



WTA • Xianghu Dialogue

**Report on World Tourism
Development 2018**

**- Global Process and Time Appeal of
Poverty Reduction through Tourism**

China Tourism Academy (CTA)

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Table of Contents

I. New era: Bright future shared by tourism development and mankind.....	3
II. New role: Tourism steps from the edge of poverty reduction to the center	6
III. New achievements: Tourism shifts its supporting role to a key driving force in the economic and social development system in poor areas.....	9
IV. New driver: Better life backed by technology, cultural creation, talent and investment from by the traditional beautiful scenery and historical humanities ..	16
V. New goal: Poverty reduction through tourism is still on the way	21
Appendix I: China's Actions in Poverty Reduction Through Tourism	24
Appendix II: Typical Cases and Experience of Global Poverty Reduction Through Tourism	33

We are amid a great era for tourism, which for many people, has become an important part of their daily life. Besides rendering enjoyment to tourists, the tourism is helping more people cast off poverty with a greater scale and unprecedented sense of responsibility.

The Report is themed “poverty reduction through tourism”, which demonstrates the concern for poverty reduction practices through tourism and echoes the overarching goal of the UN *2030 Agenda for Sustainable Development*, that is, to eradicate poverty in all its forms and dimensions. The Report will highlight the latest progress and development trends in poverty reduction through tourism and furnish with some cases and practices, especially the experience and concepts from China.

I. New era: Bright future shared by tourism development and mankind

Tourism is an important symbol of the development of an era. When numerous tourists travel between countries and regions, people can more keenly aware that the world is a global village. Recent years saw a continuing fast growth in the overall development of world tourism, creating a good premise for poverty reduction through tourism.

1. New achievements yielded in world tourism development

Both the world tourist arrivals and revenues continued to grow. According to the 2017 World Tourism Organization (UNWTO) data, the world tourist arrivals grew by 7% to reach 1.2 billion and revenues grew by 5% to reach USD1.33 trillion, keeping positive growth for eight consecutive years. According to the *Report on World Tourism Economy Trends (2018)* co-released by the World Tourism Cities Federation (WTCTF) and the Tourism Research Center, Chinese Academy of Social Sciences, the global tourist arrivals in 2017 totaled about 11.9 billion, and the revenue exceeded USD5 trillion, up 6.8% and 4.3% compared with the last year, respectively, continuing to be higher than the GDP growth rate.

The comprehensive contribution of tourism to economic and social development is increasingly evident. Based on the *2018 Report on Global Economic Impact of Travel and Tourism* released by the World Travel and Tourism Council (WTTC), in 2017, the tourism value-added was 10.4% of global GDP, with 313 million jobs provided, 9.9% of total employment.

The tourism quality has steadily escalated. Thanks to the joint efforts of government departments, enterprises, non-governmental organizations and all sectors of society, both tourism products and services worldwide has experienced a steady increase in quality, and tourists’ sense of quality acquisition has also been remarkably enhanced. According to a survey conducted by the China Tourism Academy (CTA), Chinese people continued to maintain “basically satisfactory” to outbound tourism. In 2017, the top five satisfactory destinations were Singapore, New Zealand, the United States,

Germany, and Canada.

Tourism further promotes cultural exchanges and inclusion. Friendship between the peoples holds the key to sound state-to-state relations, and heart-to-heart communication contributes to deeper friendship. Tourism has powerfully boosted people's cultural knowledge as well as mutual understanding and tolerance in various countries and regions through field experience as a crucial path to people-to-people contacts. Frequent contacts between people, especially between young people in a face-to-face way, have solidified the public opinion base for establishing more harmonious national relations.

Tourism has contributed significantly to poverty reduction. Tourism development is playing an increasing important role in poverty reduction worldwide with its extensive drive to economic growth in poor areas and to employment and income increase for poor people. Many developing countries leverage the tourism development as an important means to reduce poverty. The Maldivian tourism industry, for example, has long directly contributed to GDP of over 30% and indirectly contributed at a remarkable 60%-70%.¹

2. New characteristics presented in world tourism development

Spatially, emerging countries perform well. The fast growth in outbound consumption of emerging countries has facilitated the diversification of the global tourism market. According to an UNWTO report, China was still the biggest spender on travel abroad in 2017; the overseas tourism in BRICS countries including Brazil, Russia and India also grew fast, where the Brazilian holiday makers spent 20% more in 2017 than in 2016. In terms of tourism reception, although Europe, North America and the Asia-Pacific region still dominated, the Asia-Pacific region steadily scaled up, while Africa also grew fast.

Temporally, traditional off-seasons have new highlights. Though most tourist destinations receive more tourists from April to October each year, the changed tourism demand and better tourism supply (e.g. adjustments in holiday system, improvement of transport means and innovative tourism products) are making tourism activities more temporally balanced. Many holiday makers choose Europe in autumn and winter to avoid crowding and get a better cultural experience. According to the CTA data, during 2016-2017, China contributed about RMB270 billion to ice-and-snow tourism, with tourist arrivals totaling 170 million. In provinces such as Jilin and Heilongjiang, the ice-and-snow tourism has been on a par with the summer tourism.

Tourists pay more attention to in-depth experience. Tourism has become a common

¹Li Yan, Huang Zhengduo, Development of Tourism in the Maldives and Its Causes, *South Asian Studies Quarterly*, Vol.4, 2009.

daily option in many countries and regions. Tourists can access more chances and richer experience of tourism, so compared with just paying a visit, they are more eager to enjoy the culture and share the life in destinations.

Local communities and residents have been stepping to develop their awareness of rights. Tourism has now shifted from a closed world dominated by scenic spots, hotels and travel agencies to an open system in harmony and close interaction with the economic and social development. The participation of local communities and residents is inseparable in developing tourism resources, constructing projects, marketing, or formulating and executing medium and long-term development strategies.

3. New experience formed in world tourism development

We need more extensive international cooperation. International cooperation on tourism has expanded from the government level to various levels such as non-governmental organizations, enterprises and research institutions. There are significantly more international conferences and forums on tourism, especially those themed intergovernmental meetings and international academic seminars on tourism after China put forward “the Belt and Road” initiative.

We need better infrastructure. Recent years have seen developing countries including China and India pouring great finance, labor and materials into constructing the infrastructure such as airports, highways, railways and telecommunications, so that the world can be more conveniently linked and tourisms can move more freely.

We need more scientific ideas of development. People have deeper thoughts about the impact of tourism as well as the status and role of the tourism industry. Countries are more concern about the sustainable development of tourism. Concepts such as sustainable tourism, responsible tourism, and tourism development planning first have been widely disseminated and recognized. China raised “tourism+” and “all-for-one tourism” to link tourism development more closely with the eco-social development, so as to push forward the co-prosperity of tourism and economic society by stimulating the host-guest sharing.

We need innovative market subjects to drive the tourism development. The active innovations in tourism products, formats and commercial models led by large multinationals and involved by specialized SMEs and micro-enterprises in recent years have added vitality to tourism development. In this period, the application of new technologies represented by mobile Internet and big data has played an important supporting role.

We need community residents to be extensively engaged. Community residents have made unprecedented contributions in sharing their living environments and lifestyles by actively participating in the decision-making, service and management process of tourism development.

4. New situations faced by the world tourism development

The continued recovering global economy further solidifies the basis for sustainable tourism development. The overall global economy is on the path to recovery. Several institutions predict that in this year and next, the economy will grow over 3%, while the figure in economy emerging markets and developing economies may be 4-5%. China, the world's second-largest economy, is expected to grow over 6.5% and continue to be an important driver of global economic growth.

Tourism rights and awareness are further awakened. Concepts such as "tourism is the basic right of mankind" and "the ultimate aim of tourism is to improve the quality of life and create better living conditions for all peoples" have been widely recognized and are becoming the consensus and action guide to develop tourism across the world.

Tourism is more valued by governments of countries. More countries, especially developing ones, have elevated tourism as a national strategy and also an important platform to engage in international competition, eradicate poverty and improve the people's livelihood. Almost all central governments have set up centralized and unified tourism management departments or multi-sector tourism policy coordination committees. For greater international tourism competitiveness, targeted funds have been increased to improve public service facilities and develop quality tourism products.

The driving force for tourism development becomes stronger. The rapid development of science and technology, especially the development of big data, AI, intelligent transportation, etc., coupled with cultural and creative elements, have brought infinite possibilities for tourism innovation and more channels for poverty reduction through tourism.

Uncertainties and risks exist. We live in a time of great progress, huge change and major adjustment. Peace and development remain the prevailing trend. There are also many uncertainties and even risks such as trade disputes and terrorism, which may bring some difficulties and challenges to tourism development. In developing countries, insufficient human resources and immature market players remain to be considered.

II. New role: Tourism steps from the edge of poverty reduction to the center

As the tourism industry scales up and its integration with eco-social development deepens, the contribution of tourism to the global poverty reduction career has received more and more attention. Tourism has become the main force for people in many developing countries and regions to get rid of poverty.

1. Poverty reduction has always been a key theme related to global development

Poverty eradication is and always has been a goal and a basic right of all peoples in their pursuit of a happy life. Poverty eradication has been an important task of most developing countries since the end of the Second World War.

In December 1992, the 47th session of the UN General Assembly designated October 17 to be the “International Day for the Eradication of Poverty” aimed to evoke the world attention and assistance to the rich-poor disparity caused by sanctions, and all forms of discrimination and wealth concentration. At the World Summit for Social Development in 1995, 1996 was declared to be the International Year while 1997-2006 was proclaimed to be the first International Decade for the Eradication of Poverty. In 1999, the International Monetary Fund (IMF) and the World Bank (WB) developed a poverty reduction strategy, aiming to expand the participation of the poor and deepen coordination among development partners, so that the international community’s fiscal and visa facilitation policies can be combined to alleviate poverty. In 2000, the *United Nations Millennium Declaration* was proposed as a goal of human development, including halving extreme poverty worldwide by 2015. At the 193-member United Nations Sustainable Development Summit in September 2015, the *2030 Agenda for Sustainable Development* was passed, with the primary goal of “ending poverty in all its forms”.

2. Poverty reduction indices are improving and its connotations are expanding

In 1990, the World Bank identified those below USD370 per year per person as absolute poverty and those who do not meet the minimum living standard set by the state as relative poverty. Then the poverty line was updated to below USD1.25 per person per day in 2008 and to USD1.9 in 2015. In November 2011, China raised its poverty alleviation standard by 80% to a rural per capita net income of RMB2,300/year, which has been lifted to RMB3,000/year upon dynamic adjustments of the price index, living index, etc.

The scope has expanded from economic poverty to multi-faceted poverty. In the *1997 Human Development Report*, the United Nations Development Programme (UNDP) defines the “human poverty”: people’s choices are limited when basic conditions in life, health, housing, knowledge, participation, safety and the environment cannot be met. We refer the poverty not only to economic backwardness, but to the ability and opportunity to involve the poor in economic, social and political aspects.

3. Global understanding of poverty reduction through tourism is deepening

In the 1950s and 1960s, as European and American developed countries entered into the era of mass tourism, the impact of tourism development on the economic and social development of destinations began to emerge. Through tourism development, some poor areas increased income, expanded employment and improved infrastructure. But at this stage, poverty reduction through tourism was more an accidental and additional behavior. Tourism benefits to poverty-stricken areas, especially the poor people, was not paid real attention and tourism development seldom benefited the underprivileged population.

