture/ SCP promotion & development/ BCG (Bio-Circular-Green Economy) Model/ standard
	The Ministry of Commerce (MOC)		/		BCG Model / SCP promotion & development / Supplier network (restaurant, souvenir, MSMES, etc.)/ standard
	The Food and Drug Administration (FDA)	/			Food & drug standard/ H&S promotion & development
	Water supply / management				
	The Department of Environmental Quality Promotion (DEQP)			/	Destination environment assessment, green hotel, green product & service database, green/ environmental training - office, restaurant, consumption, etc.)
	Green Leaf Foundation (GLF)			/	Hotel (Green Leaf) standard
	Thailand Convention and Exhibition Bureau (TCEB)			/	sustainable water management for MICE industry
	Metropolitan Waterworks Authority (MWA)	/			Corporation with hotels for sustainable water management (Digital MWA)/ awareness raising campaign/ Green Leaf standard
	Provincial Waterworks Authority (PWA)	/			Corporation with hotels for sustainable water management/ awareness raising campaign & community water management (PWA Sustainability Report)
	Department of Groundwater Resources (DGR)	/			Water use for sustainable agriculture/ Groundwater management
	Royal Irrigation Department (RID)	/			Irrigation development & management for communities
	Energy supply / management				
	The Electricity Generating Authority of Thailand (EGAT)		/		Community development/ training & capacity building / clean energy

	Organisations	Recommendation for action			
		No action	Passive update	Active outreach	Suggestions for synergies?
					development/ awareness raising campaign & certification (Label No.5)/ Green Leaf
	the Department of Alternative Energy Development and Efficiency (DEDE)		/		Energy management in MSMEs (SME Go Green)/ green energy promotion/ awareness raising campaign/ Low carbon community development (example)
	the Ministry of Energy (MOE)	/			Alternative Energy Development Plan (AEDP 2015)
	the Metropolitan Electricity Authority (MEA)	/			Corporation with hotels for sustainable energy management (Metropolitan)/ awareness raising campaign/ Community development
	the Provincial Electricity Authority (PEA)	/			Corporation with hotels for sustainable energy management (Provincial)/ awareness raising campaign/ GSEE
	Other green trade				
	The Ministry of Commerce (MOC)			/	BCG Model / SCP promotion & development / Supplier network (restaurant, souvenir, MSMES, etc.)/ standard/ Trade & Tourism Alliance (TTA)
	Community Development Department (CDD)			/	Destinations/CBT development & management/ OTOP
	Department of Environmental Quality Promotion (DEQP)			/	SCP promotion & development (Green Integration Policy)
	Thailand Business Council for Sustainable Development (TBCSD)			/	Green Label (products)/ awareness raising campaign
	Ministry of Industry		/		BCG Model / Green industry & products/ capacity building for MSMEs
	Thai Industrial Standards Institute (TISI)		/		Green Label (products)/ training & workshop for business/ standard
	Elephants in tourism				
	Centre of Elephant and Wildlife Research (CEWR), CMU			/	Elephant activities (working group. guidelines and standard/ animal welfare training)
	Department of Livestock			/	Elephant guidelines and standard/ camp

	Organisations	Recommendation for action			
		No action	Passive update	Active outreach	Suggestions for synergies?
	Development (DLD)				assessment
	Asian Captive Elephant Working Group (ACEWG)			/	Elephant activities (working group. guidelines and standard/ animal welfare training)
	Thai Elephant Alliance Association (TEAA)			/	Elephant activities (working group. guidelines and standard/ animal welfare training)
	Department of National Parks, Wildlife and Plant Conservation (DNP)		/		Elephant activities (policy/ public campaign)
	World Animal Protection Thailand (WAP)		/		Elephant activities (policy/ public campaign/ guidelines and standard)
	Banks / green finance for hotels and tourism businesses				
	Bank for Agriculture and Agricultural Cooperatives			/	Green finance (Green Bond)/ Carbon neutral tour package/ Community development & management
	Sustainable Finance Working Group (FPO, BOT, OIC, SEC, SET)			/	Sustainable Finance Initiatives/ Green finance
	International Finance Corporation (IFC) Thailand		/		Green finance & loan
	Small and Medium Enterprise Development Bank of Thailand (SME Bank)		/		Tourism MSMEs development & management/ tourism marketing & promotion
	Krungthai Card PCL		/		Community development & management/ Carbon neutral tour package/ tourism marketing & promotion

6.4.6 Sustainability inside the sample of Thai Tour Operators

6.4.6.1 Overall impressions

The tour operators shared insights on sustainability within their organisations and the tourism value chain. All the TO's which joined the VCA are committed to sustainable tourism in their own way. Lots of actions are mentioned on their websites. Some hold accreditations and others contribute through in-house programs. However, it is difficult to assess the overall progress of the tour operators per issue, because each business is 'doing sustainability their own way'.

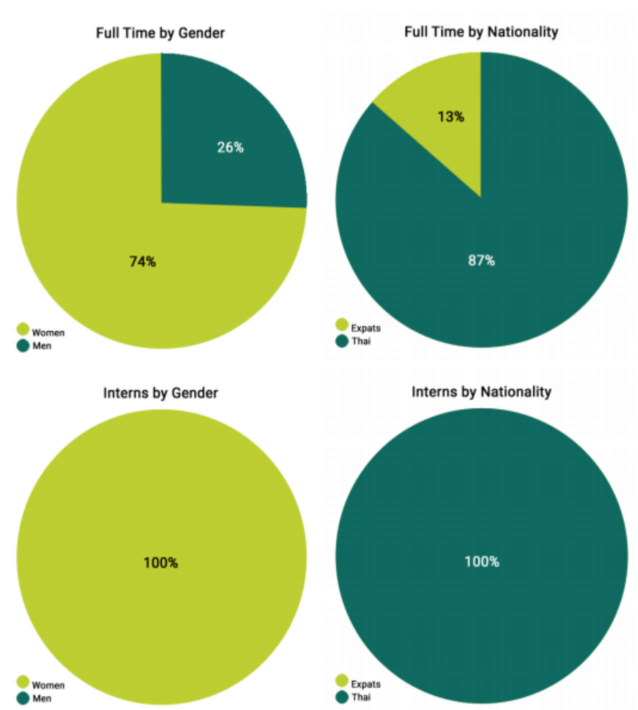
Using common measurements and methods would help to assess progress over the sector. Practical challenges are that 1) Tour operators are looking for products, which are as distinct and differentiated from competitors as possible and 2) closer cooperation between public and private sectors is needed to match supply and demand, while providing this differentiation.

6.4.6.2 Work, salaries and gender balance inside samples TO's

Salary data was considered sensitive information and was not shared by the responding tour operators. *The Human Rights Impact Assessment* published by the Roundtable on Human Rights in Tourism (HRIA, 2020) provides useful insights for the overall Thai tourism industry. The report concluded that minimum wages are generally respected in Thai tourism businesses.

Tour operators' sensitivity to share data on wages may have been influenced by the COVID-19 crisis. At the time of the VCA research, the tour operators were all impacted heavily by the pandemic, with unprecedented reductions in work forces. Average lay-offs were from 70-80%.

Figure 6.4.6.2.1: How many staff does your organization employ in Thailand?



- Gender balance: 74% female/26% male
- Thai nationals make up 87% of total employees in surveyed companies
- Expats make up 13% of total employees in surveyed companies
- 100% of interns are Thai due to budget and limitations of applying for work permits for foreign staff in Thailand
- Average reduction of staff no's across TOs due to COVID is approximately 70-80%, and some TOs are only able to maintain core staffs / management.
- Salary data was not shared by surveyed TOs. In general, during the COVID-19 crisis period most existing staffs are on reduced pay with 25 – 75% salary deductions and fewer working hours.

From this data, we can see that most employees are Thai and female. Among the 17 DMC GM/Managers which the TourLink team interviewed, 65% were male and 35% were female.

6.4.6.3 Downstream: outbound partners' demand for sustainability

In the survey, (Q9), responding tour operators were asked "*How many overseas (tour operator) partners did you have in 2019 from different source markets, and indicate how many had active sustainability expectation towards your company and service?*" On average, each DMC had 69 overseas partners in 2019, across various source markets. As sustainability and the UN's SDGs are becoming more familiar subjects for organisations, we can see that the numbers of partners with clear expectations for sustainability are growing across all markets:

- 23% of responding TO's partners have clear expectations for sustainability
- 62% of responding TO's partners appreciate sustainability, but have no expectations
- 15% of responding TO's partners consider that sustainability is not relevant

The graphs below offer more data on the levels of importance given to sustainability by market.

Figure 6.4.6.3.1: Assessing the interest of respondents' overseas partners in sustainability

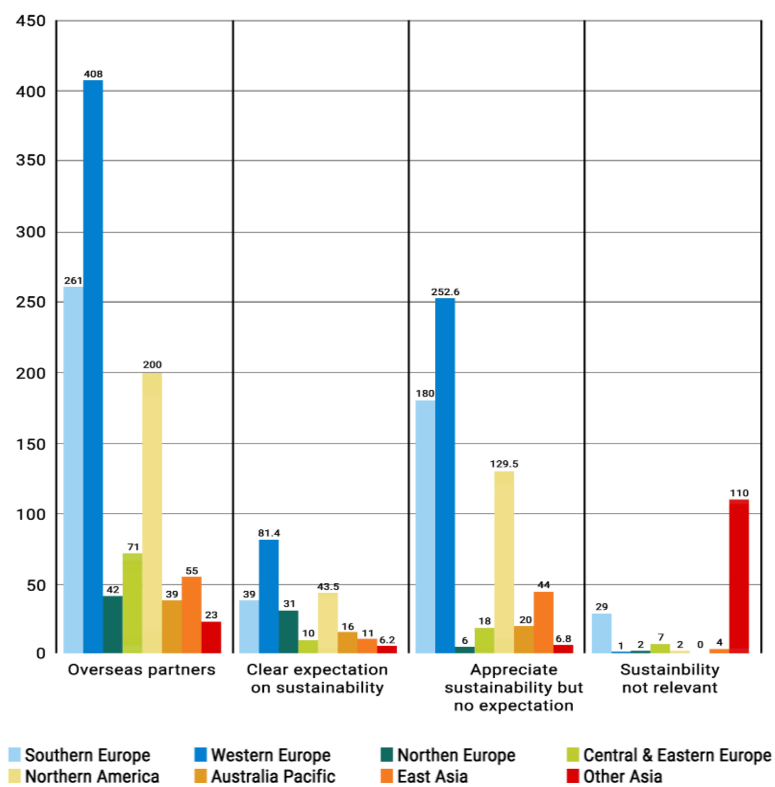
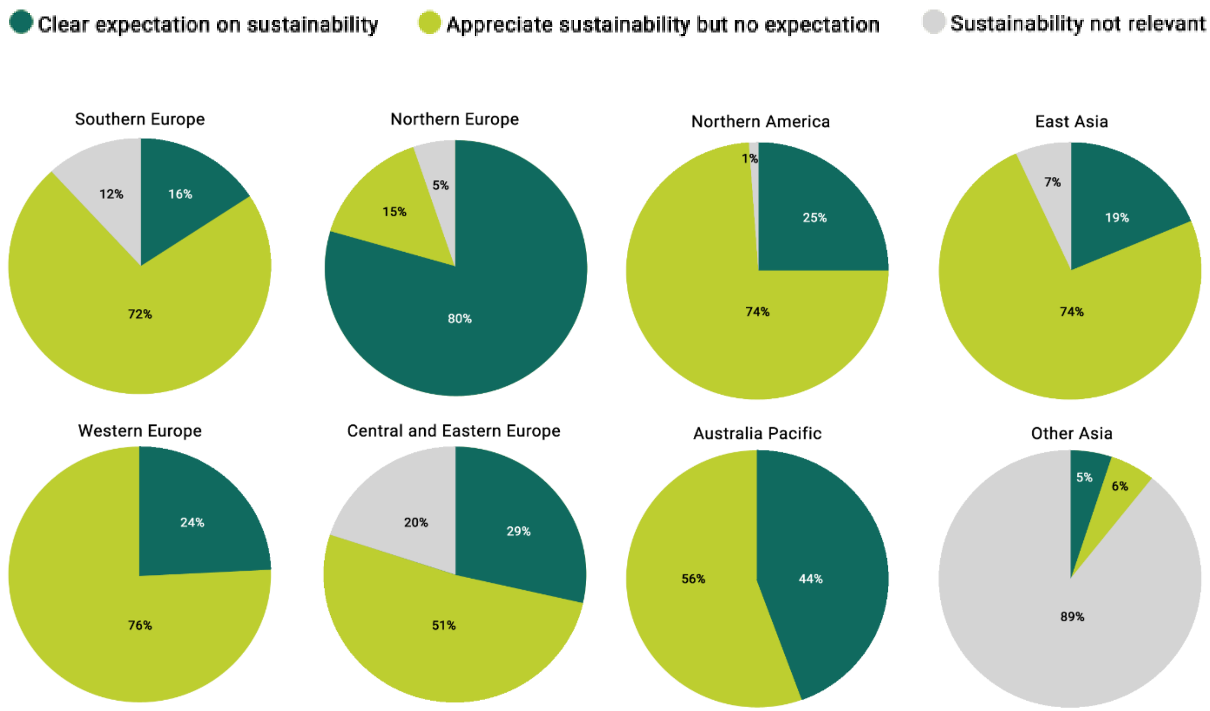


Figure 6.4.6.3.2: Assessing the interest of respondents' overseas partners in sustainability



Currently, *sustainability can add most value to western and East-Asian markets*. This is an opportunity for Thailand, with strong demand from these markets. It is also an opportunity for TourLink, as EU-funded sustainability investments will also add value in key non-EU markets for Thai tourism. This is an added incentive for Thai TO's to actively participate in project activities.

The interviews demonstrate big differences in demand for sustainability between the various regions of Europe. Assessing the interest of each source market towards sustainability sees *Northern Europe* on top, with 80% of Thai TO respondents' reporting that their partners have clear expectations on sustainability performance. The survey suggests that only a small percent of European tour operators do not yet consider sustainability to be important. The Thai TO's reported that their Southern, Central and Eastern European partners find sustainability less of a 'must'. TO's also mentioned that B2B customers with clear expectations are also participating more closely to ensure sustainable products and minimum standards. This data suggests that TourLink's market facing activities (e.g. research, promotion) should cover all European market regions, with the strongest focus on Northern and Western Europe.

Overall, Thai TOs perceived most demand for sustainability from Europe. Outside European markets, participating tour operators rated *Australia Pacific* in second place, with 44% of respondents' partners having clear expectations for sustainability. Respondents reported that Northern America and East Asian outbound partners also highly appreciate sustainability. They perceive that 'Other Asia' markets are still not very concerned about sustainability.

6.4.6.4 Upstream: sustainability in supplier relations

Many of the questions in the questionnaire focused on understanding tour operators' current actions and needs related to key sustainability issues. These questions and summaries of TO's responses are briefly presented in the following section of the report.

100% of responding Thai tour operators responded that they "*had sustainability in mind when working with hotels.*" Overall, 69% of responding Thai tour operators responded that they "*had sustainability in mind when working with hotels*" and 31% responded that they did not.

Tour operators were asked: "*How do you work or wish to work with hotels in your supply chain in terms of sustainability?"* The most common actions currently being taken are:

- 12 out of 15 = 73% of TO's use sustainability clauses in contracts
- 10 out of 15 = 60% of TO's use sustainability as a selection criterion
- 10 out of 15 = 60% of TO's share best practices with hotels in their supply chain
- 8 out of 15 = 47% of TO's request hotels to complete a sustainability checklist
- 6 out of 15 = 33% of TO's work with other TOs to have hotels to complete a checklist.

