

# Chapter 3

## Tourism Circuit Planning for Subnational Tourism Development in the Philippines



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**Abstract** The 2011–2016 Philippine National Tourism Development Plan is based on a destination development framework that identified 77 priority tourism destination areas (TDAs) in 21 regional clusters. The chapter provides an integrated case study of the tourism circuit planning approach adopted to operationalize the priority TDAs in 16 provinces, through a joint development program of the Philippine and Canadian governments. The project outcomes suggest that the destinations are becoming more competitive, as indicated by increasing employment, tourism-related investment, and visitor arrivals by program's end in 2016. Correspondence with provincial project officers suggests that the tourism circuit approach can spread the tourism benefits more widely. The approach also highlights the need for regional, multi-stakeholder solutions for tourism growth, competitiveness, and sustainability. Unstable local government tourism institutions were seen to constrain the continuity of tourism development efforts. The lack of reliable data also highlighted the need for subnational indicators of tourism sustainability and competitiveness. The circuit approach can be considered for subnational tourism planning where there are active stakeholder participation, strong public-private partnerships, and effective destination management leadership. Concrete results were demonstrated where both local government and private sector were actively engaged in the circuit development plans. At the same time, strong institutional and individual leadership sustained the local partnerships' energy and the momentum for change within the destination.

**Keywords** Destination planning · Tourism circuit

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### 3.1 Introduction

Planning for tourism development can take place at various levels. Some countries have national tourism development plans, and it is not unusual within the national structure to find similar plans being made for subnational regions, towns, cities, etc. Although various approaches have been developed in general planning (e.g., boosterism, integrated, interactive, collaborative, bottom-up, etc.), a review of tourism literature shows that not many authors have been concerned with tourism planning (Andriotis 2007). However, over the past decades, several authors have studied various aspects of tourism planning (e.g., Inskeep 1991; Gunn 1994; Timothy 1998, 1999).

Gunn (1979) was one of the first to define tourism planning as a tool for destination area development and to view it as a means for assessing the needs of a tourist-receiving destination. The focus of tourism planning is mainly to generate income and employment and ensure resource conservation and traveler satisfaction (Gunn 1994). Specifically, planning can guide under- or undeveloped destinations for further tourism development, while developed countries can use planning to revitalize their tourism industry and maintain its viability (Andriotis 2007). Spanoudis (1982) proposed that “tourism planning must always proceed within the framework of an overall plan for the development of an area’s total resources; and local conditions and demands must be satisfied before any other considerations are met” (p.314).

This chapter aims to investigate the local economic development and tourist circuit approach conducted under the Local Governance Support Program for Local Economic Development (LGSP-LED), an 8-year cooperation program of the governments of the Philippines and Canada, aimed at strengthening the Philippine national policy environment for sustainable local economic development (LED) and improving local conditions for sustainable LED in specific areas of the country. Specifically, the chapter explores the main components of the tourist circuit planning approach, starting from the nature of tourist circuits and the ways that the approach was implemented and ending with the outputs (what appears on the ground) and the outcomes (measurement of planning impacts).

### 3.2 The Local Governance Support Program for Local Economic Development (LGSP-LED)

The Local Governance Support Program for Local Economic Development (LGSP-LED) was an 8-year cooperation program of the governments of the Philippines and Canada aimed at strengthening the Philippine national policy environment for sustainable local economic development (LED) and improving local conditions for sustainable LED in specific areas of the country.