In the 1970s and 1980s, the role of tourism in promoting employment and stimulating

the economy was further recognized. Some advantages of tourism in poverty reduction, e.g. wide employment opportunities and multiple employment levels were also raised. The study, however, found that there are adverse aspects in tourism development, such as ecological environment damage, economic leakage, social inequality, heavy dependence on foreign capital and enterprises, and even “tourism enclaves”. These phenomena have triggered the wide attention from the international community. In 1992, the United Nations Conference on Environment and Development was held in Rio de Janeiro, at which the impact of tourism on regional overall economy and immediate interests of social residents were considered and tourism development goals began to include ecology and social sustainability. In 1999, the Department for International Development (DFID) initiated PPT (PRO-POOR TOURISM), marking a clear shift of international poverty reduction efforts through tourism to a more micro level: how does the poor achieve their development through tourism development? In 2002, the UNWTO proposed the ST-EP (SUSTAINABLE TOURISM-ELIMINATING POVERTY) program, which further emphasizes the sustainable tourism and proposes to apply it as a tool for poverty reduction by boosting local economy not economic aid, project demonstration, investment attraction, but also through capacity building and training and changing the impact of tourism on social culture.

Under the guidance of the concept of sustainable development, a general consensus has fostered on the promoting role of tourism in poverty reduction. The ST-EP operating mechanisms include the employment of the poor in tourism enterprises; the supply of goods and services to tourism enterprises by the poor or by enterprises employing the poor; the direct sales of goods and services to visitors by the poor; the establishment and running of tourism enterprises; the taxes imposed on community-based tourism income or profits; the voluntary giving and support by tourists or tourism enterprises; and the investment in infrastructure stimulated by tourism also benefiting the poor in the locality. In October 2015, Li Jinzao, Chairman of China National Tourism Administration (CNTA), wrote that poverty reduction through tourism has the advantages of marketization, new blood pumping, broad benefits, the involvement of both material and spiritual aspects, and in favor of mutual respect, harmony, international exchanges, etc.² In September 2017, the World Tourism Alliance (WTA) initiated by China was officially established as the first global, comprehensive, non-governmental, non-profit international tourism organization. Following the vision of “Better Tourism, Better Life, Better World,” the WTA takes “poverty reduction through tourism” as one of its three goals.

4. Tourism in the new era should and can be a key player in the worldwide poverty reduction

² Li Jinzao, *Implementing the Poverty Through Tourism to Contribute to Building a Moderately Prosperous Society in All Aspects*, http://www.xinhuanet.com/travel/2015-11/06/c_128400951.htm

Over the past two decades, the tourism industry in the world has grown faster than the global economy, especially in developing countries represented by China, creating better preconditions for poverty reduction through tourism. With the concept of sustainable tourism development securing more consensus and wide dissemination, people are paying more attention to the coordination between tourism development and ecological environment. Tourism education and training are also applied to improve the overall quality of the poor, enhance the effect of poverty reduction through tourism, and boost the shift of static poverty reduction to dynamic and even intergenerational poverty reduction. The deep integration of tourism with three industries, new rural construction, new urbanization, etc., and the development of new formats like leisure agriculture, health tourism, old-age tourism, study tourism, sports tourism, cultural and creative tourism, tourism finance, and tourism equipment manufacturing have enriched the channels and innovated the paths of poverty reduction through tourism. As the poverty alleviation means change, the resident income accumulates, the titles of lands and houses clarify, people in poor areas have formed multiple income channels composed of wage income and property income like interests, dividends, rent, etc., instead of relying solely on selling labor, in which way the poverty reduction through tourism has been more guaranteed.

5. Poverty reduction through tourism has special and important significance in China

China is at the decisive stage in finishing building a moderately prosperous society in all respects and targeted poverty alleviation is one of the three battles proposed at the 19th National Congress of the CPC. Tourism is a strategic pillar industry of China's national economy and contributes much to poverty reduction, so it should bear its due responsibility in domestic poverty alleviation. CNTA and the State Council Leading Group Office of Poverty Alleviation and Development have consulted the poverty reduction tourism for several times. As a result, in January 2018, the *Action Plan for Supporting Poverty Reduction Through Tourism in Extreme Poverty Areas* was jointly issued. In March 2018, the General Office of the State Council promulgated the *Guiding Opinions on Promoting the Development of All-for-One Tourism*, proposing to “strengthen the poverty reduction projects in rural areas through tourism” and “making the poverty reduction through tourism more targeted to truly benefit the poor areas and the poor people”.

III. New achievements: Tourism shifts its supporting role to a key driving force in the economic and social development system in poor areas

Thanks to the rapid development of global tourism, tourist arrivals and revenue are rising; as a consequence, the tourism development is contributing more to the world's economic growth and social development. By getting deep and wide involved in poverty reduction through tourism, accordingly, more residents in poverty-stricken areas have access to adequate and quality employment opportunities and increase in wage and asset earnings, so that they can lift their life standard and overall quality and

share the fruits of tourism development.

1. Tourism has become a major source of employment and income in developing countries

Currently, international tourists in emerging markets and developing countries account for half of the global tourism market, and tourism has brought economic growth opportunities to these countries. According to an UNWTO report, developing tourism is the most viable and sustainable option to develop the economy for many developing countries and least developed countries. Tourism is also the main source of foreign exchange earnings for some countries. Out of 48 least developed countries in the world, tourism is the first or second source of export earnings in 20 countries. In some developing countries, especially small island nations, the tourism industry can account for more than 25% of GDP. It was reported in 2015 that, in South Africa, the tourism had contributed over 9% to its GDP and created more than 1.5 million jobs; while in the whole Africa, the two figures were 8.1% and 20.5 million; the contribution of tourism to economy was higher in some countries such as Mauritius and Seychelles³. In Sapa, Vietnam, the contribution of agroforestry and fishing to local economy fell from 44.68% in 2000 to 29.83% in 2010, contrast that with tourism and services rose from 48.86% to 58.68%. A substantial change also occurred to Sapa's household poverty rate, which decreased from 48.7% in 2005 to 26.91% in 2009⁴. According to another study, in the beginning of this century, with climbers paying on average USD1370 each, Tanzania's trekking tourism provides 400 jobs for guides, 500 for cooks and 10,000 for porters per year⁵.

Recent years have seen great achievements made in poverty reduction through tourism in China. China lifted 68.53 million people out of poverty from 98.99 million at the end of 2012 to 30.46 million at the end of 2017. The poverty rate also dropped from 10.2% to 3.1% in the same period, down 7.1%. According to the 2017 report issued by the State Council Leading Group Office of Poverty Alleviation and Development and the CNTA, since 2011, China has driven over 10 million poor people to get rid of poverty through rural tourism, accounting for more than 10% of the poor. Based on the data of the Ministry of Agriculture, in 2017, China's leisure agriculture and rural tourism received more than 2.8 billion tourists, registering revenue exceeding RMB740 billion and 9 million employees, with 7 million farmers benefited.

2. Tourism development has made irreplaceable contributions to poverty alleviation in some poverty-stricken areas and poor people

Poverty is often caused by traffic congestion, barren land, information blocking, and cultural conservatism. Many poor areas are minority and border areas, where limits the

³Yu Yichun et al., *Outstanding Results in Tourism of Emerging Economics*, <http://finance.people.com.cn/n/2015/0526/c1004-27055617.html>

⁴ V. Dao Truong, C. Michael Hall & Tony Garry (2014). Tourism and poverty alleviation: perceptions and experiences of poor people in Sapa, Vietnam, *Journal of Sustainable Tourism*, 22: 7, 1071-1089.

⁵ Wineaster Anderson (2015). Cultural tourism and poverty alleviation in rural Kilimanjaro, Tanzania, *Journal of Tourism and Cultural Change*, 13: 3, 208-224.

development of traditional industry and agriculture, but renders advantages to that of tourism. Traffic congestion and barren land lead to beautiful landscapes and good natural ecology. Information blocking and cultural conservatism could retain many traditional lifestyles and diverse ethnic folk cultures. They are very attractive to modern tourists. Tourism is a service industry that demands fewer professional skills. For individuals, rich and multi-level jobs can be rendered, especially, tourism performs well in promoting women and less educated people to be employed and locals to be hired in the locality. Developing tourism has provided many poor areas and poor people with a new way to shake off poverty.

Australia is an economically developed country, but there is still a big economic development gap between the central and western region and the southeastern coastal region. Economically underdeveloped areas are mainly inhabited by aboriginal people, whose traditional culture and unique natural living environment are very attractive to tourists. On this basis, the Australian government chose to use tourism as a breakthrough to improve the level of economic development in aboriginal areas, and launched an Aboriginal Tourism Development Plan in 1997. Consequently, the economic development in aboriginal areas increased significantly, with an employment rate rising by 5% in two years and the living standard escalating greatly⁶. Doi Tung in Thailand is not a border area (on the border of Thailand, Laos and Myanmar), but also a minority area (various tribes including Akha, Dai and Igo) featuring and traffic obstruction. People here had been less likely to survive for a long time. Doi Tung was also one of the most rampant areas in the Golden Triangle. In the 1980s, with the support of the Empress Foundation of Thailand and the international community, Doi Tung began to develop tourism, whose attractive fresh air, beautiful sceneries and diverse culture have quickly created it into a tourist resort. In 1993, the Doi Tung project won the Gold Award of the Pacific Asia Travel Association (PATA) for its achievements in poverty reduction through tourism⁷.

Ethnic minorities in China account for around 8.5% of the total population. Most of them live in central and western regions and border areas. The poor in these areas take up about 1/3 of the total poor nationwide. As the poverty reduction through tourism develops, many poverty-stricken areas have been quickly lifted out of poverty these years. Linzhi in Tibet has been vigorously developing the all-for-one tourism in recent years, and by engaging in local hostels, food, passenger transport, etc., a large number of farmers and herdsmen have made their fortunes. From January to April in 2018, Linzhi received 2.138 million tourists at home and abroad and realized tourism income of RMB1.52 billion, up 93.1% and 110.4% respectively compared with the same period in 2012. There were 1358 households of farmers and herdsmen with 8,207 person-times participating in tourism services in the city, achieving the revenue of RMB61.22

⁶ Zhang Chuandu, Australia: 4.5 Million Tourists Brings AUD 1.6 Billion, *Guangming Daily*, Edition Z03 on March 17, 2000.

⁷ Source of Doi Tung Case (the same below, no more description will be provided): Zhu Jinsheng, Mu Lili, Comparative Study of Rural Tourism in China and Thailand: Taking Dragon Ridge Terrace in China and Doi Tung in Thailand as Two Cases, *Guihai Tribune*, Vol. 3, 2013; Yu Yichun, *Revitalization in Northern Border Areas of Thailand*, http://www.xinhuanet.com/world/2015-12/21/c_128550753.htm

million⁸. Thanks to the arrangement by the local government, Raxman Maimaiti, a poverty-stricken person with a disabled leg from the forest farm of Zepu County in Xinjiang, could earn RMB20,000 to 30,000 during the tourist season by driving the donkey cart in the Jinhuyang Scenic Spot⁹. In order to encourage minority women to start a business, in 2013, the Guizhou Government issued the *Opinions on Implementing the Plan for Women's Featured Handicraft Industry*. As of 2016, there were 10,100 registered poor women in Guizhou throwing off poverty through handicraft, with an annual per capita income increased by more than RMB10,000¹⁰.

