

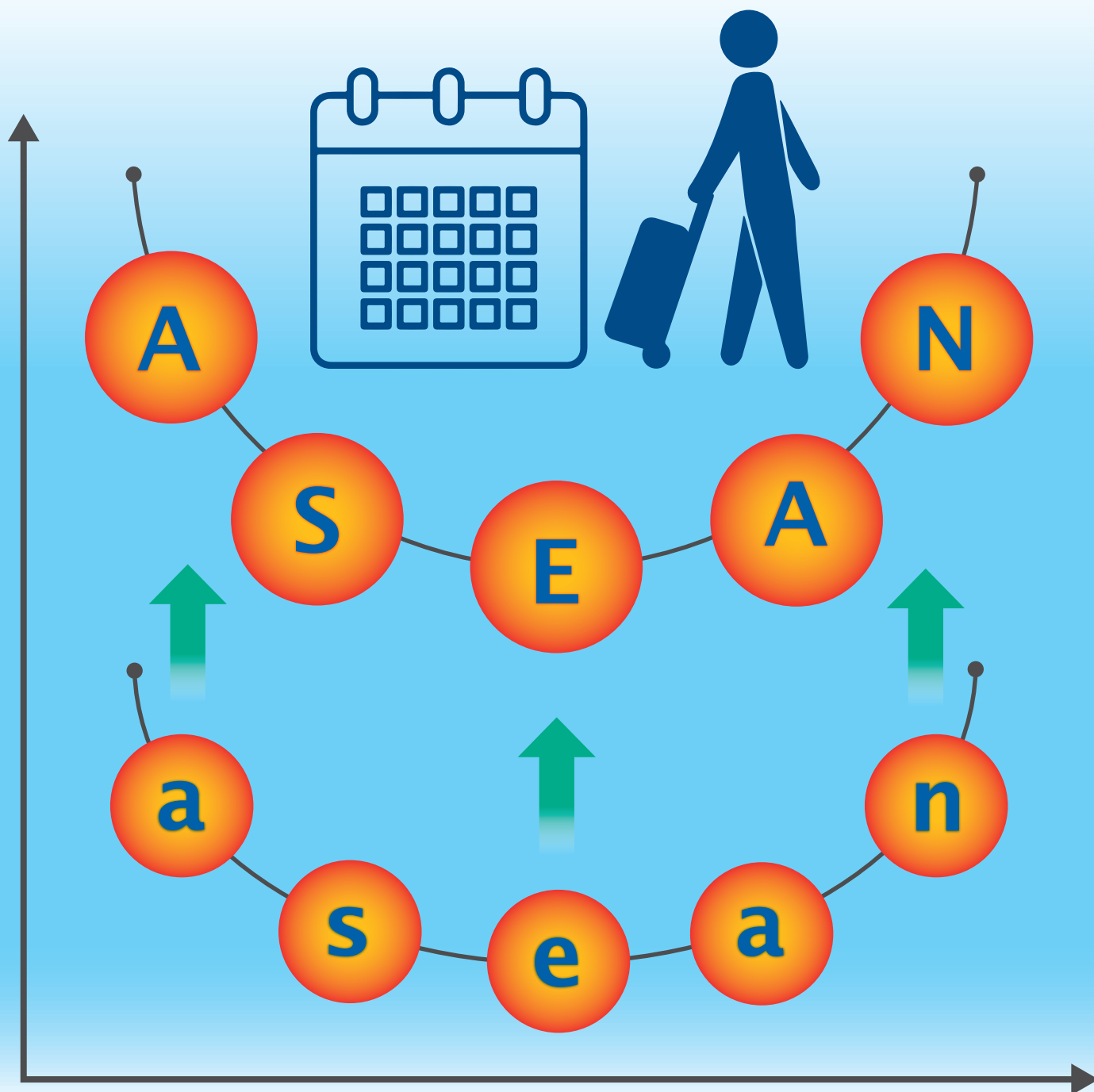
Global Value Chains in ASEAN

Tourism

PAPER 16

M A R C H

2018



ASEAN-JAPAN
CENTRE

国際機関 日本アセアンセンター

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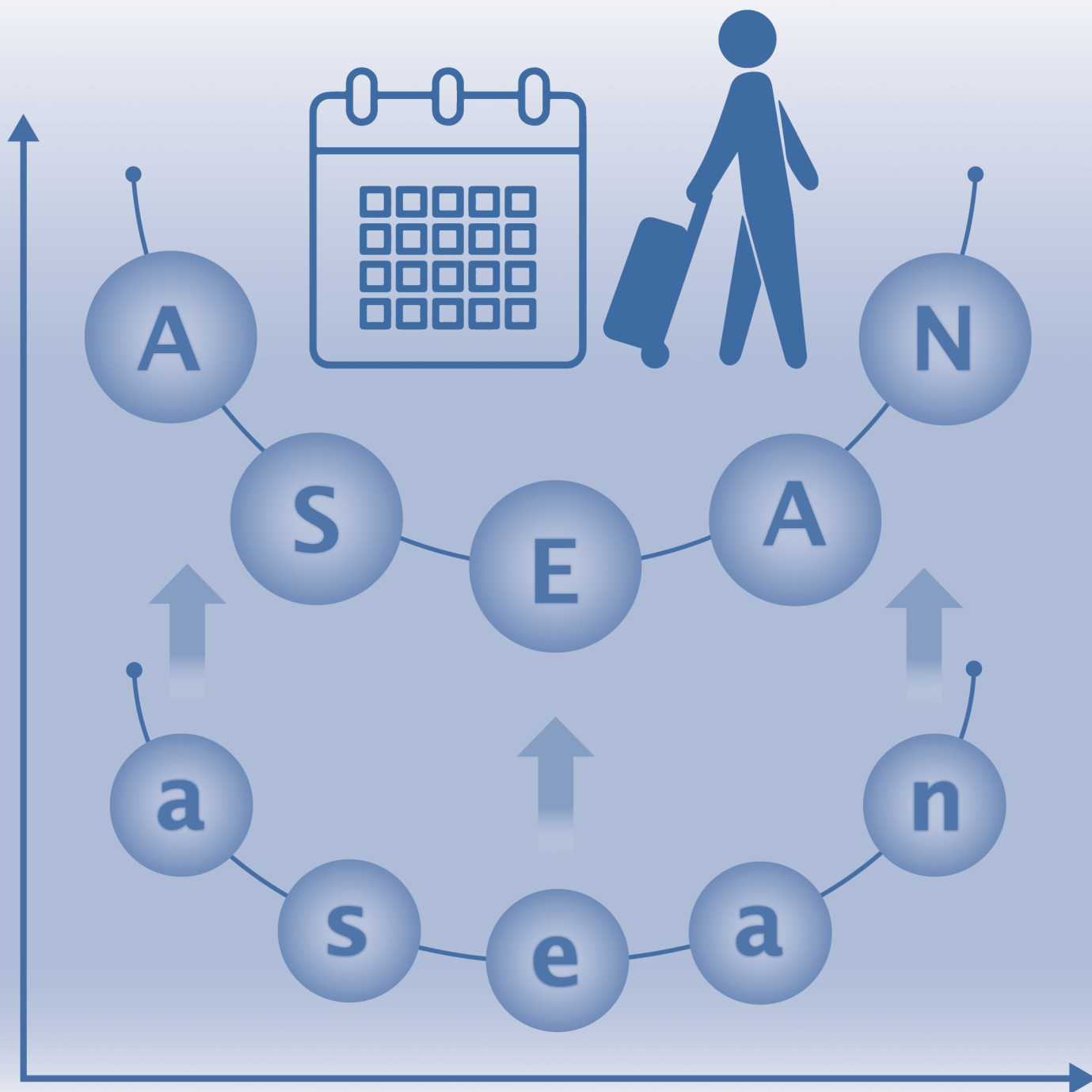
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NOTES

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The following symbols have been used in the tables:

- Two dots (..) indicate that data are not available or are not separately reported.
- A dash (-) indicates that the item is equal to zero or its value is negligible.
- Use of a dash (-) between dates representing years, e.g., 2015–2016, signifies the full period involved, including the beginning and end years.
- Reference to “dollars” (\$) means United States dollars, unless otherwise indicated.

List of papers under the project on global value chains in ASEAN by the ASEAN-Japan Centre

This paper is the 16th of a 16-paper series on ASEAN global value chains, issued as the third one after Paper 8 and Paper 1, which were issued in July 2017 and September 2017, respectively. The other 13 papers will be produced subsequently.

Paper 1. A regional perspective (September 2017)

Paper 2. Brunei Darussalam

Paper 3. Cambodia

Paper 4. Indonesia

Paper 5. Lao People’s Democratic Republic

Paper 6. Malaysia

Paper 7. Myanmar

Paper 8. Philippines (July 2017)

Paper 9. Singapore

Paper 10. Thailand

Paper 11. Viet Nam

Paper 12. Automobiles

Paper 13. Electronics

Paper 14. Textiles and clothing

Paper 15. Agribusiness

Paper 16. Tourism

Prepared by Masataka Fujita (ASEAN-Japan Centre – AJC). The author wishes to thank Brad Boicourt (UNCTAD) and staff members of AJC for their research and statistical assistance. The manuscript was edited by Lise Lingo and typeset by Laurence Duchemin. Errors and omissions are only those of the author and should not be attributed to his organization.