**Table 3.1** LGSP-LED destination areas, project coverage, and baseline tourism situation

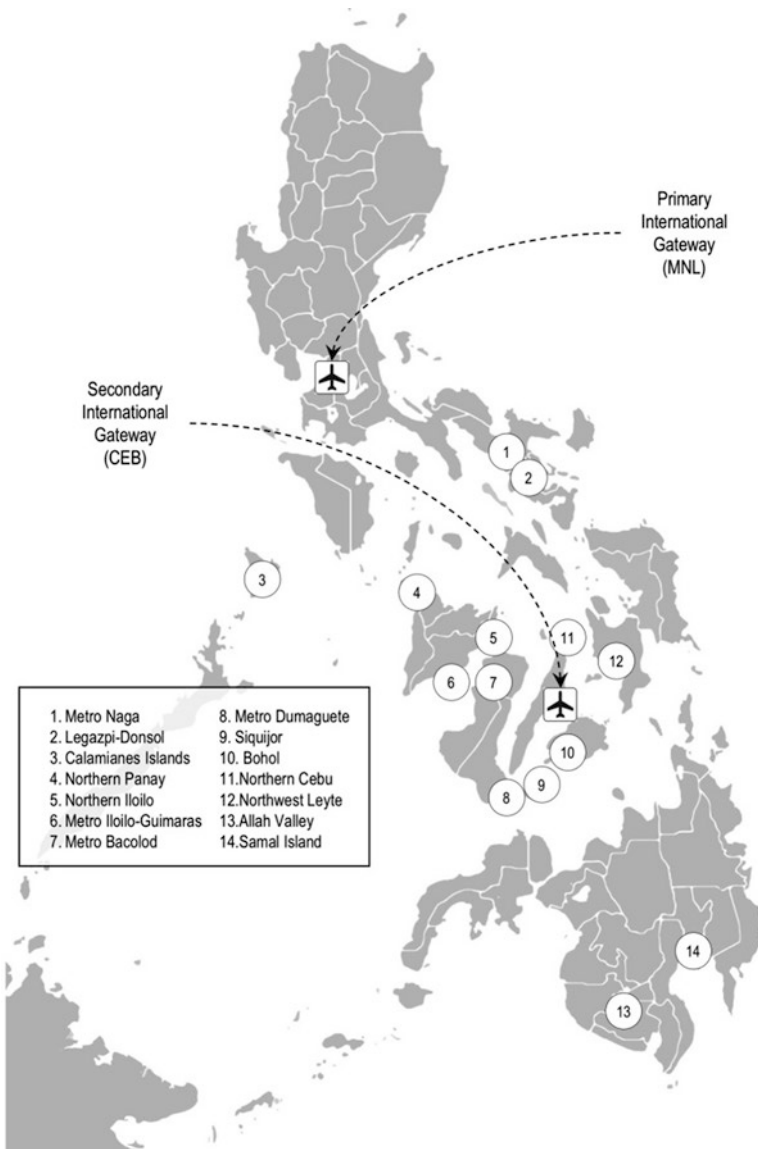
Destination area	Municipalities in the project	Visitor arrivals at start (in '000s)	Tourism activities associated with destination
Allah Valley Landscape <sup>a</sup>	10	70.85	Lake Sebu; indigenous culture (T'boli)
Metro Naga <sup>a</sup>	16	445.16	Urban center; history, festivals
Metro Iloilo-Guimaras <sup>a</sup>	12	453.74	Urban center; history, festivals; beach coves
Northwest Leyte <sup>a</sup>	5	101.10	Island-hopping; lake
Panglao-Dauis-Baclayon <sup>a</sup>	3	539.75	Beach resorts (Panglao Island); Chocolate Hills
Legazpi-Donsol <sup>b</sup>	6	636.15	Mayon Volcano; whale shark interaction
Calamianes Islands <sup>b</sup>	4	91.58	Island-hopping; diving (reefs and wrecks)
Northern Panay <sup>b</sup>	11	1577.68	Beach resorts (Boracay Island)
Northern Iloilo <sup>b</sup>	6	48.87	Island-hopping
Metro Bacolod <sup>b</sup>	3	674.93	Urban center; culture, history, festivals
Negros Oriental <sup>b</sup>	5	414.07	University town; reef diving
Siquijor <sup>b</sup>	6	33.43	Beach coves; traditional culture
Northern Cebu <sup>b</sup>	7	128.36	Beach resorts (Bantayan Island); diving with thresher sharks
Samal Island <sup>b</sup>	1	187.97	Island-hopping; beach resorts (Samal Island)

<sup>a</sup>Batch 2 site; baseline year is 2011

<sup>b</sup>Batch 3 site; baseline year is 2013

From 2008 to 2016, LGSP-LED supported a total of 18 LED projects by participating local government units (LGUs) from various provinces of the country. Implemented in three waves or batches, each local project typically involved a cluster of contiguous cities and municipalities within a particular province, to test the idea that local economic development is regional in character (LGSP-LED 2011).

From 2009 to 2012, LGSP-LED's first batch of local projects focused on two economic sectors: agribusiness and tourism. However, in 2012, the National Department of Tourism (DOT) completed its 2011–2016 National Tourism Development Plan (NTDP) and launched a new marketing campaign called "It's More Fun in the Philippines." Taking this cue from the national government, all five of LGSP-LED's second batch of local partners are elected to focus on tourism. LGSP-LED subsequently decided to focus exclusively on local tourism development for its third and last wave of LED projects, which started in 2014. The last group comprised of nine additional project sites – all identified as priority destinations in the NTDP. By the end of the program in 2016, LGSP-LED had implemented tourism-based projects in a total of 14 destinations ranging from urban hubs known for their historic attractions and festivals to major beach resort destinations as well as smaller diving destinations. As shown in Table 3.1, some destinations



**Fig. 3.1** The LGSP-LED local project sites/tourism development areas

were already receiving 500 thousand to a million visitor arrivals per year, while the less-developed destinations were averaging only 40–70 thousand annual arrivals when they started their projects.

Figure 3.1 shows the locations of the 14 destinations in relation to the Philippines’ two main international gateways.

### 3.3 The Local Economic Development Approach

The program's approach to local economic development (LED) focused on establishing a process for promoting investments and generating employment through participatory strategic planning. LGSP-LED's framework drew from a wide range of approaches being advocated by various development agencies such as the UN-Habitat (2005), the World Bank (Swinburn et al. 2006), and the International Labour Organization (2007).

LED teams, composed of key local government officials and partners from local business chambers, analyzed their local economies' comparative advantages. Subsequent value chain studies allowed the stakeholders to identify the competitive advantages of the local tourism sector (destination). In turn, these were used to plan and implement specific LED strategies and action plans. A midterm program evaluation of LGSP-LED in 2011 noted that this classic approach could help build long-term capacities in LED and tourism planning. However, it was not likely to build much momentum for change without more tangible short-term successes for the LGUs, whose governors and mayors are pressured to show tangible results within relatively short 3-year election cycles. Thus, the midterm report argued for more action-oriented approaches that could rapidly generate investments and local jobs "without necessarily having all the plans or processes in place (LGSP-LED 2011)."

