Deep Dive Session 4:

Designing Bankable and Integrated Tourism Investments

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Where Is the Next Tourism Opportunity?



Presented by:

Jessie F. McComb,
Senior Tourism Industry Specialist, ADB

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In which regions of Asia and the Pacific do you see the greatest untapped potential for tourism investment?



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Add slides

Feedback and retake

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Tourism Sector Analysis of ADB Country Partnership Strategies

Strategic Priorities, Economic Development and Investment Opportunities



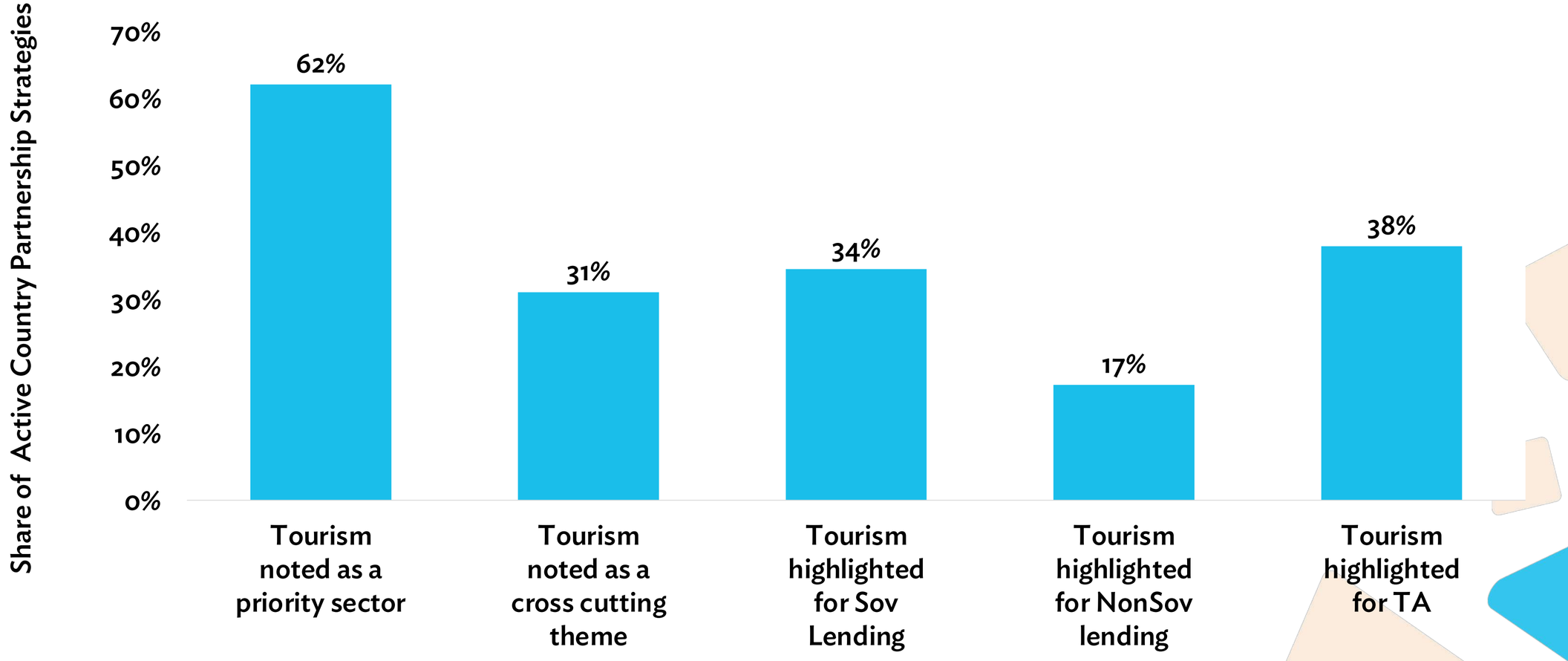
Presented By:

Hanniel Almasco,
Sustainability and Tourism Consultant

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Tourism is a strategic priority, with distinct development pathways across ADB Regions

Share of Country Partnership Strategies by mention of tourism, n=29 (active CPSs)



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Central and West Asia

Regional cooperation, corridors and gateways through improved connectivity.

Stalls located at the Teke Bazaar in Ashgabat, Turkmenistan. Photo @ ADB Flickr



Southeast Asia

Green and coastal tourism linked to growth, connectivity and marine resources.

Tourism growth in Honda Bay supports livelihoods beyond traditional fishing. Photo @ ADB Flickr



South Asia

Economic transformation through private sector development, with emphasis on nature-based tourism.

Aerial view of Swayambhunath looking towards Kathmandu Valley, Nepal.
Photo @ ADB Flickr



The Pacific

Diversification and investment through sustainable tourism models and value chains.

Bauerfield International Airport is located in Port Vila, Vanuatu.
Photo @ ADB Flickr