Boosting development of old revolutionary base areas combining with red tourism is a prominent feature in China's poverty reduction through tourism. Many old revolutionary base areas tremendously contributed to China's revolution. Unfortunately, due to geographical location, natural conditions, etc., later their economic development has fallen behind. A number of them have gained rapid development by developing tourism with rich red cultural resources. In February 2017, upon evaluation of the State Council Leading Group Office of Poverty Alleviation and Development and approval of Jiangxi Government, Jinggangshan was officially declared to take the lead in poverty alleviation. The old revolutionary base areas including Guang'an District in Guang'an City of Sichuan, Ji'an County of Jiangxi, and Chishui City of Guizhou were subsequently among the ranks of poverty alleviation as well.

3. Tourism has fostered a strong driving role in developing related industries in poverty-stricken areas

Tourism is an integrated industry with high industrial relevance. It can be widely associated with the primary, secondary and tertiary sectors, and plays a significant role in fostering industry chains and boosting the regional economy. Tourism has become an essential engine for economic development in many poor areas because it energetically impels many other industries apart from bringing considerable income.

Tourism development of Doi Tung in Thailand has contributed much to the transformation and upgrading of traditional handicrafts and planting. In terms of handicrafts, Doi Tung has successfully created its brand and marketed its traditional pottery, mulberry bark and hand-knitted products globally by introducing high-end design concepts and engaging internationally renowned designers in product development. In terms of agricultural production, Doi Tung has vigorously planted high-quality coffee, orchids, etc., and carried out high-end processing; as a result, Doi Tung Coffee has won a good reputation, with specialized sales counters in Bangkok, capital of Thailand, and abroad. When developing these industries, especially in the early days, the tourism market has not directly driven the sales and spread of products but also guided the product development after exchanges with tourists and operators.

⁸ Liu Hongming, *Targeted Poverty Reduction Through Ecological Tourism in Linzhi of Tibet*, http://xz.xinhuanet.com/xhsjzzzq/2018-05/23/c_137200643.htm

⁹Zhu Kaili, *Tourism and Poverty Reduction in Xinjiang Combined for a Bright Prospect*, <http://www.xinjiangnet.com.cn/2018/0303/2052457.shtml>

¹⁰ Lin Jinzao as the editor-in-chief, *Contemporary Tourism*, Beijing: Commercial Press and China Travel & Tourism Press, February 2018, P82, Vol. 2.

Danzhai County, located in the Qiandongnan Miao and Dong Autonomous Prefecture of Guizhou, is the key county for poverty reduction in China. Danzhai people mainly farm and go out to work for a living. Over 80% of the poor here are inhabited in the mountainous areas. They live in dilapidated grass houses, and sometimes even food is beyond their reach. In 2007, the per capita net income of farmers in Danzhai was RMB2,124, only one-fifth of the national level. Then Wanda Group signed a contract in December 2014 to help eliminate poverty in Danzhai. The original plan focused on raising pigs and planting and processing tea, which were found to be hard for marketization and scale development. Eventually, the plan was adjusted to drive the development of other industries mainly through tourism. In 2016, Wanda Group invested RMB600 million to build a tourist town and RMB500 million to establish the Special Poverty Alleviation Fund for Danzhai. In 2017, the investment of the tourist town increased to RMB800 million. On July 3, 2017, Danzhai Wanda Town opened for operation. As at July 3, 2018, in one year, Danzhai Wanda Town received over 5.5 million tourist arrivals and drove the Danzhai comprehensive tourism revenue to RMB2.493 billion, directly lifting the income of 2,859 households (11,437 people) and indirectly lifting that of 1,182 households (4,729 people). Leveraging the driving force of Wanda Town, the poor in Danzhai have increased their income in both industrial development and stable employment through direct and radiation driving. In the past year, 28 leading poverty alleviation enterprises and 137 industrial poverty alleviation cooperatives have settled in Danzhai Wanda Town. Currently, 136 local specialty food and beverage outlets in the Town have signed direct supply agreements on agricultural products such as vegetables, edible fungi and meat with 81 village-level aquaculture cooperatives in Danzhai. As a result, by engaging in industrial development, 7665 poor people have raised their income, with an average annual income increase by RMB2,310 per household each year.¹¹

4. Tourism development helps to enhance the sustainable development ability of poor areas

It is difficult for poor areas to fundamentally address the long-term development by solely relying on capital input or external aids. They can achieve sustainable development in the real sense only when these aids and supports are fully converted into the self-development abilities, including the improvements in production and living environment, population quality, local governance, etc. In recent years, tourism development has been playing a great role in promoting in these aspects.

Tourism development drives infrastructure improvements in poor areas. On the one hand, as the starting point of tourism development in poverty-stricken areas, tourists must be offered convenient entry and local living conditions. Therefore, the government and relevant organizations prioritize the support of infrastructures including public transport, water supply and drainage, electricity, telecommunication,

¹¹Source of Danzhai Case (the same below, no more description will be provided): “*Danzhai Action*” of Wang Jianlin: *Creating a New Sample of Targeted Poverty Alleviation*, http://www.xinhuanet.com/fortune/2016-02/29/c_128761976.htm; Yang Changsheng, *Wanda Town Drives Comprehensive Tourism Revenue to Nearly RMB2.5 Billion and 16000 Poor People to Increase Income*, http://www.gzfp.gov.cn/ywgz/shfp/201807/t20180718_2550367.html.

and garbage and sewage treatment. On the other hand, tourism development has brought income to poor areas, partially offsetting the funds needed for infrastructure construction. For locals, improvements in infrastructure mean not only better living standards, but also more production possibilities. Doi Tung project in Thailand is scheduled to be completed in three stages. The first stage focuses on infrastructure development. The Kisiizi Falls tourism project supported by the ST-EP Foundation and Korea Tourism Organization helped build infrastructures such as a visitor center, toilets, hiking trails, viewing points, a monument, a lagoon, a zip line, a hanging bridge, road signage and information boards¹². Since its official launch in 2009, the WB-financed Gansu Cultural and Natural Heritage Protection and Development Project for China has renovated 986 traditional dwellings and completed 6 village-level and 2 county-level tourist service centers, 22 toilets, 8 parking lots, 2 squares, 80km village pedestrian walks, and 540 garbage bins, respectively equipped with garbage pools, garbage transfer vehicles, drainage and sewage systems. Thanks to infrastructure improvements, the annual tourist arrivals at major sites have risen from 0.5 million in 2008 to 4 million, while the income of many villages has been remarkably lifted by receiving visitors or selling local products and handicrafts¹³.

Tourism development facilitates the protection and innovation of traditional cultures in poor areas. Under the impact of marketization and globalization, many traditional customs, ways of production and living, festivals, handicrafts, and local opera performances are on the verge of disappearing. Tourism development reminds us of the values in traditional cultures, which can be revitalized and innovated when interacting with tourists. The Association of Talent Agents (ATA) based in the U.S. has been developing products up to the needs of the global handicraft market, training the craftsmen of commercial and production skills, and offering continuous employment opportunities to developing countries since the 1980s, so as to bridge cultural protection and tourism development. With the help of ATA, craftsmanship in many developing countries has been revived, while poor craftsmen have accessed to entrepreneurship and increase in income¹⁴. Relying on Wanda Town, the intangible cultural heritages of Danzhai have been better demonstrated and passed down. In the Town, 59 specialty handicraft shops buy goods from 17 village-level cooperatives, including 52 directly sell ethnic handicrafts and the remaining 7 provide folk activities such as ancient papermaking, bird cage weaving and wax printing. The Naxi ancient music in Lijiang, known as the “fossil of music” has been vitalized by the tourism though ever in danger of disappearing.

Tourism development boosts to enhance the traditional cultures in poor areas. Tourists can broaden horizons and widen knowledge through visits and field experiences. Local residents can also improve their personal qualities when providing

¹² <http://cooperation.unwto.org/news/2017-10-17/kisiizi-falls-tourism-project-uganda-successfully-completed>

¹³Lin Jinzao as the editor-in-chief, *Contemporary Tourism*, Beijing: Commercial Press and China Travel & Tourism Press, February 2018, P71, Vol. 2.

¹⁴Lin Jinzao as the editor-in-chief, *Contemporary Tourism*, Beijing: Commercial Press and China Travel & Tourism Press, February 2018, P71, Vol. 2.

services for and interacting with tourists. The advanced civilization concepts brought by tourists has subtly changed the lifestyles of locals and made more locals fall for learning. By learning languages, services, skills, and management, locals live more civilized and healthy and offer tourists more normative and standard services. They could realize modernization and enjoy a bright future like urban residents without leaving their homes. Anna Pallangyo, a villager in Tanzania said, “With the help of Netherlands Development Organization (SNV) and the Tanzania Tourist Board (TTB) in facilitating our promotion, we finally received a first group of 20 tourists in the first quarter of 1998. Life has since grown in leaps and bounds; I have found a meaning in life and living, enabling me to pay for school fees for my three children up to university level, including building a new house, owning a motorcycle and a small car”¹⁵. Xu Xiuzhen from Yangshuo has learned 11 languages through exchanges with foreign tourists albeit her school quitting after grade three and been exceptionally issued a guide certificate by the local tourism department¹⁶. Tourism destination is a whole, whose development often requires the joint efforts of different subjects. This is why the governance has also been significantly escalated when developing tourism in poor areas. Through tourism development, many poor areas have enhanced the organizational degree and modern awareness of local residents, as well as deepened the links and cooperation of local communities with enterprises and government departments. In implementing its strategy of poverty reduction through tourism, India has built a “functional committee” involving legal persons, tourism experts, government officials and local people¹⁷. Contrast that with China, various organizational models have been formed, including the “village with scenic spots”, “companies + farmers”, “party organizations + farmers”, “cooperatives + farmers”, “companies + cooperatives + farmers”, and “party organizations + cooperatives + farmers”.

Tourism development also helps perfect the ecological environment in many poor areas. Tourists enjoy the scenery and environment, so tourism activities are not contradictory to eco-environmental protection in essence. Moreover, as more tourists aim at leisure vacation, favorable ecological environments are more attractive to them. Hence, once properly developed and managed, tourism would not exert a large negative impact on the ecological environment of destinations, but can create conditions for improving it. Tourism development on the one hand brings income that finances the protection and optimization of local ecological environment, while on the other hand shows the value of local ecological environment to local residents, who thus have consciously become the guardian of it. On a broader scale, tourism activities help enhance people’s ecological awareness and form a good social climate for eco-environmental protection. Although boasting superior ecological environment, many poor areas are facing deforestation, mountain excavation, random dumping, direct sewage discharge, soil pollution, etc. Developing tourism has played a great role in solving these problems. Doi Tung characterizes picturesque scenery, however, the

¹⁵ http://cf.cdn.unwto.org/sites/all/files/pdf/brochure_st-ep_web.pdf

¹⁶ Mama Moon Xu Xiuzhen Turns into a Tour Guide with 11 Foreign Languages under Her Belt, <http://www.eastlady.cn/ent/rdxw/n108722.html>

¹⁷Lin Jinzao as the editor-in-chief, Contemporary Tourism, Beijing: Commercial Press and China Travel & Tourism Press, February 2018, P70, Vol. 2.

deforestation for opium poppy cultivation was quite common in the past, which has been banned since implementing the tourism development plan and the ecosystem has been restored.

In China, President Xi Jinping raised a weighty notion: “lucid waters and lush mountains are invaluable assets”. He stated on many occasions that favorable ecological environment is vital to tourism development, whose unity with environmental protection is of great guiding significance to the poverty reduction through tourism. Anji County in Zhejiang is birthplace of this weighty notion. In 2017, Anji received 22.3752 million domestic and foreign tourists and achieved a total tourism income of RMB28.269 billion, equivalently 78% of its GDP. Tieli City in Heilongjiang is a traditional forestry resource-based city. Residents here made a living mainly by producing and processing forestry resources, but since development tourism, they have become tour guides. Their income has increased, while the ecology has also been better protected. In 2017, Tieli received 2.43 million tourists and achieved a total tourism income of RMB2.2 billion, equivalently 28% of its GDP.