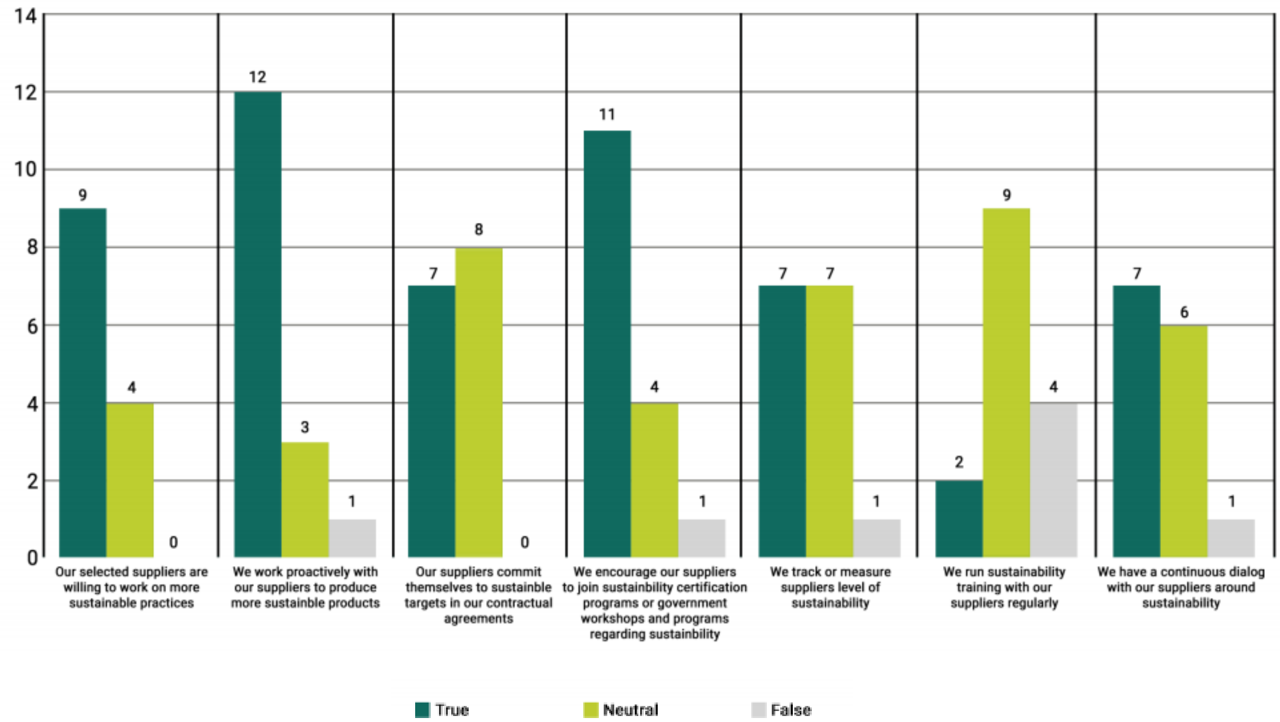
Of the suggested sustainability practices, actions which TO's are most interested to take are:

- 60% of surveyed TO's are most interested in provide training for hotels on sustainability.
- 53% of surveyed TO's are considering to start requesting hotels to complete a sustainability checklist or work with other TO's to have hotels complete a checklist.

Both of these needs can be supported by the TourLink project.

Tour operators were asked "*how does sustainability drive your relationships with suppliers?*"

Figure 6.4.6.4.1: How does sustainability drive your relationships with suppliers?



Overall, 75% of surveyed TO's reported that they work proactively with their suppliers to produce more sustainable product and 69% reported that they encourage their suppliers to join sustainability certification programs and activities. 9 out of 15 (47%) of surveyed TOs reported that their suppliers commit themselves to sustainable targets in contractual agreements.

The most dominant drivers around sustainability with suppliers reported by TO's were:

1) We work proactively with our suppliers to produce more sustainable product
2) We encourage our suppliers to join sustainability certification programs or government workshops and programs regarding sustainability
3) Our selected suppliers are willing to work on more sustainable practices

A key insight is that only 2 of 15 TO's responded "true" to running regular sustainability training with their suppliers. This leaves a staggering 86% of TO's without regular sustainability training. This is a clear gap and case to promote TOURLINK training and workshops on sustainability.

6.4.6.5 Sustainability in tour guide relations

Sustainability performance of tour guides was high on the agenda. Around 80% of responding TO's stated that their key *guides would be interested to achieve sustainability training and certification*. 75% of responding TO's found it true that tour guides should *"sign a code of conduct developed jointly across tour operators"*, and responded 'true' that "*our key guides would need more training and awareness raising.*" This is a key gap and opportunity for TourLink to add value and meet stakeholder needs for sustainability training.

An author's (Peter Richards) personal experience conducting tour guide training suggests that simple and accessible online sustainability training may be most useful for the Thai guides. Tour guides are often spread around destinations and even countries. It is difficult to collect guides together for training. Online training may help to overcome this bottleneck. The Travelife platform already includes tour guide training. This could be tailored to the Thai context.

6.4.6.6 Carbon

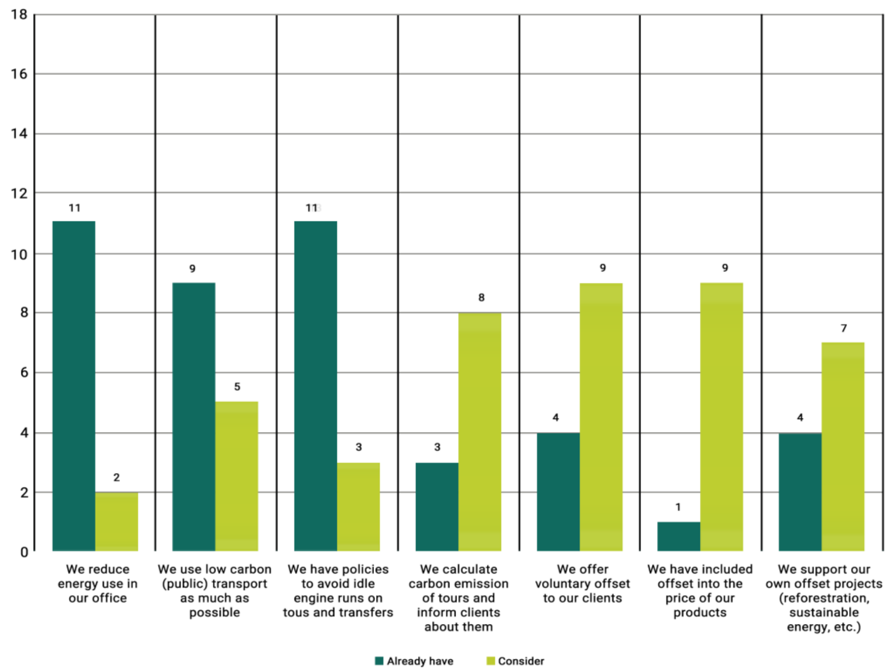
Responding TO's were asked: *"Do you have policies and actions in place to reduce carbon emissions throughout your organisation and supply chain?"*

- 82% of surveyed TOs have policies in place to reduce carbon emissions
- 18% of surveyed TOs have still no policies in place

Responding TO's were asked which key actions they were already taking or considering taking:

- Most TO's which responded to the question (n=13) are already implementing energy reduction in offices and avoiding idle running of vehicle engines;
- There is little action so far, but great interest in 'calculating carbon emission of tours and inform clients about them'; 'including offsets into the price of tours'; and 'offering voluntary offset to clients'. There is also high interest in 'carbon offset schemes'.
- The TourLink project is well positioned to support these ambitions. This could be achieved in cooperation with the Carbon Balance project (see section 6.4.5 above).

Figure 4.6.6.1: Frequency of various types of sustainability action among surveyed tour operators



6.4.6.7 Food waste

Responding TO's were asked "*Do you have policies and actions in place to reduce food waste throughout your organisation and supply chain?*" Key data gained from surveys were:

- In general, food waste for the TOs seems to be one of the more challenging issues or perhaps not high on their priority list.
- 53% of surveyed TO's have food waste policies and 47% do not have food waste policies
- Majority of TO's stated that they are interested to consider finding ways to proactively donate leftovers to people in need, among measured initiatives
- Workshop and training via TOURLINK moving forward is relevant
- PATA's Food Waste management tool (BUFFET) can be a useful resource.

6.4.6.8 Plastic waste

Responding TO's were asked "*Do you have policies and actions in place to reduce the use of plastic throughout your organisation and supply chain?"* Key data gained from surveys were:

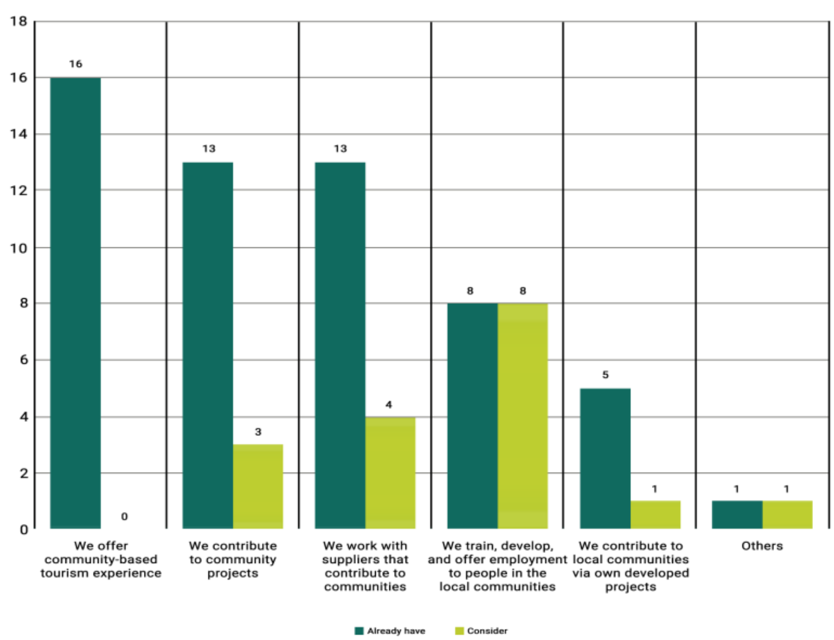
- Most of the surveyed TOs already have their own policies and actions to reduce plastic waste in their organisations and prefer to work with suppliers who have a similar policy.
- 88% of surveyed TO's already have a policy in place to reduce plastics and 12% do not;
- The most popular policies already being implanted by TO's were "no plastic bottles in the office" (80%) and "no single use plastic bottles during tours and transfers" (73%).
- 9 of 15 stated they want to consider working with suppliers with plastic policy in place.
- During interviews, many operators expressed interest in a common approach to motivate suppliers to reduce and manage plastic waste.

6.4.6.9 Interest in community based tourism (CBT)

Responding TO's were asked "*Do you work to ensure benefits to local communities?"* Key data gained from surveys were:

- 100% of responding TO's stated that they already work to ensure benefits for local communities and are 'engaged in CBT'. 80% stated that they already 'contribute to community projects' and 'wish to work with suppliers that contribute to communities'.
- There is interest to develop and offer employment to people in the local communities.

Figure 6.4.6.9.1: Do you work to ensure benefits for local communities?



6.4.6.10 Interest in participating in TourLink activities

Responding TO's were asked "*Do you wish to actively support and benefit from the TourLink project?",* and indicate which kinds of potential activities they considered to be most useful.

Overall, the responding TO's responded very positively, with between 75% and 100% interest in the proposed activities. Key data gained from surveys is highly useful for TourLink prioritizing.

- 100% of responding TO's agreed to *join a working group of inbound tour operators on sustainability*, within the frame of the TourLink project;
- 100% of responding TO's agreed to *work with other DMC's to set minimum standards for suppliers*. Several TO's suggested a common contractual approach. There were also suggestions to call this a sustainable supply chain / supplier code of conduct;

- 94% of responding TO"s TO's agreed to *jointly approach hotels and tourism suppliers.* One TO note that processes can be slow, so it is important to make such workshops, training and engagements effective and specific so they move from words to action.
- 94% of responding TO's agreed to distribute a common consumer code of conduct
- 94% of responding TO's answered 'yes' to benefit from market access activities.

- 88% of responding TO's answered 'yes' to invite their suppliers to training workshops
- 88% of responding TO's answered 'yes' to train staff on sustainability (88%)
- 81% of responding TO's answered 'yes' to share detail on their key suppliers (81%)
- 75% of responding TO's expressed interest in working towards Travelife certification

We can see the responses above are a clear mandate to engage further with the tour operators in a common approach towards suppliers, training and certification.

6.4.7 Insights from Travelife for Tour Operators in Thailand

Forty (40) Thai tour operators are registered with Travelife for Tour Operators. These tour operators are required to upload information into the Travelife system. This provides a useful data set, outside the sample of 18 tour operators which were interviewed by the VCA team.

Certification level

- companies are Travelife Certified
- 8 companies are Travelife Partner
- 40 companies are Engaged
- 11 companies are Engaged+ (meaning they are paying members that are working on their certification process)

Reporting statistics

- Overall, 47 % of the member companies have used the Travelife Partner reporting tool. Approximately 42 % comply with the sustainability criteria and 5% do not.
- Overall, 38 % of the member companies have used the Travelife Certified reporting tool. Approximately 33.5 % comply with the criteria and 4.5 % do not.

Sustainability management & legal compliance

- Approximately 51 % of the member companies provided an answer
- Most of the member companies that provide answers can comply with the topic
- The criteria that the largest number of member companies cannot comply with are the *sustainability overview of suppliers* (7), followed by *exchange of experiences* and *public reporting* (4), and *mission statement* and *donations* (3).

This confirms that developing standards and codes of conduct will be useful, as it will help the tour operators to easily conduct an overview of their suppliers' sustainability performance.

Internal management: social policy & human rights

- Approximately 51 % of the member companies provided an answer
- Most member companies that provided answers could comply with the topic
- The criteria that the largest number of member companies cannot comply with are the *employment of persons with special needs* (12), followed by *HR policy and representation* (5), and *disciplinary procedures and measuring employee satisfaction* (4)

Internal management: environment and community relations

- About 45 % of the member companies provided an answer
- Most of the member companies that provided answers can comply with the topic
- The criteria that the largest number of member companies cannot comply with are *carbon offset* (25), followed by *business travel carbon offset* (20), then *business travel emission* (16), *environmentally friendly cleaning materials* (8), and *printing company* (7)
- The subtopics that the member companies comply with the most are *waste management, reducing pollution*, and *sustainability training and awareness*. On the other hand, the subtopics that the member companies cannot comply with the most are *energy* and *mobility*

This confirms the need for simple and accessible carbon calculation and management tools; and credible information on environmentally friendly cleaning materials.