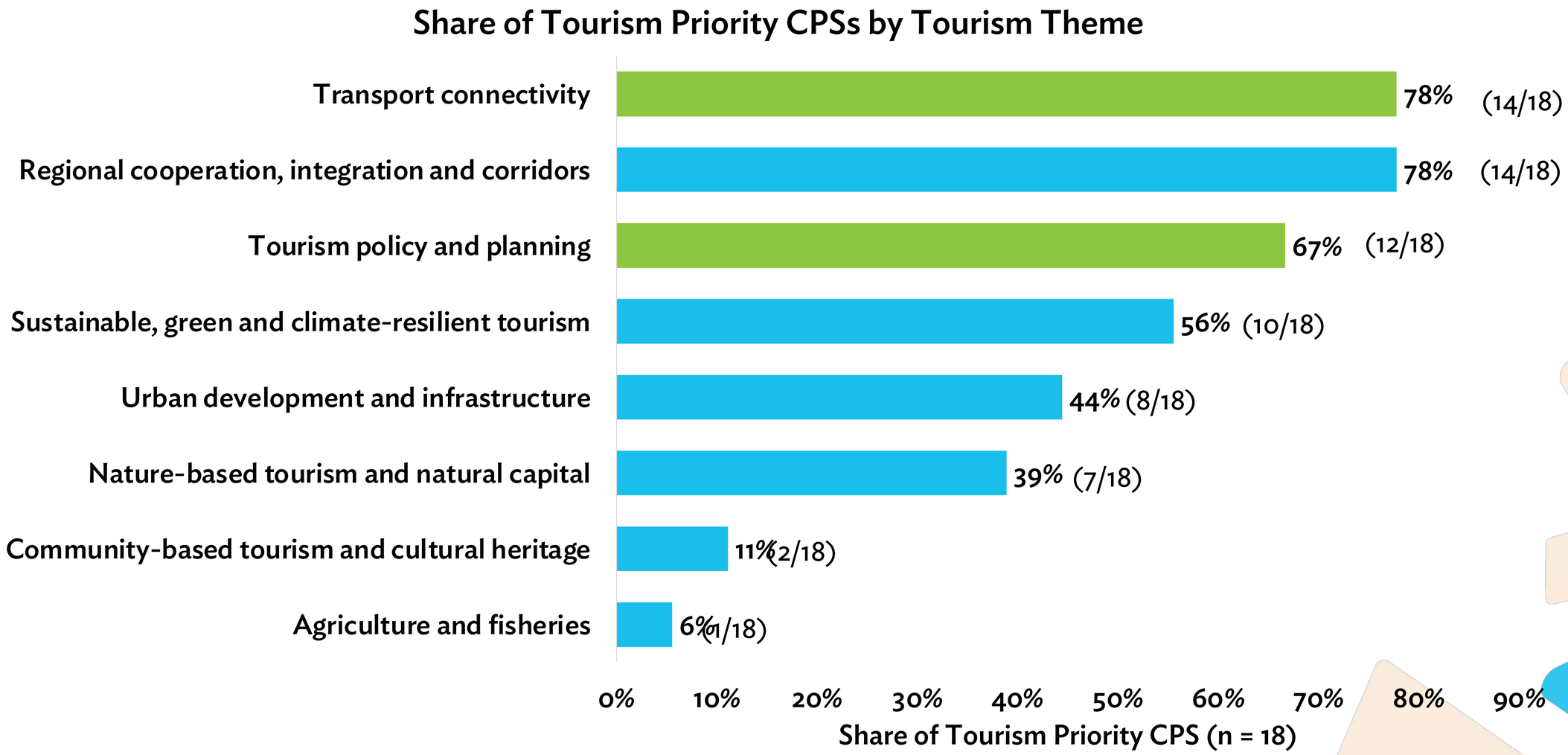
East Asia

Urban and Environmental Management (PRC)



Smokey ger district in Ulaanbaatar.
Photo @ ADB Flickr

Countries use tourism for increased RCI supported by enhanced connectivity, tourism policy, and planning



Tourism-related priorities: share of 18 tourism-priority CPSs (n = 18)

Source: ADB CPS Analysis, October 2026. Frequencies of thematic references, not investment volume.

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Tajikistan

Sustainable tourism policy development, institutional support, and improved planning.

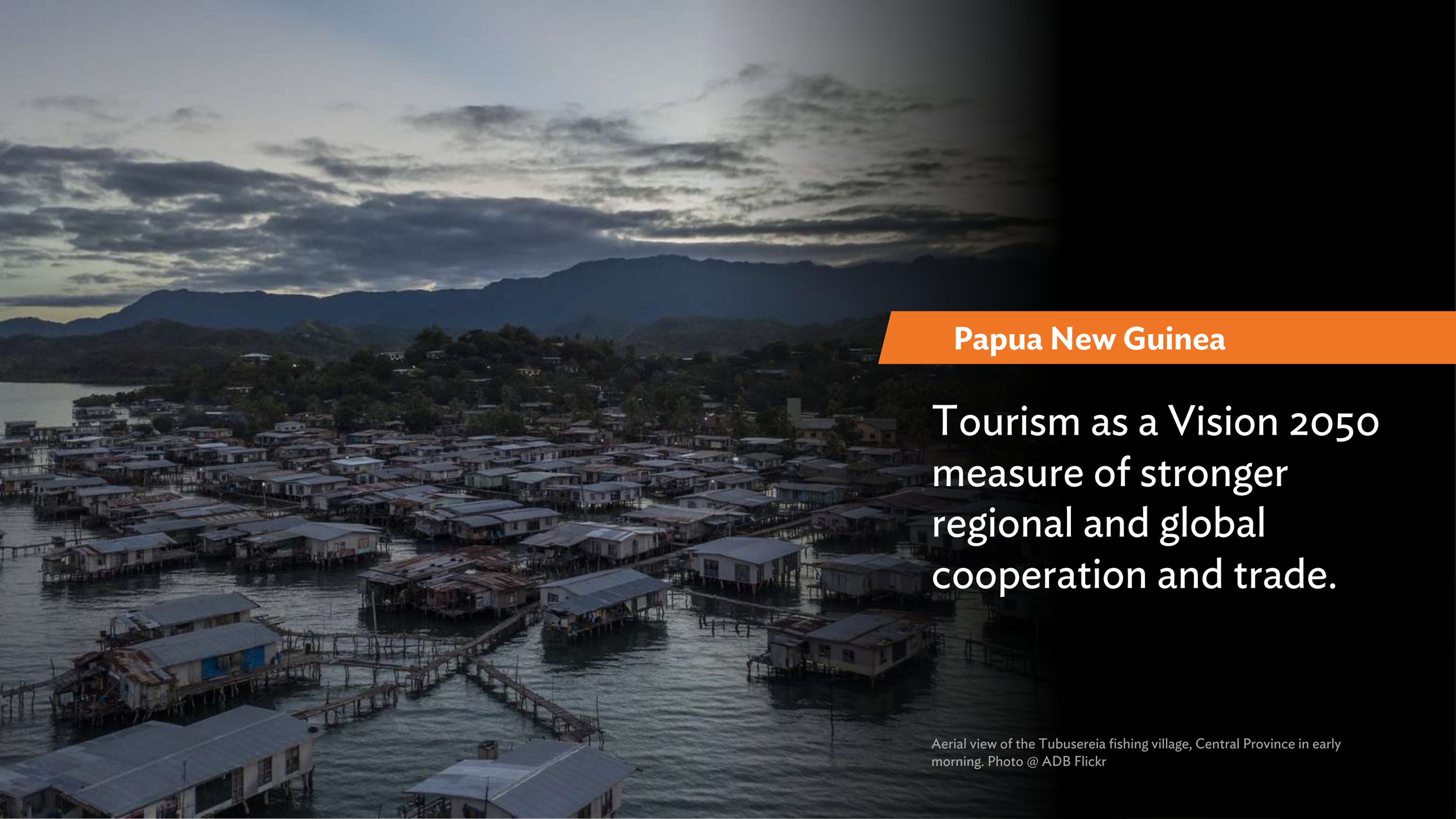
Women dance during the Navruz Holiday in Chanori Suhta Village, Tajikistan.
Photo @ ADB Flickr



Viet Nam

Ecosystem-friendly tourism initiatives along Greater Mekong Subregion economic corridors.