KEY MESSAGES

Tourism is assuming a growing role in sustainable development in all ASEAN countries and exhibits greater linkages with other sectors than the industry average.

Greater linkages of tourism with other industries in a country mean that tourism has deeper and wider value chains. These chains also extend internationally and can be measured in terms of value added trade.

Value added trade data for tourism are available mainly for hotels and restaurants. ASEAN value added exports in hotels and restaurants in 2013 – led by Thailand – amounted to \$30 billion, of which 17 per cent were imported inputs. Malaysia ranks exceptionally high by using foreign inputs in more than two fifths of its exports. China, the United States and Japan are the three largest foreign contributors to ASEAN hotel and restaurant exports.

ASEAN hotels and restaurants not only receive inputs from the world when providing goods and services to non-residents, but also export them as inputs to goods and services provided to non-residents in other countries. This creates hotel and restaurant GVCs.

International tourism networks formed by ASEAN through GVCs vary by country, with Singapore having the largest value and Malaysia the largest participation in terms of share in exports.

The importance of ASEAN member countries in ASEAN's international tourism networks is rising, but still shy of that of other industries. Country variance in forming hotel and restaurant GVCs reflects the factor endowments and characteristics of each country.

- Brunei Darussalam: Domestic hotel and restaurant and financial services industries are the largest contributors to value added exports of hotels and restaurants.
- Cambodia: Value added exports are small despite a large number of travelers.
- Indonesia: major contributors to hotel and restaurant value added exports are food-related.
- Lao P.D.R.: Thailand is a dominant foreign value added contributor to hotel and restaurant exports.
- Malaysia: The United States, China and Australia contributed the most in foreign value added of hotel and restaurant exports.
- Myanmar: The major contributors are all domestic players.
- Philippines: The United States is the largest foreign creator of value added, partly due to the largest owner of international hotels in the country.
- Singapore: All of the large contributors to value added exports of hotels and restaurants are foreign countries.
- Thailand: China is the largest foreign value added creator to the hotel and restaurant exports.
- Viet Nam: Japan is the largest foreign contributor to value added, and its wholesale trade is one of the top 10 individual industry contributors.

Travel operators and agencies make up another tourism industry; though data are limited (only to Singapore and Viet Nam), this industry seems to be more involved in GVCs.

- Singapore: Both Singaporean travel agencies and foreign transport services are large contributors to exports.
- Viet Nam: Among the top 10 tourism industries contributing to exports, Japan's wholesalers are the only foreign providers.

ASEAN and Japan are important partners in the tourism sector. A \$1 million increase in Japanese exports in hotels and restaurants and in travel operators and agencies draws some \$11,000 and \$5,400, respectively, from ASEAN as inputs.

ASEAN needs a general policy framework for ASEAN GVCs in tourism that contains five basic elements:

- Embedding GVCs in tourism development strategies and policies.
- Enabling growth in tourism GVCs by maintaining a conducive environment and by putting in place tourism infrastructural prerequisites.
- Building productive capacities in local firms to leverage tourism multiplier effects.
- Mitigating the risks involved in tourism GVC participation, which requires a strong environmental, social and governance framework.
- Strengthening ASEAN tourism competitiveness by harnessing FDI for sustainable tourism.

Tourism has assumed a growing role in sustainable development in all ASEAN countries...

The tourism sector in ASEAN, however defined it is (box 1), is one of the most important industries for all member states, accounting for 12 per cent of ASEAN GDP today. The ASEAN Tourism Strategic Plan 2016–2025 aims at 15 per cent by 2025. In terms of employment, 3.7 per cent of all employees work in this sector, and by 2025 that figure may rise to 7 per cent under this plan. It is a large source of exports, generating \$117 billion in foreign exchange for ASEAN as a whole in 2016, more than one tenth of total exports (AJC 2017; table 2).

Because of its large influence on the economy, tourism can be an important industry to lead sustainable development, not only by promoting accessible or universal tourism, and community-based tourism, which directly contribute to sustainability of tourism, but also by encouraging women and young people to participate in tourism businesses thanks to lower barriers to entry.

The hotel and restaurant industry – a key tourism component and an industry for which statistics are widely available – accounted for 3 per cent of value added as well as outputs in 2011, according to the input-output table of the Organization for Economic Co-operation and Development (OECD) (table 1). This share should be higher today, given that the number of tourists to ASEAN rose 43 per cent between 2011 and 2016 (to 116 million).

Although all the ASEAN member states promote tourism, both domestic and international, its importance varies by country. Take the example of the hotel and restaurant industry: its share in the economy ranges from less than 1 per cent for Brunei Darussalam to 5–6 per cent for Cambodia and Thailand (table 1). Like other tourism-related industries, this particular industry is labour-intensive. Therefore, creation of value added per unit of production (output) is lower than the ASEAN all-industry average: only 40 cents per 1 dollar of output is generated as value added, as compared with 42 cents per dollar. For individual countries, however, Malaysia, Singapore and Viet Nam generated more value added per unit of production than their own all-industry averages.

Table 1. Value added and output of hotels and restaurants compared with all industries, 2011
(Millions of dollars and ratio)

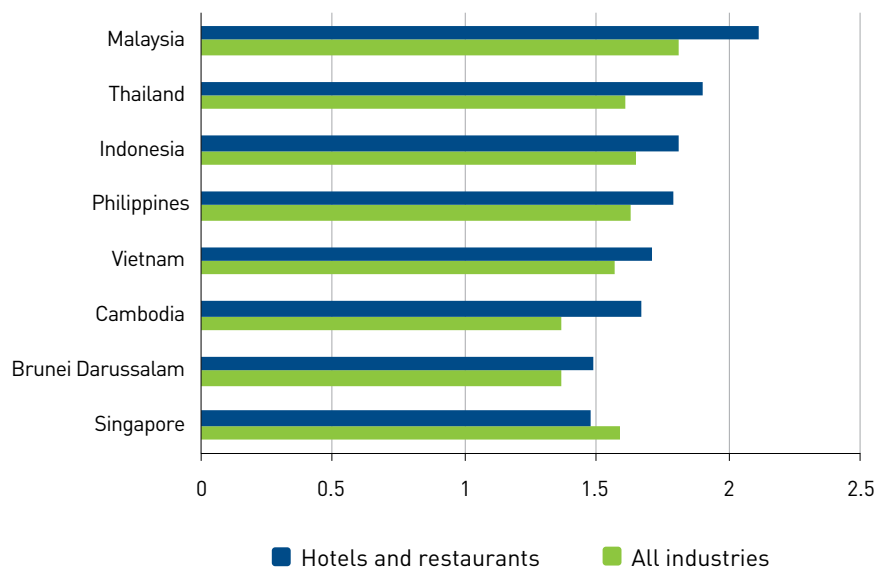
Country	Hotels and restaurants All industries			All industries		
	Value added	Output	Ratio of value added to output	Value added	Output	Ratio of value added to output
Brunei Darussalam	64	147	0.43	16 697	23 709	0.70
Cambodia	547	1 441	0.38	12 042	25 145	0.48
Indonesia	21 726	48 136	0.45	815 181	1 606 973	0.51
Malaysia	7 490	19 609	0.38	280 687	829 419	0.34
Philippines	3 930	10 484	0.37	209 529	429 792	0.49
Singapore	4 657	10 035	0.46	254 808	711 535	0.36
Thailand	18 789	56 160	0.33	343 407	893 396	0.38
Viet Nam	5 262	10 157	0.52	126 630	332 716	0.38
ASEAN total	62 465	156 168	0.40	2 058 981	4 852 685	0.42

Source: OECD Input-Output table database (<http://www.oecd.org/trade/input-outputtables.htm>).

...and exhibits larger linkages with other sectors than the all-industry average.

Tourism services cover a wide range of industries, both goods and services. Therefore, tourism has extensive linkages with many other industries. This is because its multiplier effects are considered large. Indeed, the hotel and restaurant industry creates larger multiplier effects than the industry average (figure 1). One unit increase in demand for hotels and restaurants in ASEAN brings out a 1.7 unit increase in production in other industries in ASEAN, higher than the all-industry average. The more extensive linkages of tourism (in this case, hotels and restaurants) with other industries than the industry average is observed in all ASEAN member states except Singapore.

Figure 1. Multiplier effects of hotels and restaurants and all industries in ASEAN, 2011



Source: OECD Input-Output table database (<http://www.oecd.org/trade/input-outputtables.htm>).