LGSP-LED and its partners needed to view the challenges of investment and employment from the perspective of the businesses who would generate these outcomes. To do this, the midterm evaluation report concluded that the program needed to lessen its focus on governance processes and for LGUs – used to doing things themselves – to move to more facilitative roles in support of private sector initiatives. This implied that LGSP-LED would move toward a tourism planning approach that could:

- Quickly identify critical short-term interventions as well as longer-term investments needed to build a more competitive local tourism sector.
- Provide market- and industry-oriented perspectives on the issues related to tourism sustainability and competitiveness.
- Lead to an integrated strategy and action plan that clearly defines roles and partnership areas among local government, private sector, and civil society.
- Allow the crosscutting themes of gender equality, environmental sustainability, and poverty reduction to be mainstreamed into the resulting strategies and action plans.

Internal discussions and analysis within LGSP-LED eventually led to the concept of the tourism economy as a destination unit or what the 2011–2016 National Tourism Development Plan (NTDP) called tourism development areas (TDAs).

The NTDP framework was built around tourism sites as the "specific places that contain natural, cultural, and built attractions which tourists come to see and experience through different activities (Philippine Department of Tourism 2012)." Two or more tourism sites located closely enough to be developed and marketed together

made up a tourism development area (TDA). Each TDA could be associated with a transportation gateway that served as the international air hub into the local region. The two or more TDAs linked with a specific gateway were then said to form a tourism destination cluster (TDC). All in all, the NTDP identified a total of 77 TDAs distributed among 20 destination clusters, with each cluster linked to at least 1 of 9 international gateways.

However, the NTDP did not provide details on how to realize the development opportunities for each local destination. Beyond identifying the major attractions and broad market opportunities for each TDA, the national plan did not offer much in terms of site-specific actions needed from the LGUs or their private sector partners. To “color” the NTDP’s destination framework with a private sector lens (LGSP-LED 2011) as the midterm report had recommended, the program sought inspiration from other LED-oriented programs in Asia.

The SNV Netherlands Development Organisation had been implementing pro-poor sustainable tourism projects in Nepal, Bhutan, and Laos using a framework that seemed appropriate to what LGSP-LED was trying to do. Similar to the objectives of LGSP-LED, SNV adjusted its local development strategy by “(involving) the private sector more directly, recognising that government tourism departments were often not the primary agents for income generation (SNV 2012).” Its approach had combined public sector-oriented destination development and management components with industry-centered responsible business in tourism activities.

Two elements of SNV’s private sector strategy directly corresponded to LGSP-LED’s new interests: multi-stakeholder dialogue and planning, as well as value chain development (SNV 2012). However, given the short 2-year timelines of its projects, LGSP-LED could not invest as much time on full-blown technical studies and private sector organizing work. It needed quicker approaches that would provide LGUs a starting point to engage their private sector partners on destination development and management.

For these, LGSP-LED turned to look at the experiences of the Department of Trade and Industry’s (DTI) SME Development for Sustainable Employment Program (SMEDSEP). With assistance from the German Corporation for International Cooperation (GIZ), SMEDSEP had developed tools for multi-sectoral participatory planning and rapid economic analysis of LGUs that LGSP-LED could adopt for its own clusters. They had also conducted tourism value chain analyses for several destinations (Boquiren, Idrovo, & Valdez, Boquiren et al. 2005; Hilz-ward 2007; Solis 2009) that subsequently became LGSP-LED’s project sites as well. Perhaps most importantly, GIZ’s experiences reinforced the importance of an action-oriented LED project that delivered “quick wins” to create momentum and build trust with the local stakeholders even as the LGU continued to work through the LED process (Antonio 2012).

### 3.4 The Tourism Circuit Approach

LGSP-LED's tourism planning approach adopted a three-faceted definition of destinations. First, it defined the area in terms of the supply of tourism assets, sites, gateways, and local transportation linkages found in it. The second perspective defined the destination as an industry, i.e., a value chain of tourism-related enterprises which existed on top of, and depended on, the area's physical resources and infrastructure. Finally, the LGSP-LED approach added a third lens – the tourist perspective. The destination could be described as a circuit built around the visitors' likely itinerary: from their entry through the gateway and their subsequent exploration of tourism sites and onto their ultimate departure from the destination.

The three-dimensional perspective allowed stakeholders to frame the destination planning problem in terms of the strengths and weaknesses of the tourism value chain as well as the specific sites within the destination. Integrating the value chain and tourism asset map as a circuit enabled local planners to envision how tourism demand might be distributed within the destination. Priorities for product development, investment promotion, marketing, and infrastructure development could be determined by knowing the sites likely to experience higher visitor demand. At the same time, different municipalities could appreciate that they could take on different roles within the overall destination. Some could succeed as host communities for overnight or day visitors. For others, their comparative advantages could be in supplying products and human resources to the tourism businesses in the area.

The approach first began to take shape among LGSP-LED's second batch of project sites before being adopted as a standard feature in its third and final set of local projects. The five-step action planning process is summarized in Fig. 3.2.

#### 3.4.1 Stakeholder Mapping of the Tourism Circuit

The first step is based on the conception of the destination as composed of two kinds of tourism sites distributed around gateways. Attraction sites were considered to be those locations where visitors would experience the attractions or engage in the tourist activities that the destination was known for. A service center was an area with a concentration of accommodations, restaurants, and other services and facilities that tourists would need during their visit. Gateway cities tended to be service centers as well. Some attraction sites such as beach resort areas could also function as service centers, just as urban service centers might also be attraction sites for their urban heritage and entertainment.