Mekong Delta, Vietnam. Photo by Jack Young @ Unsplash

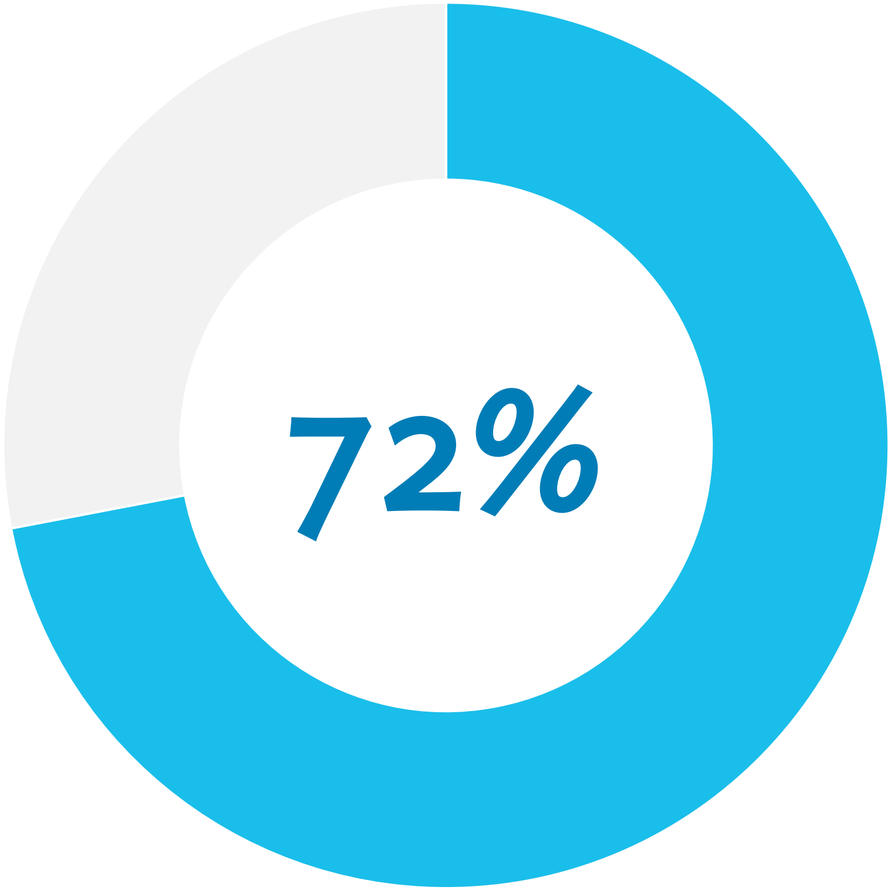


Papua New Guinea

Tourism as a Vision 2050 measure of stronger regional and global cooperation and trade.

Aerial view of the Tubusereia fishing village, Central Province in early morning. Photo @ ADB Flickr

Tourism growth priorities offer opportunities to strengthen jobs, local value creation and investment



of tourism focused CPSs highlight tourism as a tool for Economic Growth

13 of 18 CPSs

Economic development priorities: share of 18 tourism-priority CPSs (n = 18)

Source: ADB CPS Analysis, October 2026. Operational categories can overlap.

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Nepal

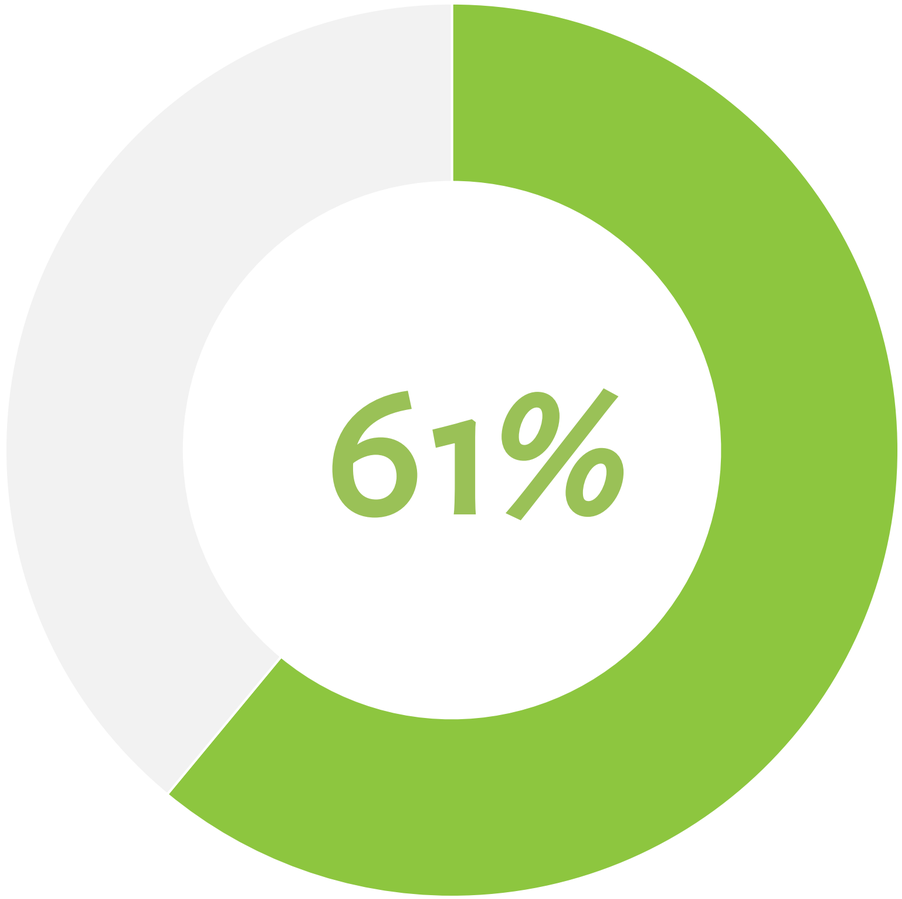
Tourism as a Vision 2050 measure of stronger regional and global cooperation and trade.