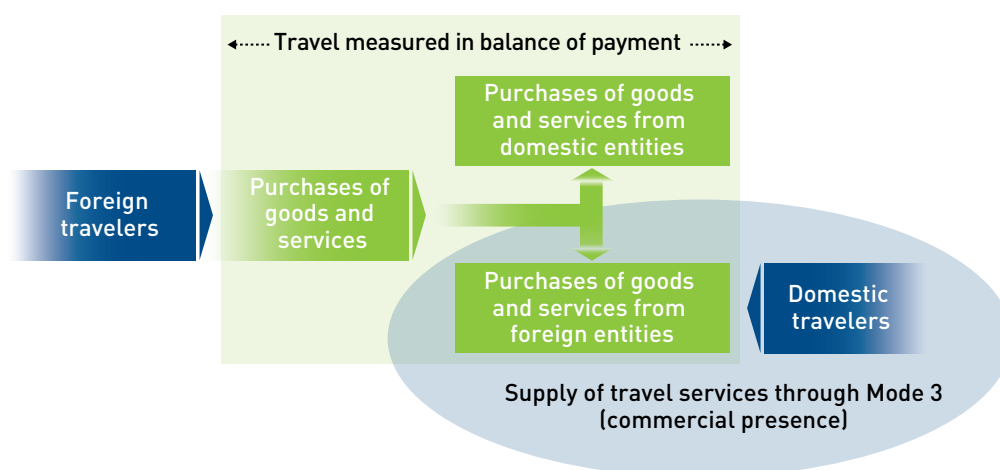
Note: Lao P.D.R. and Myanmar are not covered in the OECD database.

More extensive linkages of tourism with other industries in a country mean that tourism has deeper and broader value chains. These chains extend internationally and can be measured by value added trade.

In this paper, the length and breadth of global value chains (GVCs) are measured using data on value added trade. The length can be measured by the extent to which the tourism sector relies on foreign inputs and the breadth by how many important industries are involved in delivering tourism services. The tourism value chain in one country is already complex, involving tour industries, goods and services suppliers, utility suppliers from the supplier side, and consumers (travelers) from the demand side, which are supported by government policies and infrastructure (annex table 1). All are interlinked to bring out direct as well as indirect socioeconomic impacts. GVCs are linked with tourism sectors in more than one country.

Tourism in this paper is defined to cover the same activities as in balance-of-payment statistics for travel, or payments by non-residents made in the tourism sector (figure 2 and box 1). Tourism is an important services sector promoted by all ASEAN member states. Over the past decade, both the value of exports of tourism and its share in total services doubled (table 2). Because of services nature and its unique characteristics, international transactions of tourism are measured through supply Mode 2 (consumption abroad). Provision of tourism services through commercial presence (or Mode 3) is also possible but includes expenditures by residents as well (figure 2). This is because expenditures by residents at foreign-owned tourism establishments are supposed to be included in foreign affiliates statistics. However, this type of expenditure does not meet the basic definition of tourism, i.e. physical movement to a destination to receive tourism goods and services. In other words, it is not considered inbound tourism; as such, such expenditures are for domestic tourism and even domestic households. In the input-output tables that are the basis for estimating value added trade data and used in this paper, there is no distinction between services offered by domestic enterprises and those offered by foreign-owned enterprises. Value added trade data, therefore, may contain expenditures by residents at facilities of foreign-owned tourism services, though they are considered small.

Figure 2. Expenditures in tourism



Source: AJC.

Box 1. Definition of tourism in GVC data (continued)

Data on tourism exports and imports are clearly defined in the balance of payments (BoP) under “travel”. According to the International Monetary Fund (IMF), “Travel credits [exports] cover goods and services for own use or to give away acquired from an economy by non-residents during visits to that economy. Travel debits [imports] cover goods and services for own use or to give away acquired from other economies by residents during visits to these other economies” (Balance of Payments and International Investment Position Manual, Sixth Edition, para 10.86; italics are the author’s). Tourism receipts (exports) are expenditures by non-resident inbound visitors, including any payment made for goods and services they received. In contrast, tourism payments (imports) are payments for goods and services residents made abroad. Although payments for domestic transport are also included, travels to international destinations are not included in tourism trade (which is covered under “transport”) (para 10.90).

Therefore, tourism trade includes the following:

- Accommodation (hotels, inns, any facility with the purpose of resting and sleeping)
- Restaurants including coffee shops, fast foods, eating stands, etc.
- Internal or domestic transport including taxis and car rentals
- Tourism services, such as on-site tour guides, amusement parks and theatres, sports
- Shopping
- Other expenditures

These expenditures are supposed to be captured in “travel” in the BoP. Data are collected outside the BoP framework through a survey that is normally conducted at travelers’ entry or exit points. These data are used for the BoP compilation (to make necessary adjustments on items such as international transport expenditures, if that is included in the survey).

Those items that are grouped under “travel” in the BoP are, therefore, not the same as items in the export data of the input-output tables, which use a different nomenclature. Tourism industries cover a wide range of industries, such as hotels and restaurants, transport, travel agents, retail, sports and recreation. As such, if accurate expenditures are to be collected, data is needed on non-residents’ expenditures to acquire goods and services for their own use in these industries. Given the unavailability of such data, the export data in this paper use data from the industries directly relevant to tourism. They typically refer to hotels and restaurants, and, if available, travel agent services as well.

In the GVC data used in this paper as well as other papers in this series, hotels and restaurants are covered for all ASEAN countries. Expenditures by non-residents at these places are considered tourism spending – and are the main spending in tourism. For example, for Japanese inbound tourism expenditures, accommodations and restaurants accounted for about half of total expenditures in 2016.¹ Singapore and Viet Nam also have data on travel agency and tour operator services, and other tourist assistance services. Expenditures on these tourism-related businesses are equivalent to 5 per cent (Viet Nam) and 20 per cent (Singapore) of that on hotels and restaurants. Thus, data for countries that do not include such industries in tourism expenditures are underestimated to that extent.

By country, GVC data on tourism used in this paper cover the following industries:

Brunei Darussalam, Cambodia, Lao People’s Democratic Republic, Malaysia, and Myanmar:

Hotels and restaurants (one industry)

Indonesia: Hotels, restaurants

Philippines: Restaurants, hotels

Singapore: Food and beverage services; accommodation services; hotel management services; sight-seeing and tourism

¹ Data from the Japan Tourism Agency.

Box 1. Definition of tourism in GVC data (concluded)

Thailand: Restaurants and drinking places; hotel and lodging places

Viet Nam: Hotels, restaurants, tourism

Under the General Agreement on Trade in Services (GATS), there are only four categories under "tourism and travel related services": hotels and restaurants (including catering); travel agencies and tour operator services; tourist guide services; and other. Therefore, the coverage of GVCs in tourism data is closer to the GATS definition than to the BoP definition.

Table 2. Exports of tourism services and its share in total exports of services and goods and services, 2005-2016 (Millions of dollars and per cent)

Country	Annual average 2005-2010	2011	2012	2013	2014	2015	2016
Brunei Darussalam	270	80	92	96	79	140	144
Cambodia	1 134	2 084	2 463	2 660	2 953	3 131	3 212
Indonesia	5 708	7 997	8 324	9 119	10 261	10 654	11 349
Lao People's Democratic Republic	235	406	451	596	642	679	712
Malaysia	13 761	19 649	20 251	21 500	22 600	17 680	18 084
Myanmar	66	325	539	959	1 612	2 101	2 177
Philippines	3 026	3 190	4 014	4 690	5 030	5 276	5 139
Singapore	9 471	17 930	18 796	19 209	19 134	16 743	18 386
Thailand	15 663	27 184	33 855	41 780	38 423	44 553	49 871
Viet Nam	3 388	5 710	6 850	7 250	7 330	7 350	8 250
ASEAN total	52 723	84 556	95 634	107 858	108 063	108 309	117 325
<i>Share in total exports of goods and services</i>							
Brunei Darussalam	2.8	0.6	0.7	0.8	0.7	2.1	2.6
Cambodia	14.6	26.8	27.9	26.5	26.3	25.2	24.2
Indonesia	3.6	3.8	3.9	4.4	5.2	6.2	6.8
Lao People's Democratic Republic	10.2	16.9	15.8	19.6	18.7	18.8	17.0
Malaysia	6.4	7.7	8.1	8.8	9.1	8.4	9.0
Myanmar	0.8	3.8	5.7	7.9	12.3	15.2	16.9
Philippines	5.1	5.6	6.0	6.9	6.7	7.3	6.9
Singapore	2.0	3.2	3.3	3.3	3.2	3.2	3.6
Thailand	6.6	10.3	12.2	14.6	13.6	16.2	17.8
Viet Nam	3.3	5.4	5.5	5.1	4.5	4.2	4.4
ASEAN total	5.5	8.4	8.9	9.8	10.0	10.7	10.9

Source: AJC, 2017.