Inbound partner agencies

- About 21 % of the member companies provided an answer
- Most of the member companies that provided answers can comply with the topic
- The criteria that the largest number of member companies cannot comply with are *partner agency policy* (5), followed by *contract conditions* (2)

Transport

- About 42 % of the member companies provided an answer
- Most of the member companies that provided answers can comply with the topic
- The criteria that the largest number of member companies cannot comply with are *sustainable transfer to departure airport* (6), followed by *local transport* (2)

Accommodations

- About 39 % of the member companies provided an answer
- Most of the member companies that provided answers can comply with the topic

- The criteria that the largest number of member companies cannot comply with are *accommodation incentives* (7), followed by *certified accommodations*, and *contract conditions* (4)

Activities

- About 45 % of the member companies provided an answer
- Most of the member companies that provided answers can comply with the topic
- The criteria that the largest number of member companies cannot comply with are *activities inventory*, *suppliers communication*, *sensitive excursion codes of conduct*, and *certified excursions* (5)

Tour leaders, local representatives, and guides

- About 49 % of the member companies provided an answer
- Most of the member companies that provided answers can comply with the topic
- No criterion has a significant criteria that member companies cannot comply with

Destinations

- About 48 % of the member companies provided an answer
- Most of the member companies that provide answers can comply with the topic
- The criteria that the largest number of member companies cannot comply with are *local economic network* (7), followed by *accessible destination* (3)

Customer communication and protection

- About 42 % of the member companies provided an answer
- Most of the member companies that provided answers can comply with the topic
- The criteria that the largest number of member companies cannot comply with are *carbon emission level information* (15), followed by *carbon compensation with booking* (12), then *donations* (11), *carbon offset information* and *sustainability and customer satisfaction* (10), and *indication sustainable accommodation and excursions* (9)

Data on gaps and weaknesses will be useful in prioritizing content for TourLink training design.

6.4.7.1 The relevance of Travelife's 'Sensitive Excursions' list to Thailand

The TourLink project aims to encourage Thai tour operators to register and use the tools available on the Travelife for Tour Operators system. Travelife requires tour operators which offer 'Sensitive Excursions' to identify which sensitive excursions that they sell, and to provide advice (codes of conduct) for tourists, and special training for their tour guides.

It is useful to identify which of these sensitive excursion types are relevant for Thailand:

	For Thailand:	
Travelife's Identified 'Sensitive Excursion Types'	Relevant?	Comment
1. Culture based activities		
Build cultural heritage	X	
Intangible cultural heritage	X	
City tour	X	
2. Nature based activities		
Hiking	X	
Rafting	X	
Horse riding	X	Very limited
Mountain biking	X	
Mountain climbing	X	
Jeep safaris	X	
Winter sport	NO	
3. Freshwater or marine based activities		
Diving and snorkelling	X	
Boat tours	X	
Canoe trips	X	
Motorized activities (Jet skiing, etc.)	X	
4. Community based activities		
Visiting traditional communities	X	
Visiting indigenous people	X	
Slum tours	X	Very limited
Visiting schools	X	
Visiting orphan houses	X	

5. Animal activities		
Captive animals (zoo's, etc.)	X	
Working animals (elephants, camel tours, horse tours)	X	
Safari tours	X	Very limited
Marine animals watching (dolphins, whales, turtles)	X	Monkeys

The table confirms that Travelife's Sensitive Excursions list is very relevant for Thailand. The excursions list should be further prioritised, based on TO's needs, to guide Tourlink activities.

6.4.8 Commercial drivers for sustainability

Drivers for sustainability mentioned during the interviews with Thai tour operators included:

- *Customer expectations, especially B2B partners.* While it's rare for sustainability to be a deciding factor, sustainability is one of the criteria for being awarded a B2B contract and overseas partners do have increasingly strong expectations. At least, DMC's need to be active to showcase efforts and show willingness to cooperate on sustainability issues.
- *Market trends and public demand*. During the last 10 years, leading tour operators have used sustainability efforts to differentiate themselves from competitors. Travel has notorious low entry barriers and is fiercely competitive. All inbound operators used time during the pandemic to rework products and many to make them more sustainable. This is to prepare for expected demand and showcase efforts of positive contributions.
- *Some TO's are going all in and committing to high level of sustainability across their businesses* e. g. full Travelife certification, B-Corp. B-Corp is a competitor to Travelife.
- *Overall, increased awareness of climate change and Environmental, Social and Governance (ESG) criteria*. This is a growing trend in travel, manufacturing, and many other industries e.g. committing to 1.5 Degrees / science based carbon targets. This trend is influencing public consciousness. Discova was proposed as an example TO.

- *Genuine motivation to make a difference*. Many companies want to make a difference, and start out with hands on approaches as this is what they can control. Collecting trash during tours and activities, no single use plastics, not allowing vehicles to run idle etc.
- *Availability of corporate CSR outsourcing:* there are now more, bigger initiatives which allow tour operators to access high quality CSR without needing to organize their own projects. E.g. credible carbon offsetting by planting trees, or make a donation.
- *Availability of carbon calculation tools*: Gradually becoming available to more, different kinds of businesses (i.e. beyond only airlines).
- *Unique Selling points in products*. Companies like and Intrepid Travel, Buffalo tours and Discova have added value across the marketing mix e.g. better products / experiences; attractive pricing including guaranteed high % of income to communities, etc. products.
- *Lobbying EU buyers by civil society:* Organisations such as ABTA, WWF, etc. have addressed tour operators very actively on key issues. They have gotten international tour operators on board and pressure / requests have come down to national or local tour operators such as animal rights and the "hot potato" of elephant riding/activities.
- *Inside the office:* Within offices, to fulfil TO's commitments to green tourism programs, do better, meet expectations of the employees and effectively saving cost as well.
- Beyond this, *legislation around minimum criteria for the sector* will have a big impact e.g. include sustainability criteria as direct requirements for getting your license as tour operator, hotel, etc. Laws need to be backed by operations e.g. if waste separation is a law, then waste collection needs to be separated, too.
- *Funding to green the value chain*, especially after COVID, businesses will be stretched for funds. Many will be in deep debt, and have few funds to invest in sustainability. Funds / access to green credit lines/ free training etc. will help to engage businesses.

6.4.9 Market opportunities for more sustainable products

A desk review of current tourism market research provided useful insights for the VCA report.

According to WTTC (WTTC, 2021), tourism's global contribution to GDP dropped by 50% in 2020. The industry lost $USD 4.5 trillion in revenue and over 62 million jobs. This included leisure tourism and a huge decline in business spending. Extensive COVID restrictions, long border closures and expensive quarantine requirements lead to Asia Pacific being the world's worst performing region for tourism in 2020.

The uncertainty is certain until at least 2023 (CREST, 2020), (WTTC, 2021). Many organisations are attempting to forecast a timeline for recovery. Currently, most forecasts for a return to 2019 arrivals fall between 2023 and 2024 (PATA, 2021), (Girma, 2021). Most research, which our team reviewed, forecasts that tourism will reach its lowest point in 2021. Then, with more widely vaccinated populations, tourism will begin to recover. However, the dynamic evolution of COVID-19, inconsistency and unreliability of vaccination programs (including in Thailand) make it impossible to be sure when a full recovery will take place (PATA, 2021), (WTTC, 2021).

Travel recovery does not only depend on vaccination rates and opening international borders.

The world is now experiencing the worst economic recession since the Great Depression. The Euro area is expected to be the most affected region with an 8.3% annual decline in its GDP in 2020 (PATA, 2021). During upcoming years, European tourists will definitely have less money to travel. Europeans are expected to take fewer trips, closer to home, by road, focused on familiar destinations and visiting friends and relatives, until at least 2023 (WTTC, 2021), (CBI, 2020). Extended periods of COVID-forced separation from family will also motivate tourists to "*spend time with loved ones*" (Booking.com, 2021) stated by 68% of survey respondents. All of these factors will dampen demand for European long-haul travel to Thailand.

As Thai tourism moves into recovery, Asian and especially Chinese markets will be most important. The Americas will have similar importance to Europe (PATA, 2021).

When Europeans do travel, they will be more cautious of the risks and costs of cancellation, more sceptical of booking in advance, and more likely to make last minute bookings (Booking.com, 2021), (PATA, 2021) (FDI, 2021), (WTTC, 2021). This will make forecasting and preparing for future demand even more challenging. PATA (PATA, 2021) forecasts that, under all scenarios (mild, medium and severe), the visitor share of Europe is predicted to reduce by 0.15, 0.33 and 0.28 percentage points respectively. On a positive note, this provides significant time to support tourism businesses to improve their sustainability performance in preparation for the return of European markets, where businesses have enough funds to survive.

The domestic, Thai economy has also been severely affected by lockdowns. Thai households are expected to have more vulnerable finances, given rising unemployment and an elevated burden of household debt (PATA, 2021). Price will be a key decision-making factor. Meanwhile, Thai tourism businesses are struggling to survive and finding it difficult to finance getting back to business. Key staff have left work, changed professions and moved to new provinces. On a positive note, new businesses and start-ups offer interesting opportunities to include in tours.

What the post recovery future will look like is uncertain. Organisations agree that tourism after COVID will be permanently and significantly different from before COVID (FINN-Partners, 2020), (PATA, 2021). Over half of tourists are likely to change their travel habits (Wyman, 2020). Tourists and businesses will have a heightened awareness of health issues (WTTC, 2021), including the need to prepare for future pandemics (Finn Partners, 2021). In this new reality, tourism businesses must be more agile and flexible (PATA, 2021), (Wyman, 2020)

Across market research, other common themes and trends can be identified:

People will seek quieter, more private, natural areas (Booking.com, 2021), (CBI, 2020), (WTTC, 2021), (Wyman, 2020). According to Wyman (2020), nature tourism will grow by 8% from 2019 to 2030, with 51% of growth coming from Europe. Nature tourists will have complex expectations for blended nature and cultural tourism experiences, volunteering and getting off the beaten track. These trends could be opportunities for secondary Thai tourism destinations like Nan. Destinations and attractions will need to prepare to manage increased visitation.

The trend to value *experiences over products* will continue (Wyman, 2020). Special value can be added to *experiences connected to local communities, health and wellness, and family travel* (nuclear and multi-generational). Some of this value can be tapped by tour operators offering high quality, tailored products. However, at least initially, many travellers, especially domestic families (in Europe and Thailand) will choose self-drive and independent travel over package tours. Booking.Com (2021) identified demand to use more environmentally friendly modes of transport (i.e. walking, cycling or public transport over taxis or rental cars.). This is an opportunity for carbon-friendly tourism packages being developed by TourLink partner, TEATA.

Wyman (2020) reported 8% growth per year for the global sustainable tourism market, with 30-50% of consumers responding that they are willing to pay more for sustainable products.

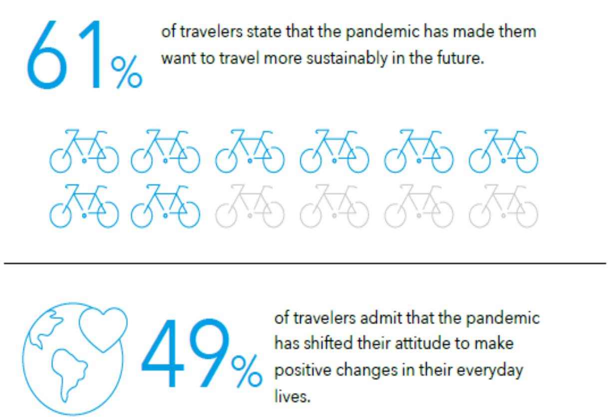


Figure 6.4.9.1: Travelers' responses to pandemic & travel

Booking.Com reported *"awareness at an all-time high"*, and *"the events of 2020 could be a crucial tipping point for travellers to truly commit to their own sustainable journey*." Booking.Com also noted *"a rise in travellers actively searching for more sustainable options that are compatible with their growing intentions to be more thoughtful with each trip that they take*" and noted the priority need to *"make sustainability a transparent and easily identifiable part of their travel decision-making process*." This is linked to the technological trends discussed below. In response, Booking.Com has started to indicate online if hotels are green-certified.

Booking.Com (2021) and CREST (2020) reported *rising popularity of eco-friendly accommodations.* CREST identified top trends of *customers requesting sustainable travel tips* from travel companies. Booking.Com noted that tourism businesses must *make sustainability information easier to access for consumers at earlier stages of the booking / travel decision-making process*, so they can actually put more sustainable travel intentions into action.

These research findings emphasise the importance of good value pricing and clear, value-added communication of the customer features and benefits of sustainable products and experiences. Companies can add value by communicating how their holidays enable tourists to contribute to the issues which they care about, while enjoying safe, fun, comfortable, convenient, authentic, tech-connected experiences (CREST, 2020), (FINN-Partners, 2020), (Wyman, 2020).

Considering what to communicate, research identifies *Sustainability issues* which resonate strongly with EU customers include climate change/carbon, reducing waste and recycling, reducing energy and water use, creating more benefits for local communities, reducing threats to local wildlife and habitats, and supporting racial and gender inclusivity and diversity.

Carbon was the most frequently mentioned sustainability priority across all the research we surveyed, also identified by Wyman (2021) and CREST (2020) as the No.1, global sustainability mega-trend. Booking.Com reported that 69% of respondents want to reduce the carbon footprint of their trip or pay to offset when possible. The gap between intention and action is well reported. In terms of concrete actions taken by tourists, Booking.Com reported that 45% of respondents reported making a conscious decision to *turn off air conditioning* in their accommodation when they weren't there; 43% took their own *reusable water bottles*; 40% re-used towels to save water, and 42% *shopped at small, independent shops* during their travels.

Crucially, demand for nature travel and local experiences do not mean retreating from technology. *Tourists will want to be connected to nature and technology* (FINN-Partners, 2020), (WTTC, 2021). They will increasingly *expect smart technologies to be simply, fully, conveniently, safely and hygienically integrated into processes of searching, booking, and traveling* between destinations (e.g., automated and touch-free tech) (Wyman, 2020).

Wyman (2021) shows how the COVID-19 crisis has accelerated the shift to sustainable, experiential and digitally enhanced travel and tourism; while, at least for now, reducing the pressures of overtourism. There will be more demand for immersive, enhanced experiences, for example by using VR technology to enhance museum or sightseeing visits (Wyman, 2020).

Figure 6.4.9.2: New mega trends in tourism (Wyman, 2020)

In terms of *B2B sustainability market trends*, Wyman (2021) reviewed and summarised top sustainability themes from 35 tourism industry position papers. The report identified the top 6 themes, to which tourism businesses and organisations are giving top priority: carbon reduction and compensation, community engagement, public-private collaboration, preservation of biodiversity, overtourism management (less prioritised during COVID) and digital acceleration.

Wyman summarised these calls to action across industry positioning papers in the table below:

Fig 6.4.9.3: Calls to actions (Wyman, 2020)

The Global Sustainable Tourism Council reported (CREST, 2020) that a significant amount of tour operators gained sustainable certification in 2020, especially among DMCs and local inbound operators. Drivers included awareness of the value of certification as a disciplined tool to improve business practices, and as a credible way to justify sustainability claims.

As a result of border closures, compulsory quarantines, economic recession putting pressure of companies' discretionary spending and greater familiarity and acceptance of on-line meeting technologies, *enthusiasm for business travel is likely to remain limited for the foreseeable future* (FDI, 2021), (PATA, 2021), (Wyman, 2020), This will affect the business and MICE sectors. There will be higher demand for virtual and hybrid events (FDI, 2021). This is relevant for the TourLink project in terms of levels and timings of project engagement with the MICE sector.

Specifically related to EU markets for community based tourism, CBI (2020) reported that European travellers increasingly aim to travel responsibly and seek unique experiences.

According to CBI (2020), SEA is the top CBT destination for European travellers. Top markets for CBT are Germany, UK and The Netherlands, followed by France, Spain and Italy. Across these markets, recommendations by friends/colleagues/relatives, websites collecting and presenting comments, reviews and ratings from travellers are top influences for purchase decisions.

