



## Inter-Island Tourism Policy Forum

The Inter-Island Tourism Policy (ITOP) Forum was founded for the purpose of establishing a ground for inter-regional tourism cooperation, discussing tourism issues shared by islands and pursuing common prosperity of island tourism through the promotion of the industry, and is a consultative body among local governments for the discussion about support for the shared tourism policies for member countries.

The principle tasks are as follows; first, sharing each member's experience and information about tourism, second, pursuing tour route development and joint marketing, third, promotion of exchange and cooperation between universities, tourism businesses and organizations and lastly, inter-regional exchange and consultation about tourism.

Since its launching in 1997 with four members including Jeju Island, the ITOP Forum has been expanded to 10 member regions and 3 regular observer countries and is holding its general assembly every year in one of its member countries on a rotation basis.

The economic benefits from tourism and the balanced growth between environment and regional communities within the limited scope of an island are absolute values for island tourism.

During 'the Second ITOP International Policy Seminar', which is one of the sessions of 'Jeju Forum for the 13th Peace & Prosperity 2018', Jeju Forum, a place for multilateral discussion for peace and shared prosperity, provides an opportunity to share the core values and policies of the ITOP Forum, contributing to the promotion of the global status of Jeju Island.

### Speakers

Chair/Moderator



LEE Jae Hong

Jeju Tourism Organization, Vice President

Presenter



YANG Gi Cheol

Head of the Jeju government's tourism bureau.

Presenter



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Hainan University, Assistant Professor

Presenter



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Tourism & Culture Research Centre, Udayana University, Director

Presenter



Hemblar V. MENDOZA

Lapu-Lapu City, Tourism Chief

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Jatoopong KAEWSAI

Phuket Foreign Affairs, Director

Presenter



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Southern Provincial Council, Senior Assistant Secretary

**For providing a new paradigm for island tourism and securing sustainable growth and value creation**

The Inter-Islands Tourism Policy (ITOP) Forum is a consultative body among local governments established for the purpose of sharing the homogeneity of nature, environment and ecology, the similarity and growth potential of tourism structure, and region's unique experience, wisdom and strategies between islands, and establishment of the foundation for tourism cooperation and pursuing mutual prosperity between regions to jointly overcome threats, obstacles and weakness.

Since the agreement on the establishment of East Asia ITOP Forum between Indonesia, Bali and Hainan Province of China in 1996, Okinawa in Japan declared its joining in the Forum in 1996 and finally, the Forum was founded with four member regions – Jeju in Korea, Bali in Indonesia, Hainan in China and Okinawa in Japan in 1997. The ITOP Forum to be held in Penang, Malaysia is marking its 22nd anniversary this year, 2018.

With years of continuous experience, the Forum has organized 'ITOP International Policy Seminar' for experts, stakeholders and staff of the member regions since last year to comprehend the complex and diversified demands and trends of the times and at the same to visualize and set up the movement for cooperation and promotion of tourism. It was also a defiant attempt to reestablish the network between member regions and to secure a space for in-depth discussion about issues that island tourism is currently facing, departing from the conventional approaches or ineffective ideas for tourism cooperation between individual countries, thereby creating international discourses for creating sustainable growth and values. As a result of that, we were able to set 'sustainability' on the agenda of 'the 13th Jeju Forum for Peace and Prosperity 2018' and build a

knowledge solidarity by gathering together all of the ITOP member regions.

### **The future of island tourism, the efforts and tasks for the promotion of island tourism**

With technology advancement, the improvement of global tourism infrastructure and the spread of shared value culture, people's demand for escaping from the tiresome routine of daily life is rising, breaking the barrier of tourism that was considered to be privileges that could be enjoyed by only a small number of people and a certain class of people in the past.

In particular, as demand for travel increases due to the recent implementation of the five-day workweek system and changes in travel pattern in Korea, and the interest in island resorts and cruise travel grows under such trend, island tourism featuring unique culture is drawing people's attention.

The Secretariat of the ITOP Forum has organized 'the Second International Policy Seminar' with the theme of policy issues and strategies for sustainable island tourism' for the purpose of sharing concerns of individual member island and achieving their shared prosperity.