Box 2. GVC terminology on tourism used in the AJC paper series

Like the travel data in the BoP, tourism exports in GVCs refer to non-resident expenditures made to acquire goods and services provided by tourism services companies in the travel-destination economy. Therefore, a country's tourism exports, like other services industries as well as goods industries, can be divided into domestically produced value added and imported (foreign) value added that is incorporated into exported goods and services (e.g. imported foods consumed at hotels and restaurants, imported shampoo and soaps used at hotels, use of foreign-made services at domestic transportation systems). Furthermore, exports can go to a foreign tourism sector either for final consumption or as intermediate inputs to be exported again to third countries (or back to the original country). The analysis of GVCs takes into account both foreign value added in exports (the upstream perspective) and exported value added incorporated in third-country exports (the downstream perspective). The indicators used in this paper series are as follows:

1. Foreign value added indicates what part of a country's gross exports (non-resident expenditures on tourism goods and services) consists of inputs that have been produced in other countries. The foreign value added share is the share of the country's exports that do not add to its GDP.

2. Domestic value added is the part of exports created in country, i.e. the part of exports that contributes to GDP (i.e. tourism goods and services created in a country that are consumed by non-residents). Domestic value added can be seen in relation to other variables as follows:

- As a share of GDP, it measures the extent to which trade contributes to the GDP of a country.
- As a share of global value added trade (the slice of the value added trade "pie"), it can be compared with a country's share in global gross exports (relative value capture from trade).

The sum of foreign and domestic value added equates to gross exports.

3. Value added incorporated in other countries' exports (DVX) indicates the extent to which a country's exports (i.e. goods and services exported to the tourism sector in other countries) are used as inputs to exports from other countries. At the global level, the sum of this value and the sum of foreign value added is the same.

4. GVC participation indicates a country's exports that are part of a multi-stage trade process, by adding to the foreign value added used in a country's own exports the value added that is supplied to other countries' exports (i.e. DVX). Although the degree to which exports are used by other countries for further export generation may appear less relevant for policymakers, as it does not change the domestic value added contribution of trade, the participation rate is a useful indicator of the extent to which a country's exports are integrated in international production networks, or in this case international tourism networks. GVC participation corrects the limitations of the foreign and domestic value added indicators, in which countries at the beginning of the value chain (e.g. exporters of raw materials) by definition have a low foreign value added content of exports. It gives a more complete picture of the involvement of countries in tourism GVCs, both upstream and downstream.

GVC indicators in tourism can also be used to assess the extent to which tourism industries rely on international tourism networks. Data on tourism value added trade can provide useful indications of the comparative advantages and competitiveness of countries, and hence form a basis for the development of strategies and policies for the tourism sector.

Source: Adapted from AJC (2017).

Value added trade data for tourism are available mainly for hotels and restaurants

Limited data are available on tourism activities in the analysis of GVCs for ASEAN member states through value added trade (box 2). However, data on one industry is common to all member states: hotels and restaurants, the largest segment of tourism expenditures. For Singapore and Viet Nam, data on services provided by travel agencies are also available. Thus, for hotels and restaurants, a comparison analysis can be made for all 10 ASEAN member states, while for travel agency services, only Singapore and Viet Nam can be examined. Careful interpretation of the data on tourism GVCs is required, in particular when comparing countries in terms of the absolute value of GVCs.

ASEAN value added exports in hotels and restaurants in 2013 amounted to \$30 billion – led by Thailand – of which 17 per cent were imported inputs...

The hotel and restaurants industry receives the largest component of tourism expenditures. For ASEAN as a whole, value added exports from this industry or expenditures by non-residents in this industry on the territory, regardless of who created the value, were estimated at \$30 billion in 2013. Unlike the manufacturing sector in ASEAN, the tourism sector does not require foreign inputs. Thus, in generating value added in tourism, ASEAN countries use local materials in providing the services. In all, more than four-fifths of total value added exports are attributed to domestic value added. Foreign countries contributed 17 per cent of such exports (figure 3). At hotels and restaurants in ASEAN, 17 per cent of what foreign tourists paid was actually paid to countries outside the one they were visiting.

In 2013, among the 10 ASEAN countries, Thailand generated the largest amount of value added exports in hotels and restaurants at \$8.6 billion, followed by Singapore and Indonesia, both nearly \$6.2 billion (table 3). Cambodia, the Lao People's Democratic Republic and Myanmar generated the smallest value at less than \$100 million.

Figure 3. Value added exports from hotels and restaurants, 2013 (Billions of dollars)

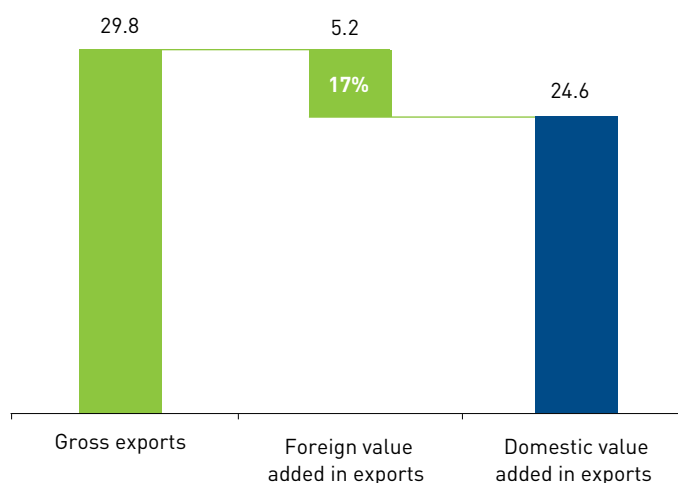


Table 3. Value added exports from hotels and restaurants in ASEAN, 2013
(Millions of dollars and per cent)

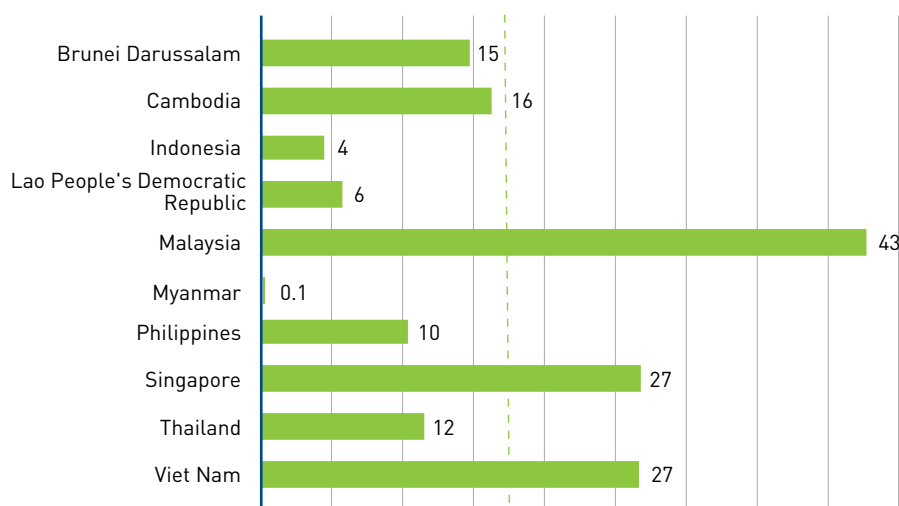
Country	Value			Share		
	Gross exports	Domestic value added	Foreign value added	Gross exports	Domestic value added	Foreign value added
Brunei Darussalam	437	373	64	100	85.3	14.7
Cambodia	84	71	14	100	83.7	16.3
Indonesia	6 177	5 900	277	100	95.5	4.5
Lao People's Democratic Republic	57	54	3	100	94.3	5.7
Malaysia	3 297	1 886	1 411	100	57.2	42.8
Myanmar	49	49	0	100	99.9	0.1
Philippines	3 439	3 081	358	100	89.6	10.4
Singapore	6 191	4 535	1 656	100	73.3	26.7
Thailand	8 581	7 588	992	100	88.4	11.6
Viet Nam	1 465	1 074	391	100	73.3	26.7
Total	29 777	24 611	5 167	100	82.6	17.4

Source: AJC-UNCTAD-Eora database on ASEAN GVCs.

... with Malaysia recording exceptionally high numbers by using foreign inputs in more than two fifths of its exports.

Malaysia differs from other ASEAN countries: in 2013, more than two fifths (43 per cent) of value added was attributed to foreign countries (figure 4). This implies that in this tourism industry Malaysia relies on foreign materials and inputs more than any other ASEAN countries do.