CBI advise CBT operators to develop products and experiences which are authentic, sustainable and directly involve the community; ensure that CBT accommodation standards are suitable for target markets; combine CBT with adventure activities and establish marketing partnerships.

Tour operators and communities can add value to CBT itineraries through developing hands-on learning activities for children, and employing skilled tour guides with English skills, charisma, and the ability to facilitate cultural exchange between tourists and local people. Location, along or close to key tourism destinations and routes is a key for success in European markets.

Based on age, CBI identifies three main target groups for CBT. The largest group are Baby boomers (born 1945-1965). They are well-educated, travel frequently, have a good budget for travel and often like to combine authenticity with comfort and luxury. They usually travel as couples or in small groups. Gen X, (born 1965-1980), is generally well-educated and well-travelled. Most of them have full-time jobs. They have less time than baby boomers, but are more price-conscious. They look for authenticity, and are motivated to see how other people live and give something back. They usually travel as couples or families. Millennials (born 1980-

1995) are seeking to learn new things, develop themselves and support the local communities they visit. They are also well-educated, but since many millennials are still students or on a gap year, they have the smallest budgets of the three groups. All three target groups are willing to pay somewhat more for an experience which contributes concretely to the local community.

Responses from Thai TO's and DMCs during interviews complement the desk research.

Tour operators responded that coming out of the COVID crisis, there is expected to be demand for high quality, sustainable products and experiences; which can be value added by quality, safety, and attractive story-telling. Tourists are likely to be price sensitive for considerable time.

Products and features which are expected to be in high demand as Thailand moves into COVID recovery, which were mentioned during interviews with Thai tour operators included:

- Overall, engaging experiences and digitally enhanced sights.
- Health, safety and hygiene will be important considerations for travellers
- Some travellers will be seeking visits to remote (perceived as safer) locations. However, not all tourists will be interested in safety and solitude. Other travellers will want to get 'back into the crowds' as soon as possible. TO's will need to prepare for both groups.
- Transport: Local transport like tuk tuk, long tail boats, river boats, song thaew trucks, trains, pick ups, busses and main stream transport, taking into account safety and distance.
- Restaurants: Local food activities and experiences, visits to markets, organic or sustainable farms (from farm to table etc)

  Other Activities:

- Hands-on, local activities and stays in communities, outdoors, nature, food activities, try your own skills, adventure, in general enhanced activities becomes experiences.
- Sights with digital enhancement as achitecture, mapping layers of previously dated content or future content explaining or sharing things more interactively to the individual. Selfguided tours is another trend, which seems to be followed by a number

of the TOs. This type of activities can for most parts exclude the main stream tourism transports and be experienced on foot, cycle, e-scooters or by use of public transport.

Responses from the tour operators confirmed significant demand for CBT / local experiences.

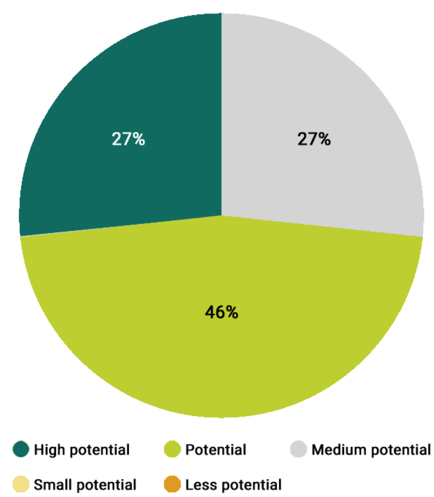
What is the potential for community-based experiences for your organisation and EU/Western markets?

Figure 6.4.9.4: CBT potential for companies and EU/Western markets

7 out of 14 TO's answered with 4/5 points relevance

3 out of 14 answered 5 = highest relevance

4 remaining scored relevance of CBT by 3 points

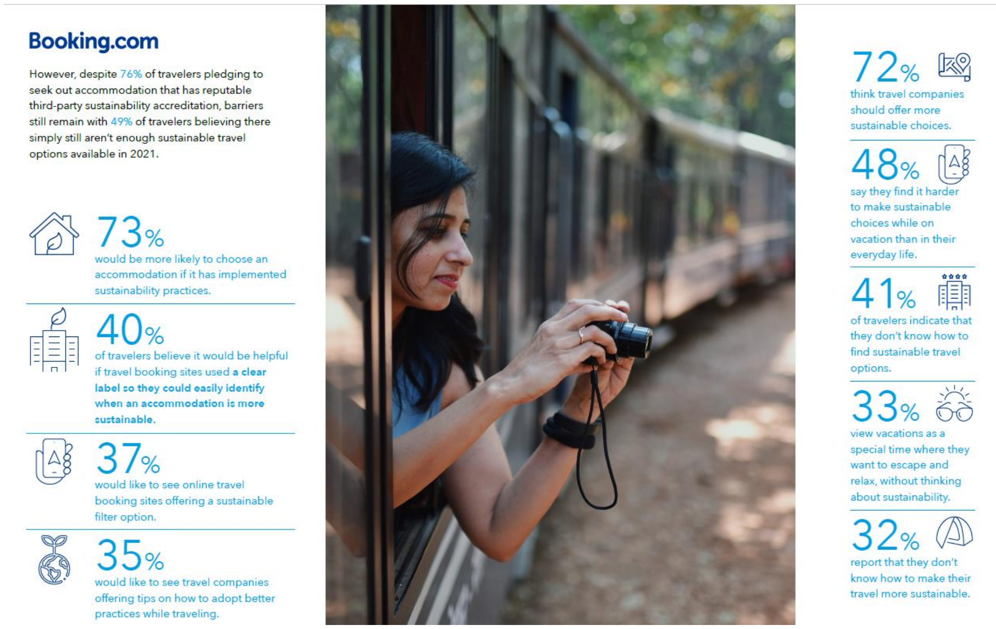


6.4.10 Value chain constraints, risks and opportunities

Insights into obstacles and constraints to scaling up sustainable tourism sales were drawn from the desk research and interviews with the responding tour operators. All of these obstacles and corresponding solutions are framed within the over-arching need to move into COVID recovery.

A Booking.com (2021) survey found that 36% of respondents felt they *can't afford sustainable travel*, 34% indicated making more sustainable travel decisions would *constrict their itineraries* and 34% agreed that *sustainable destinations do not appeal to them* as much as other destinations. 41% of respondents reported that they *don't know how to find sustainable travel options*. This confirms need to communicate sustainable choices in a more attractive way, which shows how sustainability can add tangible value to tourists' holidays and experiences.

Figure 6.4.10.1: Key trends in the Booking.Com Sustainability Survey 2021 (Booking.com, 2021)



Booking.Com's survey also neatly illustrates the 'blame game' being played out between tourists and tour operators, each waiting for the other to take action.

Booking.Com reported the top three reasons that accommodation partners are not communicating their sustainability efforts to guests are:

1) 33% don't believe they are doing enough which is worth communicating;
2) 32% don't think their guests are interested; and
3) 28% are concerned that their guests may find communication patronizing.

Booking.Com concluded that "*these reservations from partners highlight that significant challenges remain in the industry to make sustainability information easier to access for consumers at earlier stages of the booking and travel decision-making process, so they can actually put more of their sustainable travel intentions into action.*"

Thai tour operators were also asked by the VCA team about perceived obstacles to offering more sustainable products to European B2B partners.

The biggest obstacles reported by respondents, which are considered to be within control are:

1 Overseas partners are *unable to accept any cost increase* from change in product

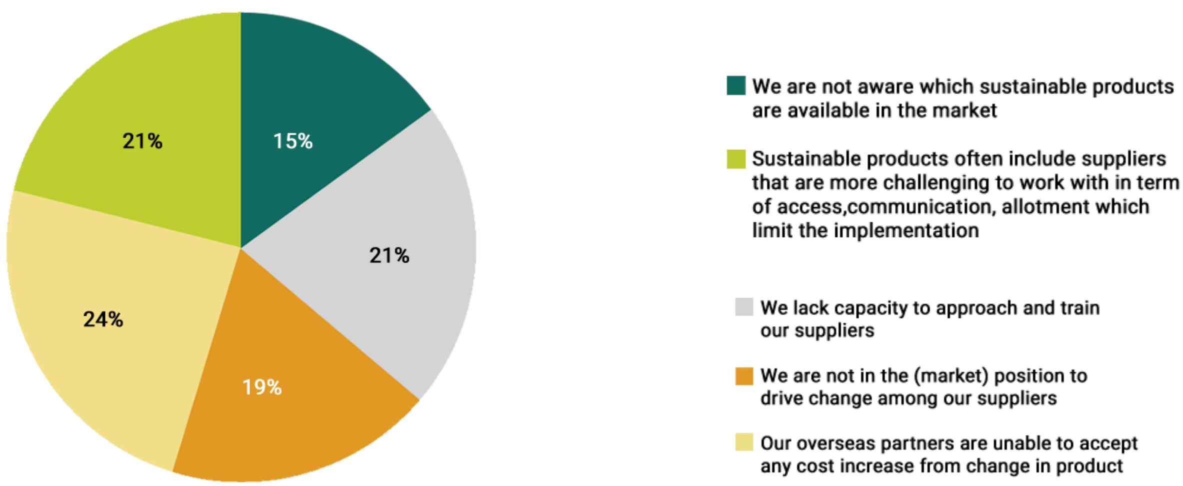
2 Sustainable products often includes *suppliers that are more challenging to work with* in term of access, communication and allotment – which limit the implementation

3 We *lack capacity to approach and train our suppliers*

These challenges will be faced in the context of COVID recovery, with loss of jobs during the pandemic seeing talent, passionate resources and knowhow leaving the industry. Very significant changes across companies and organisations means more awareness and efforts is needed to bring "new" people on board sustainability, when hiring again becomes relevant.

The responses above again confirm that pricing will certainly be a key success factor.

Figure 6.4.10.2: What obstacles hinder you to increase offering more sustainable products?



The TourLink project will be able to support Thai tour operators to train their suppliers.

Efforts to use market pull to motivate sustainability at sector level will also depend on *how Chinese market demand for sustainability develops*. If Chinese markets value sustainability actions, it will support the message and aims of the TourLink project. If Thai tourism businesses know that their most important markets, likely to revive earlier than European markets, are not actively interested in sustainability, then it may become more challenging to motivate them.

Author, Jorgensen noted that sustainability does not have a 'Thai tourism industry' captain with universal stakeholder buy-in. Public-private sector collaboration still needs to be strengthened and made more effective, to motivate more effective and scaled up sustainable tourism.

6.5 Pilot Destinations (This section is pending – to be completed)

	Bangkok	Sukhothai	Chiang Mai	Phuket	Nan
Key sustainability issues?					
Sustainable tourism highlights					
How can tourism support sustainable products in other sectors?					
Who should TourLink work with?					

7. Key conclusions and recommendations

This section is designed to be self-contained. Readers with limited time can read the conclusions and recommendations chapter without needing to read the full report. Readers seeking further information or clarification can then learn more, by going directly to the relevant section, using the contents page.

TourLink aims to "*green the Thai tourism supply chain by a business led approach, involving EU buyers, Thai tour operators and their suppliers."* The core of TourLink's innovative approach is *mobilizing and mentoring tour operators, accommodations and other tourism suppliers to achieve minimum standards for Sustainable Consumption and Production.* Tour operators adopting sustainable practices will be coached, certified and awarded by the internationally recognized Travelife programme. The project will also support Thai tourism by building B2B linkages; promoting green finance; reducing carbon emissions; contributing to the challenges of plastic and food waste; and ensuring tourism benefits destinations, communities and SMEs.

This Value Chain Analysis (VCA) of the Thai tourism industry is a key output of the TourLink project. The core activities conducted to complete this VCA were 1) desk research and 2) interviews with a sample of 18 Thai tour operators, which all focus on European markets.

The VCA describes the Thai sustainable tourism policy and stakeholder environment; identifies key sustainability issues in Thai tourism supply chains and destinations; introduces a sample of Thai-EU sustainable tourism operators; and helps to identify which Thai tourism suppliers, products, destinations and routes to prioritize in the Thai-EU tourism value chain. The VCA also identifies and prioritises opportunities for collaboration with related organizations and projects. As a reference document, mapping important stakeholders across Thai tourism sectors and cross-cutting sustainability issues, the VCA will also be useful to other projects and initiatives.

This VCA is a qualitative study. Recommendations are based on weight and the frequency of responses during surveys and interviews with Thai tour operators and organisations, alongside secondary data from Thai government and other sources. Overall, the researchers are confident that this data provides a complete enough picture to inform future TourLink actions. Further, quantitative research to identify most important activity suppliers by volume is recommended. Conclusions and recommendations are presented by key VCA objective and TourLink theme.

7.1 Overall conclusions and observations

Thailand is a regional tourism leader, with a well-developed ecosystem of sustainable tourism policies and organisations. Thai tourism stakeholders, across public and private sectors, have a sophisticated understanding of sustainable tourism. They are working hard to raise sustainability performance. Nevertheless, partly as a result of success growing the industry, Thailand faces significant environmental and social challenges to managing tourism sustainably.

The complexity of Thai tourism supply chains, which include literally hundreds of inputs, depending on the services being offered, means that a particularly broad range of stakeholders are involved. Thai tourism value chains also have touch-points across multiple aspects of sustainable development, with great potential to create positive and negative impacts.

This is both a challenge and an opportunity. It is a mammoth task to engage with all of the various types of suppliers which are involved in all of these tourism product inputs. However, if approached step by step, one can see the potential of tourism to be a uniting common interest, capable of motivating cooperation between otherwise disconnected sectors and stakeholders.

This report was written during the COVID crisis. The results were impacted by uncertainty, during extraordinarily challenging and dynamic times, with suppliers closing operations daily. The COVID crisis creates a space to 'build back better.' However, the crisis has also created many obstacles, key of which are reduced savings, debt, and loss of skilled, experienced staff.

TourLink can support the Thai-EU tourism industry to prepare for COVID recovery. However, we need to expect that tour operators and suppliers will have few resources to invest, and may be significantly under-staffed. The TourLink project will need to provide sufficiently simple, tailored tools. Success will also require a coordinated approach. Greater cooperation will lead to greater results. Tourlink project partners can each play an important role by fully harnessing their individual expertise and networks towards the project goals. The project will also benefit from additional engagement with carefully prioritized Thai, public and private sector stakeholders.

7.2 Lessons learned about Thai tourism supply chains and products

7.2.1 Overall

The VCA confirms the TourLink project logic that inbound tour operators are in a unique position to be ambassadors for sustainable tourism: both by the product choices which they make an offer to clients, and by motivating their suppliers to raise sustainability performance.

A supply chain approach is a very effective strategy to motivate tourism businesses to raise their sustainability performance. However, the scale and diversity of products, services and inputs in tourism value chains can easily become overwhelming, and an obstacle to effective action. The TourLink project can make a significant contribution, but will *need to scope and prioritize carefully*, and offer *different levels of engagement for different types of suppliers*.

More experienced suppliers will be able to engage with existing, sophisticated green schemes like Travelife Partner and Certified, and the Greenleaf Hotel Certification. Other suppliers, with less experience in sustainability, will require much simpler, 'step-in' level standards and codes.

The results of the VCA do assist us to clearly identify which suppliers and tools to focus on.