The fundamental nature of an island can be explained by the facts that economic opportunity is limited due to fragmented economic structure as it is surrounded by sea and a high dependency on tourism, and that the recovery of ecological environment takes significant time and efforts due to relatively low healing ability. In addition, the ecological and urban environment of the major islands is threatened by climate changes, environmental pollution and rapid urbanization accompanied by population expansion. In the context of rapid changes in environment, ITOP Forum member countries put a lot of efforts with a theme of 'sustainability' to draw up common interests and tasks and prepare measures to address the issues by identifying the string of growth connecting the past and present along with the underlying facts.

Each member region has achieved rapid growth based on its unique natural environment and island-specific culture but they have also been exposed to severe drawbacks on the back of their growth. In case of Jeju Island, people are facing issues related to the island's capacity to cope especially with wastes and water use and sewage problems, and the limit of low-price package tourists' impact on local economy. While the increase of tourists visiting the island creates economic benefits, the surge of demand from the growth of migrants and tourists in the island has also brought up social issues due to the dramatic escalation of environmental resource use. The simple examples are the need for securing more water and sewage treatment capacity and the upsurge in the volume of domestic wastes. Second is the necessity for improving conditions related to low-price group tourists from China. It is foremost important to improve the soundness of the market economy and to maintain the condition of tourism ecosystem in Jeju by taking necessary policy measures including the implementation of the upper limitation of commission fee and others. There also exist concerns about quantitative growth in Bali, Indonesia. The tourism market of Bali has grown by an average of 20% per year, recording an explosive growth rate over the past 10 years and the contribution of the tourism sector to the local economy has reached as high as 23%.

In the employment market, about 730,000 new jobs have been created, accounting for about 31% of the employed population, and the rapid expansion and upgrading of tourism infrastructure is leading to rapid urbanization.

In case of Phuket, the residents of the island have been striving to promote island tourism with the vision of "the international hub of tourism and education and building an economy based on innovative values." However, the island could not avoid the dark shadow of quantitative growth either. The background of those issues can be explained by the problems faced by the ITOP member regions. A dichotomous approach to quantitative and qualitative growth may have some risks. However, the pursuit of qualitative values under the shadow of quantitative growth is an entirely different matter, and it is one of difficult problems that have to be solved to be in line with the ideas of the present era where sustainability is required.

It is well known that southern provinces of Sri Lanka have also been suffering greatly due to tens of thousands of visitors. All the islands have simple denominators. All of them are tourist destinations that are rich in potential and worth to be preserved and have huge growth power. Islands' urban environment has changed due to the accelerated speed of life and the physical improvement of tourism infrastructure, the seriousness at the other side of the change, however, as we witnessed in Jeju Island, such as the depletion of groundwater, disposal of wastes and damage to natural environment due to wastes have no huge difference from us.

Also, in the market economy where the establishment of infrastructure to respond to the rapidly changing tourism demand is leading excessive supply, intensifying competition, the maintenance of the industrial ecosystem has emerged as a crucial issue.

### **Achievement of sustainable tourism and required efforts**

Recognizing the unique value of their own culture and showing their uniqueness, each member area is endeavoring to resolve these issues in their own ways. They are heading for the direction of qualitative growth in an independent manner.

Here are some specific examples. In case of Jeju, for the purpose of maximizing 'Jeju's unique value', the island adopted a number of policies to secure a ground for quality growth including the upgrade of physical capacity, improvement of the issues related to low-price group tourists from China, foreign market diversification, expansion of convenience service for individual travelers, tours allowing local residents to communicate with visitors and development and operation plan of high value-added tour programs. In particular, as a part of the expanding tourism infrastructure, Jeju Island is aware of the need for additional transportation infrastructure and seeking countermeasures due to flight delays, heavy congestion and safety issues caused by the ever-increasing demand for the Jeju International Airport, and has completely reorganized the public transportation system to resolve the issue of traffic congestion and improve its environment based on the fact that the island is among the top areas in terms of the rate of self-owned vehicles in Korea. Furthermore, the island is making various efforts such as providing free Wi-Fi service in the public buses and the establishment and adjustment of bus routes to improve the convenience of tourists.