Figure 4. Share of foreign value added in hotel and restaurant exports, 2013 (Per cent)

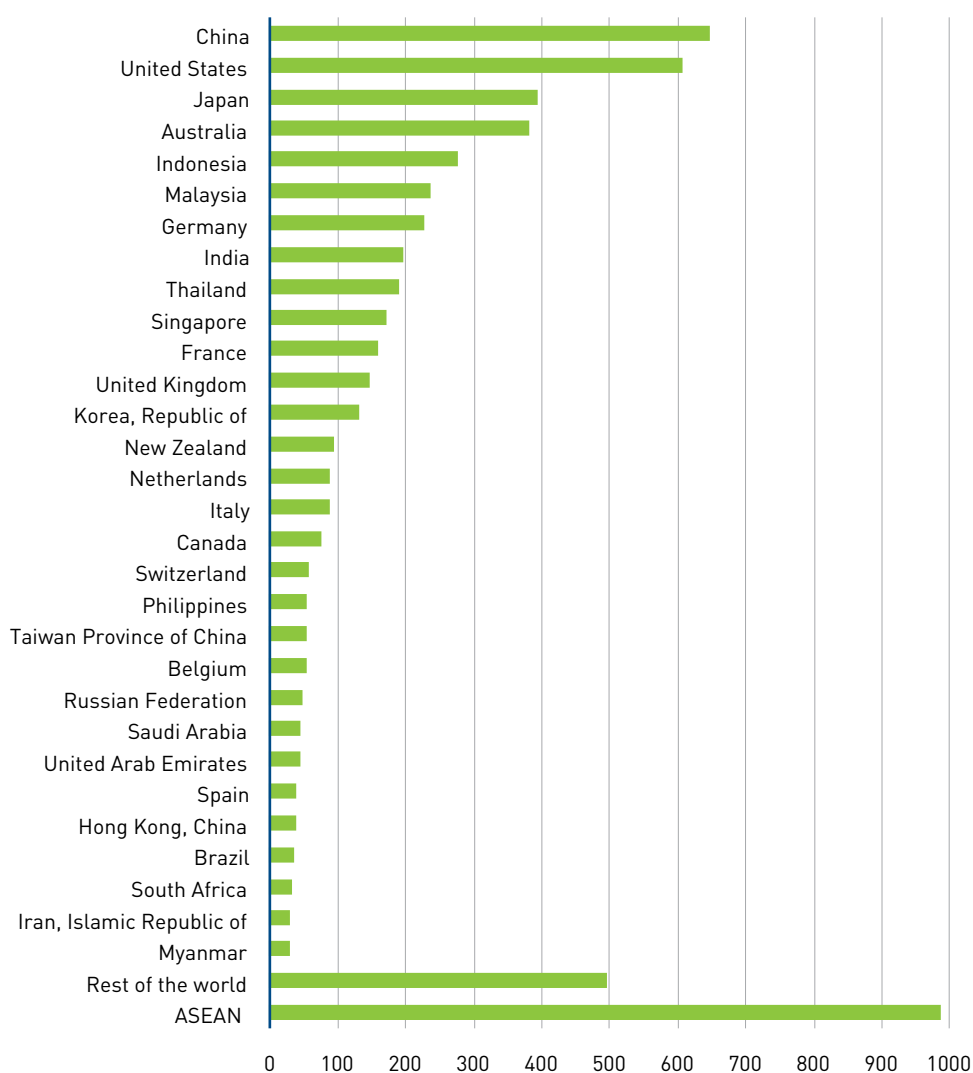


Source: AJC-UNCTAD-Eora database on ASEAN GVCs.

China, the United States and Japan are the three largest foreign contributors to ASEAN hotel and restaurant exports.

ASEAN imports and uses foreign inputs in the hotel and restaurant industry, but from a limited number of countries. The largest contributor of foreign inputs is ASEAN itself, which accounts for one fifth of total foreign value added in ASEAN exports of hotels and restaurants. Indonesia, Malaysia, Thailand, Singapore, the Philippines and Myanmar are among the top 30 foreign contributors to ASEAN exports (figure 5). These exports are intraregional trade of hotels and restaurants and mainly foods and beverages. China is the single largest creator of foreign value added, accounting for 12 per cent, followed by the United States (12 per cent), Japan (8 per cent) and Australia (7 per cent).

Figure 5. Top 30 foreign value added creators for ASEAN exports of hotels and restaurants, 2013 (Millions of dollars)

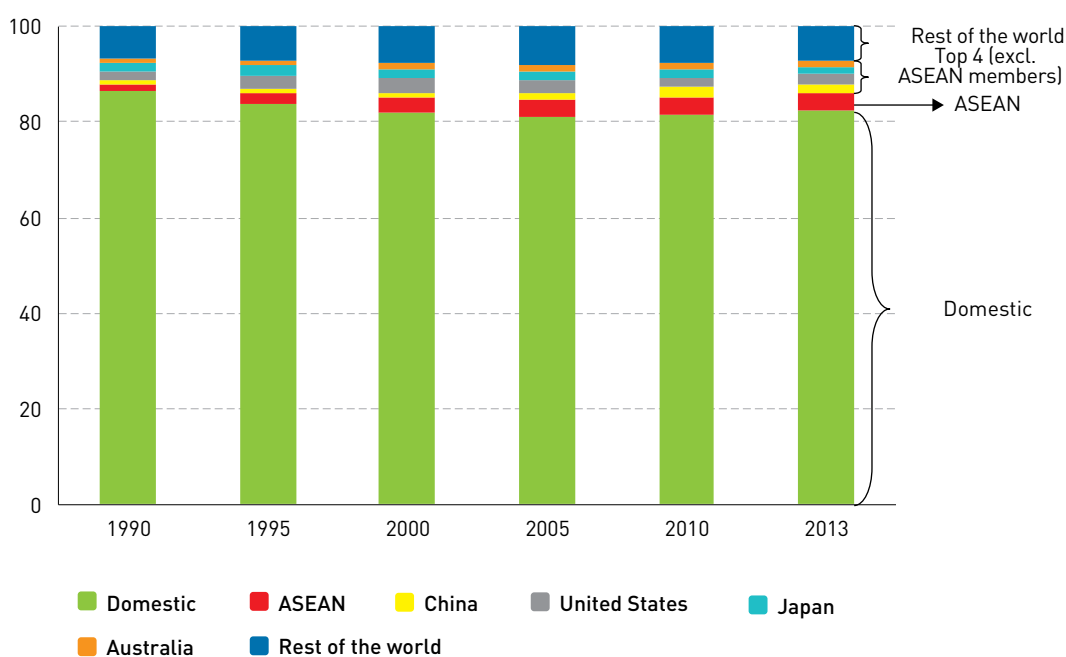


Source: AJC-UNCTAD-Eora database on ASEAN GVCs.

The importance of these foreign value added creators in ASEAN exports of hotels and restaurants has changed over the years. The shares of both ASEAN and China in terms of foreign value added has doubled, while those of Japan and the United States have declined (figure 6). This change is observable in many industries (see Paper 1 of this series).

Because of the broad involvement of various industries in offering tourism services, many industries and products contribute to the tourism sector. In the export of one dollar from hotels and restaurants in ASEAN, 17 cents were attributed to foreign countries as their value added. Japan also receives foreign value added, but only 1–2 cents per dollar exported. Various products are used from Japan in exporting the services of hotels and restaurants in ASEAN (box 3).

Figure 6. Value added exports of hotels and restaurants from ASEAN, by domestic, ASEAN and other top four foreign country value added creators, selected years (Per cent)



Source: AJC-UNCTAD-Eora database on ASEAN GVCs.

Box 3. What kind of inputs does Japan provide for ASEAN exports of hotels and restaurants?

The Japanese contribution to exports of hotels and restaurants from ASEAN ranked third after China and the United States, with a value of less than \$400 million in 2013 (figure 5). This amount accounted for a mere 1 per cent (figure 6). As noted earlier, generally speaking, the foreign contribution to tourism exports is not large compared with that in manufacturing, though that contribution is varied and reflects each country's characteristics.

The largest contribution came from wholesale trade (box table). Japanese traders benefitted the most from ASEAN exports of hotels and restaurants. Vegetable oils and meal, fish and meal products, and even Japanese sake are imported and used at ASEAN hotels and restaurants providing services to non-residents. Certain products are used at hotels such as cosmetics, toilet preparations and dentifrices.

Box table. Japanese inputs to ASEAN exports of hotels and restaurants, top 10 products and others, 2013 (Millions of dollars)

Ranking ^a	Contributing products by Japan	Value
1	Wholesale trade	66.4
2	Vegetable oils and meal	25.5
3	Financial service	14.8
4	Road freight transport	9
5	Other business services	8.4
6	Cosmetics, toilet preparations and dentifrices	7.9
7	Plastic products	7.7
8	Petroleum refinery products (including greases)	7
9	Research and development (intra-enterprise)	6.7
10	Goods rental and leasing (except car rental)	6
	:	
34, 66, 160 ^b	Fish products	3.3
	:	
32	Travel agency and other services relating to transport	1.9
	:	
171, 341, 372 ^c	Meat products	0.4
	:	
189	Hotel and other lodging places	0.3
	:	
266, 284 ^d	Eating and drinking places	0.2
	:	
257	Refined sake	0.1
	:	

Source: AJC-UNCTAD-Eora database on ASEAN GVCs.

^a Among 402 products.

^b Includes marine fisheries, inland water fisheries and culture, and fish paste.

^c Includes slaughtering and meat processing, bottled or canned meat products, and processed meat products.

^d Eating and drinking places for pleasures, and general eating and drinking places (except coffee shops).

ASEAN hotels and restaurants not only receive inputs from the world when providing goods and services to non-residents, but also export them as inputs to goods and services provided to non-residents in other countries. This creates hotel and restaurant GVCs.

