

# Major Measures to Develop Bình Thuận

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## I. OUTLINE OF BÌNH THUẬN'S NATURAL AND SOCIO-ECONOMIC FEATURES

Bình Thuận is the southernmost province of central Vietnam; it is situated in the southeastern economic zone with a natural area of 7,854 km. Its population totaled 1,114,800 or a density of 142 persons/km<sup>2</sup> according to the 2002 census.

The Bình Thuận's tourism is endowed with potentials for developing unique kinds of tours including: relaxation, sea sports, ecological tourism, discovery of flying dune - small desert, especially cultural tourism - visiting Cham historical relics and ethnic festivals.

Bình Thuận has a coastline of 192 km with diverse forms of terrain, many straits and bays, islands and mountains. Here the sea landscape and environment remain primitive, beautiful and pure, so these are good preconditions for the province's development of natural tourism.

Another potential advantage is the humanity resource. Bình Thuận is a hub of exceptional and old age cultures of ethnic minorities. The province is home to 26 ethnic minorities; the Cham people hold the largest share with 29,000 persons, accounting 60% of the Cham population across the country. Bình Thuận is recorded as

the last land for the Cham kingdom. It is preserving a lot of treasures of royal and folklore festivals, ancient temples as well as cultural activities of the Cham community. They are just wonderful human heritages and thus tourist potentials of Bình Thuận province.

Bình Thuận is also a gate of the central provinces and the southern highlands to HCMC and the southeastern economic zone. HCMC, 200 km far from Bình Thuận, is one of the largest cities having high economic growth, large amounts of travelers with high tourist expenditure and thus a potential tourist market. Bình Thuận is also near Đà Lạt city (135 km) and Nha Trang city (250 km), which are also the two tourism magnetic areas.

Running through the province are important axes of transportation, including National Route 1A, transnational railroad, Highway 28 linking Phan Thiết (capital of Bình Thuận) with Đà Lạt city and the southern provinces of the Central Highlands, Highway 55 linking Vũng Tàu with Bình Thuận's coastal areas.

Regarding seaway, Bình Thuận lies in proximity of the international sea line; especially its Phú Quý Island is an important transportation node in the system of international and national maritime transportation. It may be developed into a special

economic and commercial zone.

Endowed with the natural and human resources mentioned above along with traditional relations with HCMC and other provinces in the southern focal economic zone, Bình Thuận certainly face favorable conditions to expand its exchange relations with neighboring provinces, southern provinces of the Central Highlands and the whole country. These advantages will create many precious opportunities for Bình Thuận to build its sustainable tourism, which has been determined as a leading industry to spur the province's economy.

## II. FACTS OF BÌNH THUẬN TOURISM

Before 1995, Bình Thuận had been sleeping on its valuable treasures. The solar eclipse, occurring on October 25, 1995, infused a fresh spirit to the local tourism. After this event, foreign and domestic visitors rushed to the province. Bình Thuận has become one of major destinations of the central region and the whole country.

In respect of visitors: most of visitors come to Bình Thuận from HCMC. The average growth of visitors was 24.5% annually in the 1991-1995 period, and 56.5% from 1996 to 2003. At present, the average stay of international visitors registers 1.9 days/per-

son, and local travelers 1.45 days/person. The room occupancy ranges from 52% to 55%.

International visitors account for some 17% of total persons traveling to Bình Thuận, including European visitors 54.85 (French, German, Dutch...), followed by Asian travelers 22.7% (Japanese, Korean, Chinese...) and the rest (American, Australian, overseas Vietnamese...). The average growth of international visitors was 19.10% in the 1991-1995 period, and up to 43.71% in 1996-2003.

Domestic visitors made up 82%-83% of the total. The annual amount increased rapidly, up by 25.15% per year in 1991-1995 and 58.10% in 1996-2003.

The tourist sales have soared fast over the past 10 years, reaching only VND7.054 billion in 1991 and VND32.5 billion in 1996, that is an increase of 4.6 times within five years. The earnings climbed to VND122.9 billion, up 3.78 times as compared to 1996 and VND285 billion in 2003. As such, the Bình Thuận's tourist sales have escalated by 40.5 times over the past 13 years. If mentioning only sales since 1995 (when tourists rushed to Bình Thuận to watch the solar eclipse), the sales also rose by 9.3 times. The annual growth registered 37.39% in 1991-2000 and 32.40% in 2000-2003. The annual growth

Table 1: Bình Thuận's tourism performance from 1995 to 2003

Year	1995	1998	2000	2001	2002	2003
International visitors (1,000 visiting turns)	5.3	16.5	53.0	72.0	90.0	100.0
Local visitors (1,000 visiting turns)	47.9	73.7	262.8	310.6	1,010	1,200
Sales (VNDbil.)	30.7	73.4	122.9	176.0	226.0	285.0
Payment to the Treasury (VNDbil.)	2.01	5.70	16.00	22.40	25.0	30.0



of the two periods was 36.11%.