Many of the municipalities already had tourism maps from previous planning exercises. They had already plotted the tourism sites within their destinations, as well as the transportation links connecting these sites to each other and to their gateways.

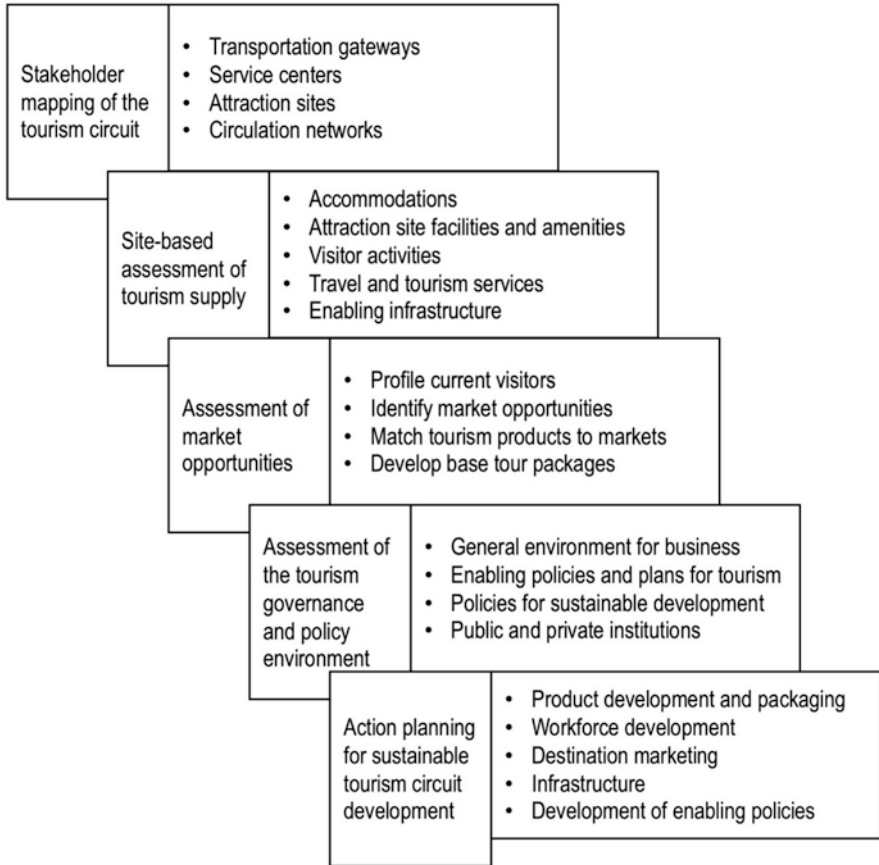


Fig. 3.2 The tourism circuit action planning process

However, in the LGSP-LED sites, “who” did the mapping was just as critical as “what” was being mapped. The mapping of the tourism circuit needed to be done from the perspective of the tourist’s itinerary. It needed to be guided more by the private sector’s observations and experiences in dealing with tourists, than by the local government agenda for where it wanted tourists to go.

Tourism frontline staff were specifically invited to work with LGU tourism officers in identifying where visitors went during their visits. As the people that visitors typically approach to arrange their local activities, front liners such as hotel concierges, cab drivers, tour operators, and guides would be in better positions to provide the answers to the critical questions. Which sites were more tourists go to? What attractions and activities were their guests asking about? What routes and schedules did these visitors follow when going on these tours? By identifying which attractions and activities were exhibiting stronger demand than others, the stakeholders could quickly agree on where their site development priorities needed to be.