Economic development priorities: share of 18 ourism-priority CPSs (n = 18)

Boudhanath, Kathmandu, Nepal. Photo by Meghraj Neupane @ Unsplash

Tourism growth priorities offer opportunities to strengthen jobs, local value creation and investment





of tourism focused CPSs highlight tourism as a tool for Jobs and Livelihoods
11 of 18 CPSs

Economic development priorities: share of 18 tourism-priority CPSs (n = 18)

Source: ADB CPS Analysis, October 2026. Operational categories can overlap.

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Sri Lanka

Tourism linked to skills development, employment and community participation.

Sri Lanka Traditional Dance. Photo by Dinuka De Silva @ Unsplash

Tourism growth priorities offer opportunities to strengthen jobs, local value creation and investment





of tourism focused CPSs highlight tourism as a tool for Private Sector Development
9 of 18 CPSs

Economic development priorities: share of 18 tourism-priority CPSs (n = 18)

Source: ADB CPS Analysis, October 2026. Operational categories can overlap.

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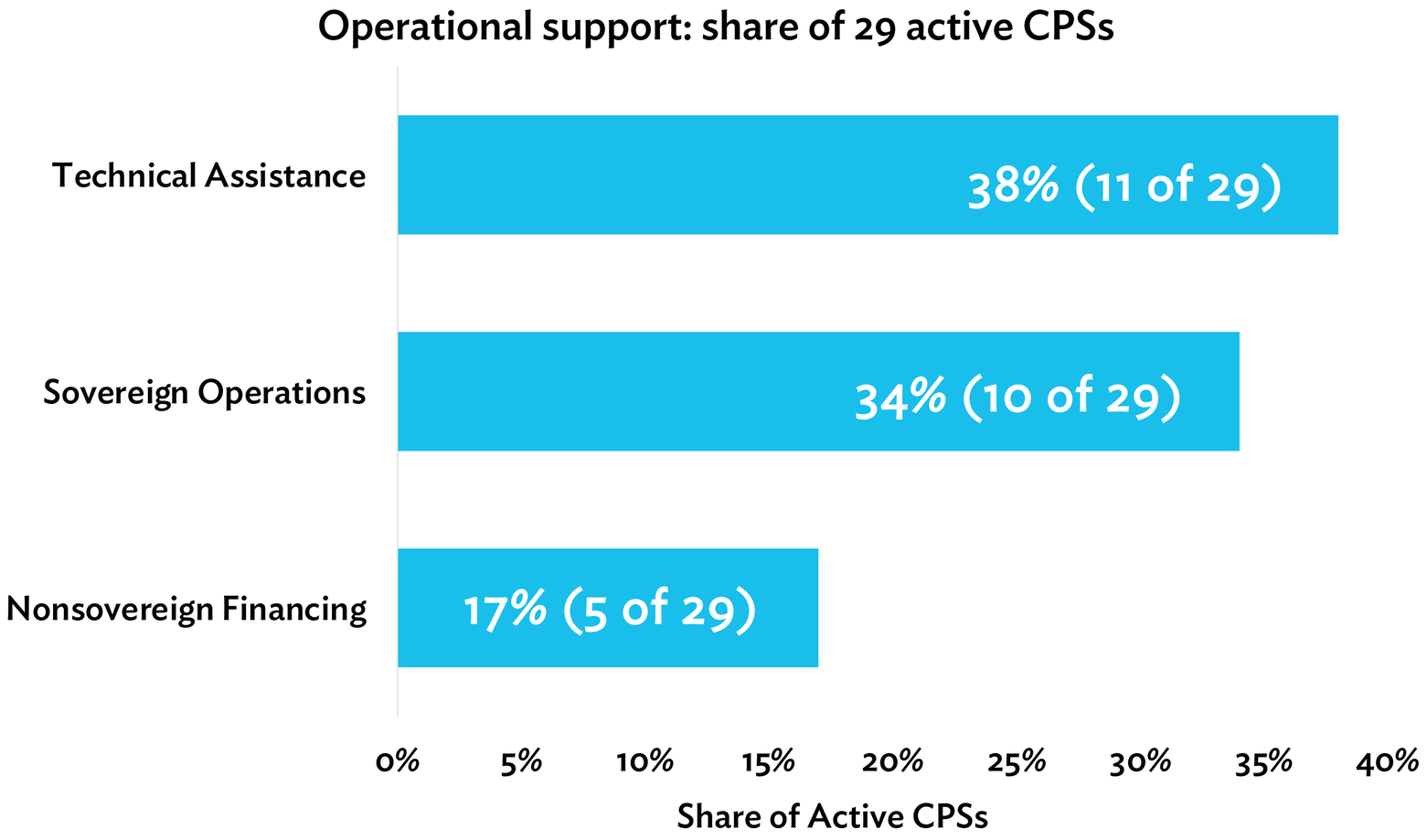


Philippines

Tourism investments linked to local value chains with MSMEs, agriculture and fisheries.

El Nido, Palawan, Philippines. Photo by Jerry Kavan @ Unsplash

Opportunities exist to strengthen private sector investment in tourism through Nonsovereign financing



TA and sovereign operations are cited twice as often than nonsovereign financing.

Source: ADB CPS Analysis, October 2026. Operational categories can overlap.

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Maldives

Envisaged tourism PPP advisory services and potential direct private investment.



Aerial view of the L-shaped quay and onshore facilities in Maldives.
Photo @ ADB Flickr

Key takeaways

Tourism is a strategic priority, with distinct development pathways across ADB Regions.

Countries use tourism for increased RCI supported by enhanced connectivity and tourism policy and planning.

Tourism growth priorities offer opportunities to strengthen jobs, local value creation and investment.

Opportunities exist to strengthen private sector investment in tourism through Nonsovereign financing.