Together with rapid growth of tourist sales, the industry's payment to the Treasury also soared steadily from 1995 to 2003. It reached only VND2,010 billion in 1995 but rose to VND13 billion in 1999; VND21.2 billion in 2001 and VND30 billion in 2003. The annual growth registered 40.8% in the 1995-1999 period and 42.9% in 1999-2003. The rising payment is a proof of the sustainable development of Binh Thuan tourism.

Regarding investment in tourism, over the past years the Binh Thuan tourism has attracted large investments from local and foreign businesses and individuals. Investment activities were concentrated on three towns of Phan Thiết, South Hàm Thuận and Hàm Tân. Since 2003 investors have begun to extend their operations to Bắc Bình and Tuy Phong. Generally, until the end of 2003, the whole province had given green light to 273 investment projects with total capital of VND3,129 billion, 64 of which have been brought into operation; 12 both operating and expanding construction; 71 under construction; and 126 (accounting for 46.2%) still on papers (due to many reasons: having recently received license, implementing the procedure of land allocation or land rent or facing obstacles in site clearance and compensation). If classified by economic sector, the results are indicated as follows:

- Foreign invested projects: There are 15 licensed projects with total investment capital of US\$66.47 million and total area of 75.9 hectares, of which 7 are operational including Novotel Hotel, Golf Company, Hải Dương Resort, Victoria, Eco Hàm Tiến, Scuba diving resort, Cát Trắng tourist site and the remaining 8 project

are still in the process of land leasing, designing, compensation, site clearance, etc.

- Domestic projects: As many as 258 projects have been licensed (not including 26 projects revoked by the provincial People's Committee) with total registered capital of VND2,085.34 billion and combined area of 617.75 hectares, of which 57 are operational with total registered capital of VND296.2 billion; 73 are under construction; 15 have been lately approved; 30 are waiting for land lease and 83 are not yet developed due to other reasons.

In correspondence with growth of visitors and sales, new hotels, resorts, and guesthouses have boomed over the past over 5 years. In 2000 the whole province obtained 976 hotel rooms including 123 four-star ones, 236 three-star ones, 194 two-star ones and 21 one-star ones. By 2003, it provided 2,010 rooms in hotels and resorts, including 255 four-star rooms, 327 three-star ones, 279 two-star ones and 138 one-star ones and 1,861 guest rooms in tourist sites. These businesses belong to various sectors: state companies accounting for 33.3%, foreign investors 20.8% and others 45.9%.

Nevertheless, the tourism development of Binh Thuan province has been not compatible with its potentials and still encountered a lot of predicaments and challenges. The province's economy faces a low starting point, insufficient infrastructure not satisfying visitors' requirements, tedious products and services, contaminated environmental hygiene, inconsistent coordination between different agencies, and inadequate trade promotion and tourism advertisement. As a result, the Binh Thuan tourism is required to draw up proper directions and logical

measures to attain the set targets for sustainable development.

### III. MAJOR SOLUTIONS TO TOURISM SUSTAINABLE DEVELOPMENT

Tourism sustainable development is a long-term strategy; this is both objective and motivation to spur development. With existing features of Binh Thuan's socio-economic evolution, the local tourism has to focus its efforts on the following solutions:

#### 1. Solutions of environment and resources

- Relevant authorities should make close coordination to monitor the execution of the laws on environment and waste treatment. They have to guide businesses, organizations and residents to comply with environmental standards as well as inspect the implementation of the Law on Environment and the province's regulations.

- The responsibility of each person should be enhanced in the preservation and refurbishment of tourist resources. The Government must resolutely apply economic and administrative measures to control violations of the environment. In developed countries, the Government usually imposes charges on users or products. This both reminds users and raises funds to preserve and refurbish tourist resources.

- The provincial government should resolutely reject tourism projects, which cause damages to ecological diversification, small coastal projects (under 2 hectare) and those leveling large sand dune and destabilizing the environment. In addition, it should give incentives and priorities to eco-tourism projects, projects in remote areas using local tourist resources to eradicate hunger, alleviate poverty and promote the public educational attainment.