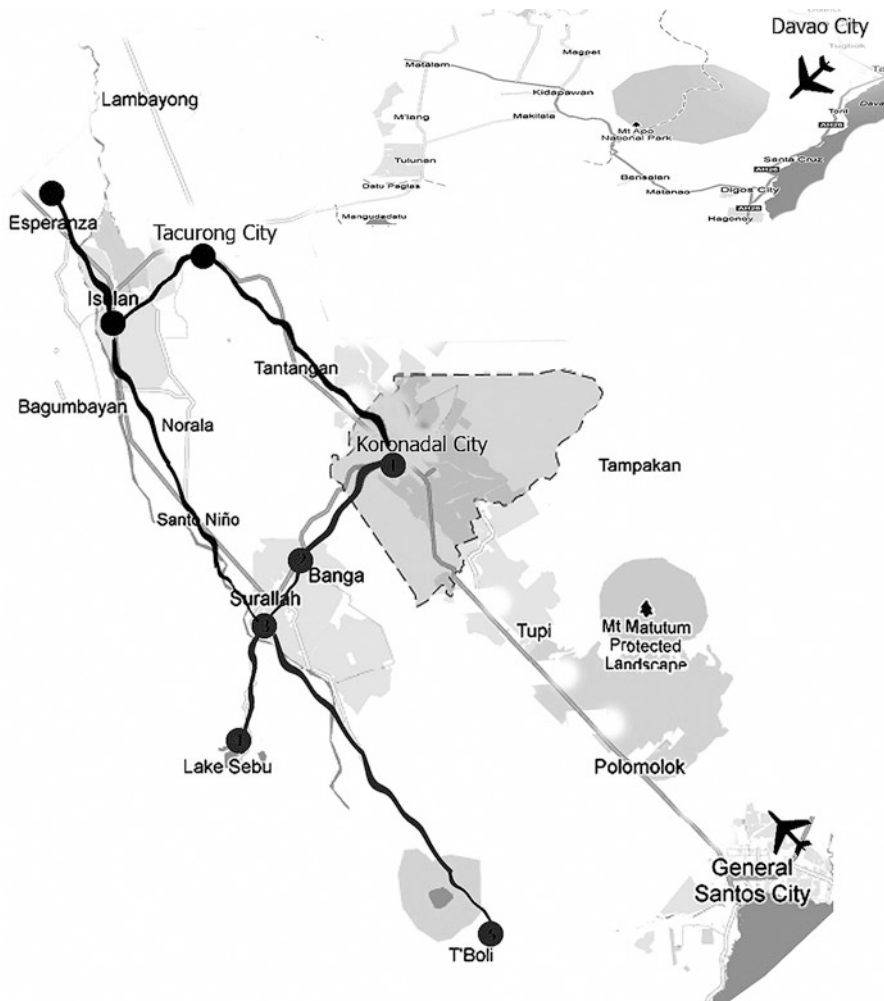


Fig. 3.3 Sample map: Allah Valley Landscape in South Cotabato and Sultan Kudarat

Figure 3.3 shows the Allah Valley Landscape as an example of a tourism circuit map. The LGSP-LED project site only involved ten municipalities in the two southern Philippine provinces of South Cotabato and Sultan Kudarat. However, from a tourism industry’s perspective, the major tourism center for visitors to the Allah Valley was Koronadal City with General Santos City as the closest airport from which domestic and foreign visitors might reach the Valley. Neither city was officially part of the project cluster. However, neither city could be ignored as being part of the actual tourism circuit. The map also shows that not all the municipalities in the destination had what the stakeholders considered to be priority attraction sites.

### ***3.4.2 Site-Based Assessment of Tourism Supply***

Many stakeholders were already familiar with the popular four As of tourism (accessibility, accommodations, attractions, amenities) mnemonic device for describing the main components of a tourism destination. For LGSP-LED's tourism circuit planning exercise, the stakeholders analyzed the supply, quality, and general condition of their four As on two levels – first, at the tourism site level and then across the circuit or destination as a whole. Considering the short planning time frames, the site level assessments were limited only to the priority sites identified in the circuit mapping stage.

This step was a critical exercise to educate the local government stakeholders on the business side of tourism, which could be represented by the tourism value chain, in essence. It also highlighted the critical role of local and national governments in enabling tourism at the site and destination levels through infrastructure such as access roads, sewage and solid waste management systems, and power and water utilities.

### ***3.4.3 Assessment of Market Opportunities***

Local stakeholders described who their markets are and what their travel preferences might be using a simplified segmentation, targeting, and positioning (STP) exercise to:

1. Profile the current and potential visitor markets of the destination.
2. Define the destination's immediate and emerging target markets.
3. Develop tour itineraries to match the target market segments with the destination's existing and potential tour products.

Market segmentation involved a two-pronged approach similar to that of the national plan, which first described the source markets in terms of their places of origin. The stakeholders were then asked to consider the activities that their visitors could engage in, given the current and potential attractions of their destination. From these, they could identify the most promising activity-based segments in each of the key source markets.

The stakeholders then developed half-day to 2-day tours as basic destination products to match the interests of their target market segments. In some destinations, the engagement of hotels, transport providers, tour operators, and other service providers had the additional effect of rallying them around the tour packaging exercise as a tangible partnership-based activity for the industry as a whole. In Metro Naga, Camarines Sur, the activity directly facilitated the establishment of a tourism consortium – Naga Excursions – which has now become its de facto convention bureau responsible for bidding and seeking out meeting and convention hosting opportunities for the destination.

### ***3.4.4 Assessment of the Tourism Governance and Policy Environment***

As with the tourism supply analysis step, stakeholders assessed the tourism governance and policy conditions at the site and destination levels. This step of the circuit planning process was an attempt to describe the local government's role (Porter 1990) in challenging and enabling the local private sector to become a more competitive tourism industry. The assessment focused on four policy areas:

1. General business climate-enabling policies such as business registration, local investment incentives, etc.
2. Tourism-specific plans, policies, and programs
3. Policies for advancing sustainable development and inclusive growth
4. Public and private institutions for tourism and local economic development

### ***3.4.5 Planning for Sustainable Tourism Circuit Development***

The mapping and assessment exercises identified the competitive advantages and weaknesses of the destination. They also determined the opportunities for, and constraints to, the development of the tourism sites as well as the circuit as a whole. The stakeholders now needed to translate their understanding of the current situation into a plan of action.

As standard planning textbooks prescribe (e.g., Gunn and Var 2002; Inskip 1991), stakeholders first need to agree on their goals before determining what activities they need to do. However, competitiveness and inclusive growth are outcomes that are not achieved overnight. Rather, a destination has to work incrementally toward the bigger goals by first achieving some smaller targets – outputs leading to outcomes in a logical chain of results. The tourism circuit plan thus becomes a sequence of related activities to match the stakeholders' desired results chain (Fig. 3.4).