Bali in Indonesia has made an effort to achieve sustainable tourism based on a traditional wisdom called 'TRI HITA KARANA (hereinafter referred to as THK)'. THK intends to pursue a balanced relationship between the spiritual world and society, and nature and the human world, and is considered to be a movement to reveal the value of 'happiness of life' based on the religious ideas and traditional beliefs of Indonesia. In Bali, the provincial government in cooperation with the central government and relevant agencies intended to achieve 'sustainability' through community-wide efforts to improve the legal and institutional grounds, establishing development strategies in consideration of technological level lagging behind the expansion of infrastructure and securing leadership that brings together social and political relations. Phuket in Thailand focused most of all on strengthening the capacity of local communities. Currently, the island intends to foster its tourism industry under the policy of 4M and 2S. 4M refers to maritime hub, medical hub, mice city and manpower. It is opening the future of 'sustainability' by achieving 2S – smart city and sports tour centering on the four axes. In other words, 4M and 2S of Phuket are the development strategies as well as policies to reinforce the capacity of communities, and require the cooperation of and agreement with various sectors to secure a successful action plan. Southern provinces of Sri Lanka also set their own policy directions and adopt them as their principles based on the mid- and long-term master plan for fostering the nation-wide tourism in order to improve and promote regional tourism. However, unlike other member areas, they particularly focus on strengthening the capacity of the private sector. While private enterprises were actively encouraged to participate in the activities to overcome the poor financial conditions and promote tourism industry, aiming at creating jobs and balanced regional development in southern provinces, the local governments' actions are concentrated on preserving natural resources assuming the role of assistant to the efforts. In addition, revealing the experience of failures in past in a decisive manner and respecting on diversity, they are making a number of voluntary efforts including the establishment of 'Regional Commission', a joint consultative body for securing cooperative development and standard procedures for the management of limited human resources and areas based on their unique characteristics.

Hainan province in China and Cebu in the Philippines also recognize the effect of the rapidly-changing tourism market on fostering the economy and are also concerning about the growth pains as other areas are. Appreciating the unique characteristics of islands with natural beauty and endeavoring to preserve natural and cultural resources for the future generation, they wish to secure a new paradigm for keeping the conditions of tourism industry and using them as resources improved in quality for tourism and have an aspiration to maximize the value of island tourism.

#### **Picture for the future, the roles of the ITOP Forum**

An island exists as an object but there is no substance in island tourism. There should be

contents revealing the needs of tourists and containing condensed social values in order to calculate empirical value based on the tangible natural assets of an island. In addition to those contents, there should be special culture of the island area and a unique value different from other regions. It is often said that there is no eternal master artisan in the modernized business world. The same goes for the tourism industry. While the value of the past contents of tourism lays stress on experience, i.e. it has changed depending on how familiar it is, today's economic value of tourism has been shifted to the matter of how deeply it can soak into the behavioral objects and how long it can be enjoyed, sharing the culture. In addition, the expectation that the charm will continue only with the resources that there exist currently would be rather close to a desire. According to the definition of sustainability by 'UNWTO', through the 'efficient allocation' of 'limited resources', in other words, we need to minimize the occurrence of environmental damage and reduce loss of diversity and at the same time protect the ecosystem and cultural heritage through development using limited resources in order to pass them to the future generation. It is also necessary to promote poverty alleviation and industrial development through the tourism industry that presupposes 'sustainability'. In other words, sustainable production and consumption is ultimately the action plan for sustainable tourism.

In order to ensure the 'sustainability' of island tourism and the success of an effective tourism strategy based on the consensus of the local communities, we need to build a systematic relationship and share visions among stakeholders. Among them, sharing a vision is the most essential factor for success and should be followed by leadership. The concerns that each member area of the ITOP Forum has would be a crucial issue that is not limited to us but will pass on to the future generations. However, if conflicts arising from conflicts of interests among many stakeholders in a community exist but a vision can be shared through communication, it would be possible not only to resolve such conflicts but also to create a development model, ensuring the voluntary participation of the communities. The sustainability of communities can be secured through the supports from the government; however, it is also true that there is limitation in implementing all of these policies due to lack of human and physical resources in some member areas.

For this reason, an intermediary supporting organization that thinks over and resolves such issues together can play a crucial role. I believe the Secretariat of the ITOP Forum would be the key organization. It is necessary for the organization to play a pivotal role to secure shared prosperity and promote tourism as well as a role of communication channel for each member area to discuss their concerns, securing transparency and objectivity as an independent entity. In other words, beyond the simple function of providing operational and administrative supports for the ITOP Forum, we can expect the role of 'barometer' from which the ITOP Forum can foresee the future course of island tourism, expecting the shared future, as a groundwork to cope with challenges we are facing and foundation for designing the future.