IV. New driver: Better life backed by technology, cultural creation, talent and investment from by the traditional beautiful scenery and historical humanities

Tourism development has long been relying on the traditional natural heritages and cultural monuments, which have been proven to be hard to truly lift the underdeveloped areas out of poverty. In the new era, the poverty reduction through tourism requires attention to the role of technology, cultural creation, talents and investment, so that poor areas can boast both beautiful scenery and a good life.

1. Foster new paths to poverty reduction through tourism using technologies

The use of increasingly enhanced technologies of different fields in tourism development renders more possibilities for poverty reduction through tourism. Thanks to the development of modern agriculture, advanced manufacturing, ecological energy-saving infrastructure and intelligent transport, tourism development has been offered new attractions and more convenient facilities. Particularly striking, the commercial application of information and communication technology has innovated the commercial development model of tourism and triggered a profound change in the industrial organization mode other than changing the tourism consumption and supply delivery ways. In particular, market benefits of the agritainment, native products, handicrafts and other important carriers of poverty reduction can be hardly fully reflected through tourism because they are “small”, “scattered” and “non-standard”. Internet technology has greatly changed this situation, allowing these products to effectively align with the market at a lower cost and covers home stretch to the poverty reduction through tourism.

Countries and regions all over the world attach great importance to the construction of communication facilities such as the Internet in rural areas and remote areas. The European Union (EU) has set up the European Regional Development Fund (ERDF), the European Agricultural Fund for Rural Development (EAFRD), etc. to facilitate the

popularization and construction of rural broadbands. In February 2014, the U.K. launched a £2.25 million rollout of rural broadbands to extend superfast broadband to 99% by 2018. In February 2009, the U.S. Congress approved to allocate USD7.2 billion for broadband investment from its Recovery and Reinvestment Act, including the remote poor areas and other communities with poor network services. In Japan, the government has financed one-third of rural broadbands. Emerging and developing countries represented by Russia, India and Brazil have also raised investment plans for broadband construction in remote areas¹⁸. The construction of facilities such as the Internet has played a positive role in tourism development in remote rural areas. Looking into the rural tourism development in France, a key insight is that the Internet technology is used to set up a room reservation center, which facilitates the selection and reservation for tourists and a customer information database, which enhances communication with customers. Pai, a Thai county located remotely without well-known attractions or large cities around, has gained a good reputation through high-quality services, one of which is the efficient and convenient Internet booking, including accommodations and the use of hotel and scenic vehicles.

The Chinese government attaches great importance to combining the Internet with poverty reduction through tourism. The *Action Plan for Poverty Reduction Through Tourism in Rural Areas* issued in 2016 proposed the implementation of measures including tourism e-commerce promotion and million rural tourism creators to guide information technologies such as the Internet of Things, big data, space information, mobile Internet to be used in poverty reduction through tourism. Qingxin District in Qingyuan City of Guangdong is one of the first pilot villages engaging in “Rural Taobao”. Following various innovative explorations in rural e-commerce, home-building construction, Internet + pilot agricultural town, poverty reduction through e-commerce, etc., a model of “Internet + e-commerce + tourism + poverty reduction” has formed. Throughout nearly three years since its launch, the Rural Taobao project in Qingxin District has offered the villagers comprehensive services such as online shopping for over 100,000 times, trained more than 3,000 rural youths, and incubated 100+ entrepreneurial teams. The sales Rural Taobao e-commerce of Qingxin exceeded RMB300 million only in 2016, with RMB170 million of which from agricultural products¹⁹. Guangxi has launched the “farm meal ticket”, which tourists can buy “electronic meal tickets” of poor villages at service outlets or on e-commerce platforms before visiting for entertainment. Guanxi Tourism (8gtrip.com) is one of its main sales platforms, with more than 100 million hits and sales exceeding RMB5 million²⁰.

¹⁸How to Extend Broadbands to Rural Areas,

<http://www.yidianzixun.com/n/09isjaSc?s=8&from=timeline&isappinstalled=0>

¹⁹Li Tingrui, Qingxin: Internet + E-commerce + Tourism + Poverty Reduction Pattern Creates A New Economic Growth Driver, <http://static.nfapp.southcn.com/content/201710/30/c756667.html>

²⁰Tong Zheng et al., *Rural Poverty Reduction Through Tourism in Guangxi: Farm Meal Tickets to*

2. Cultural creation generates new highlights in poverty reduction through tourism

A number of tourism veterans are shifting from ordinary sightseeing tours to sharing high-quality lifestyles and experiencing local unique cultures. Cultures are diverse worldwide. There are inexhaustible regional and historical cultures to be excavated, organized and developed in each region, community and season. For this reason, the contribution of culture in poverty reduction through tourism is increasingly valued by the international community. Training cultural talents, using cultural resources, constructing cultural infrastructure and exploring cultural economic values have stepping to be key means to achieve poverty reduction through tourism and economic development in poor areas.

Mishima is a town located in Fukushima, Japan. Due to the labor force outflow and aging, the development of Mishima was severely stagnated, with a population decreased from 7721 in 1950 to 3766 in 1975, down 50% in 25 years. As a solution, Mishima decided to formulate a revitalization plan every 10 years from 1981, which proposes to develop such industries as tourism mainly by exploring cultural resources. In the first revitalization plan, the development of education culture was prioritized, with “creating into a town with a strong cultural spirit” proposed. The goal of “inheriting and carrying forward the mountain village culture and developing handicrafts” was also raised based on the local long-standing history and cultural tradition of handicrafts. The “life craft movement” was officially initiated in the second revitalization plan, aiming to integrate handicrafts into local development and produce special handicrafts combining with local cultural traditions. In the third revitalization plan, the idea of turning Mishima into an “eco-museum” was presented, in which the natural environment can be an “exhibition hall” to showcase people the local traditional culture, daily life and natural landscape. In the fourth revitalization plan, excavating local historical cultures and telling historical cultural stories well (e.g. compiling the history of Mishima and villages) were highlighted to maximally use the local historical cultural resources. Mishima has established the Life Craft Hall, Okuaizu Cultural Center (integrating craft demonstration, art museum, theater, village data museum, and village activity center), Property Pavilion (in two), Folk Museum, Life Museum, and Tourist Information Center. These public cultural facilities have strongly supported the preservation and preservation of historical cultures and made Mishima a nationwide and even worldwide well-known destination²¹.

A former poor fishing village Zengcuoan in southeastern Xiamen has grown into a sacred place for art enthusiast as one of the New Top 24 Scenic Spots in Xiamen. It

Drive Rural Economy, <http://finance.jrj.com.cn/2018/02/26131324152944.shtml>, 2018-02-26/2018-07-08

²¹ <https://baijiahao.baidu.com/s?id=1606878486614468151&wfr=spider&for=pc>

receives over tens of millions of tourists every year.

3. Combining reducing poverty with enhancing the skills of the impoverished population boosts sustainability of poverty reduction through tourism

A top cause of poverty is the lack of talents for development. Many poor areas can attain fast development because of the support from “talents” and “magnates”. In essence, sufficient local talent reserves are the basis for poor areas to develop sustainably, while poverty reduction requires a change of attitude and the support of education.

Through the development of tourism and the governmental support for livelihood projects in employment, education and medical services, Cambodia’s Tonle Sap lake, a former floating home for Vietnamese refugees, has remarkably improved its ecological environment and life quality. Especially, financing local art education to cultivate a group of material and intangible cultural inheritors has played a great role in improving the cultural quality of traditional handicrafts, adding tourism jobs, and increasing the income of locals. In China, various kinds of national poverty reduction through tourism training have been systematically arranged. The former CNTA trained 1,000 cadres in key villages of poverty reduction through tourism per year from 2014 and ran themed training classes in extremely poor areas such as “three regions and three prefectures” (Tibet Autonomous Region, Four Southern Xinjiang Regions, Tibet Region in Sichuan, Linxia Prefecture in Gansu, Liangshan Prefecture in Sichuan, and Nujiang Prefecture in Yunnan). Some tourism poverty alleviation projects also pay great attention to combining reducing poverty with enhancing the skills of the impoverished population. In developing the Enshi Grand Canyon scenic spot, Hubei Erxi Eco-Cultural Tourism Investment Co. Ltd. held two skill training sessions, at which invited experts imparted the skills to farmers; organized 32 students from primary, senior and junior schools in Huangjiacun to visit universities and educational bases in Wuhan, helping them broaden horizons and study determinately; provided RMB15,000 per year as tuitions and living allowances for six registered outstanding poor students until graduation from universities²².

As an external intellectual input, volunteers can partly make up for the shortage of tourism talents in poor areas and directly help locals to improve their development capabilities. For instance, the professional volunteer and resident artist systems in Taiwan have effectively helped locals enhance their market awareness and professionalism and injected modern and fashion elements into traditional crafts, which is more up to the needs of the tourism market.

4. Capital plays an increasingly prominent role in poverty reduction through tourism

²² A case from the World Tourism Alliance.

The development of modern tourism has been more reliant on capital, so developing tourism in poor areas becomes much harder and poverty reduction through tourism also has to attach greater importance to capital. The construction of public goods such as infrastructure and overall planning more requires the support of funds from the government, investment promotion, bank loans, external assistance, etc.

The government's support is important, whose fiscal input has played a pivotal role in many successful cases of poverty reduction through tourism. The cooperation between the government and social capital should also be strengthened. The use of PPP (Public-Private Partnership) model in tourism infrastructure construction is common in European countries. Sinaia Mountains is a beautiful mountain resort in Prahova County, Romania, but its poor transport ever scared off tourists. Later, the Romanian government cooperated with the private sector to raise funds for road construction using the PPP model. The local government engaged 140+ private companies qualified for construction and tourism services in constructing the Mountain Beach Water and Nature Park in Western Austrian Alps²³. In April 2018, the *Guiding Opinions on Promoting Public-Private Partnership in the Tourism Field* was jointly issued by the Ministry of Culture and Tourism and the Ministry of Finance to encourage the use of PPP model to improve the supply of tourism in emerging business types including the tourist attractions, all-for-one tourism, rural tourism, self-drive travel and motorhome camps, toilets in tourism, tourism towns, transport tourism, smart tourism, and health tourism. Priority shall be given to supporting the conversion of tourism poverty alleviation loan projects up to the requirements of these *Opinions* into PPP tourism projects.

The capital cooperation in poverty reduction through tourism also includes the capital participation of local communities. In many rural tourist destinations in China, through institutional innovation, local people can obtain property income other than wage income from tourism development by investing in idle real estate and homesteads, contracting land, etc. In 2013, Yinan engaged Shandong Geely Tourism Development Co., Ltd. and invested RMB1 billion in the Maquan Leisure Park project, originally a barren mountain after mining in Tongjing Town, Yinan County, Shandong, surrounded by 11 poverty-stricken villages, with a poor population of 1,417. It took just five years to build a modern agricultural leisure park integrating leisure picking, agricultural sightseeing, and holiday wellness. The surrounding villagers have benefited a lot from it. In addition to salaries and park operations, they earn from land transfer and acquisition. The park has transferred 6,600mu barren hills and forests of village collectives, 616mu of which are rented to village at a price of RMB1,000 per mu each year, involving 11 poverty-stricken villages and 202 poor households. There are also some poor households investing in the Maquan fruit tree planting cooperatives with lands and as agreed, the annual income

²³ Dai Zhengzong, European and American Countries Even Apply the PPP Model in Tourism. http://www.prcfe.com/web/meyw/2014-09/02/content_1123583.htm

shall be composed of RMB800 per mu and dividends²⁴.