The logic model (see Fig. 3.4) for drafting the tourism circuit development plans assumed that destination competitiveness was a necessary condition to the full achievement of their intermediate goal to increase investments and tourism employment. This theory of change was, in many ways, a localized adaptation of the World Economic Forum's (WEF) travel and tourism competitiveness index for countries (World Economic Forum 2015). However, where the WEF index had four pillars, LGSP-LED's model had three key concerns. Is the market for the destination growing? Is the necessary infrastructure already, or expected to soon be, in place? Is the local business and regulatory climate conducive to tourism-related investments? These three areas of destination competitiveness provided the rationale for what would become the five component activities of the tourism circuit development plans, as shown in the bottom row of Fig. 3.4.

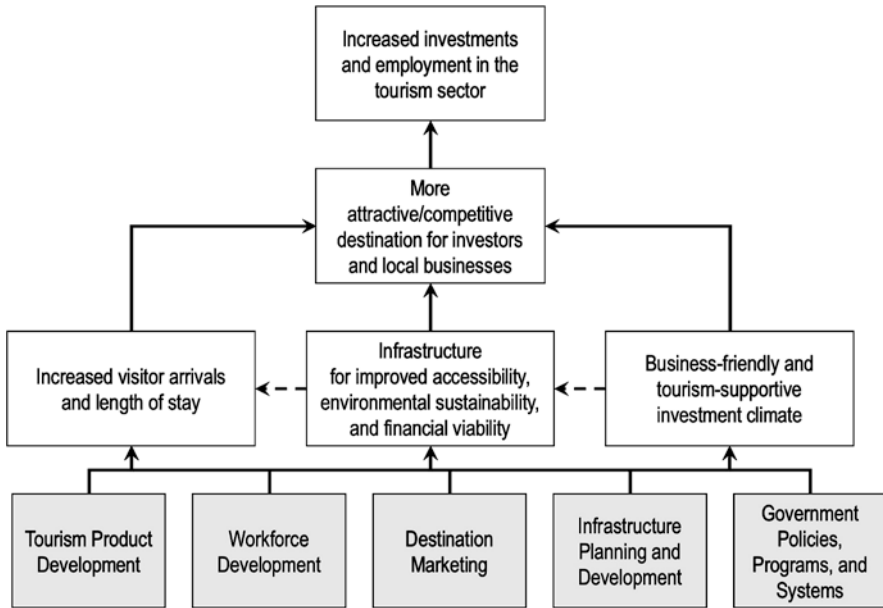


Fig. 3.4 The tourism circuit planning logic model

Tourism product development and workforce development are the central components of the plan. They correspond to the main contributions of the private sector to destination development. They also hint at the lead role of local businesses and investors in creating jobs and income by hiring and buying from residents.

Destination marketing is often a shared responsibility of the local government and the private sector. In most areas, provincial governments were more likely to have the resources as well as the inherent motivation to lead this effort. Destination marketing’s role is to increase visitor arrivals for the destination as a whole. In turn, this increases demand for the products, services, and facilities of local establishments.

Finally, government continues to play an enabling role in destination development and industry growth through infrastructure development and enacting appropriate plans, policies, and programs to support the improved competitiveness of the local tourism sector.

### 3.5 Implementation and Feedback

#### 3.5.1 Initial Results

The destinations themselves did not require very detailed tourism master plans. The stakeholders’ immediate interest was to agree on the strategic directions for becoming more competitive destinations. From the perspective of establishing

**Table 3.2** Examples of tourism circuit development outputs

Circuit Development component	Metro Naga (2012–2014)	Metro Dumaguete (2014–2016)
Product development	Four themed tour itineraries developed: pilgrimage, culture and heritage, Mt. Isarog ecotourism, coastal and marine	Three tour itineraries for Metro Dumaguete, Apo Island diving sub-circuit, and Tanjay-Manjuyod farm-to-coast sub-circuit
	Project proposals developed to promote investments to develop seven secondary attraction sites outside Naga City	Investment promotion for new accommodations and commercial/retail development
Workforce development	370 workers trained on various skills including food sanitation and handling, tour guiding, emergency first response, etc.	144 workers trained
		Tourism workforce program designed for implementation in five LGUs after 2016
Destination marketing	New brand (Naga X) and tagline (where’s your next eXcursion?)	New destination brand for Negros Oriental (this is how you want to live)
	Website ( <a href="http://nagax.com">nagax.com</a> ) and social media channels launched	
	Mounted the first public-private sales missions for Metro Naga tourism sector	
Infrastructure	Proposal to national government for realignment of Naga Airport to allow entry of larger aircraft	Improvement of Dumaguete Seaport
	Lobby for government funds to improve last-mile road access to attraction sites	Repair and improvement of airport Facilitation of private investments in solar farms
Government policies	Municipal tourism development plans prepared for 13 of 16 LGUs in Metro Naga	Automated business permitting and licensing systems installed in three LGUs
	New tourism information and statistics system (including software, data collection protocols, and client services) developed for Naga City	Updated local ordinances related to local investment incentives and tourism code

“quick wins” and competitive momentum, they wanted to identify which priority activities they could quickly move on. Thus, they focused on drafting action plans to address the gaps in product development, workforce development, destination marketing, infrastructure, or local governance that were limiting the destinations’ overall competitiveness.

Table 3.2 provides examples of quick-win outputs accomplished from the initial implementation of tourism circuit development action plans in two LGSP-LED sites.