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Designing Bankable and Integrated Tourism Investments

World Bank Tourism Development Program: Indonesia



Presented by:
John Perrottet, Senior Tourism Consultant

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The Project

- The core objective was to establish a set of new flagship destinations that could mirror the success of Bali
- The World Bank supported 6 of these between 2016 and 2023 – initially three – US$300m
- The WB project was a part of a wider program – US$1.0bn
- Indonesia welcomed World Bank investment but mainly wanted its expertise



KEY TAKEAWAYS

- Set the scene including scale, scope, timeframe
- The GoI established a national program
- WBG provided money and knowledge to design and implement the program

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Defining the Problem

V1 - 2014	Long term foreign exchange shortfall
V2 - 2015	Competitive underperformance - region
V3 - 2015	Overconcentration - Bali
V4 - 2016	Quality – service, facilities, infrastructure

KEY TAKEAWAYS

- Look beyond the client request
- Take your time
- Let the diagnosis inform the process

Photo Jessie F. McComb

Defining the Problem

Four key constraints to unlocking tourism development in Indonesia



Weak coordination and implementation capabilities for tourism development and monitoring and preservation of assets

Continued poor access and quality of infrastructure and services for citizen, visitors and businesses

Outside Bali, limited tourism workforce skills and private-sector tourism services and facilities

Weak enabling environment for private investment and business entry

KEY TAKEAWAYS

- Detailed diagnostics to precisely articulate the problem
- Mobilize specialist skills
- Client engagement but agency control over diagnostic process

Photo Jessie F. McComb

The Design Process

- Detailed demand analysis
- Investor sentiment analysis
- Agreement on development objectives
- Agreement on structure of delivery

KEY TAKEAWAYS

- Assets without demand will not generate economic activity
- Public investment is an enabler, not a driver of demand
- Private investment unlocks demand and builds incomes
- Beyond coordination to collaboration

Photo Jessie F. McComb

The Solution - Activities



KEY TAKEAWAYS

- Don’t try to do everything
- Leveraging international partnerships builds credibility and client buy-in
- Balance capacity building with “getting-it-done”

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The Solution - Financing

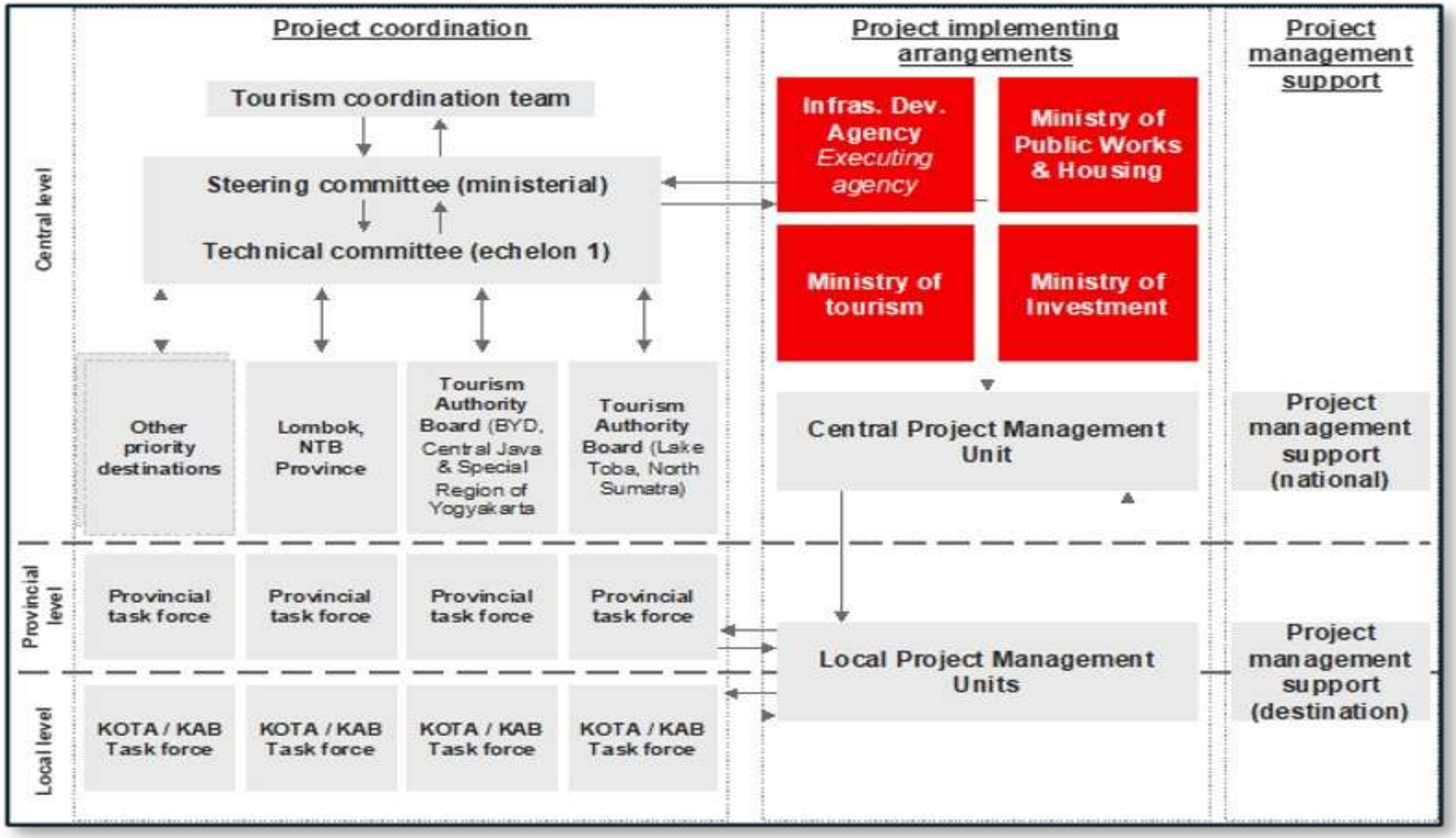


KEY TAKEAWAYS

- Get the sequences right:
- Content: demand → plan → invest
- Structure: problem → solution → instrument
- Build a replicable implementation model