V. New goal: Poverty reduction through tourism is still on the way

The United Nations *2030 Agenda for Sustainable Development* proposed to “end poverty in all its forms by 2030”, which sets up goals and tasks in an upcoming period for the world’s poverty reduction, including that through tourism. China promised to lift all the rural poor out of poverty by 2020, ten years ahead of the above standard, which has fully reflected its historical responsibility as a responsible big power and set a new mission for its poverty reduction through tourism.

According to estimates by the UNWTO, over half of international tourists will travel to emerging economies by 2020. Developing countries in Latin America, Africa and Asia Pacific will receive more international tourists than developed countries, accounting for 55% in five years from 2016. By 2030, the proportion will reach 57%. The continued development of tourism in developing countries shows great potential of poverty reduction through tourism, so tourism will play an increasingly important role in the world’s poverty reduction cause.

The role of tourism in poverty alleviation has been recognized by countries and regions around the world. Many government departments, non-governmental organizations, enterprises and individuals have made great efforts to reduce poverty through tourism and gained remarkable results. However, compared with people’s expectations for a better life and for tourism, there is still a gap in the performance of poverty reduction through tourism, so more efforts should be poured. Poverty is a complex issue, with an increasing standard. There are also challenges such as the balance of interests, endogenous growth capacity enhancing, ecological environment constraints, and political and social risks, so poverty reduction through tourism will remain as a key issue of the international community for a long time.

- We should strengthen international exchanges and cooperation in poverty reduction through tourism. Countries have their unique experience and models in poverty reduction through tourism, as well as diverse resources. Summarizing them and strengthening information exchanges and knowledge sharing can further deepen the division of labor and cooperation and enhance the efficiency in international poverty reduction through tourism. The WTA takes international cooperation in poverty reduction through tourism as one of its main tasks for the next three to five years, and a new platform for it can be built.

- We should promote countries to lift the poverty reduction through tourism as a national strategy. Vigorously impelling the poverty reduction through tourism is the

²⁴ Wang Shumao, Yimeng Spirit Turns A New Leaf of Red Tourism: Poverty Reduction Case in Yinan, *China Tourism News*, November 24, 2017, Edition A01.

duty-bound core task of government departments. Government sectors should play a leading role in the process of tourism poverty reduction and provide support in fiscal, financial, investment, land, talent and planning aspects, with tourism as an important path to reduce the poor population, achieve employment growth, improve environmental vulnerability, and promote the development of featured industries. It is necessary to pay special attention to the cooperation between various government departments, establish and improve a comprehensive coordination mechanism, and integrate the efforts of all parties to boost the poverty reduction through tourism. In tourism-based poor areas, we must improve infrastructure and public services, train talents, and develop featured industries as sufficient guarantees for implementing the poverty reduction through tourism.

- We should give full play to the role of market subjects in the poverty reduction through tourism. We should guide some mature tourism enterprises to invest and develop in poverty-stricken areas, which can escalate the marketization and development efficiency of poverty reduction through tourism. We should cultivate some localized market operators to implement the poverty reduction through tourism using market mechanisms. We should encourage enterprises to cooperate with collectives and individuals in poverty-stricken areas in various ways. We should accelerate the development of Internet companies in poverty-stricken areas, encourage tourism enterprises to carry out technological transformation and upgrading, and support to combine technology enterprises and tourism operations. We should further strengthen cooperation between the government and social capital, and continue to improve the tourism infrastructure and service facilities in poor areas.

- We should encourage NGOs to engage in the poverty reduction through tourism. We should encourage all types of NGOs to participate in tourism development in poverty-stricken areas, especially in areas such as infrastructure construction and personnel training. We should popularize the establishment of village cooperatives to improve the organizational degree in poverty-stricken areas. We should promote the implementation of professional volunteer system to widely mobilize professionals from different fields to get active involved in the poverty reduction through tourism in villages. We should establish a think tank and consulting mechanism for tourism experts in poverty-stricken areas, strengthen research on policies, key points and difficult issues of poverty reduction through tourism, offer decision-making consultation on related major issues, and furnish theoretical and intellectual support for the tourism development in poor areas.

- We should guide the effective participation of local communities and residents. We should fully mobilize the enthusiasm and creativity of people in the poverty reduction through tourism, respect the pioneering spirit of the poor, and stimulate their enthusiasm for tourism entrepreneurship and innovation. We should do a good job in cultivating tourism talent teams in poverty-stricken areas to continuously improve their sustainable development capacity of poverty reduction through tourism. We should

further implement the revitalization planning for excellent traditional cultures, develop traditional handicrafts and all types of intangible cultural heritages and combine modern art with traditional culture to boost the cultural connotation and cultural taste of poverty reduction through tourism. We should step to improve the eco-social development in poor areas and sustainable livelihoods of the poor through the joint efforts of the government, the market, and poverty alleviation targets.

- We should encourage tourists to carry out responsible tourism activities in poor areas. We should give full play to the consuming promotion role of consumers in poverty reduction through tourism. Tourists should be encouraged to choose poor areas as preferential destinations, build long-term contacts with the poor people and contribute to the economic development of poor areas. Tourists would become the disseminators of poverty reduction through tourism after visually feeling the new changes thus brought to local residents.

Appendix I: China's Actions in Poverty Reduction Through Tourism

China is the largest developing country in the world, and poverty has long plagued its economic and social development. The Chinese tourism industry paid early attention to poverty reduction through tourism. In recent years, China's poverty reduction through tourism has made many new results.

1. Progress of China's Poverty Reduction Through Tourism

China's poverty reduction through tourism has dynamically shifted from natural and spontaneous growth to purposeful and planned growth, from "appearance without reality" to "appearance with reality", from the government dominance to the dual-track mode of the government and the market, from governmental funding to governmental, foreign capital and social funding, from pilot implementation to nationwide implementation, from extensive to precise, and from fiscal and policy support to the talent and intellectual support. It can be roughly divided into four stages²⁵:

(1) Phase I (1984-1996): Early Exploration ²⁶

In 1978, China began the reform and opening up, when domestic tourism started, which partly promoted the economic development of poor destinations and objectively played a role in poverty reduction, which was still subject to natural and spontaneous growth. In 1986, the tourism industry was officially incorporated into the national economic and social development plan. Thanks to state and local funds, some underdeveloped areas with rich tourism resources began to develop tourism. China's real poverty reduction through tourism was launched.

In 1991, Guizhou Tourism Administration raised the concept of "poverty reduction through tourism" at the National Tourism Directors Conference. On May 26, 1992, the People's Government of Guizhou pointed out in the outline of the report delivered to Wu Xueqian, then Vice Premier of the State Council that, "Poverty reduction through tourism is a very prominent theme in Guizhou. Natural landscape and ethnic customs in Guizhou are mostly in ethnic and poor areas. Developing tourism to stimulate the development of local industries can help them broaden the path to poverty reduction and the conceptual change from the shock of the commodity economy on the formerly

²⁵ Wei Xiaolan, *Study of China's Tourism Development Strategy in the New Era*, Beijing: China Travel & Tourism Press, 2010.

²⁶ Wei Xiaolan, *Poverty Reduction Through Tourism: Understanding, Measures and Development*, <http://weixiaoan.blog.sohu.com/108732543.html>. 2017-02-18; Li Jia, *Progress of Research on China's Poverty Reduction Through Tourism*, *China Population: Resources and Environment*, Vol. 3, 2009.

closed small-scale peasant economy”.²⁷ Following practice and exploration for more than two years, the General Office of the State Council forwarded the *Notice of the CNTA on the Positive Development of Domestic Tourism* in November 1993. This is the first high-level tourism document issued since the founding of New China, marking that domestic tourism has officially been put on the agenda of the central government, tourism development has entered a new stage, and the poverty reduction through tourism has been further promoted in this process.

In 1995, poverty reduction through tourism was officially incorporated by the CNTA into the *Ninth Five-Year Plan on National Economy and Social Development and Long-term Prospects and Objectives for 2010*. In 1996, the CNTA took the study of poverty reduction through tourism as an important topic in the research outline of important issues in tourism development, and the experience in poverty reduction through tourism in Guizhou, Guangdong and Fujian at the National Work Conference on Poverty Reduction Through Tourism. In October, the State Council Leading Group Office of Poverty Alleviation and Development and the CNTA held a national symposium on poverty reduction through tourism for a special research and work summary. According to the statistics before the symposium, from the reform and opening up to 1996, China lifted about 6 million people out of poverty through tourism, involving 12,000 villages²⁸. The basic model of “government guidance + market operation” was determined at the symposium, which greatly promoted the poverty reduction through tourism.

The most outstanding effect of poverty reduction through tourism at this stage was the change in basic institutional environment. The poverty reduction through tourism changed from the mode that the government organized resources to promote development into the dual-track parallel operating mechanism of “government + market”. This is actually the outcome and manifestation of the increasingly developing China’s market economy. The rural economic system reform, market-oriented advancement and measures including poverty reduction through tourism at this stage somehow improved the economy in poor rural areas and also benefited the farmers.

It must be noted that China’s poverty reduction through tourism at this stage was closely related to the decision of “1996 International Year as the Eradication of Poverty” at the UN World Summit for Social Development in Copenhagen in 1995, under which China actively implemented the poverty reduction through tourism and held several themed meetings.

(2) Phase II (1997-2004): Preliminary Development

In 1999, China launched the “Golden Week” system, which enormously released the

²⁷ Yang Shengming, *Staggering*, Guiyang: Guizhou People’s Publishing House, 2007, p.61.

²⁸ Wei Xiaolan, *Poverty Reduction Through Tourism: Understanding, Measures and Development*, <http://weixiaolan.blog.sohu.com/108732543.html>. 2017-02-18.

potential tourism consumption demand and brought broader prospects and greater possibilities for the poverty reduction through tourism. In September 1999, the great western development strategy was clearly proposed at the Fourth Plenary Session of the 15th CPC Central Committee CPC Central Committee, making tourism to be highly valued as an important path to the development-based poverty reduction. In 1998, the State Council issued RMB520 billion of five-year long-term construction treasury bonds, RMB4.2 billion of which were for over 400 tourist projects. Later China's tourism development priority projects were announced for market-oriented operations and promotion. Consequently, RMB40+ billion foreign and social funds were driven to flow into the tourism industry, mostly in the western and poverty-stricken areas. The poverty reduction through tourism achieved remarkable results. In April 2001, the *Notice of the State Council on Further Accelerating the Development of Tourism* clearly put forward the task of "planning and constructing a number of national eco-tourism demonstration zones, tourism poverty alleviation pilot zones, and tourist resorts". Accordingly, in August 2000, the CNTA established the Liupanshan Tourism Poverty Alleviation Experimental Area in Xihai, Ningxia, the state first pilot area for poverty reduction through tourism, which accelerated the development of tourism in Ningxia and even the northwestern region and registered milestone significance to implementing the Central Western Development Strategy.

In January 2002, the CNTA held a national tourism work conference, and further put forward the work plan and opinions of national trial experimental zones for poverty reduction through tourism. According to the opinions, the CNTA invested RMB2.5 million in 2002 to help the development of rural tourism in Jiangkou County, Guizhou Province. The poverty reduction through tourism at this stage was actively implemented at both the state and local levels, with expanding regions and effects. In January 2003, the Guangdong government officially launched 14 first-batch projects of poverty reduction through tourism with the relevant departments to included poverty reduction through tourism at the provincial level.