7.2.2 Market insights and implications

Thailand is a very well established, diverse destination with a high percentage of repeat visitors (70%+). In 2019, Thailand recorded an all-time high of 39.92 million international visitors (TAT), accounting for 11% of GDP and 20% of total employment (BOT, 2021). China was the biggest East Asian market in Thailand, accounting for 28% of total arrivals. Europe was Thailand's second biggest international market, accounting for 12.65% of all arrivals to Thailand in 2019 (MOTS).

Western markets accounted for 25% of total visitor spend. The top 3 source markets in Europe were 1) United Kingdom; 2) Germany and 3) France. Chinese visitors made approximately three times more trips to Thailand than Europeans. However, Europeans stayed over twice as long on average (17 days per trip for the top 3 European markets). Domestic tourism is also significant.
COVID restrictions have led to Asia Pacific being the world's worst performing region for tourism in 2020. The COVID crisis has cost Thailand over 1.2 million tourism jobs (WTTC, 2021).

COVID recovery is not expected until 2023 at the earliest. Recovery from European markets will require more than increasing vaccination rates and opening borders. Across the board, current research suggests that European tourists will have less money to travel, take fewer trips, closer to home, by road, focused on familiar destinations and visiting friends and relatives, until at least 2023. When Europeans do travel, they will be more cautious of the risks of cancellation, more sceptical of booking in advance, and more likely to make last minute bookings (Booking.com, 2021), (CBI, 2020), (FDI, 2021), (PATA, 2021), (WTTC, 2021). This will make forecasting and preparing for future demand more challenging. However, we will have enough time to prepare.

Inside Thailand, households are expected to have more vulnerable finances, given rising unemployment and an elevated burden of household debt (PATA, 2021). Tourism businesses in Thailand are struggling to survive and will find it difficult to finance getting back to business.

Many key staff have already left work, changed professions and moved to new provinces. This means that the TourLink team need to be prepared to offer support where it is most needed. *Concretely, in terms of sustainability management, we must develop accessible tools and training, which will help Thai tourism professionals to upskill and become more employable.*

Tourism after COVID will be permanently different from before, including a *much-heightened awareness of health issues*. Tourism businesses will need to be more *agile and flexible* (PATA, 2021), (Wyman, 2020). Across market research, other common themes and trends include:

- *People will seek quieter, more private, natural areas and nature tourism will grow.* This is an opportunity for scenic, secondary tourism destinations like Nan province.
- *Sustainable tourism awareness and demand is at an all-time high* (Booking.com, 2021) and travellers are actively searching for more sustainable options, such as green certified accommodations (Booking.com, 2021), (CREST, 2020). However, tourists will be *particularly price sensitive*. *Clear, attractive, value-added promotion will be essential.*
- Thai tourism businesses must learn how to *make engaging sustainability information easier to access for consumers, at earlier stages of the booking and travel decision-making process*, so they can put more of their sustainable travel intentions into action.
- The trend to value *experiences over products* will continue. Special value can be added to *experiences connected to communities, health and wellness, and family travel.* Based on the analysis above, standards and codes for excursions and activities will need to be simple and accessible e.g.: approximately 20 key criteria covering highest impact issues.
- *Sustainability issues which resonate strongly with European customers* include climate change/carbon, reducing waste and recycling, reducing energy and water use, creating more benefits for local communities, reducing threats to local wildlife and habitats, and supporting racial and gender inclusivity and diversity. These messages can add value.
- *Carbon* was the most frequently mentioned sustainability priority, both B2B and B2C;
- In terms of concrete actions which we know are being taken, *choosing to shop at small, independent stores* is the currently most popular purchasing choice tourists are taking.
- Demand for nature travel and local experience does not mean retreating from technology. *Tourists will increasingly expect smart technologies to be conveniently, simply, safely and hygienically integrated* into the processes of searching, booking, and traveling between destinations (e.g., automated / touch-free tech) (Wyman, 2020).
- There will also be *more demand for immersive and enhanced experiences*, for example by using VR technology to enhance museum or sightseeing visits (Wyman, 2020).

- *The 6 sustainability themes*, which tourism businesses and organisations are giving top priority are: carbon reduction and compensation, community engagement, public-private collaboration, preservation of biodiversity, overtourism management (however, this is less prioritised during the COVID crisis) and digital acceleration (Wyman, 2020).
- Business travel is likely to remain limited for the foreseeable future (FDI, 2021), (PATA, 2021), (Wyman, 2020) with higher demand for virtual and hybrid events (FDI, 2021).

7.2.3 Most important travel products

Listed from largest to smallest categories, TAT tourism spend data for 2019 shows that:

- *Accommodation* is the biggest category, representing 28% of total spend
- *Shopping* is the second biggest category, representing 24% of total spend
- *Food & Beverage* is the third largest category, representing 21% of total spend
- *Local Transport* is fourth largest category representing, 10% of total spend
- *Entertainment* comes in as fifth largest category, representing 9% of total spend
- *Sightseeing* sixth largest category, representing 4% of total spend
- *Medical Care and Miscellaneous* on a shared 7th place. Each holding 2% share of spend.

Key insights for Thai-EU tourism: Accommodation is the biggest portion across all 3 markets. *European markets* spend a higher proportion on A) *food and beverages* and B) *transport* compared to Oceania and East Asian markets. Shopping is most important to East Asian but least important to European markets. *Product and experience development* (including creative dining experiences) will add relatively more value to European customers (TAT, 2019).

Inbound tour operators / DMC's are the central hub of professional, B2B tourism supply chains. Tour operators often sell a wide range of itineraries, and have hundreds of suppliers in their contact lists. However, most volume will go through a smaller list of *preferred or key suppliers*.

The most popular products for European markets, proposed by respondents in the VCA surveys are *day and multi-day tours*. *Cultural products* were second most popular. Other, most popular products were: *transport* (e.g., registered taxis, chauffeur driven sedans, vans and busses). H&S is as a key decision-factor (e.g. fire extinguishers, first aid kits, seat belts, driver performance, vehicle standards etc.); *accommodation* (mainly 3-5 star accommodations, plus homestays and guesthouses) and *Sports and adventure activities* + *MICE*. Other key suppliers proposed for day or multiple day touring consist of *sight entrances* and *tour guides*. Regarding F&B, respondents noted that western markets seem curious to try all kinds of eateries, as long the sanitary and hygiene standards are good. More needs to be done to train and promote local eateries.

7.2.4 Activities and excursions

The TourLink project aims to develop new sustainability standards and codes at activity level. Insights into highly popular activities came from desk research and tour operator interviews. From desk research, we learned the following:

- Generally, coming out of the COVID crisis, there is expected to be *demand for high quality, sustainable products and experiences*. Value can be added by quality, safety, and attractive story-telling. Tourists are likely to be price sensitive for considerable time.
- *Health, safety and hygiene* will be important considerations buying excursions. Some travellers will seek visits to remote (perceived safer) locations. However, not all tourists will be interested in safety and solitude! Other travellers will want to get 'back into the crowds' as soon as possible. Tour operators need to prepare for both of these groups.
- Relevant trends include *hands-on, local activities*; learning activities (learn to do 'X' yourself); community stays; outdoors and nature-based activities and food activities.
- *Sightseeing with digital enhancement* is another big trend. For example, using VR to explain things more interactively with individuals; or share layers of deeper content.
- *Selfguided tours* are gaining popularity. Relevant to carbon-friendly tourism, these types of activities can often be experienced on foot, cycle, e-scooters or by public transport.
- *Enhancing services into experiences* is another key trend e.g. making transport into an experience by using tuk tuks, long tail boats, river boats, song thaew trucks, etc. Making

eating / restaurants into an experience through local food activities and experiences, visits to fresh markets, organic or sustainable farms (from farm to table etc), CBT, etc.

Questions in the VCA survey distinguished between ‘products’ and ‘activities and excursions.’

The results of the questionnaires also confirmed high demand for various kinds of activities. However, in practice, when tour operators responded to questions, there was some overlap. In addition to the information discussed in 7.2.3 above, respondents reported the following:

Day and multi-day tours include a wide variety of services and activities. Popular types of day tours, which tour operators mentioned, included *island tours and city tours*. As reported above, *cultural activities and sports and adventure activities* were also rated as very popular.

The most *popular / important activities* mentioned by respondents during surveys were:

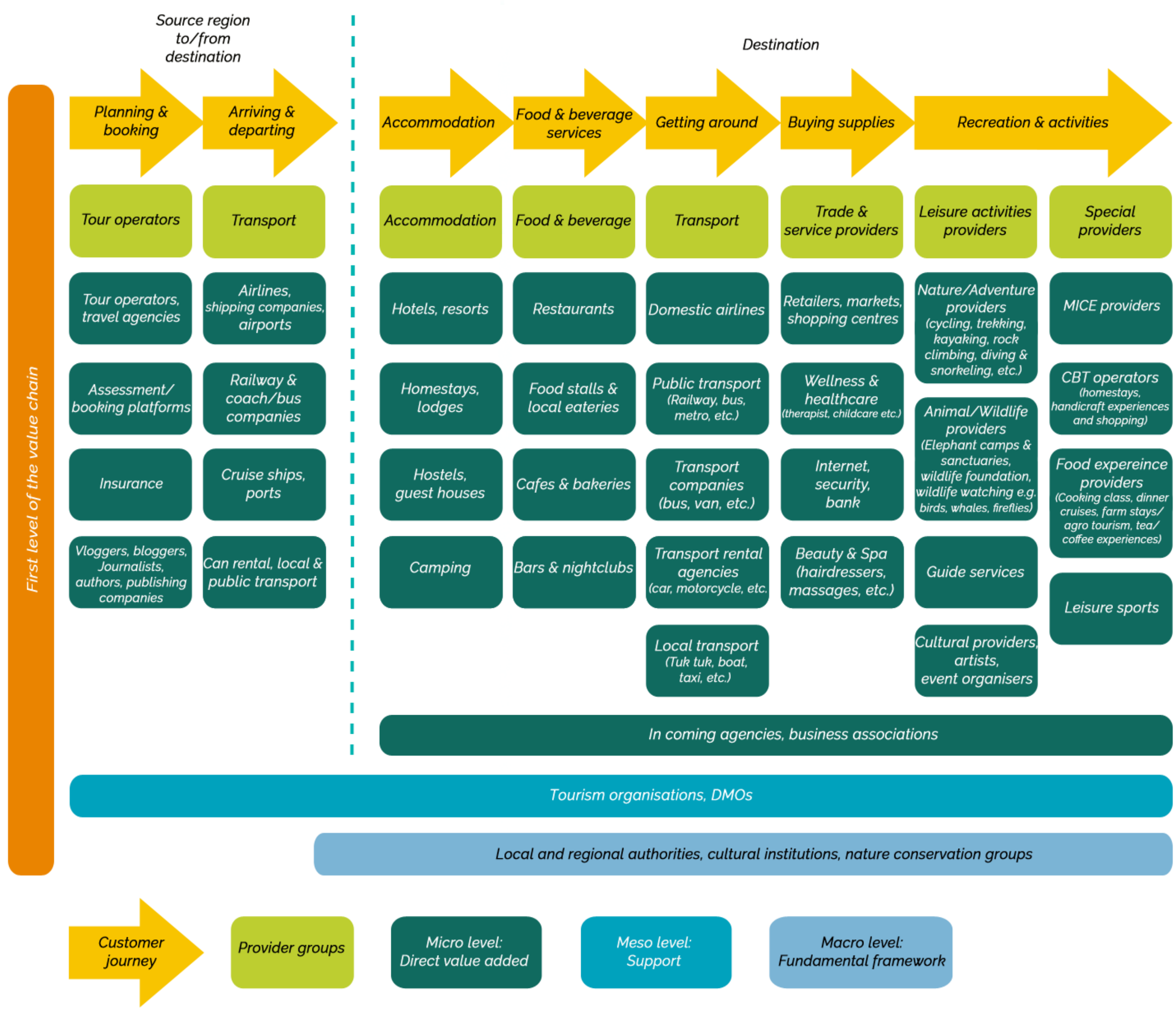
1st Transport/car rental 29%
2nd Visiting buildings and cultural heritage 19%
3rd Motorized boating 14%
4th Elephant Activities 10%
5th Adventure (biking and trekking were mentioned) 9.9%

Other, key insights gained from the survey and follow up interviews included:

- *Thai cultural products* are still in high demand. However, there is less demand for staged cultural performances (unless they are excellent). There is more demand for *CBT/ visiting communitie*s and ‘authentic’ hands on experiences like *cooking classes*.
- *Natural sightseeing* is another very popular activity
- Operators offering *animal activities* to EU markets prefer to feature *ethical products*.
- *Elephant activities* are in high demand. Due to increased consumer awareness over animal welfare, *elephant viewing* is now more popular than other elephant activities.
- *Adventure* is very popular, with *biking* and *trekking* mentioned as key activity-types.

Further research would be useful to learn more about which specific kinds of sports and adventure suppliers are most important in terms of absolute volumes in EU-Thai supply chains.

Thai tourism products, supplies and activities are summarized in the Thai VCA diagram:



(Adapted by VCA team based on GIZ, 2021)

The authors note that while most surveyed tour operators are interested to share information, and engage in a common approach towards suppliers; some are wary to share contact details of their most 'prized' suppliers. This is because access to special suppliers is a key competitive advantage. *The TourLink team should request Thai tour operators to share more supplier information, as they begin to engage more actively with standards and training activities.*

7.2.5 Competitiveness

Competitiveness: The most important factors for competitiveness in EU markets proposed by the TO's are *service quality*, *health and safety* and *variety of offer*. 81% of tour operators agreed that *sustainable* products give them a competitive advantage. Other important factors are *price* (will be highly important in the COVID recovery period), *ability to modify* services or products, *instant* purchase, instant availability and *system integration*. Technology is considered the biggest disruptor in travel and tourism, which drives new ways of buying and doing things.

7.2.6 Destinations and routes

The *most important Thai tourism destinations for European travellers,* proposed by Thai tour operators interviewed in the VCA, are 1) *Phuket* and Andaman, 2) *Bangkok* and 3) *Chiang Mai*.

Most travellers start their trip in Bangkok. *Bangkok to Chiang Mai was also confirmed as the most popular overland route*. This confirms the TourLink project's choice of target destinations.

Project partner, DASTA is working on sustainable tourism development in many emerging destinations across Thailand. Of these destinations, tour operators identified Chiang Rai, Sukhothai, Trat, Nan and Loei provinces as the highest potential. Sukhothai can be visited conveniently between Bangkok and Chiang Mai. Nan is an increasingly popular destination among Thai travellers. TourLink partner TEATA is also engaged in several current research and development projects in Nan. Therefore, we recommend TourLink to include a micro-focus on sustainable tourism in *Sukhothai* and *Nan* (based on active support by DASTA and TEATA).

7.2.7 Sustainability inside the interviewed Thai tour operators

Tour operators have different approaches to sustainability and carry out different kinds of activities. More collaboration and sharing of best practices could optimize scale of impacts. Using common measurements and methods would help to assess progress over the sector.