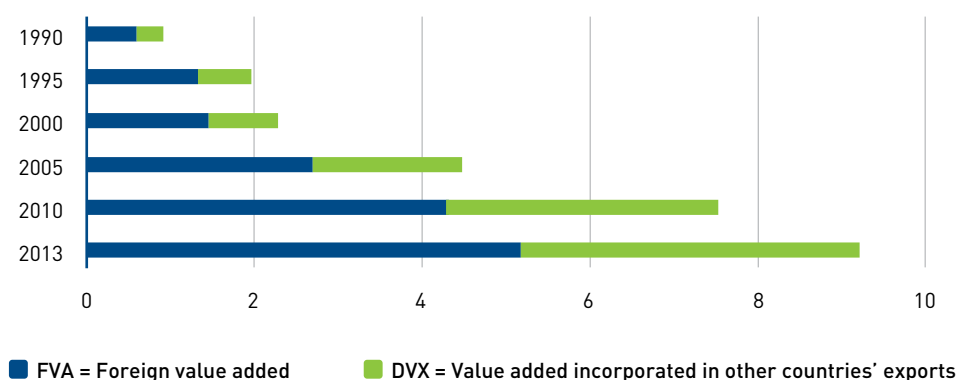
ASEAN's exports of hotels and restaurants (provision of goods and services by ASEAN hotels and restaurants to non-residents) contain imported inputs, or foreign value added that was valued at \$5.2 billion in 2013 (table 2). At the same time, when foreign countries export their goods and services, not only in hotels and restaurants but also in goods and other services, ASEAN's goods and services provided by the hotel and restaurant industry may be included (DVX). The value of the DVX of hotels and restaurants is estimated at \$4 billion. Both foreign value added and DVX are relatively small in hotels and restaurants.

The sum of foreign value added and DVX shows the extent to which this industry is involved in GVCs (box 2). The GVC participation of hotels and restaurants in 2013 amounted to \$9.2 billion, or 31 per cent of gross exports of hotels and restaurants. In other words, nearly one third of hotel and restaurant exports of ASEAN is related to either forward or backward parts of GVCs to form international tourism networks. This share is, however, less than half of the share of GVC participation for all industries in ASEAN (see Paper 1 of this series).

International tourism networks formed by ASEAN through GVCs vary by country, with Singapore having the largest value of exports and Malaysia participating the most in terms of share in exports.

The GVC participation of ASEAN hotels and restaurants or ASEAN's international tourism networks has been rising over the years, in both value and share in gross exports (figure 7). Value added in hotels and restaurants of ASEAN member states incorporated in exports from other countries is rising faster than foreign value added. This suggests that the competitiveness of the ASEAN hotel and restaurant industry is improving, sufficiently to become hotel and restaurant service providers in other countries.

Figure 7. **Evolution of GVC participation in ASEAN hotels and restaurants, 1990–2013: value and its share in gross exports of hotels and restaurants** (Billions of dollars)



The importance of ASEAN in ASEAN's international tourism networks is rising, but still shy of other industries.

Both the share of ASEAN in foreign value added and the share of ASEAN in value added incorporated in other countries' exports (DVX) are important elements of GVC participation or international tourism networks created within ASEAN. Regional value chains or regional tourism networks for ASEAN are growing (table 4), but the ASEAN share in total GVC participation is lower than the industry average (see Paper 1 of this series): 17 per cent of the GVC participation of hotels and restaurants was formed within ASEAN in 2013, compared with 11 per cent in 1990, but this share is much lower than the all-industry average of one quarter in 2013 (Paper 1).

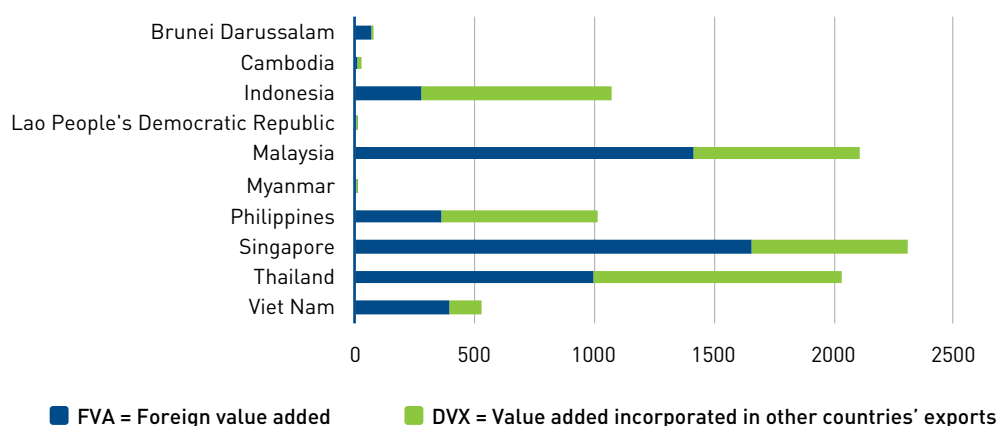
The international tourism network, as measured by the GVC participation created by the hotel and restaurant industry in ASEAN, varies by member state, ranging in terms of export share from 17 to 18 per cent for Indonesia and Brunei Darussalam to 64 per cent for Malaysia (figure 8). In terms of the value of GVC participation, Singapore ranks first, followed by Malaysia and Thailand.

Table 4. GVC and RVC participation in hotel and restaurant exports, 1990-2013
(Per cent of total exports)

Year	FVA: Foreign value added			DVX: Domestic value added incorporated in other countries' exports			Value chain participation	
	Total (A) = (B+C)	Created outside ASEAN (B)	Created within ASEAN (C)	Total (D) = (E+F)	Incorporated outside ASEAN (E)	Incorporated within ASEAN (F)	GVC participation (A + D)	RVC participation (C + F)
1990	13.6	11.9	1.7	7.5	6.8	0.7	21.1	2.4
1995	16.3	13.9	2.4	7.7	6.6	1.1	24.0	3.5
2000	17.9	15.0	2.9	10.1	8.7	1.4	28.0	4.3
2005	18.6	15.5	3.2	12.0	10.3	1.8	30.7	4.9
2010	18.2	14.8	3.4	13.5	11.5	2.0	31.7	5.3
2013	17.4	14.0	3.3	13.6	11.6	2.0	30.9	5.3

Source: AJC-UNCTAD-Eora database on ASEAN GVCs.

Figure 8. GVC participation in hotels and restaurants in ASEAN, 2013:
value in gross exports of hotels and restaurants (Millions of dollars)



Source: AJC-UNCTAD-Eora database on ASEAN GVCs.

Variances by country in forming hotel and restaurant GVCs reflect the factor endowments and characteristics of each country.

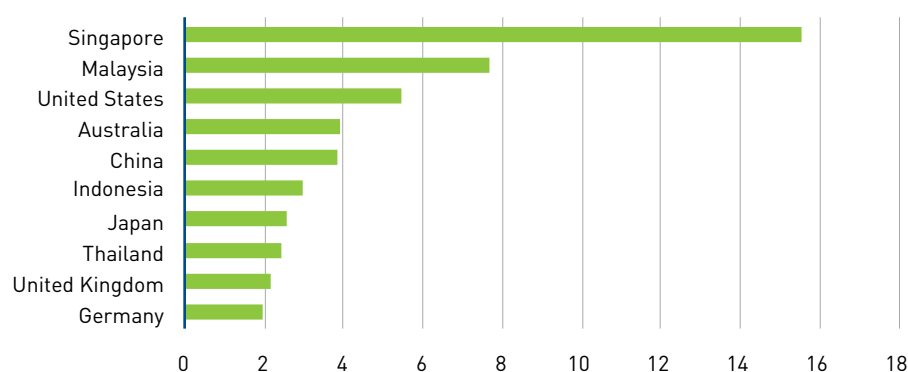
Although the use of foreign materials is lower in hotels and restaurants than in many other industries, including services industries, there are some unique characteristics of foreign value added in each ASEAN country.

Brunei Darussalam: own hotel and restaurant and financial services (including business activities) industries are the largest contributor to value added exports of hotels and restaurants. The total number of hotels, resort and apartments are 50, followed by homestays at 14, guesthouses and rest houses at 15 and government guesthouses at 2. The total number of rooms and beds available were 4,084 rooms and 5,777 beds. As the tourism sector itself is small (1.5 per cent of GDP in 2014²), hotels and restaurants – one of the components of this sector – is much smaller (less than 1 per cent (table 1)). Brunei Darussalam's major source markets for tourism are ASEAN countries, which accounted for 54 per cent of total arrivals in 2014. China, Republic of Korea and Japan followed with 19 per cent of arrivals, while Europeans made up 10 per cent of arrivals, and Australia and New Zealand comprised 7 per cent of arrivals.

These countries also come to the top of the list of input providers used by the hotel and restaurant industry in Brunei Darussalam. With \$437 million exports (non-resident expenditures for hotel and restaurant services in the country), Brunei Darussalam imported the inputs of \$64 million and used in hotels and restaurants (table 2), with the largest foreign input contributor being Singapore, followed by Malaysia and the United States (figure 9).