With the issuance of tourism treasury bonds and the establishment of national and local tourism poverty alleviation pilot zones as the main signs, tourism development has become an important path to reduce poverty. China's poverty reduction through tourism entered new stage of development, at which the concentration in specific regions was reflected, mainly by providing poverty alleviation funds and preferential policies for poor counties. A large number of poor rural areas reduced poverty and develop their economy and society, including old revolutionary areas such as Jinggangshan, Yan'an and Xibaipo, poor mountainous areas such as Zhangjiajie, Huangshan Mountain and Changbaishan Mountain, minority areas such as Jiuzhaigou, Xishuangbanna, Lijiang and Yanji, as well as many areas in the northwest. According to data released by the CNTA in October 2004, China's poor people directly benefited from tourism development in the past 25 years were 60 to 80 million, accounting for 1/4 to 1/3 of the

total poor²⁹.

(3) Phase III (2005-2012): Rapid Promotion

In 2006, the CNTA made a scientific decision of “advancing the tourism industry in rural areas” and designated 2006 as the “China Rural Tourism Year”. In September, the International Forum on Rural Tourism was held in Guizhou, at which the *Guiyang Declaration* was passed. It raised that rural tourism, as a link connecting cities and villages, can realize the sharing of social resources and civilization achievements and the fair distribution of wealth between urban and rural areas, so as to narrow down the economic development gap between regions and between urban and rural areas for promoting the sustainable economic, social, environmental and cultural development in underdeveloped rural areas. In the same year, Guizhou prepared the first *Rural Tourism Planning in Guizhou*, which set out the goals of poverty reduction through rural tourism. The CNTA forwarded the *Rural Tourism Planning in Guizhou* to the provinces for reference. The successful experience of Guizhou was promoted in provinces such as Guangdong, Yunnan, Sichuan and Hunan, creating a new situation in which rural tourism drives the poverty reduction through tourism.

In order to coordinate the poverty alleviation between departments and further increase the efforts of poverty reduction through tourism, in 2009, the CNTA officially became a member of the State Council Leading Group Office of Poverty Alleviation and Development. In July 2012, the CNTA signed a cooperative framework agreement with the State Council Leading Group Office of Poverty Alleviation and Development to determine the cooperation mechanism and clarified the key tasks. In December, poverty reduction through tourism was written into the *Outline for Poverty Reduction and Development of China's Rural Areas (2011-2020)*, a programmatic document of poverty reduction through tourism. In August 2013, the *Guiding Opinions on Jointly Launching the “Pilot Areas for Poverty Reduction Through Tourism”* was issued by the CNTA and the State Council Leading Group Office of Poverty Alleviation and Development, which further clarified the application scope and process, laying the foundation for fully playing the exemplary driving role and exploring new models of poverty reduction through tourism.

At this stage, China's poverty reduction through tourism was escalated to the national strategic level and become a key function of tourism development. Poverty reduction through tourism was becoming a new way, a new path and a new carrier to play the comprehensive function of tourism as well as to enlarge and strengthen the tourism industry. Through the integration between capital and policy and mechanism innovation, the relevant departments invested in rural tourism development and supporting projects.

²⁹ Pei Chuang, Shi Xinrong, Rural Tourism: New Practice of China's Anti-Poverty Strategy, *People's Daily (Overseas)*, Edition 6 on October 27, 2004.

Consequently, the integration between village promotion and contiguous development and that between poverty alleviation and rural tourism boosted the economic development in poor areas and steady income increase of poor households.

(4) Phase IV (Since 2013): Targeted and Efficient

In November 2013, General Secretary Xi Jinping clearly put forward the concept of “targeted poverty alleviation” when he visited Xiangxi in Hunan. In December of the same year, the General Office of the CPC Central Committee and the General Office of the State Council issued the *Opinions on Innovating on Mechanism and Earnestly Promoting the Work of Development-oriented Poverty Reduction for Rural Areas*, listing poverty reduction through rural tourism as one of the ten key tasks for poverty reduction in the new era, and proposing to the work goal of “supporting about 2,000 poor villages to carry out rural tourism by 2015 and 6,000 by 2020”. The promulgation of the *Opinions* marked the entry of China’s poverty alleviation from an extensive to a targeted stage. In August 2014, the *Several Opinions of the State Council on Promoting the Reform and Development of the Tourism Industry* proposed the “targeted poverty reduction through tourism” and that “we should vigorously develop rural tourism, strengthen targeted poverty reduction through tourism, steadily advance the rural tourism projects to enrich local people, and guide poor areas to get rid of poverty”. In November 2014, the National Development and Reform Commission and other six ministries and commissions issued the *Notice on Implementing Poverty Reduction Through Tourism Projects in Rural Areas*, which clarified the basic principles, main objectives, key tasks and guarantee measures for poverty reduction through tourism. At the end of 2014, the State Council included poverty reduction through tourism in ten targeted poverty reduction projects. To implement the relevant policies of the State Council, in May 2015, the State Council Leading Group Office of Poverty Alleviation and Development and the CNTA launched pilots in some registered poverty-stricken villages, marking the entry of targeted poverty reduction through tourism in the practical phase. In August, the National Conference on Promoting Rural Tourism Improvement and Tourism Poverty Alleviation was held, emphasizing that we should fully play the strategic role of rural tourism in poverty alleviation, make all efforts to build rural tourism into an important carrier of beautiful rural areas, and promote poverty reduction through rural tourism.

In November 2015, properly advancing targeted poverty reduction was stressed again in the *Decision of the CPC Central Committee and the State Council on Winning the Tough Battle against Poverty* and the *Planning on the Division of Important Policies and Measures for the Decision of the CPC Central Committee and the State Council on Winning the Tough Battle against Poverty*. In order to implement the spirit of the above-mentioned documents, in September 2016, 12 departments including the CNTA jointly issued the *Action Plan for Rural Tourism Poverty Alleviation Projects*, aiming to implement the rural tourism poverty alleviation projects in depth and give full play to the role of rural tourism in targeted poverty reduction and elimination. The *Plan*

required all areas to determine the types of rural tourism construction and development according to local conditions and choose the model of poverty alleviation to the households, accurately and effectively implement the policies and register poor households and people in key villages for poverty reduction through tourism to practically enhance the efficiency.

The proposal and implementation of targeted poverty reduction through tourism marked a new height and qualitative changes of poverty reduction through tourism in China. Compared with other poverty alleviation methods, thanks to its strong market advantage, emerging industrial vitality, powerful blood pumping and huge driving effect, poverty reduction through tourism plays an increasingly important role in poverty reduction as a new force in unpredictable momentum.

2. China's experience in poverty reduction through tourism

China has explored and innovated many effective models and practices in promoting the poverty reduction through tourism.

Firstly, building pilot zones of poverty reduction through tourism. Pilot zones in extremely poor areas with rich tourism resources are an important spatial carrier for poverty reduction through tourism, which can help local people to get rid of poverty by developing tourism under the support of local policies. China has built five pilot zones for poverty reduction through tourism respectively in Liupanshan in Ningxia, Fuping in Hebei, Ganzhou and Ji'an in Jiangxi, and Aershan in Inner Mongolia since 2000. These pilot zones have boosted institutional innovation, infrastructure improvement and marketing and also the tourism and economic society in pilot areas.

Secondly, advancing the poverty reduction through tourism under the harmonious combination of agriculture and tourism. The harmonious combination of agriculture and tourism is that villagers engage in tourism activities or tourism-related business activities at spare time of agricultural activities to increase income and employment chances. This model is less risky, acceptable and effective for farmers. The main forms of villager participation include agritainment, sightseeing agriculture, guide, amusement projects, cultural performances, and opening of facade shops. For example, some community residents of Xishuangbanna Dai Nationality Park in Yunnan are engaged in catering, accommodation, shopping, etc. using their houses as business premises, while some participate in tour guide services and scenic spots performances, all of whom have benefited from the development of tourism.

Thirdly, advancing the poverty reduction through tourism via relocation. Villagers living in harsh living conditions and inconvenient transport are relocated to centralized resettlement sites featuring convenient transport and complete infrastructure. In this way they can be guided to engage tourism-related business activities to end poverty. Xiazhuang Village in Yesanpo Scenic Area, Lishui County, Hebei had less harvested crops due to the poor soil in mountains and harsh living conditions. Under the

mobilization of village cadres, 28 households moved out and engaged in business activities such as catering, accommodation, transportation, and retail sales. Their economic income and living conditions have been significantly improved. Besides, more poor villages are attracted from surrounding villages to settle in.

Fourthly, driving the poverty reduction through tourism by building featured tourist towns. Improving tourism facilities and services per high standards and building featured tourist towns in areas characterizing rich natural and human landscapes have become a highlight in China's new urbanization construction and contributed to promoting local poor people's employment, driving regional poverty alleviation and achieving sustainable development. Jiuzhou Featured Town is one of the earliest five Chinese featured towns in Guizhou³⁰. This small town, praised as "the top town like a small dreamful Jiangnan in southwestern China", was built in 1351 per the principle of "small but beautiful, rich and special". It has grown into a green tourism town relying on its ecological and cultural advantages and also a beautiful and happy town based on its closest urbanization path. In the past three years, the per capita net income of farmers in Jiuzhou town has achieved a triple jump, and in 2015 it exceeded RMB 10,000³¹.

Fifthly, mobilizing the poverty reduction through tourism relying on scenic spots. The assistance in scenic spots is to rely on mature scenic spots to help surrounding villages by absorbing surplus labor, subsidizing infrastructure construction, and developing tourism reception. In the process of poverty reduction through tourism, Chongdugou Scenic Spot in Funiushan, Henan has realized the balance of interests between the government, enterprises and farmers. Companies run in sightseeing and farmers engage in accommodation, catering and other services in the scenic spot, which constitute complementary products and form a community of "companies + farmers". The government has not promoted farmhouse hotels as an independent property tourism enterprise to participate in the operations of the scenic spot, but also stipulated the community model of "companies + farmers" after transferring the management right. The reasonable distribution of interests among various stakeholders, the maximized benefit most farmers through in-depth involvement in tourism development, and the penetration of economic behavior of tourism enterprises in local social and economic relations have enhanced the sustainable development ability of the scenic spot.

Sixthly, stimulating the poverty reduction through tourism by demonstration. In poor areas with abundant tourism resources, residents who have been rich through tourism development can provide other poor people with the concepts, experiences, methods,

³⁰ Circular of the Ministry of Finance, the National Development and Reform Commission and the Ministry of Housing and Rural Development on Carrying out the Cultivation of Featured Towns (JC [2016] No. 147).

³¹ Liu Shaohua, Jiang Ziyue, Successful New Urbanization Samples, *People's Daily (Overseas)*, Vol. 4 on February 27, 2016.

knowledge and skills of direct or indirect participation in tourism development to enhance the self-development ability and confidence of the poor and achieve the goal of “getting away from poverty from points to the area”. In 1998, Ruheng Longbu served as the Director of the Tourism Bureau in Ninglang County, Yunnan. Knowing the urgent need for tourism development, he proposed to open a family hostel in his place of origin (Daluoshui Community in Lugu Lake Scenic Spot), which was fully supported by Azu Daling, then Secretary of Ninglang Party Committee. The family hostel has 20 beds in eight rooms, with a profit of more than RMB40,000 in one year³². It has played a good demonstration effect in the village. Other villagers opened family hotels and thus realized the development of local economy and the increase of residents’ income.