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The Delivery Mechanism

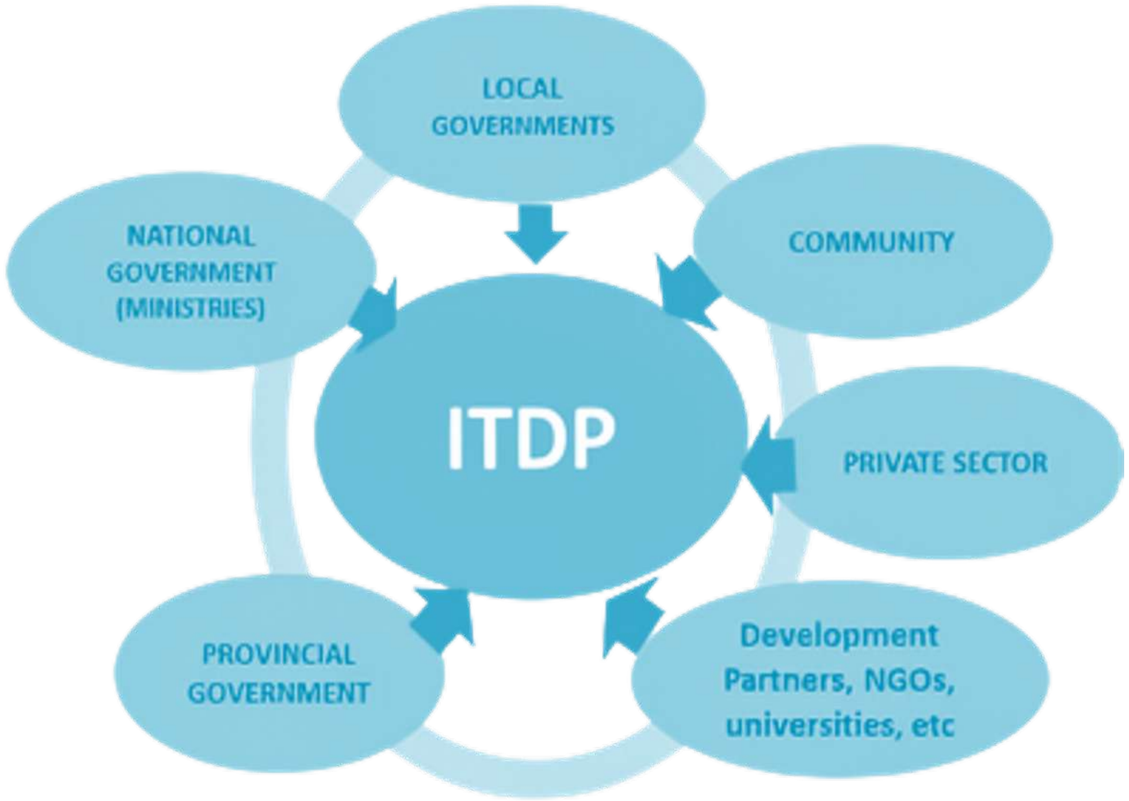


KEY TAKEAWAYS

- Top level engagement secured buy-in across agencies and locations
- Program budgeting enabled full visibility and accountability
- Significant project management support needed at all levels

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The Tools – Instruments of Collaboration



KEY TAKEAWAYS

- Planning instruments must have statutory authority
- Common communication tools build transparency and accountability
- Collaboration is more than coordination

Integrated Institutional Arrangements

Single National Policy

Single Planning Document - Integrated Tourism) Masterplans (ITMPs)

Single Monitoring System

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The Results

01

≈$ 1B in the Bank's largest-ever tourism program with GoI

A long-term vision for Indonesia, unprecedented in the Global South, both at national (ITDP) and local levels, with 6 Integrated Tourism Master Plans

Specific priority on **integrating sustainability** criteria, methods, and monitoring in all projects

02

+4.7M beneficiaries of improvements to tourism relevant basic infrastructure and services

+260k people with improved water sources

+2M people with improved waste collection

+6k hotel rooms

03

Strong satisfaction from the local communities surveyed (4.2/5 overall)

65 villages certified, 90 more trained

+80k tourism professionals certified

+12k business with online presence

04

~$850M of private investment in tourism destinations attracted in destinations

10 Investment Projects Ready to Offer plans built, market sounding events across the world

KEY TAKEAWAYS

- **Results at scale are possible**
- **Targets achieved or exceeded for many indicators but not all – pick your battles**
- **Capacity building achievements are enduring but hard to quantify**

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The Lessons

- There was a shared understanding that **better results in tourism destinations requires better alignment of sectoral efforts based on common diagnostics** - market analysis and demand assessment, and master plans. Sectoral agendas could not be pushed through this program.
- From the outset, Country Director/Country Management Unit staff committed to **elevate the dialogue to get 'whole-of-government' commitment to the demand-based and integrated planning approach**, while Global Practice staff focused on anchoring the program in 'normal' government processes, beyond the Ministry of Tourism.
- **Team members were motivated by the relevance of the program**. Nobody needed to be convinced to join. Team was built organically, without Practice Management involvement. No turf battles.
- **Sufficient in-country resources** (nobody worried about where to charge time). There were many in-country GP specialists.
- **Each GP staff supported its key (sectoral) counterpart in joining the Platform**. Dialogue was happening at many places at the same time.
- Bank lending and Advisory and IFC Advisory components were **designed in parallel in joint IFC-Bank teams**, ensuring complementarity and synergies, based on **common diagnostic** (market analysis and demand assessment).

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Sri Lanka: Sustainable Tourism Sector Development Program Lessons Learned



Presented by:

Panchali Ellepola,
Senior Project Officer, Urban Development

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Development Content

Sri Lanka Tourism (2016-2025): A Journey of Volatility & Resilience

TOURIST ARRIVALS millions

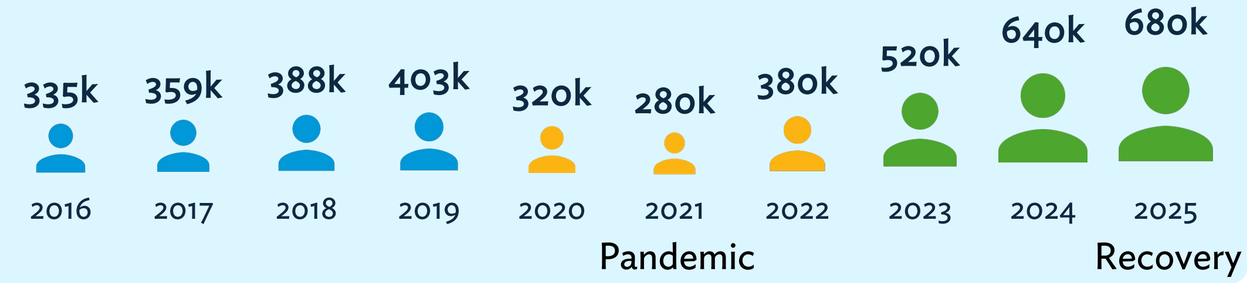
2025: historic high



TOURISM EARNINGS US$ billions



JOBS & EMPLOYMENT thousands, direct and indirect



Source: SLTDA, CBSL and WTTC reports

1 **Essential pillar of the Economy**

4–6% of GDP, ~600,000 direct and indirect jobs, $3.5–4 Bn in earnings.

2 **Repeated shocks & Resilience**

Easter attacks (2019), COVID-19 (2020–21), Economic crisis and default (2022–23), Natural disaster (2025), Mideast war (2026).