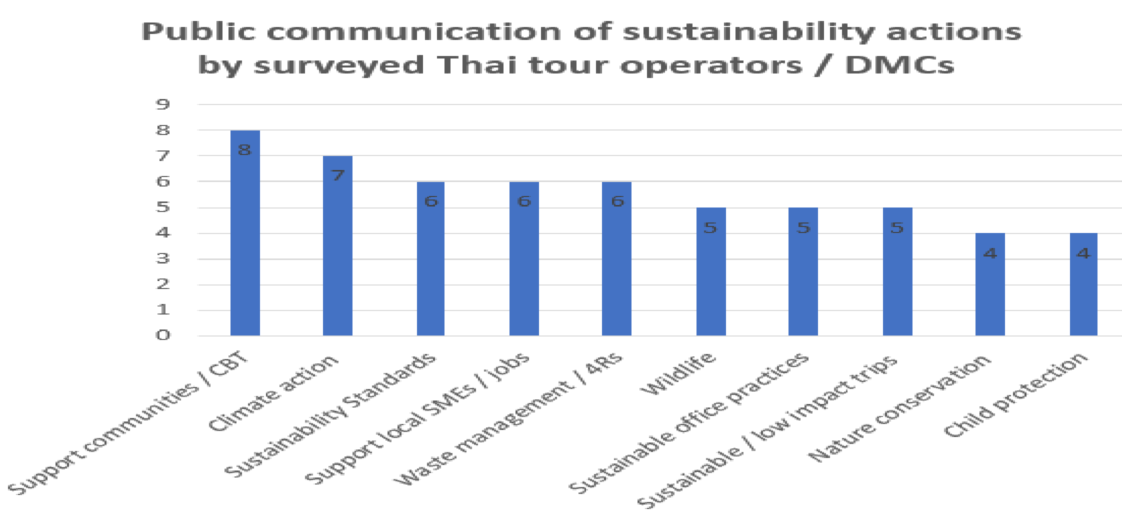
Most businesses favour women (74%) and Thai nationals (87%) as employees. Among 17 DMC GM/Managers which the TourLink team interviewed, 65% were male and 35% were female.

The majority of operators have sustainability policies, prefer more sustainable suppliers, and are taking action to reduce plastic (88%) and carbon emissions (82%). Over half surveyed TO's have policies and actions to reduce food waste (53%), value sustainability when working with hotels (69%) and use tools to identify sustainable hotels e.g. sustainability clauses in contracts (73%), using sustainability as selection criteria (60%), and sharing best practices (60%).

All of the surveyed businesses (100%) seek to benefit local communities, and many offer CBT. However, there is *lack of common understanding about CBT*, and need to provide training and facilitate smoother cooperation between Thai tour operators and local communities / CBT. The TourLink project should actively support DASTA to link tour operators and CBT communities.

All surveyed tour operators communicate sustainability in their online, public communications. The tour operators' most frequently mentioned sustainability actions are summarised below:

Figure 7.2.7.1 Public communication of sustainability actions by surveyed Thai TOs/DMCs



This suggests that *communities and carbon* are the most popular and 'top of mind' issues. *Downstream*, respondents reported that most outbound B2B partners view sustainability positively (85%), with highest expectations for sustainability from Northern European and Australia Pacific B2B partners. Key priorities / needs for raising sustainability performance, proposed by the tour operators, include transport (including boating) and built heritage.

Increasing value given to sustainability in East Asian (Chinese) markets may be an opportunity for TourLink. It may be an incentive for Thai TO's to actively participate in project activities.

Upstream, key factors when choosing suppliers are 1) License, insurance & compliance; 2) Health & safety; 3) Product & service. The interviews showed that while *sustainability was not a deciding criterion* for choosing a supplier; *it was rated 'important' by all respondents*. All of these issues should be included in training content for new activity and excursion suppliers.

Most surveyed DMC's already work with their suppliers to improve sustainability performance and encourage them to join external trainings. Overall, 75% of surveyed TO's reported that they work proactively with their suppliers to create more sustainable products and 69% reported that they encourage their suppliers to join sustainability certification programs and activities. 9 out of 15 (47%) of surveyed TOs reported that their suppliers commit themselves to sustainable targets in contractual agreements. Crucially, *only half of the surveyed DMCs track or measure their sustainability*. Surveys showed that while all companies deliver some ad-hoc sustainability training, 86% of surveyed DMC's *do not run regular sustainability training for their suppliers*.

Tour operators were asked: "*How do you work or wish to work with hotels in your supply chain in terms of sustainability?"* The most common actions currently being taken are:

- 12 out of 15 = 73% of TO's use sustainability clauses in contracts
- 10 out of 15 = 60% of TO's use sustainability as a selection criterion
- 10 out of 15 = 60% of TO's share best practices with hotels in their supply chain
- 8 out of 15 = 47% of TO's request hotels to complete a sustainability checklist
- 6 out of 15 = 33% of TO's work with other TOs to have hotels to complete a checklist.

The TourLink project can play a useful role coordinating these efforts. *Thai language online training (e.g. on Travelife)* will make it much easier for tour operators to train their suppliers.

7.2.8 Interest to cooperate with the TourLink project

Responding tour operators are interested to cooperate with the TourLink project, as below:

Very high interest:

- Join a working group of inbound TOs on sustainability (100%)
- Setting common minimum standards for suppliers* (100%)
- Jointly approach hotel and tour suppliers* (94%)
- Distribute a common consumer code of conduct* (94%)
- Participate in market access activities (94%)

High interest:

- Invite suppliers to training workshops (88%)
- Train staff on sustainability (88%)
- Share details on key suppliers (81%)
- Work towards Travelife certification (75%)

*Several TO's suggested a *common contractual approach* or *sustainable supply chain / supplier code of conduct*. Developing and reporting on common standards and codes will eventually enable tour operators to access overviews of suppliers' sustainability performance.

Of the suggested sustainability practices, actions which TO's are most interested to take are:

- 60% of surveyed TO's are most interested in provide training for hotels on sustainability.
- 53% of surveyed TO's are considering to start requesting hotels to complete a sustainability checklist or work with other TO's to have hotels complete a checklist.

Both of these needs can be supported by the TourLink project. Common formats of contract clauses and checklists can be developed in partnership with Travelife and TourLink partners.

7.2.9 Tour operators' training needs

The team gained insight on training needs from the tour operator interviews, and by analysing the results of Thai tour operators' reports on the Travelife online reporting system. Responding tour operators emphasised the need for sustainability training, deeper into supply chains. It is common but also very inefficient for several different tour operators to train the same suppliers. TourLink can add value by training suppliers which are used by many tour operators.

TourLink should *initially focus on the most important and popular products and services for maximum impact.* Tour operators and tourism associations (e.g. THA, TEATA, and ATTA) can support this by reaching out to suppliers and actively encouraging them to join the training.

Around 80% of responding TO's are interested for their preferred tour guides *to achieve sustainability training and certification*; and 75% of responding TO's would like tour guides to *"sign a code of conduct developed jointly across tour operators."* This is a particular gap and opportunity for TourLink to add value and meet stakeholder needs for sustainability training. Responses to the Travelife system provide additional insights on common training-need areas:

Travelife criteria	Issues which tour operators find challenging / have not reported on
Sustainability management & legal compliance	*Sustainability overview of suppliers* (7), *exchange of experiences* and *public reporting* (4), *mission statement* and *donations* (3).
Internal management: social policy & human rights	*employment of persons with special needs* (12), *HR policy and representation* (5), and *disciplinary procedures and measuring employee satisfaction* (4)
Internal management: envi. / community relations	*carbon offset* (25), *business travel carbon offset* (20), *business travel emission* (16), *environmentally friendly cleaning materials* (8), *printing company* (7)
Inbound partner agencies	*partner agency policy* (5), *contract conditions* (2)
Transport	*sustainable transfer to departure airport* (6), *local transport* (2)
Accommodations	*accommodation incentives* (7), *certified accommodations*, *contract conditions* (4)
Activities	*activities inventory*, *suppliers communication*, *sensitive excursion codes of conduct*, and *certified excursions* (5)
Tour leaders, local representatives, and guides	No significant criteria that member companies cannot comply with
Destinations	*local economic network* (7), followed by *accessible destination* (3)
Customer communication and protection	*carbon emission level information* (15), *carbon compensation with booking* (12), *donations* (11), *carbon offset information* and *sustainability and customer satisfaction* (10), *indication sustainable accommodation and excursions* (9)

Interesting to note that *carbon and employing people with special needs* are key bottle-necks. Carbon is already a TourLink priority. Additional special needs focus can be added to training.

7.3 The Thai tourism organization, policy and project environment

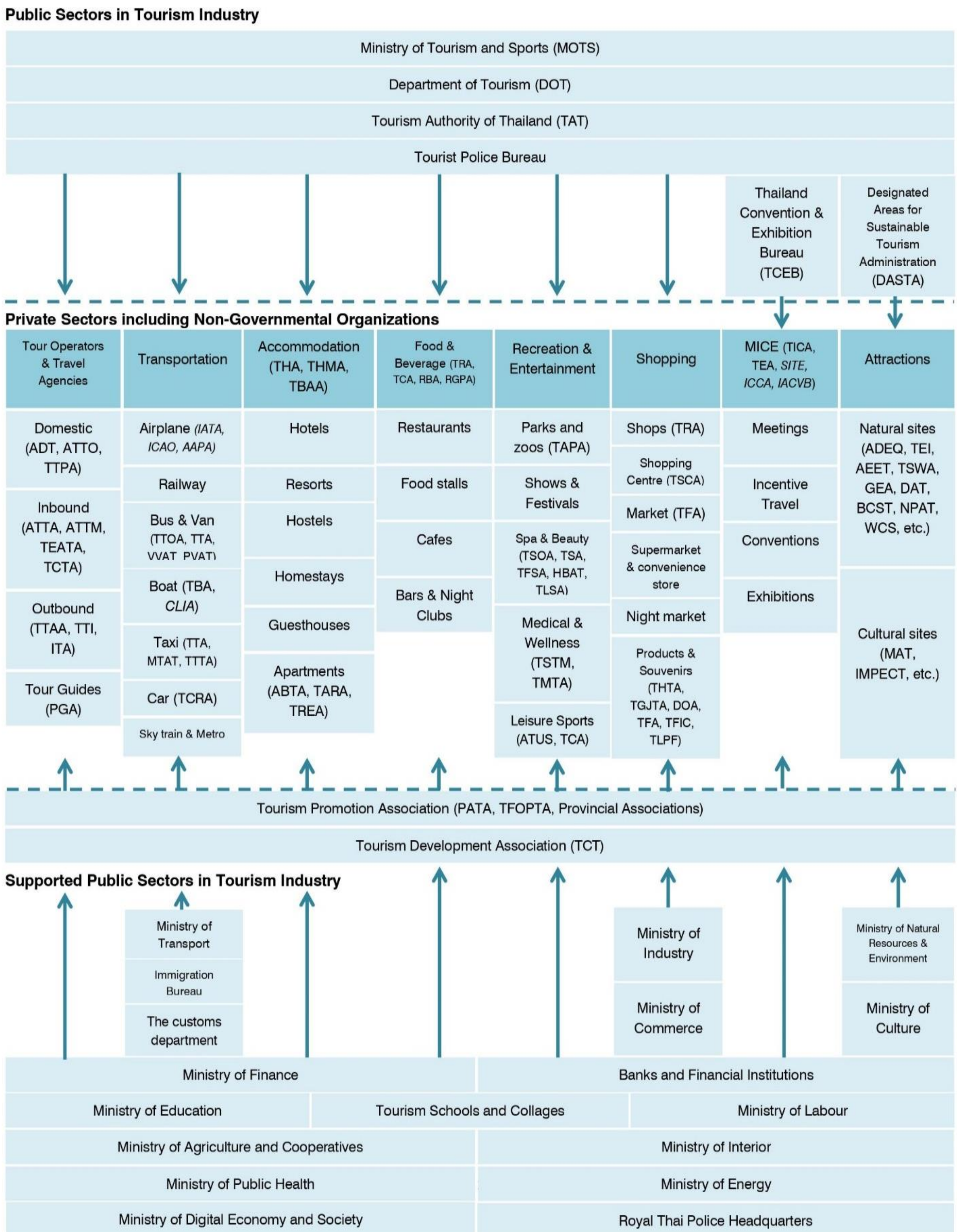
Sustainability is embedded into Thai government policy at the highest level. For example, Thailand's National Social and Economic Development Plan is based on sufficiency economy and the UN SDG's. Thailand has advanced policies connected to climate change, SCP, energy, sustainable fisheries and forestry. Key sustainability challenges include preparing to manage an aging society, reducing inequality / wealth gap, loss of biodiversity, air pollution from vehicle emissions; water pollution from organic and factory wastes; water scarcity; deforestation; soil erosion; wildlife populations threatened by illegal hunting, and hazardous waste disposal.

Public sector organisations consist of government agencies, state enterprises and public organisations. Thai tourism is led by the Ministry of Tourism and Sports (MOTS) and the Department of Tourism (DOT). Tourism marketing and promotion is led by the Tourism Authority of Thailand (TAT). Designated Areas for Sustainable Tourism Administration (DASTA) are responsible for sustainable destination management, and Thailand Convention and Exhibition Bureau (TCEB). Sustainability in Thai tourism is not reliant on international donors.

Related public organisations include Thailand Greenhouse Gas Management Organization (TGO), focuses on development and promotion of greenhouse gas reduction, the Ministry of Natural Resources and Environment (MNRE), the Department of National Parks, Wildlife and Plant Conservation, and the Community Development Department (CDD), Ministry of Interior (MOI), focuses on sustainable development and local community capacity building.

Thailand has many laws covering tourism related businesses. Licenses are required across sectors: tour operation, accommodation, guiding and F&B (some flexibility for informal sector).

In Thailand, the tourism private sector is officially organized according to 1) Tour Operators /Travel Agencies, 2) Transportations, 3) Accommodations, 4) Food & Beverage, 5) Recreation & Entertainment, 6) Shopping, 7) MICE and 8) Attractions. The private sector has a large number of associations (NGO) that have mobilised to develop their sectors and lobby for their interests. The Thai tourism public sector and private sector association environment is mapped below:



For more detailed information, please see section 6.3 of the main VCA report.

There are still *significant communication gaps* between *public and private sectors*, and, unintentionally, between forums which are lead in *Thai and English languages*. The Thai government does encourage working towards sustainability standards. However, more direct links with international standards initiatives can add significant value to this work. A taskforce led by DASTA/PATA/TEATA, initiated by TourLink, may be able to help build bridges between sectors and increase awareness and industry wide participation in greening the supply chain.

The table on page 91 provides advice for which public sector and associations to engage with.

7.4 Backwards linkages to other sectors and local communities

Agriculture is a key industry linked to many tourism suppliers and activities through food and beverages provided as a service by tourism businesses; and specific agritourism initiatives. There is increasing demand for agritourism and culinary tourism, including 'farm to table'.

The TourLink project can help inform tourism businesses about existing initiatives, through which they can access organic, local products and other kinds of sustainable food supplies and include new stops in tours. Initially, the Tourlink project should explore cooperation with the 'Food Safety Route and Fresh Market' project implemented by the Department of Health (DOH-MOPH) and MOTS to promote food tourism and Thai ways of life; and the 2019 MOTS 'Food Tourism Network Development' project that aims to support food/gastronomy tourism and elevate local Thai cuisine, as well as to create food tourism network (LifeBizNews, 2019).

Research from Booking.Com and others emphasizes tourists' proactive interest in local shopping and souvenirs. The TourLink project should explore cooperation with existing green trade initiatives lead by The Ministry of Commerce (MOC), the Ministry of Industry Community Development Department (CDD), and the Department of Environmental Quality Promotion (DEQP / MNRE). In particular, we should explore cooperation with *Trade & Tourism Alliance*, which is already working with MOC and TAT and other SWITCH projects. Pilot sectors for TTA are health and wellness, gems and jewellery, locally-produced goods, agriculture and innovative agriculture, health tourism, franchise business, and restaurants with Thai Select label (MOC).