By March 2016, the combined outputs from LGSP-LED-assisted activities in the 14 destination areas included:

- Forty-seven new base tour itineraries launched by local tour operators in 13 out of 14 TDAs
- Three thousand fifty-six individuals trained for new employment or skills enhancement of currently employed workers
- Eight new tourism brands for five destinations (Metro Naga, Northwest Leyte, Allah Valley, Metro Iloilo-Guimaras, Calamianes Islands) and three provinces (Negros Occidental, Negros Oriental, Siquijor).

The outcomes reported in LGSP-LED's end-of-program report suggested that the project sites were making notable progress as competitive tourism destinations (Canadian Urban Institute 2016). Aggregated data by the participating local government teams showed that:

- Annual visitor arrivals grew by 17.3% per year between 2011 and 2015 for the first group of five destinations and 13.6% from 2013 to 2015 for the last group of nine destinations.
- Total tourism-related investments by private groups in the 14 destination areas were estimated at PhP47.3 billion, roughly USD1.03 billion at the prevailing rate in March 2016. Around PhP12.7B (US\$275.8 M) of these investments was for hotels and resorts, while PhP32.0B (US\$646 M) was invested for energy generation projects.
- Public sector investments in tourism-related infrastructure from 2012 to 2016 was estimated at PhP17.8B (US\$388.3 M), primarily for airport upgrading as well as construction of tourism roads to attraction sites.
- Accommodation establishments generated more than 27,000 new jobs across the 14 destinations – 16,677 from 2012 to 2016 for the first group and 10,421 from 2014 to 2016 for the 9 other sites. (Unfortunately, employment data is generally not collected or reported for other types of tourism-related establishments).

### ***3.5.2 Continued Adoption of the Tourism Circuit Development Approach***

One of the major themes of LGSP-LED's midterm program assessment dealt with the sustainability of the projects initiated in the various destinations. What would happen to the circuits once the funding stopped? The early indications are that the local partners have continued to implement the tourism circuit development plans – even extending the approach to other tourism destinations in their province.

Since the completion of its LGSP-LED projects in 2014, Metro Naga has now added more coastal attraction sites as well as culinary and adventure tourism activities to its first set of Naga Excursion tour packages. In Northwest Leyte,

new lake- and cave-based ecotourism and adventure tours are now being marketed in addition to their initial island-hopping, marine tourism portfolio.

Correspondence with project officers from the last batch of LGSP-LED TDAs confirms that Aklan, Albay, Iloilo, Negros Occidental, Sorsogon, and Palawan have begun, or are planning, to apply the tourism circuit approach to other destination clusters in their respective provinces. In Sorsogon, the provincial government is expanding their side of the Legazpi-Donsol circuit. Castilla and Sorsogon City have now been linked to the original towns of Donsol and Pilar as a single tourism corridor. According to the Sorsogon provincial tourism officer, the stakeholders are careful “to develop tourism projects that would be harmonious with each site, no competition or duplication of products.”

### ***3.5.3 Perceived Advantages and Difficulties of the Tourism Circuit Approach***

For some, the value of the tourism circuit approach is in its potential to spread the benefits of tourism to more areas and beneficiaries. Cristine Mansinares, provincial tourism officer for Negros Occidental, notes that the circuit approach in their Metro Bacolod TDA had the potential to make tourism more inclusive by “spreading the tourism receipts to possible communities along the route leading to major destinations (Mansinares 2016).” For Maribel Buñi, at the provincial tourism office of Palawan, the advantage for the Calamianes Islands was simple, “More sites benefit. Not just the main tourism center” (M. Buñi, personal communication, 09 December 2016). In northern Panay, more than 90% of visitor arrivals to the province of Aklan are concentrated on the island resort destination of Boracay. Thus, Aklan is planning additionally to promote other attractions in mainland Aklan, while still making use of the circuits identified in their LGSP-LED project.

From an operational perspective, the advantage of the tourism circuit approach stems from its potential to facilitate a multidimensional convergence of interests: among cities and municipalities in the destination, between towns in the circuit and their provincial government, and among local government, private sector, and community-based stakeholders. Similarly, the circuit enabled national government agencies, nongovernmental organizations (NGO), and other external partners to harmonize their programs to support the local development efforts across the different destinations. This convergence of tourism development efforts was most notably demonstrated in the areas of product development, destination marketing, as well as regional planning.

One common observation from the different sites was that the tourism circuit approach allowed the LGUs to pool their resources while also engaging the private sector more closely in the development and marketing of the destination. Product development was also facilitated “because we could more easily connect the activities from one LGU to another (Mansinares 2016).”

The tourism circuit also provided the LGUs with an opportunity to share and compare local plans, maps, and data with each other as well as their counterparts in the provincial and national governments. These aided the integration of the local plans for shared concerns such as the identification of environmental risks and hazards from tourism development. In addition, the tourism circuit allowed LGUs in a circuit to develop a stronger regional lobby for national government support to critical projects such as airport modernization and construction of tourism roads.

Effective tourism circuit planning and development depend, of course, on the capabilities of the public and private sector actors involved. In this regard, the instability of local government tourism institutions was a common lament across the sites. Tourism and local economic development are relatively new functions for many LGUs in the Philippines. Thus, many still do not have permanent, full-time staff for their tourism offices. Ad interim appointments for local tourism officers – linked to the 3-year terms of their appointing mayors – are common. The rapid turnover of staff resulting from these temporary arrangements was seen as a major constraint on the continuity and sustainability of local tourism development efforts.