At the individual industry level, besides the country's own hotels and restaurants that accounted for one third of value added exports of hotels and restaurants, the financial services sector of own country is the second largest contributor to hotel and restaurant exports (one quarter of the total) (table 5). These two sectors contribute more than half of value added exports.

Figure 9. **Foreign value added in exports of hotels and restaurants from Brunei Darussalam, 2013: 10 largest contributors** (Millions of dollars)



Source: AJC-UNCTAD-Eora database on ASEAN GVCs.

² OXFORD Business Group <http://www.oxfordbusinessgroup.com/news/brunei-darussalam%E2%80%99s-tourism-industry-see-stronger-support>.

Table 5. Ten largest contributors to exports of hotels and restaurants from Brunei Darussalam, 2013
(Millions of dollars and per cent)

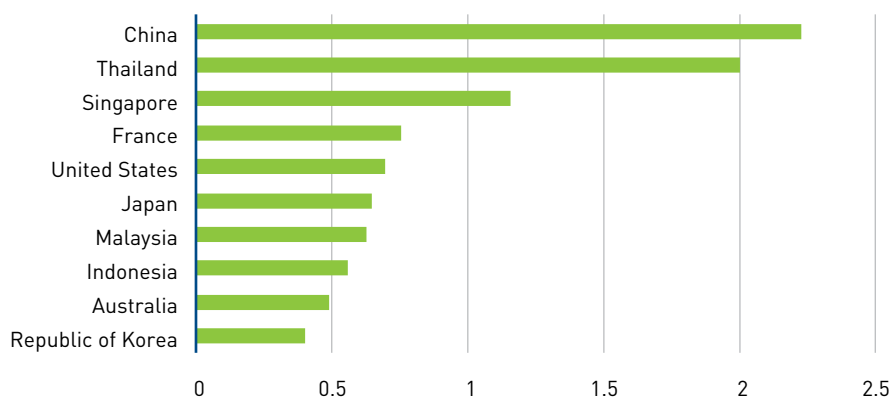
Contributing country	Contributing industry	Contributing value	Share in gross exports [%]
Brunei Darussalam	Hotels and Restaurants	136.7	31.2
Brunei Darussalam	Financial Intermediation and Business Activities	106	24.2
Brunei Darussalam	Food & Beverages	31.7	7.2
Brunei Darussalam	Wholesale Trade	15.2	3.5
Brunei Darussalam	Agriculture	14.3	3.3
Brunei Darussalam	Electricity, Gas and Water	10.8	2.5
Brunei Darussalam	Education, Health and Other Services	9.5	2.2
Brunei Darussalam	Post and Telecommunications	9.1	2.1
Brunei Darussalam	Wood and Paper	6.8	1.5
Brunei Darussalam	Petroleum, Chemical and Non-Metallic Mineral Products	6.4	1.5

Source: AJC-UNCTAD-Eora database on ASEAN GVCs.

Cambodia: small value added exports despite the large number of travelers. The number of hotels and guesthouses more than doubled in 2014, to 2,007 with 31,223 bedrooms, while approximately 1,200 restaurants existed in Phnom Penh and 200 in Siem Reap. The value added and outputs of this country are ten times larger than those of Brunei Darussalam (AJC 2017).

When it comes to exports of hotels and restaurants, however, their values (non-resident expenditures on hotels and restaurants) have been smaller (table 2). Total exports of the tourism sector in Cambodia had also been smaller until 2014 (AJC 2017). The small trading business (exports or non-resident expenditures) in hotels and restaurants is due to either low numbers of foreign tourists or their small expenditures, or both. However, given the 4 million international travelers visiting Cambodia, almost the same number as in the Lao People’s Democratic Republic and Myanmar, their exports seem to be underreported.

Figure 10. Foreign value added in exports of hotels and restaurants from Cambodia, 2013: 10 largest contributors (Millions of dollars)



Source: AJC-UNCTAD-Eora database on ASEAN GVCs.

In restaurants, franchise businesses – such as the RMA/EFG Group; CBM, an owner of many local franchise/fast food operations; and KFC – play an important role in importing key ingredients and source products from food services importers. Indeed, many hotels and restaurants prefer to source local products because of the availability and low prices of local food and beverage products. Most of the imported products that move into the hotel and restaurant industry are purchased from local importers (USITA 2015, p. 10). These purchases are not registered as imports for hotels and restaurants. Therefore, foreign value added in hotels and restaurants is small overall (only \$14 million), with China ranked first (figure 10). As in Brunei Darussalam, domestic industry (hotels and restaurants) and financial services, including business activities, contribute to about half of value added exports in hotels and restaurants in Cambodia (table 6).

Table 6. Ten largest contributors to exports of hotels and restaurants from Cambodia, 2013
(Millions of dollars and per cent)

Contributing country	Contributing industry	Contributing value	Share in gross exports [%]
Cambodia	Hotels and Restaurants	40.4	47.9
Cambodia	Financial Intermediation and Business Activities	11.1	13.2
Cambodia	Wholesale Trade	2.8	3.3
Cambodia	Food & Beverages	2.6	3.1
Cambodia	Agriculture	2.1	2.5
Cambodia	Post and Telecommunications	1.8	2.1
Cambodia	Transport	1.5	1.8
Cambodia	Construction	1.0	1.2
Cambodia	Education, Health and Other Services	1.0	1.2
Cambodia	Petroleum, Chemical and Non-Metallic Mineral Products	0.9	1.1

Source: AJC-UNCTAD-Eora database on ASEAN GVCs.

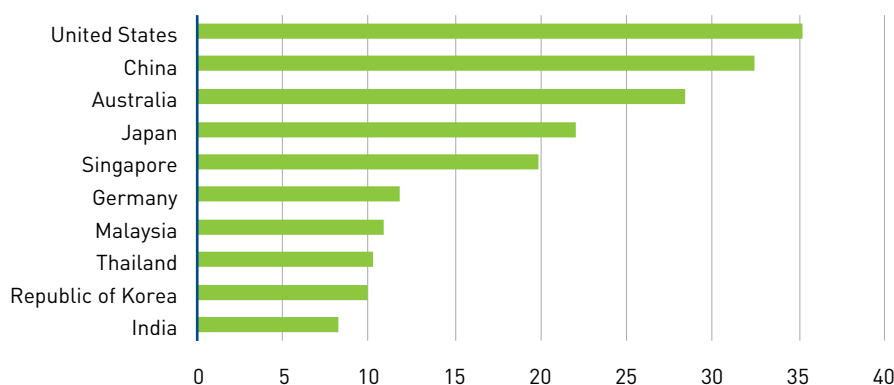
However, there are good prospects in the future. Projected international visitor arrivals to Cambodia in 2020 are 7 million, with projected expenditures of \$4.5 billion, as compared with 5 million international travelers and \$ KHR14,239 billion (\$3.5 billion) in expenditures in 2015.

Indonesia: major contributors to hotel and restaurant value added exports include food-related. With the government's 'Wonderful Indonesia' campaign (which began in 2011), tourism has been transformed into a growing industry that contributed one tenth of total GDP in 2015 – just behind Indonesia's top earners of oil, gas, coal and palm oil. The 9.5 million foreign tourists in 2014 accounted for one quarter of total consumption in the tourism sector.³ Tourism services exports reached more than \$11 billion in 2016.

³ JH <http://pdf.savills.asia/asia-pacific-research/asia-pacific-research/asian-cities---id-jakarta-hospitality-1h-2015.pdf>.

According to Statistics Indonesia, Badan Pusat Statistik, the country has 17,484 classified and non-classified hotels with 469,277 rooms. Of these, 1,996 are classified hotels with 195,886 rooms. Value added exports of hotels and tourism alone was \$6.2 billion in 2013, only 5 per cent of which was foreign inputs (foreign value added) (table 3). Reflecting the many hotels owned by United States hoteliers, the largest input contributor to hotels and restaurants in Indonesia is the United States (figure 11). China, Australia, Japan and Singapore are round out the top five source countries in terms of tourist arrivals. Other than the domestic industry (hotels and restaurants), which contributes the largest amount of value added, foods-related industries such as food crops, meat, fishery and beverages are all important contributors to the creation of value added in this industry (table 7).

Figure 11. **Foreign value added in exports of hotels and restaurants from Indonesia, 2013: 10 largest contributors** (Millions of dollars)



Source: AJC-UNCTAD-Eora database on ASEAN GVCs.