Seventhly, spurring the poverty reduction through tourism by overall lease. Overall lease means companies get the right to develop tourism resources and operate the scenic spots in poor areas through lease with its significant capital, market and management advantages. In this way, the mutual benefit and win-win between enterprises and villagers can be realized by strengthening the protection and development of natural landscapes and ethnic cultures and attracting and training villagers for the operation and management of scenic spots. Mengjinglai Scenic Spot, the First Village between China-Myanmar in Xishuangbanna is a typical case of overall lease. The investment of enterprises to upgrade the Mengjinglai has enabled villagers to directly benefit from the leasing and earn more by engaging in tour guides, waiters, scenic spot performances, etc.

Eighthly, realizes the poverty reduction through tourism by the cooperation between enterprises and the local government. Tourism enterprises can cooperate with the local government for unified development and management of the scenic spots and locations. Through policy guidance, capital pooling, and personnel training, the local government creates a good tourism investment and operation environment for enterprises, which in turn escalates the living quality of local residents by actively creating jobs and financing infrastructure such as water conservancy, road and bridge, electricity, communications, and residential buildings. As one of the three demonstration sites for poverty alleviation through tourism in Guangdong, the Sujiawei Scenic Spot in Heyuan has been invested a large amount of funds to promote local construction.

China’s poverty reduction through tourism has made many explorations and innovations based on local political and cultural advantages after fully absorbing the advanced global experience. To sum up, the success of China’s poverty reduction through tourism attributes to the sustained economic growth since the reform and opening up, the strong governmental leadership, and the effective combination between

³² Zhou Huashan, *A Country Without Fathers and Husbands?* Beijing: Guangming Daily Press, 2001.

the government and the market.

With the constant coordinated growth of the macro economy and the improvement of people's living conditions, China's tourism industry has undergone a series of changes from nothing to small and from small to large. Tourism has evolved from a luxury of the minority to a lifestyle of mass and regular consumption and from a foreign reception cause to a civilian industry for people to widely engage in employment and entrepreneurship. Tourism development has grown from points to areas and from part to whole, forming a large model of comprehensive promotion by localities and departments. All these have created a market, industrial and organizational foundation for the implementation of China's poverty reduction through tourism.

The positive role of the government is crucial for China's poverty reduction through tourism. Both central and local governments attach great importance to it. Nationally, the poverty reduction through tourism has been included in the national strategy for poverty reduction. Locally, a large number of support policies on poverty reduction through tourism have been introduced and great efforts have been made in planning, investment and financing, infrastructure construction, talent training, and promotion.

The Chinese government also values promoting the poverty reduction through tourism with market mechanisms. A series of policies and measures have been taken to fully mobilize the enthusiasm of localities, enterprises and residents as the source to continuously advance the poverty reduction through tourism. Under dual action of the government and the market, China has formed five mobilization steps for poverty reduction through tourism: mobilizing the poor as endogenous power; mobilizing enterprises to integrate resources; mobilizing NGOs to carry out activities; mobilizing experts and scholars to provide suggestions; mobilizing tourists to bring external thrust.

While steadily promoting the poverty reduction through tourism, China is also actively seeking extensive international cooperation and is committed to contributing to the global tourism poverty reduction cause together with the international community.

Appendix II: Typical Cases and Experience of Global Poverty Reduction Through Tourism

1. Inclusive poverty reduction through tourism in India³³

After entering this century, the Indian government decided to leverage tourism as an engine to drive economic growth and narrow the gap between the rich and the poor. The “inclusive poverty reduction through tourism” strategy aiming to promote the equal sharing of development results and then fundamentally decrease the number of poor people was proposed. After nearly ten years of practice, India has explored some ways and practices of inclusive poverty reduction through tourism in line with its national conditions and anti-poverty needs.

- Win-win through cooperation between local governments and civil society organizations.

Local governments and civil society organizations play a pivotal role in the India’s governance. They are an important driving force for the “inclusive poverty reduction through tourism” strategy, mainly reflected as below. India uses the legislation to ensure the management power of local governments and civil society organizations on local tourism resources and intervening in economic and environmental issues arising from tourism development; establishes a functional committee participated by legal persons, tourism experts, government officials and local people to organize and monitor the construction of relevant tourism projects; requires construction units to obtain the no objection development certificate approved by the Ministry of Forestry and the National Pollution Control Committee before official start; develops different operational guidelines for different tourism resource development areas such as forests, oceans and lakes; sets up a responsible tourism action implementation working group chaired by the local government to study and formulate relevant baselines, pollution management and local procurement guidelines; establishes a forest protection committee to implement the participatory forest management; authorizes local companies to be responsible for the development and supply of quality products in destinations timely and safely; develops waste treatment programs with waste producers as the main body of responsibility to prevent communities from pollution; prepares regulations to protect local forests, lakes, rivers and other public natural resources; strengthens the infrastructure construction of tourist destinations to ensure smooth flow of water, electricity, gas, highways, waterways, railways, etc.; oversees and checks whether the relevant enterprises infringe on the legitimate rights and interests of workers and severely punish illegal enterprises.

³³ Wang Chao, Wang Zhizhang, Study of China’s Inclusive Tourism Development Model: Enlightenment from the Poverty Reduction Through Tourism in India, *Journal of Sichuan Normal University (Social Sciences Edition)*, Vol. 5, 2013.

- Joint development of tourism destinations by federal and local governments.

The Responsible Tourism Committee established at the state level is mainly responsible for formulating the state tourism strategic development plans and providing development frameworks for responsible tourism projects; offering specific policy and administrative guidance to make the responsible tourism operational; rendering direct assistance to the inferior unit(s) implementing the responsible tourism; planning, managing and regularly monitoring the implementation of responsible tourism programs; building and expanding responsible tourism development platforms; furnishing advice on relevant issues for partners and stakeholders in the same field; reviewing and evaluating the implementation of various policies and regulations by relevant tourism companies; ensuring the transparency of accountability feedback mechanisms and the fairness of accountability; supplying timely updates and guidelines for partners and stakeholders; and delivering direct policy advice to the highest decision-making body.

The primary government of a tourist destination is mainly responsible for developing and managing responsibility travel plans and project implementation manuals; ensuring the effective implementation of decisions and actions; participating in the planning of the tourism destination; coordinating the relationship among economy, society and environment through formulating detailed and realistic action plans; guaranteeing the rights and interests of various stakeholders in responsible tourism; supporting the professional management of destination responsible tourism implementation units; ensuring the transparency of implementation procedures of responsible tourism projects; and establishing the accountability system for relevant staff.

- Promotion of active engagement of farmers and related organizations.

The Indian government has taken measures to promote local farmers to reduce poverty, including supporting individual entrepreneurs, especially actively promoting organic farming activities to improve the enthusiasm for production; encouraging farmers to engage in agritainment with local resources and launching the rural life experience tourism activities; vigorously developing tourism enterprises in wholesale and retail, handicraft manufacturing, catering, etc. through tax reduction, policy provision and other preferences. By doing so, India has actively expanded the tourism industry chain, increased employment opportunities, and improve the living conditions of residents. Public welfare organizations and civil society organizations have also been encouraged to get active involved in poverty reduction through tourism to help state and local governments better exercise the responsible tourism, and to supervise government staff and business owners to ensure the effective implementation of relevant laws and regulations.

2. Poverty reduction through tourism by “Fair Trade” in Laos³⁴

Fair trade is recognized by the United Nations as one of the best practices in the field of poverty alleviation. In the past 70 years, fair trade certification has helped cooperative organizations in 74 countries, enabling more than 1.5 million people to successfully get rid of poverty.

Fair trade is actually a campaign to promote trade cooperation based on negotiation, transparency and respect, which aims at improving the position of small-scale agricultural producers and fairer international trade. Fair trade is beneficial to poverty reduction through tourism. In particular, it can bring many benefits to featured tourism producers. First, fair trade offers technical support, market information and training guidance to fundamentally ensure and improve the quality and technical level of products. Second, with certification and strict control of supply links, consumers can trust in producers and their products, helping to raise awareness and reputation and addressing the marketing. Third, products with fair trade labels are sold at a higher price than peer products, the remaining part of which is returned to producers in the form of subsidies for community development, in which way the common unstable income of producers and imperfect community infrastructure and public services in poor areas could be solved.

Laos is one of the least developed countries in the world, and fair trade plays an important role in promoting its poverty reduction through tourism. The Lao government and related organizations have done a lot of effective work in fair trade certification of handicrafts and agricultural products. For example, the interests of selling high-quality coffee beans in Bolaven Plateau had been mostly gained by middlemen, leading to unfair trade relations among producers, sellers and consumers. In order to improve this situation, the local government actively carried out fair trade certification with the help of relevant organizations, which has guaranteed the product prices and enabled producers to receive more reasonable profits. To make fair trade projects work better, some areas in Laos have adopted the model of “small producers” + “cooperatives”. In this model, cooperatives are local fair trade organizations and producers sell their products to cooperatives and get fair trade prices and social premiums, rather than selling directly in the market.

3. Poverty reduction through tourism in Pai County, Thailand³⁵

In recent years, tourism in Thailand has developed rapidly. In 2017, the total number of

³⁴ Li Qinglei, Promoting the Poverty Reduction Through Tourism By “Fair Trade” In Laos, *China Tourism News*, Vol. 3 on November 7, 2017.

³⁵ Zhu Jinsheng, Mu Lili, Comparative Study of Rural Tourism in China and Thailand: Taking Dragon Ridge Terrace in China and Doi Tung in Thailand as Two Cases, *Guihai Tribune*, Vol. 3. 2013.

foreign tourists visiting Thailand exceeded 35 million, a YoY increase of 8.77% in 2016, contributing 1.82 trillion baht (about RMB360 billion), a YoY increase of 11.66% in 2016. The development of tourism in Thailand has effectively promoted its poverty reduction through tourism. In addition to Doi Tung, Pai County is a typical case. Pai County is a geographically remote town in Thailand, but through hard work, it has become a paradise for leisurely and slow life, attracting tourists globally.

The first step is to clarify the positioning of rural tourism subjects. Pai County has actively developed the rural tourism slow life experience projects and built a variety of leisure restaurants and bars with featured and romantic life design integrated. Exotic flowers and plants outside houses and woodenly decorated style inside houses have created a warm atmosphere.

The second step is to actively develop unique tourism products. Relying on the surrounding wild mountain resources, Pai County has carried out sightseeing and leisure experience activities, allowing visitors to experience the true pure romantic charm of nature. Different leisure and holiday travel packages such as field leisure vacation, rural scenery tour and farm life experience tour have been provided to tourists based on their diverse needs.

The third step is to furnish quality tourism services to form the word-of-mouth effect, including constructing the Internet informatization to offer visitors efficient and convenient services and carrying out language training of service staff to improve the overall quality of the industry.

4. ST-EP program in two villages along the Mekong River in northern Cambodia³⁶

In May 2016, a ST-EP project in Preah Rumkel and Borey Osvay, two villages in northern Cambodia along the Mekong River was launched with the generous contribution from the Spanish foundation Europamundo and implemented by the renowned Cambodian NGO Mlup Baitong. The main objectives of the project are to empower community members and improve their living standard through promoting community-based ecotourism and environmental conservation. To achieve these, the following five outcomes were established, each with embedded activities:

- Improving management systems community-based ecotourism (CBET);
- Improving capacities of members of the Community-based Ecotourism Management Committee and tourism service providers of both CBET sites;
- Improving mechanism for protection of natural resources, especially the forest and the

³⁶ <http://step.unwto.org/news/2017-07-07/st-ep-project-ecotourism-promotion-northern-cambodia-completed-successfully>

river dolphin;

- Advertisement/marketing mechanisms of both CBET sites are improved;
- Tourism facilities at both CBET sites are renovated.