- The coastal system of greenery should be developed to reduce the effects of flying sand and desert, create more shadows and at the same time improve the seaside climate. Those lines of greenery, which should be prioritized, include Lầu Ông Hoàng-Mũi Né, Mũi Né-Hòn Rơm-Long Sơn-Hoà Thắng, Chi Công-Bình Thanh-Liên Hương, Phan Thiết-Tiến Thành-Thuận Quý- Khe Gà and Tân Bình-Tam Tân-Đá Chim.

- The authorities are required to investigate to evaluate the reality of Binh Thuan's tourist resources (both natural and human). They have to soon discover potential places to develop them into new tourist sites. Especially, in potential coastal areas including Bắc Bình and Tuy Phong, the sector should exploit their unique features like fresh water lakes along the shore, forests and moving sand dune. In the mountainous areas bordering Lâm Đồng province, attention should be given to new resources including hydropower lakes (Đa Mi, Hàm Thuận, Sông Quao, Đại Ninh...), high waterfalls, primitive forests, nationally preserved natural areas (Biển Lạc-Núi Ông, Tà Kôu). However, in the process of exploitation, the sector should specify the maximum number of visitors to avoid damages to the environment.

- The authorities have to focus their efforts to recover and energize local festivals of history, religion, habits of ethnic minorities including Cham, Raglay, K'Ho (Kate festival, festival welcoming the new harvest, Ramuwan...), occupational festivals, festivals of pagodas and temples (festival welcoming the whales from the South Sea). The relics, ancient architects as well as art performance like Cham dance, traditional play should be restored and revitalized with the aim to



promote the human tourist resources and diversify tourist products.

## 2. Economic solutions

- The local government should invest in fundamental infrastructures including roads linking tourist sites and the network of electricity and water supply. Especially, priority should be given to newly-built sites like Bắc Bình, Tuy Phong, South Hàm Thuận, Đức Linh-Tánh Linh and North Hàm Thuận. In the next years, the authorities should study to restore Phan Thiết airport and build an

and improve administrative procedures in foreign investment activities, and make policies liberal, simple and transparent. Investment promotion should be enhanced to allure more investors to the Binh Thuận's tourism.

- In addition, investment should be poured in other services including banking, insurance, and health care.

- Incentives and priorities are also granted to investment projects building tourist complex up to international standard, which generate many jobs, produce high quality products,

of ecological and cultural tours.

- The province should earmark budget for studies of designing new tourist products symbolizing the local uniqueness including tours of adventure, sea sports, marine research, visiting islands, disease treatment by mineral from Binh Thuận nature, festivals and visiting handicraft villages.

## 3. Social solutions

- The tourism officials' skills should be improved to meet requirements of a key economic sector. The district government has to

sources to meet requirements of sustainable development. These employees must be provided with knowledge about geography and environment, history and culture, habits and festivals, visitor's psychology and art of communication. Especially, they must speak foreign language rather fluently.

- The authorities should exchange experience with HCMC partners. The officials have to be given favorable conditions for attending workshops domestically and abroad and apply advanced technology



airport in the Phú Quý Island; and upgrade the system of post and telecommunications to provide services in any place of the province. The railroad from HCMC to Phan Thiết should be expanded for tourism development.

- Private businesses and individuals should be encouraged to invest in tourism. In which small and medium businesses shall be offered soft loans with easy procedures. The government is required to give tax exemption and reduction, and curtail land rent and corporate income tax, and resource fees in tourism businesses.

- To attract more investment capital, the authorities should reform

apply advanced technologies, restore resources and diminish bad effects on the environment.

- The local authorities should promote advertisement and update information about Vietnam and Binh Thuận tourism for international travel agencies, corporations and businesses; perfect the website of Binh Thuận tourism; and step by step enhance the competitiveness of the national tourism in the world. The province has to make close coordinations with travel agencies and tour operators of HCMC and the central government and neighboring provinces to organize tour package, which utilize Binh Thuận's advantages

assign an officer to do tasks of tourism (the official may work for the planning and financial office).

- The province soon establishes the tourism promotion center and businesses set up an association or clubs to facilitate tourism activities.

- The local government should make detailed assignments to tourism-related agencies, reform administrative procedures, simplify procedures of projects formulation and land lease, give supports to site clearance and compensation, and finally privatize the state-owned travel businesses.

- The Binh Thuận tourism is required to soon educate its human re-

sources to local tourism.

- The local community's knowledge about tourism sustainable development must be improved so that they understand benefits coming from the industry. Therefore, they will make close cooperation in selecting projects and monitoring the implementation of investors.

Binh Thuận tourism is facing new prospects and opportunities. As a result, the industry is required to fully utilize its advantages of natural and human resources and make the best use of the central government's supports, internal and external investments to attain its sustainable development. ■