News Release

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Singapore, Malaysia and Thailand Lead ASEAN in Travel & Tourism Report

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- New report assesses the competitiveness of the travel and tourism sector in eight ASEAN countries in the context of 139 economies; see the full rankings
- Singapore ranked highest among ASEAN, followed by Malaysia and Thailand; Cambodia, Philippines lag behind
- Natural and cultural heritage, government prioritization, security, price competitiveness among key strengths
- Read the full report and the executive summary

Bangkok, Thailand, 30 May 2012 – Singapore offers the most attractive environment among ASEAN countries for developing the travel and tourism (T&T) sector, according to The ASEAN Travel & Tourism Competitiveness Report 2012 released today at the Travel, Trade & Tourism Summit held in Bangkok prior to the World Economic Forum on East Asia.

The report analyses the relative strengths of the travel and tourism sector in ASEAN countries and makes recommendations on how to further unleash the potential of T&T in the region. The analysis is underpinned by the World Economic Forum's Travel & Tourism Competitiveness Index (TTCI), which ranks 139 economies according to their performance in areas that make investment in developing the T&T sector attractive.

ASEAN member countries span the entire rankings. Singapore, the highest placed nation in the bloc, ranks 10th out of the 139 countries. Next are Malaysia (35th) and Thailand (41st), which do well despite some weaknesses. A third group, consisting of Brunei Darussalam (67th), Indonesia (74th) and Vietnam (80th), demonstrate clear strengths counterbalanced by weaknesses. Finally, both the Philippines (94th) and Cambodia (109th) present shortcomings in most dimensions.

The report stresses the critical role of T&T in accelerating the establishment of the ASEAN community. It reviews the efforts and initiatives by ASEAN member countries to collectively develop the sector. "Travel and tourism is not only a critical driver of economic development and social progress. It also represents a formidable factor of regional integration," said Børge Brende, Managing Director, World Economic Forum. "By improving connectivity and mobility, travel and tourism contributes to creating a regional identity, a sense of 'ASEANness' among citizens."

The rankings are based on data covering 14 areas: policy rules and regulations; environmental sustainability; safety and security; health and hygiene; prioritization of T&T; air transport infrastructure; ground transport infrastructure; tourism infrastructure; ICT infrastructure; price competitiveness in the T&T industry; human resources; affinity for T&T; natural resources; and cultural resources.

"What is good for the travel and tourism sector is good for the economy and vice-versa," explained Thierry Geiger, Economist, World Economic Forum, and lead author of the study. "Beyond cultural and natural heritage, the underlying drivers of T&T development are often the same as those of other sectors. Think of quality infrastructure, the ease of setting up a business, the absence of crime, or the availability of a healthy workforce."

The analysis provides some insight into the profound differences among countries in terms of tourism outcomes. Singapore draws 20 times more tourists per capita and 30 times more receipts per capita than the ASEAN average. Malaysia is one of the world's top 10 destinations, with about 25 million visitors per year, while the Philippines,

despite being much larger, attracts six times fewer.

The report highlights the enormous potential for developing the T&T sector in ASEAN. The region boasts a wealth of natural and cultural heritage, as well as a long tradition of tourism. It is also strategically located at the heart of Asia. The extraordinary diversity of ASEAN countries further enhances the region ' s attractiveness. In addition, the ASEAN is an affordable destination by international standards. Yet, in most countries, the potential has been only partially tapped, owing to a number of weaknesses. They include inadequate infrastructure, poor public health and weak environmental stewardship. Conservation efforts must protect the region ' s extraordinary natural heritage, which is central to its T&T competitiveness. In addition, the analysis points to the significant benefits of travel and tourism for the economy and society at large.

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MCOT is the Host Broadcaster of the World Economic Forum on East Asia 2012.

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