Other initiatives with which TourLink could explore cooperation include 1) the MOTS Green Tourism Promotion Strategy (2017-2021) that aims to promote and develop green/sustainable tourism services, as well as to improve laws and regulations to promote green tourism; 2) the Green Label initiated by Thailand Business Council for Sustainable Development (TBCSD), in cooperation with partners as an independent green label agency that provides information about environmentally friendly products and services; 3) the Thai Eco products Database, which is a platform to search for certified environmentally friendly products / services and 4) the One Tambon One Product (OTOP) local entrepreneurship stimulus program initiated in 2003 to support locally made and marketed products in each of 7,255 Thai sub-districts.

More information about these programs can be found in section 7.3 of the VCA.

If these networks can enable access to significant numbers of high-potential products, then the TourLink team could consider organizing a *'Value Network'* (Partale, 2020). See section 3.5 of the VCA. For more information on other types of suppliers, which provide key inputs along the Thai tourism value chain. Please refer to the Second Level Value Chain diagram, on page 64.

7.5 Opportunities and obstacles to scale up sales to Europe

Drivers for sustainability mentioned during the interviews with Thai tour operators included:

- Market demand and customer sustainability expectations, especially from B2B partners;
- Overall, increased awareness of climate change and sustainability issues;
- Genuine motivation to make a difference;
- Availability of corporate CSR outsourcing (e.g. CSR planners and event organizers);
- Availability of carbon calculation tools;
- Opportunity to build new, unique Selling points in products;
- Lobbying EU buyers by civil society (e.g. around wildlife / child issues);
- Fulfilling TO's internal (office) commitments to green tourism programs.

Respondents confirmed that, after COVID, businesses will be very stretched for funds. Many businesses will be in crushing debt, and have few funds to invest in sustainability. Access to green credit lines and provision of free training etc. will be important to engage businesses.

The biggest obstacles to scaling up sustainability proposed by tour operators were *price ceilings* (overseas partners unable to accept cost increases), specific challenges of *working with sustainable suppliers* (e.g. access, communication and allotment) and *limited capacity of Thai tour operators to approach and train suppliers*. Challenges must be faced in the context of COVID recovery, with job losses during the pandemic seeing much talent, passionate resources and knowhow leaving the industry. Such significant changes across Thai tourism companies and organisations means more effort will be needed to bring "new" people on board sustainability.

Other practical challenges are 1) Tour operators are looking for products, which are as distinct and differentiated from competitors as possible and 2) closer cooperation between public and private sectors is needed to match supply and demand, while providing product differentiation. Considering the Thai government focus on both 'high end high value' customers, and community based and rural tourism, further luxury-local product development is recommended.

Price constraints were confirmed from the consumer side by the Booking.com (2021) survey, which found that 36% of respondents felt they can't afford sustainable travel. Moreover, 34% considered that making more sustainable travel decisions would constrict their itineraries and 34% agreed that sustainable destinations do not appeal to them as much as other destinations. Finally, 41% of respondents reported that they don't know how to find sustainable travel options. This confirms the previously mentioned need to communicate sustainable choices in attractive ways, which show how sustainability can add tangible value to tourists' experiences.

Booking.Com reported the top three reasons that accommodation partners are not communicating their sustainability efforts to guests are 1) 33% don't believe they are doing enough which is worth communicating; 2) 32% don't think their guests are interested; and 3) 28% are concerned that their guests may find communication patronizing. It will be important to communicate consumer demand for sustainability clearly during trainings, as well as work with hotels and other suppliers to communicate their sustainability messages more attractively.

Jorgensen noted that sustainability does not have a 'Thai tourism industry' captain with universal stakeholder buy-in. Public-private sector collaboration still needs to be strengthened and made more effective, to motivate more effective and scaled up sustainable tourism.

7.6 Key conclusions and recommendations, based on TourLink project themes

7.6.1 TourLink marketing and promotion

The research suggests that the key European markets to focus on are 1) United Kingdom; 2) Germany, 3) France; and 4) Northern Europeans, who have high expectations for sustainability.

The TourLink team will need coordinate closely with the Tourism Authority of Thailand (TAT), PATA and other TourLink partners and associations to boost awareness of Thailand's progress in sustainability, leading with showing enjoyable, safe, sustainable products and experiences.

In COVID recovery, promotion must also emphasize value for money. Partners must make it easier for tourists to find sustainable choices at early stages of the booking and decision-making process. Value can be added by clearly communicating the customer benefits of sustainable features. They will benefit by providing flexible booking options, including last minute booking.

Product messaging to add value includes hand on experiences; creative dining and food experiences and shopping tips for small, independent stores. *Sustainability messaging* to add value includes how your businesses and products help to benefit communities, reduce carbon, reduce or recycle waste, protect local wildlife and habitats, save energy and water, and support inclusivity and diversity. Messaging to add value for European business partners (B2B) includes how you reduce and compensate carbon, engage with communities and preserve biodiversity.

7.6.2 Tourism business engagement, standards and capacity building

The VCA clearly shows high interest in TourLink facilitating a common approach towards business engagement, sustainability standards and training for tour operators and their suppliers. Some key conclusions and related recommendations for future action include:

- More collaboration across the industry is needed to increase efficiency and reduce the need for multiple, supplier checks and audits. Common checklists can be a key tool.
- Keep standards, tools and codes simple. While best practices continually advance, the bulk of the industry and suppliers still only have a very basic level of understanding of sustainability issues. Training must be tailored to the 'step-in' point of the trainees.
- Interviews with project partners emphasized that language barriers (English) and lack of familiarity with online platforms can be key obstacles to engaging Thai SME tourism suppliers in the project. Thai translation of criteria and trainings must be a priority.
- To definitely support SME's, who are less comfortable with English and technology, the team must allow sufficient time to provide training and coaching to suppliers.

For motivated Thai tourism businesses, the following actions are recommended:

- Reach out to Thai tour operators, through their associations, to join TourLink activities. The key activities are to join trainings, and work towards standards (see below);
- A direct call for active TO's to join a working group of inbound TOs on sustainability, to:
    - Train staff on sustainability and work towards Travelife certification
    - Share best practices, case studies etc.
    - Provide input into common minimum standards for suppliers
    - Provide input into and distribute common consumer codes of conduct
    - Develop and agree on common formats for contractual tools and checklists
    - Share details on key / preferred suppliers and invite them to training workshops
    - Jointly approach hotels and tour suppliers to engage in training and standards
    - In certain cases, support training suppliers in sustainability (share best practices)

- It may also be possible to work as a group to negotiate reduced prices for more sustainable supplies, using economies of scale (e.g. sustainable plastic bottles).

Where tour operators and suppliers are not motivated to engage, the team can take a soft approach, for example inviting businesses to follow a Facebook group, and sharing no/low cost actions which can help them to save money and motivate remaining staff. It will also be important to adapt tools to different levels of experience, such as beginner, advanced, etc.

Due to the scope and complexity of supply chains, it will be necessary to s*cope and prioritize suppliers carefully*, and offer *different levels of engagement for different types of suppliers*.

Engagement needs to be broad enough to cover significant areas of the Thai tourism supply chain, and scoped enough to be feasible within the project timeframe until May 2024.

Summarised from across the VCA, the following products and activities should be prioritized:

<table>
<tr><td colspan="2">Day and multi day tours</td></tr>
<tr><td>Most important tourism suppliers</td><td>Most important tourism activities</td></tr>
<tr><td>Accommodation
3-5 star accommodations, plus homestays and guesthouses (niche)
Shopping
Independent, local shops
Food and beverage
All kinds of restaurants
Include a focus on ‘Local eateries’
Local transport
Mainstream: taxis, chauffeur driven sedans, vans and busses
Motorized boating</td><td>Sightseeing
City tours
Cultural products and experiences
Visiting buildings and cultural heritage
CBT / home meals
Hands-on learning activities
Cooking courses
Market visits
Farm visits
Sports, Adventure and Nature activities
Island tours
Cycling</td></tr>
</table>

• Local: tuk tuks, long tail boats, river boats, song thaew trucks • Car rental Code of Conduct *Tour guides* MICE (but likely to recover more slowly)	• Trekking *Wildlife* • Ethical animal excursions • Elephant activities • Monkey activities (from TEATA) *Health and wellness*

For excursion and activity providers with limited experience, the project should begin with codes of approximately 20 key criteria, covering highest impact sustainability issues.

Training:

- Tailor training to be as useful as possible for tourism professionals who lost their jobs during the COVID crisis *to upskill and become more employable.* When promoting training, it is important to assure trainees that they will learn marketable skills.
- Core content, related to TourLink, which will add value to these trainees can include:
  - Health issues, health and safety
  - How to reduce plastic and food waste
  - How to manage and reduce carbon, carbon calculation and offsetting
  - How to track or measure sustainability
  - How to design more unique, sustainable experiences
  - Storytelling to add value to sustainability messaging
  - employing people with special needs
- Other content, not directly related to TourLink, which could be included if possible:
  - How to integrate smart technologies into booking and searching
  - How to create immersive and enhanced experiences (e.g. VR)
  - How to design and price self-guided, sustainable tours
  - Crafting services into experiences (e.g., food, transport)

Based on the needs proposed by Thai tour operators*, activity supplier training* should include content on product and service expectations, insurance and compliance, and health and safety

There is interest in supporting tour guides to develop a common code of conduct, training, and certification. It is unlikely that TourLink will have the resources to do all of this. However, the team can engage tour guides in standards, code of conduct and training development; and should at least translate Travelife online guide training into Thai to make it more accessible.

Working groups should be established to focus on various sustainability issues and suppliers.

7.6.3 Hotels and green finance

There is high interest among Thai tour operators for additional sustainability training for their partner hotels. The TourLink team, taking advice closely from the THA team, should:

- Continue to encourage hotels to join sustainability standards and activities
- Develop common checklists and sustainability clauses for hotel contracts
- To help overcome identified bottlenecks, training content should include
    - Consumer interest in sustainability
    - How to communicate sustainability in attractive ways
    - Share best practices. E.g. how to embed sustainability targets in contracts

The TourLink project should also actively cooperate with the Department of Environmental Quality Promotion (DEQP) 'Environmentally Friendly Hotel or Green Hotel' project (400 certified hotels), the Greenleaf foundation and Thailand Convention and Exhibition Bureau (TCEB).

Trainings should include a human rights focus on water and waste management in training; information on how to identify low energy equipment and how to access small-scale solar. Training should also share information about private waste recycling organisations Thai Plastic Recycle, Green Waste Gold, Won Project, Green Road Project ,E-Waste with AIS, and GEEP.

The TourLink project foresees the establishment and launch of a *green finance scheme*. Desk research suggests that other green credit schemes for the tourism industry may already exist, which would make it unnecessary to establish a new scheme. An immediate priority action is to identify if such schemes do already exist, so that TourLink can help to promote these schemes.

First, TourLink should explore cooperation in Green Finance / Credit with the '*Sustainable Finance Working Group*' for financial actions for sustainability in the Thai financial sector, initiated by the Fiscal Policy Office (FPO), Bank of Thailand (BOT), Securities and CDD Exchange Commission (SEC), Office of Insurance Commission (OIC), and Stock Exchange of Thailand (SET). Important, further opportunities for synergies in green finance should be explored with:

Bank for Agriculture and Agricultural Cooperatives	Green finance (Green Bond)/ Carbon neutral tour package/ Community development & management
Sustainable Finance Working Group (FPO, BOT, OIC, SEC, SET)	Sustainable Finance Initiatives/ Green finance
International Finance Corporation (IFC) Thailand	Green finance & loan
Small and Medium Enterprise Development Bank of Thailand (SME Bank)	Tourism MSMEs development & management/ tourism marketing & promotion
Krungthai Card PCL	Community development & management/ Carbon neutral tour package/ tourism marketing & promotion

7.6.4 Carbon tools and packages

Carbon emissions are the key environmental impact of the travel sector. Thailand is classified as a high-risk country for the long-term impacts of climate change. Thailand Greenhouse Gas Management Organisation (TGO) was established in 2007 to lead Thailand's fight against climate change. Several major hotel chains and airlines inside Thailand are involved in international initiatives to achieve 'Net Zero' carbon emissions by 2050. Complexity, and the high costs associated with auditing, is particular obstacles for Thai SMEs to engage. SMEs need particular support to use carbon management tools and minimize high offsetting costs.

Climate change and carbon are moving to full consciousness among consumers and businesses. 82% of surveyed TOs have policies in place to reduce carbon emissions, while only 18% of surveyed TOs have still no policies in place. However, with a small number of very notable exceptions (e.g. EXO Travel and Intrepid Travel) actions are still very limited and tokenistic, such as implementing energy reduction in offices and avoiding idle running of vehicle engines.

These activities are commendable but insufficient to make a significant impact on carbon.

Among responding tour operators, there is great interest in 'calculating carbon emission of tours and inform clients about them'; 'including offsets into the price of tours'; and 'offering voluntary offset to clients'. There is also high interest in 'carbon offset schemes'. The VCA interviews, confirmed by the results of the analysis of Travelife online reporting (section 6.4.7) confirms that SME tour operators lack the capacity to put this into action without support.
To directly benefit this group, the TourLink project should support the Carbon Balance project.

The process can begin with *technical discussions and agreement* between Thai and EU experts on carbon calculation model and methodology, leading to further joint-cooperative activities.

7.6.5 Plastic and food waste

Single use plastic has become a sustainability flagship for many tour operators and tourism suppliers, as it is relatively simple to take initial steps. A key challenge in reducing single use plastic is to identify *practical, cost-effective solutions, which demonstrate how to reduce single-use plastic in tourism without compromising the guest experience or safety standards*. To be successful, programs need to involve suppliers, management, staff and guests.

Key data gained from tour operator surveys are that most of the surveyed TOs already have their own policies and actions to reduce plastic waste in their organisations and prefer to work with suppliers who have a similar policy. 88% of surveyed TO's already have a policy in place to reduce plastics and 12% do not. The most popular policies already being implemented by TO's are "no plastic bottles in the office" (80%) and "no single use plastic bottles during tours and transfers" (73%). 9 of 15 stated they want to consider working with suppliers with a plastic policy in place. In common with previous questions, many tour operators expressed interest in a common approach to motivate suppliers to reduce and manage plastic waste.

A key challenge to reducing food waste is to understanding what causes food losses at various stages of the supply chain; from production and post-production to processing, distribution and consumption (FAO). Many different tools have been developed to reduce food waste. Most tools are aimed at restaurants and hotels e.g. The Pledge on Food Waste, PATA BUFFET toolkit.

Key data gained from tour operator surveys were that food waste is not high on their priority list. 53% of surveyed TO's have food waste policies and 47% do not have food waste policies. However, the majority of TO's stated that they are interested to considering finding ways to proactively donate leftovers to people in need, among measured initiatives. PATA's Food Waste management tool (BUFFET) can be a useful resource for future workshops and training.

A large number of tourism professionals in hotels and F&B have lost their jobs during COVID and are eager to upskill. If the team can prove the job-market value of developing new sustainability skills, it should be possible to share plastic and food waste best practices widely.

Due to the very large number of existing resources, building upon existing work and scoping the target groups carefully will be essential for success. TourLink activities may need be adjusted e.g. to include a focus on additional target groups, for which fewer tools already exist.