3 **Untapped potential**

Rapid recovery shows strength of Sri Lanka tourism offer. Consistently held back by weak coordination, limited digitalization, skills shortages, limited marketing, and infrastructure and product gaps.

4 **Policy–goal disconnect**

Disconnect between Government objective of targeting higher earnings and developing sustainable tourism model, and goals (5 Mn arrivals) moving toward high-volume mass tourism model.

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Translating Constraints into Reforms

POLICY GAPS	Weak coordination and regulatory bottlenecks Limited digitalization	Skills shortage	Infrastructure gaps Limited marketing and promotion
NATIONAL TOURISM POLICY	Integrated governance	Inclusive economic growth and sustainable tourism development	Higher service standards, better connectivity, informed stakeholders New destinations, resilience building and incentive strategies
REFORM AREAS	**Reform Area 1** Improve sector governance, coordination and performance of tourism entities	**Reform Area 2** Inclusive development of the tourism sector	**Reform Area 3** Value creation through enhanced private sector participation

Sustainable Tourism Sector Development Program

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Project at a Glance

$100M
ADB financing: $70M policy-based loan and $30M investment loan

6
Subprogram 1 policy actions achieved by the government

2
Destinations: Dambulla (including Sigiriya) and Trincomalee

9,000
Direct tourism jobs by 2031 in the project area, up from 8,100

TWO LINKED INSTRUMENTS

Policy-based loan

- Governance and coordination of tourism entities
- Women, youth and diverse groups in tourism jobs
- Private participation and local resource mobilization

Subprogram 1: $70M, all six prior actions achieved

Subprogram 2: $80M, indicative

Investment project

- Output 1: Destinations improved, climate resilient and inclusive
- Output 2: Capacity of tourism organizations and communities strengthened

Financing: $30M ADB loan plus $5M government

Works planned: January 2026 to January 2029

Objective: Create the policy reforms needed for tourism development

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Targeted Investments



SIGIRIYA

Investment: $14 Mn

INVESTMENT TYPE

Site development, conservation and restoration, connectivity and mobility, tourist infrastructure and amenities, solid waste management

OBJECTIVE

Develop surrounding sites to the main attraction to manage visitor flows, convert visits into longer stays and raise spending in destination



TRINCOMALEE

Investment: $11.5 Mn

INVESTMENT TYPE

Conservation and restoration of cultural assets, tourist amenities upgrading, new tourist attractions as PPP initiatives

OBJECTIVE

Attract greater private investment and create more integrated tourist offerings that capitalize on site potential

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What Worked

Key learnings for project implementation

UTILIZING THE CORRECT LENDING TOOLS

LEVERAGING TA RESOURCES

WORKING WITHIN INSTITUTIONAL CONSTRAINTS

STARTING SMALL

01

Policy Paired with Investment

Combining policy-based lending with targeted investments to ensure a comprehensive, sustainable development approach.

02

Identifying Gaps & Enabling Settings

Technical Assistance (TA) was essential to identify policy gaps, develop reforms, and create an enabling environment for an ADB project.

03

Stepping Stone for Capacity Building

Navigating existing constraints to gradually build the capacity of relevant institutions, setting the foundation for future projects.

04

Focus policy quick wins and established Destinations

Beginning policy reforms with low hanging fruit and building on the. Selecting sites in proven, high-readiness areas to secure early wins, test frameworks, and scale up successfully.

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What Didn't Work

Gaps and lessons for future tourism projects

LACK OF OWNERSHIP

HIGHER SPENDING

INFRASTRUCTURE VS DESTINATION MAKING

SMALLHOLDERS AND INFORMAL SECTOR

01

Tourism Authorities Lacked Ownership

Tourism authorities had the hard work of all the reforms, but not a direct hand in project implementation, creating a disconnect and lack of ownership.

02

Higher Spending Not Targeted

Insufficient focus from the project on how investments would directly translate into higher spending tourists to achieve higher earnings and employment objectives

03

Needs-Based, Not Plan-Based

Investments identified were more need-based (reactive), rather than based on market demand analysis or an integrated destination development investment plan.

04

Smallholders Overlooked

Despite the direct employment objectives, Insufficient focus from the project on smallholders and engaging the informal tourism sector.

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Key Take Aways



Pair policy reform with targeted investment

Policy-based lending plus investment delivers a comprehensive, sustainable approach.



Use TA to diagnose gaps and shape reforms

Technical assistance created the enabling setting for the project.



Give tourism authorities a stake in delivery

Those who carry the reforms should have a hand in implementation, to build ownership.



Plan destinations, not just infrastructure

Anchor investments in an integrated development plan and target higher spending.



Start small and bring in smallholders

Begin with policy quick wins, and build on reforms over the long term. Start with well-established destinations for early wins, and include the informal sector.

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ASEAN Sustainable and Resilient Tourism Investment Outlook 2030



Presented by:

Graham Harper,
Senior Tourism Consultant

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The challenge and ASEAN's response

THE SHARED PROBLEM

- Public budgets are tight
- Pipelines do not distinguish between private finance and public funding

THE RESPONSE ASEAN Sustainable and Resilient Tourism Investment Outlook

Tourism is private sector driven and requires private investment to grow economic opportunities

Tourism depends on public sector's ability to address market failures and manage public goods.

- Core document
- Investment pipeline
- **Toolkit**
  Focus of this session

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Five findings point to one framework