The project facilitated the re-election of members of the Community-based Ecotourism Management Committees (CBETMCs) for each site: 15 CBETMC members (5 women) were elected for Preah Rumkel and 12 (5 women) for Borey Osvay with official recognition from the respective community councils. Members of the CBETMCs were also given guidance in providing tourism services to foreign visitors.

The project helped both CBET sites to improve their advertisement and marketing materials in order to increase the numbers of tourists, and compiled information and uploaded photos to the website of the Provincial Department of Tourism of Stung Treng. In collaboration with the CBETMCs for each ecotourism site, 6 attractive road maps and 5 billboards were produced and installed, and tour itineraries and tree planting areas for tourists were designed.

Additionally, the project collaborated with the Stung Treng Provincial Department of Tourism to organize two familiarization trips to advertise both CBET sites to potential visitors and stakeholders. Tour operators from renowned association companies (PATA and CATA), 15 hotel and guest house owners, and 10 university students from the Royal University of Phnom Penh and the University of Human Resource participated in these familiarization trips.

By the end of the project, the management capacities of both CBETMCs have been improved and the number of foreign visitors to Borey Osvay and Preah Rumkel reached an estimated 4,200 with a total generated income of about USD13,000 during the twelve months of project implementation.

5. Poverty reduction through tourism relying on the development of wildlife resources in Rwanda³⁷

Rwanda is rich in wildlife resources and has established a number of wildlife sanctuaries. Recent years have witnessed great development of tourism industry in Rwanda by relying on these protected areas and vigorously introducing social and foreign capital. In 2016, Rwanda's tourism revenue exceeded USD400 million, and local residents also benefited extensively. Rwanda has taken some effective measures to reduce poverty in protected areas.

Firstly, vigorously fostering the growth and development of the private sectors. Rwanda

37 Spenceley A, Habyalimana S, Tusabe R, et al. Benefits to the poor from gorilla tourism in Rwanda. *Development Southern Africa*, 2010, 27(5): 647-662.

has actively introduced private sectors and enterprises such as hotels, travel agencies, tourism development companies, and wildlife management agencies. The cooperation between government departments and private sector and enterprises has also been established to improve such functions as accommodation, catering, and sightseeing as well as promote the development, operations, marketing and upgrading of wildlife tourism.

Secondly, supporting joint ventures to participate in community development and construction. Joint ventures have been encouraged to intervene in community land development and construction for community land appreciation, handle the cooperative relationship with communities, and increase the capital flow and community welfare of residents, which can enhance the sustainable development of the community.

Thirdly, boosting the employment of local residents. Enterprises have been guided to hire surrounding residents to engage in tourism development and construction, which can increase the employment opportunities for local and poor people as well as the welfare level and per capita income of residents around the community. Rwanda has developed the sustainable tourism plans and trained practitioners to improve their overall quality and management skills as well as maximize the overall benefits. Rwanda has also enhanced the cooperation of vocational training organizations in the community with other countries and regions to improve the wildlife conservation and tourism development courses and methods, so as to achieve an effective alignment with the market demand.

Fourthly, escalating the marketization ability of the community. The business ties between the community and local entrepreneurs have been strengthened to avoid foreseeable market risks. Rwanda has also actively developed the high-end tourism market, strengthened large-scale cooperation with tourism enterprises and merchants, expanded the market influence of parks, hotels, hotels, etc., and lifted the market share of the community.

6. Kisiizi falls tourism project in Uganda³⁸

The Kisiizi Falls are located on the Rushoma River, on the way to the main National Parks in Western Uganda. The UNWTO ST-EP Foundation and the Korean Tourism Organization provided support to the Ministry of Tourism of Uganda in the implementation of the Kisiizi Falls tourism project.

The project aimed at enhancing tourist activities at Kisiizi Falls and helped build a visitor center, toilets, hiking trails, viewing points, a monument, a lagoon, a zip line, a hanging bridge, road signage and information boards. In addition, the project mobilized

³⁸ <http://cooperation.unwto.org/news/2017-10-17/kisiizi-falls-tourism-project-uganda-successfully-completed>

the community and provided training in guiding skills and hospitality services.

The implementation of the project has achieved good results. During the half of 2017, 7,856 visitors entered Kisiizi Falls, contributing to UGX 9.146 million and profit from the sales of tourism products reached UGX 2.577505 million. Community enterprises and residents benefited through the sales of tourism products and services. A part of the income generated from tourism goes to the Good Samaritan Fund that caters for the health costs of disadvantaged community members, who otherwise would not be able to afford medical care.

7. “Development pole” strategy and poverty reduction through tourism in Brazil³⁹

The tourism anti-poverty strategy model based on the “development pole strategy” features the basic idea of following the principle of regional development imbalance, that is, choosing and cultivating the tourism as a top priority as the driving force of regional economic development. Hence, the Brazilian government has given priority to investing in tourism, the “development pole” and formulated special preferential policies. On the one hand, tourism can enjoy favorable taxes, imports and exports, etc. On the other hand, tourism exploration and development enterprises can be sponsored by the Amazon Development Private Investment Fund and exempted from profits taxes and other concessions. Currently, Brazil has initially formed a tourism development pole network that drives the regional economic development with remarkable results.

In order to effectively play the role of the tourism development pole, Brazil has adopted a series of policy measures. First, establishing a special development agency to guide and organize the tourism development and planning. A top-down national support system has also been formed, which is composed of the Ministry of Civil Affairs, the Development Administration, the Special Economic Zone Administration and special development companies. Second, formulating and implementing tourism development plans for backward areas, aiming to promote economic development in the Amazon region through tourism development, especially to vigorously develop agricultural tourism, adjust regional industrial structure, optimize regional development structure and boost regional economic growth. Third, implementing various kinds of incentive policies to advance the construction of the development pole, including using fiscal stimulus to raise development funds and guiding private investment in tourism destinations; ensuring the smooth implementation of development plans through budgetary allocations; strengthening the development of regional transport and infrastructure such as hotels and accommodation; opening up free trade zones and reducing land use fees, etc. to attract foreign investment. Fourth, actively improving the

³⁹ Huang Donghua, Wang Junwen, Some Enlightenment from Foreign Anti-Poverty Experience to China’s Contemporary Anti-Poverty: A Case Study of Brazil, *Agricultural Archaeology*, Vol.6, 2008.

quality of workers at tourist destinations. The Brazilian government has established the Northeast Education Fund to improve the quality of workers at tourist destinations through teacher training, free textbooks, and “remote teaching programs”.

8. Tourism development in Cancun, Mexico⁴⁰

Cancun was originally a poor area in Mexico. It was only a small fishing village with more than 2,000 inhabitants in the early 1970s. Local farmers who are mainly Mayans live in huts built with branches and palm leaves with meager income. In 1962, the Mexican federal government formulated the *National Tourism Strategy Development Plan*. In 1968, experts from various fields were organized to demonstrate the natural conditions and human landscapes as well as tourism target markets in Cancun, aiming to plan and develop it in the direction of tourism and a free trade zone. In 1972, the Mexican government began investing in building a tourist area and free trade center in Cancun. In 1975, Cancun was comprehensively planned for receiving tourists. Cancun has become an internationally renowned tourist destination with nearly one million inhabitants, receiving four or five million visitors a year and earning a third of the country’s revenue from tourism. The experience in tourism development includes three aspects.

First of all, tapping into scarce resources to create distinctive appeal. With a subtropical climate annually averaging 27°C, Cancun is suitable for coastal health resorts and the development of 3S resources for coastal tourism such as sunshine, beaches and oceans. Its rare serpentine shape generates outside seas and inner waters to form a unique scenery. The exploitation of these resources has laid the foundation for building Cancun into a world-class tourist resort. Cancun has further explored and revitalized the Mayan culture, the most distinctive cultural symbol here as a driving force for its tourism development.

Second, improving facilities and services to build into a leisure and holiday destination. Cancun owns many internationally renowned hotels such as Ritz Carlton, Hilton, Marriott and Hyatt, over 200 of which are located in urban areas with more than 67,000 guest rooms featuring favorable accommodation facilities. Tourist entertainment products have also been actively developed to render tourists with a diverse experience. The combination of seaside sports leisure, Mayan cultural experience, wellness, and facilities including theme dining, bar, children’s amusement area, golf course, water sports club, etc. and other facilities have built Cancun into a tourism experience center integrating sightseeing, tour, sports and shopping.

Third, actively developing a variety of industries⁴⁰ to cultivate a tourism industry system.

⁴⁰ Qin Chuan, Study of Classical Vocation Areas at Home and Abroad, *China Real Estate*, Vol. 2, 2015; Wang Sheng, What Should Hainan Learn from Cancun, *Hainan Today*, Vol. 2, 2011; Su Changgao, Coastal Tourism in Cancun and Varadero, *West China Development*, Vol. 8, 2005.

Based on quality tourism and holiday resources, Cancun is committed to building high-standard conference and exhibition facilities, actively holding international conferences and fairs with international influence, and positively developing the conference and exhibition industry. With a highly competitive international conference and exhibition brand formed, Cancun has become the “Capital of International Conferences”. Cancun has also launched a tax-free policy to actively build the business center for promoting the regional business development. There have been more than 1,500 free duty-free shops, from street jewelry booths to high-end duty-free stores, to provide customers with diverse world-famous commodities such as clothes, jewelry and handicrafts.

9. Rural tourism development in Nagano, Japan⁴¹

Nagano is typical in Japan’s rural tourism development and has formed different models.

The first one is Sugahira mode. The local government gives the forest to the Nagano government and the latter sells villas after being built by enterprises through investment attraction. The net profit from sales of villas after deducting the cost is shared by the local government and the Nagano government, the latter of which may later “return” in the forms such as constructing roads and tourist facilities as per local development needs. The villas and tourist facilities that are returned are mainly run, managed and operated by locals.

The second one is Omi mode. Unlike the Sugahira mode, the Omi mode is that the local government provides the land use right to the Nagano government, but the allocation way is same as that in the first mode.

The third one is Namiai village mode. It features that the Nagano government does not directly join the development, but lets the villagers become the shareholders by starting companies to develop the villas on the lands for operation and lease and then use the income to build leisure facilities such as golf courses in cooperation with private companies.

The fourth one is Kurohime mode. The Kurohime mode requires division of labor and collaboration among related units under the leadership of a unit or sector. For example, the Forestry Agency is responsible for opening up state-owned forests, the Travel Bureau is in the charge of development and promotion, while the Travel Bureau and the National Railways are jointly liable for reception and passenger transport.

There are another two distinctive modes: development entity diversification and

⁴¹ Chen Youhua, A Comparative Study of Tourism Development in Rural Areas Between China and Japan, *Journal of Nanchang University (Humanities and Social Sciences Edition)*, Vol.4, 2013; Chen Youhua, Japan’s Rural Tourism Development and its Inspiration to China’s Poverty Reduction Through Tourism, *Rural Economy and Science-Technology*, Vol. 8, 2013.

separation of ownership and management rights. The former is characterized by the co-funding, division of labor, cooperation and coordination between the government and private companies. In Japan, most theme parks and resorts are developed and built using this mode.

Acknowledge: In the study and research progress of this Report, a great deal of data and case studies about poverty reduction through tourism were collected, however, due to space limitation and readability, not all of them have been referred to sources.