7.6.6 Destinations and CBT

Key recommendations related to *destinations and CBT* are to 1) actively support DASTA to link tour operators and CBT communities; 2) train Thai tour operators, tour guides and community members to have a common understanding about CBT and work together more smoothly as a team and 3) develop a 'step in' standard for communities which are unable to reach full CBT.

As entrepreneurs, community members can choose to offer their products and services to tourists *inside the community* (the buyer travels to the seller); or offer their products and services to tourists or businesses *outside the community* (the seller travels to the buyer).

In overall numbers, CBT is still a niche market, but demand is clear and growing. Meeting and interacting with local people in destinations is a top highlight for many travellers. Emerging from COVID, research suggests that demand will continue. CBI (CBI, 2020) reported that EU travellers increasingly aim to travel responsibly and seek unique experiences. SEA is their top CBT destination. Top markets for CBT are Germany, UK and The Netherlands, followed by France, Spain and Italy. Key markets by age are Baby boomers (born 1945-1965), Gen X (born 1965-1980), and Millennials (born 1980-1995). For more information, see VCA section 6.4.3.2.

Across markets, personal recommendations, websites sharing user-generated comments, reviews and ratings from travellers are the top influences for these CBT purchasing decisions.

CBI advise CBT operators to develop products and experiences which are authentic, sustainable and directly involve the community; ensure that CBT accommodation standards are suitable for target markets; combine CBT with adventure activities and establish marketing partnerships.

PATA and FocusRights (2020) research recommends training for CBT's to understanding the new needs and wants of tourists post COVID-19, product re-development and marketing.

Tour operators and communities can add value to CBT itineraries through developing hands-on learning activities for families with children, and by employing skilled tour guides with strong English skills, charisma, and the ability to facilitate cultural exchange between tourists and local people. Location, along or close to key tourism destinations and routes is a key for success.

Interview responses from Thai tour operators and DMCs complement results of the desk research by confirming very significant demand for CBT and local experiences. Communities are core to guest experiences, and very relevant to how tour operators are trying to differentiate their product features. 100% of responding TO's stated that they already work to ensuring benefits for local communities and are 'engaged in CBT'. 80% stated they already 'contribute to community projects' and 'wish to work with suppliers which contribute to communities'. Within this general good will, there were significant differences in how TO's understood CBT.

Thailand has world-class best practices in CBT products and development processes. Project partner DASTA is currently working on a great range of CBT initiatives, including adapting the Thai CBT standard to the updated GSTC-D, and linking CBT and Social Enterprise (SE).

While a Thai CBT standard exists, it is still too advanced for most of the communities currently being included in tours by European tour operators. To address this issue, the TourLink project can 1) encourage Thai tour operators to include more certified CBT into their offer; and / or 2) help existing partner communities to reach at least minimum sustainability standards.

TourLink foresees several CBT related activities in Thailand, including: AC 4.5A, an inventory of popular TO community visits; AC4.5B, an adapted DASTA CBT standard; and AC 4.5C assessment of 20 communities using the adapted standard. Research confirms the relevance of the aim to develop a 'step in' standard which is more accessible for Thai tourism communities.

For maximum benefit, CBT activities should be seen as part of TourLink's broader, pilot destination approach. This will allow local communities, (and other sustainable SME's in the destinations), to benefit from selling their products to tourists and tourism businesses inside and outside the community (e.g. also selling agricultural goods, textiles, handicrafts to hotels). The 'pilot destinations' section of the VCA (Section 6.5) provides destination recommendations.

The Human Rights Impact Assessment report noted that "products offered in accommodations of mainstream beach destinations are from large wholesalers and do not benefit the local economy." TourLink should prioritise raising awareness about CBT products in the pilot destinations and beyond, for example, in cooperation with the Thailand Hotel Association.

Stakeholder interviews conducted during the VCA identified the following, additional needs:

- Standards must not be too difficult, including different incentives for different levels;
- There is interest among interviewed Thai tour operators to learn more about Thai CBT, and other creative and low carbon tourism. The TO's requested more information;
- DASTA's experience also confirms that tour operators and associations are interested to work with communities, but find it very complex, are concerned about price and need hands-on support. DASTA is interested to network with DMCs / inbound tour operators.
- Communities are interested to welcome *different* types and volumes of tourists. This means that marketing planning and match-making between appropriate communities

(sellers) and tour operators (buyers) is important to meet communities' needs. This may be done at association level e.g. TEATA / TRTA for niche TOs and ATTA for mainstream;

- DASTA have a network of 300 communities, with different capacities and potentials. A diagnostic (self-assessment) tool would help CBT's to define their needs, capacities and potentials. Comparing this data with TO needs would enable systematic matchmaking.
- Part of DASTA's role is coaching communities to reach the CBT standard. It may be possible in the future for DASTA to support CBT partnerships to succeed by training other supply chain actors (e.g. tour guides, DMCs). This will require clear, actionable standards (or SOP) for each actor along the chain, to define expectations for their roles;
- Professional guides are not confident in the skills of local guides. Training is needed to help professional and CBT guides to understand each other's' roles and work as a team.
- Several interviewed TOs recognized that it is better for TOs to support existing initiatives rather than creating ad hoc developments. This creates potential demand for Private-Public-Civil Society projects. It would be useful to collect information about Thai organisations with the capacity to assist tour operators to develop new CBT initiatives. These organisations need to be skilled enough to deliver differentiated products;
- Specific trainings should include 1) how professional guides and local community guides can work as a team; 2) how TO's can survey, reach agreements and book CBT.
- At pilot-destination level (AC 4.7), there is a broad need to identify CBT initiatives, and other sustainable SMEs and suppliers, which can be included in future tours for EU TO's.

A specific area where the TourLink project can engage with human rights issues is in connection with visits to ethnic Kayan, also known as 'Long Neck Karen' communities. Recommendations for improving this specific issue are to conduct research to better understand the situation and needs of Kayan community members in Thailand assess the interest of villagers and Thai businesses to adapt CBT models to their areas, organize a study tour to Huay Pu Kaeng, hold a round table for Kayan tourism stakeholders, and make recommendations for change.

7.6.7 Elephants in Thai tourism

The research confirms the importance of elephants to the Thai-EU tourism industry. This is a sensitive issue which requires coordination with relevant Thai stakeholders. TourLink should engage with the elephant stakeholders identified in Section 6.4.3.6 of the VCA.

More work is needed to update the situation in relation to this project theme.

7.6.8 Other recommendations

Ensure a focus on working conditions and welfare in standards development and training.

The Human Rights Impact Assessment Thailand and Myanmar (HRIA, 2020), developed based around the UN Guiding Principles on Business and Human Rights (UNGPs), noted that minimum wages were generally honoured in Thai tourism employment. However, the report also remarked that "*Dissatisfaction was expressed regarding salary increases, career development, and promotional opportunities*" and "*The minimum wage in the sector does not sufficiently reflect the cost of living and is not considered to be enough to support a family, especially in Phuket and Bangkok. Many workers in the tourism sector depend on a second income*."

The report made a specific recommendation to develop the Travelife sustainability system in terms of workers' rights. The TourLink team should reach out and ask for advice on which areas to improve the Travelife criteria e.g. respecting maximum driving hours for drivers.

Travelife could also engage with Ministry of Labour, which has launched campaigns to support employment and decent work; and The Ministry of Social Development and Human Security (MSDHS) with duties focused on social development, creation of fairness and equality in society, promotion and development of life quality and security, families, and communities.

Information on stakeholder expectations for sustainability and tourism partnerships becomes harder to access, the further down the supply chain you travel. It is not very difficult to learn about European or Thai tour operators' expectations for quality and sustainability from their suppliers. It becomes much more *difficult to access accurate information about micro-suppliers'* *and community members' expectations from businesses partners*. The HRIA report (2020) concluded that local communities are frequently not informed and consulted about investments and projects, while compensation and remedy are insufficient. This means that initiatives involving communities and SME's will require additional, local level consultations.

Finally, results of Travelife reporting across registered Thai tour operators show that training should include content on how businesses can give opportunities to people with special needs.

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9. Annexes

1) Overview of top products offered by participating tour operators

PRODUCT INSIGHT

Tour Operator Name	TOP routing	Product Highlight	Remark
Andaman Discoveries	Kuraburi, Khaolak, Phang Nga	Island tours (Surin island & Similan Island). Khao Sok Eco tours (stay in the jungle bungalow, tree house and floating bungalows).	Andaman Discoveries operate island and trip to Khao lak only.
EXO Travel Thailand	4D3N Best of Chiang Rai	Trek to Akha hilltribe villages, cook and dine with the locals	Exo Travel is a big DMC who operate from FIT,GIT, Special interested and MICE. They are strong in French speaking market.
	2D1N Phuket Community Experience	Fishing with the locals, stay in a village homestay, cook Thai food.	
	4D3N Rail & Ride Bangkok - Chiang Mai	Visit Bang Pa-In Summer Palace, bike in historic Sukhothai	
	3D2N Chiang Dao Retreat & Lahu Way of Life	Stay in a Lahu village, visit Elephant Nature Park	
Khiri Travel Thailand	Discover the uniqueness of Nan	Overnight near a Royal Projet, hike or mountain bike.	Khiri Travel is a big DMC who operate from FIT,GIT, Special interested and MICE.
	Walking Tour Illuminates Phuket's Past	Old Town Phuket,Sino-Portuguese architecture.	
	Relaxing Visit to the Royal Ruins	Red brick ruins of Wiang Kum Kam by old style horse cart.	
	Bangkok's Past Alive at Rattankosin	The historical Rattanakosin area of Bangkok ,exquisite local cuisine, hidden amulet stores.	

Nutty's Adventures	Rice Culture in Nakhon Pathom	Take a bicycle or farm tractor to explore the village, Learn about the growing cycle of rice and the daily work of the rice farmers.	Nutty's Adventure is very unique on their products and not many package showing on their website.
	11D10N Accessible Tours	Blind Holiday in Thailand (Ayuthaya, Chiangmai, Phayao,Phatthalung, trang/Phuket.	
	Ship Ahoy, Chef Aroy (CBT)	Experience true Thai culture with the local people.	
Asian Trails - Thailand	A ROYAL ESCAPE NEAR PATTAYA	Koh Sichang Famous for its architecture, and once graciously hosting the Royal family .	Asian Trails is a big DMC who operate from FIT,GIT, Special interested and MICE.
	STORYTELLING THROUGH ITS MURALS	Unique mural painting Wat Chaisri, khon Kaen.Off-the-beaten track location amplifies an immersion with local Thai life.	
	A ROYAL SANCTUARY OUTSIDE HUA HIN	Sam Roi Yod National Park beautiful shafts of light, penetrating the caves.	
Easia Travel (Thailand) Co.,Ltd	10D9N Sustainable Immersion In Thailand	Discover Tha Kha and Amphawaones of the most fertile orchard's of Thailand!	Easia is developing and showing a lot of sustainable ation/plan in social media. They operate from SIC, FIT, GIT, Family group and MICE.
	Anantara Golden Triangle Resort & Spa	The Elephant Camp and traditional mahout villages	
Go Vacation Thailand	COLOR OF BANGKOK	Explore a local life on a bicycling tour and a mini long-tailed boat across Chao Phaya River through Bangkok	Go Vacation is a big DMC who operate from FIT,GIT, Special interested.
	EXPERIENCING THE THAI WAY OF LIFE AT SUAN SAMPRAN	Growing organic vegetables, taking a journey of organic raw materials and making their own products at Patom Organic Village.	
Similancharter & Tour	Island day tour	Surin Island, Koh Kam, Similan & Koh Bon Snorkeling	Similan Charter operate only island tour around Similan.

Destination Asia - Thailand	BANGKOK FIVE SENSES	See authentic Thai markets,chilled glass of locally brewed craft beer at Chit Brewery.	DA is a big DMC who operate from FIT,GIT, Special interested and MICE.
	THROUGH THE HILLS TO PAI & MAE HONG SON	Visit the charming village of Pai,Participate in community-based tourism activities at Huay Pu Keng Long Neck village.	
	10D9N ISLAND HOPPING	Explore Koh Tao, one of the best spots for snorkelling and diving in Thailand. Discover Koh Samui's lush tropical jungle and coconut palm tree-lined shore.	
	LANNA HOME HOST EXPERIENCE	Visit a Teak Wooden home, Walkthrough the family's orchard and learn about the fruits and herbs used in a Thai kitchen.	
Panorama Destination Thailand	THAILAND FOODIE TRAIL	Discover the wisdom of Thai food from Bangkok to Ayutthaya	Panorama operate from FIT,GIT, family, Special interested and MICE.
	KOH CHANG BEACH BREAK	Perfect hiking and home to waterfalls such as the multi-tiered Klong Plu.	
	GRAND THAILAND TOUR	Chiangmai, Chiangri, Golden Triangle, Payao, Lampang, Sukhothai, Phitsanulok, Lopburi, Ayutthaya, Bangkok.	
Discovery Travel Limited Partnership	Private Long-tail Boat Charters in Khao Lak	Exclusive and affordable private boat long-tail boat charters in Khao Lak. Perfect for diving, snorkeling, fishing, beach hopping.	Discovery Khao lak operate only private long-tail boat around Khao lak.
Krabi Spesialisten Co., Ltd.	4 Days 3 Nights Krabi & South Thailand Package	Southern Scenic & Cultural» to see beautiful Lotus Lagoon, agricultural farm, local villages, temples, caves, handicraft community	Krbi Spesiliten is a local DMC in Krabi and other provinces near by, they operate for many other DMC for sounthern trip.
	4 Days 3 Nights Krabi Exclusive Package	Great snorkeling spots, hot springs, kayaking, climbing, limestone karst formation scenery, delicious food, relaxing.	

	3 Days 2 Nights Southern Scenic	beautiful Lotus Lagoon, agricultural farm, lunch at a traditional Thai restaurant or a small roadside fruit-stall to experience the original Thai Hospitality	
PEAK DMC	12D11N Premium Northern Thailand	Stay in the beautiful Lisu lodge, a community-based project employing Lisu villagers. Support an important animal welfare initiative, speak with local experts and get close to incredible creatures at the Elephant Nature Park.	PEAK DMC operate trips for Intrepid Travel, their main market is Australian and operate in a small group adventure.
	8D7N Explore Northern Thailand	Chiang Mai cooking class.a leisurely cycle through the ancient Buddhas and ruined temples of World Heritage-listed Sukhothai Park and bicycle ride through your homestay village.	
	9D8N Thailand Beaches: Bangkok to Phuket	chilled-out island of Ko Yao Yai and, armed with a snorkel, explore the surrounding islands and waters on an included boat trip.	
DISCOVA	A Taste of Chinatown's Food and Culture	Sprawling local life, rich history and world-renowned street food, in Chinatown	DISCOVA operate from FIT, GIT, educational group and special interested.
	Phi Phi Island Explorer	Explore around Bamboo Island followed by snorkelling at the nearby coral reef. Enjoy a gourmet lunch on Phi Phi Don then take a scenic boat ride to Phi Phi Leh. Relax on Rang Yai Island	
	Tuk-Tuk Countryside Adventure in Chiangmai	Explore stunning mountains and fascinating hill tribe villages, enjoy wonderful elephants and mountain temples – not forgetting bamboo rafting along the river.	
	A Trip to Thailand's Floating Pagodas in Lampang	Take a steep hike up a mountain to admire the mystical sight of Thailand's floating pagodas – Wat Chaloem Phra Kiat – resting atop cloud-shrouded mountain peaks and take a bath in the soothing Chae Son Hot Spring.	