Another important challenge to effective tourism planning and implementation was the general lack of timely and reliable tourism data. This problem was largely related to the limited capabilities and resources of LGU tourism and planning personnel. However, the local government weaknesses also appeared to have been exacerbated by a corresponding lack of appreciation for such data from their private sector partners. As more stakeholders come around to the idea of sustainable and competitive destinations, the importance of measuring and analyzing the indicators of tourism sustainability and competitiveness will continue to grow.

### 3.6 Lessons Learned

LGSP-LED's experiences suggest that the tourism circuit framework can be an effective tool for action planning at the destination level – particularly, where local leadership cycles are relatively short. For stakeholders, the tourism circuit offers a platform where national and local government, private business, and community residents can jointly address their overlapping concerns for their destination.

Drawn from the perspective of visitor markets rather than arbitrary administrative arrangements, the circuit also provides a rationale for inter-municipal cooperation within a destination by showing the geographic areas where local government policies and infrastructure are most needed. At the same time, the framework shows the specific sites where the efforts of different stakeholder groups would most need to converge, thus highlighting the need for regional, rather than independent solutions for tourism growth, competitiveness, and sustainability (Canadian Urban Institute 2016).



### ***3.6.1 Public vs Private Sector Roles in Destination Planning and Development***

The key lesson from the LGSP-LED projects is that tourism circuit development should be planned and executed as a public-private sector partnership within a destination. Ideally, it is a partnership with clearly defined roles for the local governments and their partners in the local business community. The private sector is expected to drive tourism growth through business investment, product development, and workforce development – functions where businesses are generally more capable than public sector agencies. On the other hand, local governments must provide a local policy and public service environment that enables the efficient and ultimately profitable operation of tourism-related enterprises in their attraction sites and service centers. Beyond policies and regulations, LGUs can do this by taking on functions, such as destination marketing and public infrastructure investments, that the private sector may not have the resources nor interest to perform by themselves.

Interestingly, the manner by which the LGUs and their private sector partners worked with each other varied from one LGSP-LED destination to the other. In destinations where the municipal tourism units were not yet very experienced, such as in Panglao-Dauis-Baclayon and Metro Dumaguete, private sector institutions took more active leadership roles in the core activities of product development, workforce development, and destination marketing. However, in destinations like Metro Naga and Northwest Leyte, local governments needed to be more active drivers of these functions because the private institutions were not yet organized enough to take on the lead roles.

Nevertheless, whether the local projects were led more by the LGUs or by private sector associations did not seem to have a significant effect on the tourism circuit development programs' effectiveness and sustainability. It appears that public-private sector partnerships and strong leadership are equally necessary ingredients. Concrete results were demonstrated in those destinations where both LGUs and private sector associations were actively engaged in the planning and implementation of the tourism circuit development plans. At the same time, strong institutional and individual leadership was necessary to ensure that the partnerships sustained their energy and the momentum for change within the destination.

### ***3.6.2 Leadership and Destination Management***

The regional nature of tourism circuits will require inter-municipal cooperation on the shared economic, environmental, and social concerns of LGUs in the same destination. In the Philippine system of local governance, the provincial governments are best positioned to provide the leadership and the resources needed to support the separate as well as joint activities of the municipalities. In almost all the project

sites, the provincial governments have dedicated offices and staff who could provide the technical assistance and mentoring that their municipal counterparts needed (Canadian Urban Institute 2016). Fully engaged and dynamic governors who embraced their roles as champions of local tourism were particularly effective in pushing the inter-LGU tourism initiatives in provinces like Albay, Bohol, Davao del Norte, and South Cotabato.

Governors and, to a slightly lesser extent, mayors of gateway cities provided critical political leadership for the overall development of tourism circuits. However, the industry competitiveness element of the destination must be led by private sector institutions. In Metro Dumaguete, Bohol, Davao del Norte, the Calamianes Islands, and Metro Iloilo, respected leaders from the local business chambers or tourism councils were key motivating forces in local efforts to improve the quality and marketability of the respective destinations.

However, the leadership that governors and business chamber presidents provided was largely strategic. Neither was expected to provide hands-on, day-to-day supervision of the circuit development programs. These had been the responsibilities of interim project implementation teams organized specifically for each site's LGSP-LED project. To continue and scale up the tourism circuit development programs, the public and private sector partners may need to explore the joint creation of permanent destination management organizations (DMO) for each of their sites.

### 3.7 Conclusion

In summary, planning is an essential activity to achieve the goals of tourism development. It is concerned with anticipating and regulating change to increase the social, economic, and environmental benefits of the development process (Murphy 1985). Every development process starts with the recognition by local/central government, in consultation with the private and public sector, that tourism is a desirable development option to be expanded in a planned manner. It is necessary to have a clear understanding of the development objectives to be achieved at national, regional, or local levels. Tourism has been seen by many governments as an economic development strategy and if a destination area wishes to maintain tourism as a long-term activity, planning for tourism will benefit only through input from a wide range of participants including governmental and non-bodies, local and regional organizations, businesses, and the host population, since it is extremely difficult to formulate and implement a tourism plan without the strong support and involvement of all these groups.

To conclude, tourism circuit planning approach can be considered for subnational tourism planning if the involvement and the active participation of the tourism stakeholders are ensured, the partnership of public and private sector is strengthened, and leadership in destination management exists. As the TDAs continue to scale up their tourism circuit development programs, the public and private sector partners may soon need to explore the joint creation of permanent destination management organizations (DMO) to sustain those efforts.

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