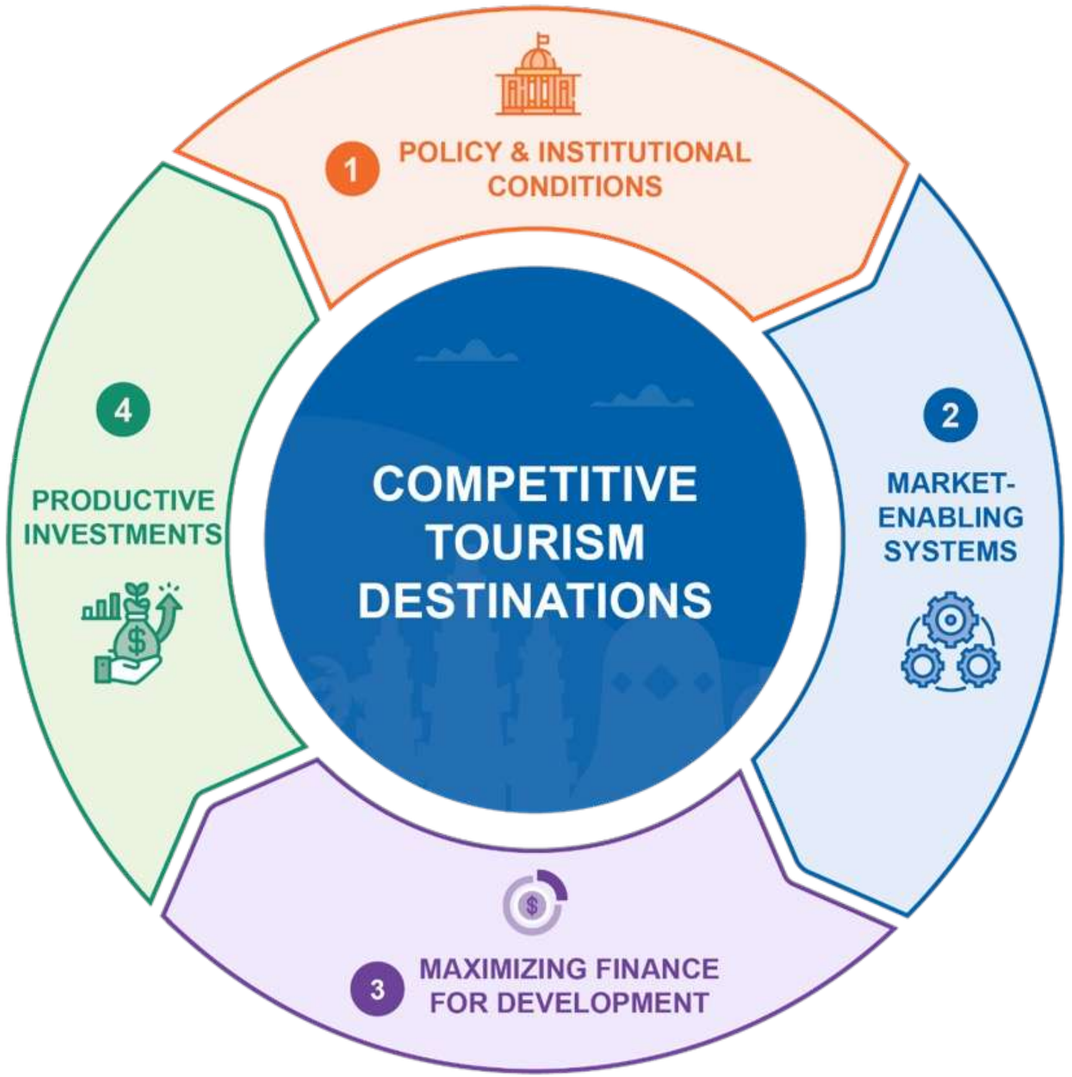
1. Coordinate from the national to the destination levels

2. Target public investment to mobilize private capital

3. Bankability depends on preparation and enabling conditions

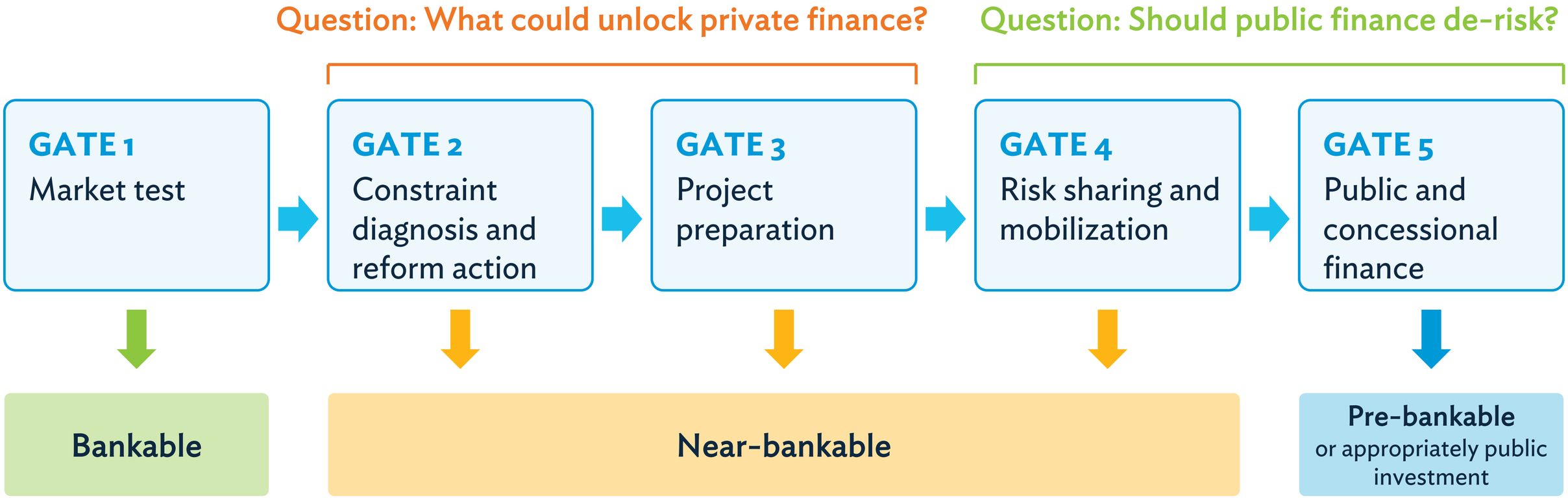
4. Capacity & destination management support returns

5. Constraints across ASEAN to support one shared framework



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Maximizing Finance for Development (MFD)
Five gates decide who finances what



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Six tools put the gates into practice

TOOL 1 Investment Pipeline and Opportunity Register

GATE 1 Market test	GATE 2 Constraint diagnosis	GATE 3 Project preparation	GATE 4 Risk sharing	GATE 5 Public finance
TOOL 2 Market Test and Public-Private Dialogue	**TOOL 3** Market Constraint Diagnostic and Remedy Library	**TOOL 4** Project Preparation	**TOOL 5** Financing and Risk-Sharing Options	

TOOL 6 Investment Action Plan

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Prioritizing Tourism Investment Opportunities



Presented by:

**Jessie McComb,
Senior Tourism Industry
Specialist, ADB**

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Which types of tourism investments represent the greatest opportunities or needs in your country or region? Select up to three.



Feedback and retake

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What does a stronger tourism pipeline require?

MODERATOR



Norio Saito
Deputy Director General, SD2-WUD, ADB

PANELISTS



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Ministry of Tourism,
Cambodia



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