Table 7. **Ten largest contributors to exports of hotels and restaurants from Indonesia, 2013** (Millions of dollars and per cent)

Contributing country	Contributing industry	Contributing value	Share in gross exports
Indonesia	Hotel	1 992	32.3
Indonesia	Restaurants	1 247.5	20.2
Indonesia	Wholesale and retail trade	998	16.2
Indonesia	Livestock and poultry	222.5	3.6
Indonesia	Food crops	178	2.9
Indonesia	Other food products	158.4	2.6
Indonesia	Paddy	126.4	2
Indonesia	Slaughtering, meat products and dairy products	98.4	1.6
Indonesia	Fishery	85.5	1.4
Indonesia	Beverage	78.9	1.3

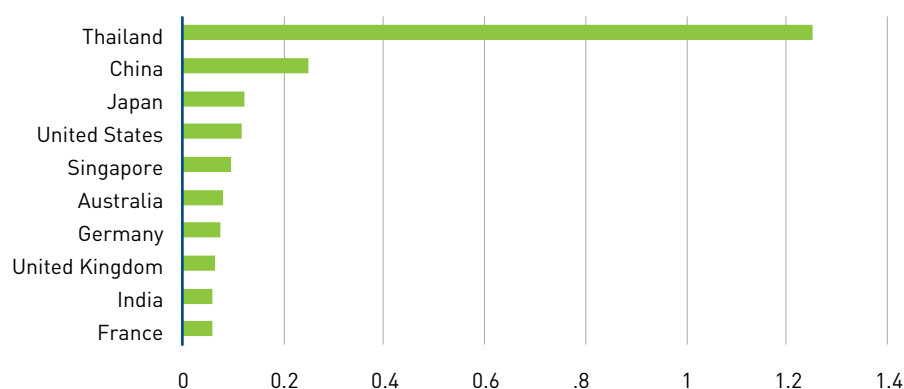
Source: AJC-UNCTAD-Eora database on ASEAN GVCs.

Lao People’s Democratic Republic: Thailand is a dominant foreign value added contributor to hotel and restaurant exports. Hotels and restaurants is a substantial industry contributing to the success of tourism in the country. According to the Ministry of Information, Culture and Tourism, the number of establishments has expanded constantly, with an average growth rate of 8-9 per cent per annum. Today, there are 2,527 establishments (545 hotels, 1,982 guesthouses) and 2,969 restaurants that provide more than 167,800 jobs.

Non-residents pay more than \$700 million for tourism services (table 2): 39 per cent of tourism receipts was from accommodation and 22 per cent from food and beverage. About 85 per cent of hotels in the country are owned by domestic private entrepreneurs. Foreign investors own 11 per cent of the total, while the remaining ones are joint ventures. Both foreign hotels and foreign restaurants use foreign products for inputs to provide services (80 per cent), whereas domestic restaurants use 95 per cent local products. The industry employs 2-3 per cent foreign workers, mostly at management level. Hotels and restaurants in the country struggle to provide good-quality services.

Foreign inputs (foreign value added) account for a low 6 per cent of total value added exports in this industry (table 3) and come mainly from Thailand (figure 12), from which half of the 4 million annual foreign tourists originate. Many Thai tourists are day-trippers who return home on the same day. This makes the total exports of hotels and restaurants smaller. Although this country relies heavily on Thailand when it comes to tourism, Thailand does not appear among the top contributors to value added trade (table 8). In the ranking of contribution of inputs, Thailand comes in only at 17th, much of which is provided by Thailand’s wholesale trade.

Figure 12. **Foreign value added in exports of hotels and restaurants from Lao P.D.R., 2013: 10 largest contributors** (Millions of dollars)



Source: AJC-UNCTAD-Eora database on ASEAN GVCs.

Table 8. Ten largest contributors to exports of hotels and restaurants from Lao P.D.R., 2013
(Millions of dollars and per cent)

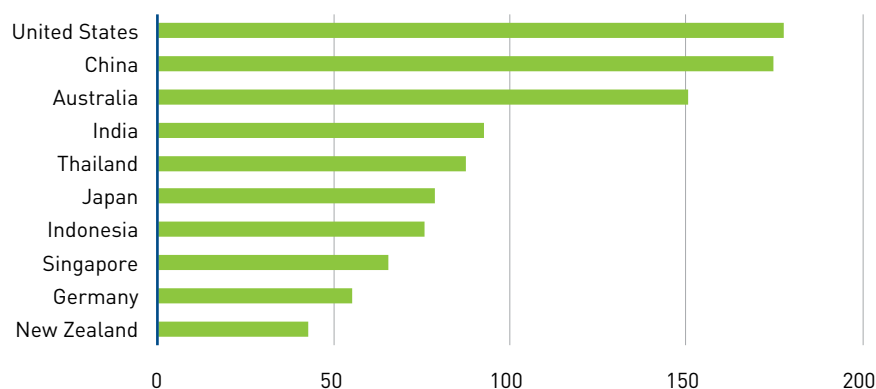
Contributing country	Contributing industry	Contributing value	Share in gross exports [%]
Lao P.D.R.	Hotels and Restaurants	34	59.3
Lao P.D.R.	Financial Intermediation and Business Activities	6.9	12.1
Lao P.D.R.	Wholesale Trade	2.2	3.9
Lao P.D.R.	Electricity, Gas and Water	1.8	3.1
Lao P.D.R.	Food & Beverages	1.7	2.9
Lao P.D.R.	Agriculture	1.1	1.8
Lao P.D.R.	Post and Telecommunications	1.0	1.8
Lao P.D.R.	Retail Trade	0.9	1.5
Lao P.D.R.	Transport	0.7	1.3
Lao P.D.R.	Petroleum, Chemical and Non-Metallic Mineral Products	0.6	1.1

Source: AJC-UNCTAD-Eora database on ASEAN GVCs.

Malaysia: the United States, China and Australia contributed the most in foreign value added of hotel and restaurant exports. Malaysia is recognized globally as one of the leading tourism destinations, ranking in the top 10 in arrivals and top 15 in global receipts. Hotels and restaurants constitute an important part of the tourism sector in the country. In 2016, hotel supply in Malaysia reached 4,817 hotels and 309,369 rooms. The Malaysian food service sector has more than 30,000 outlets. The country received 26.8 million tourists from Singapore (13.3 million), Indonesia (3.1 million), China (2.1), Thailand (1.8 million), Brunei (1.4 million), India (0.64 million), the Republic of Korea (0.44 million), the Philippines (0.42 million), Japan (0.41 million) and the United Kingdom (0.40 million) (Tourism Malaysia).

The majority of Malaysians opt to buy import goods when there is an option to do so. Therefore, locally made products usually have fewer supports from Malaysians as they have been perceived to be of low quality in terms of reliability and attractiveness. This shows that locally made products have lesser competency even in local market. Therefore, the country shows the largest foreign value added share of 43 per cent in the hotel and restaurant industry among ASEAN countries (table 3). In other words, the lowest share of value added trade is attributed to the country's GDP. Among foreign countries contributing hotel and restaurant exports, the United States is the leader, followed by Australia (figure 13). Many hotels are United States owned, and many foods are imported from Australia. Despite their importance in providing inputs to the industry, these countries do not produce the largest numbers of arrivals. Of note, China's crop production is the sixth largest contributor to the value added creation of hotel and restaurant exports from Malaysia (table 9).

Figure 13. **Foreign value added in exports of hotels and restaurants from Malaysia, 2013: 10 largest contributors** (Millions of dollars)



Source: AJC-UNCTAD-Eora database on ASEAN GVCs.

Table 9. **Ten largest contributors to exports of hotels and restaurants from Malaysia, 2013** (Millions of dollars and per cent)

Contributing country	Contributing industry	Contributing value	Share in gross exports (%)
Malaysia	Hotels & restaurants	1197.5	36.3
Malaysia	Wholesale & retail trade	103	3.1
Malaysia	Agricultural products other	80.6	2.4
Malaysia	Fish etc.	70.8	2.1
Malaysia	Electricity & gas	65.6	2
China	Crop cultivation	47.1	1.4
Malaysia	Other foods	31.1	0.9
Malaysia	Transport	29.6	0.9
Malaysia	Banking services	29.5	0.9
Malaysia	Oils and fats	28.6	0.9

Source: AJC-UNCTAD-Eora database on ASEAN GVCs.

Myanmar: major contributors are all domestic players. According to the Ministry of Hotels and Tourism, in 2016 there were 1,432 hotels, motels and guesthouses with 56,429 bedrooms. Today 56 foreign hotels (and commercial complexes) have been completed (33), are under construction (11) or have permits from the (Myanmar Investment Commission (12). Following recent market liberalization initiatives, there has been an influx of international franchises from the United States and Asia in the food and beverage sector. Franchise businesses started with a couple of local and international fast food franchise chains in 2013. Nearly 60 leading franchises were operating at the end of 2016.

The share of travel and tourism in total national investment was only 0.8 per cent in 2016. Sizeable investment, including foreign investment, only started after the lifting of economic sanctions

against the country. Singapore is recorded as the largest international source of foreign investment in the hotel industry, accounting for over \$1.6 billion as of 2016, from \$3 billion in 1989. The next largest investors are Thailand and Vietnam, with \$450 million each. Japanese investment in hotels and industry is small, only \$73 million at the end of 2016. Statistics from 2013 for value added trade show almost nothing for foreign value added (just 0.1 per cent) (table 3). This implies that, however small the hotel and restaurant industry is, it relied on domestic products in catering to foreign tourists in 2013. More than half of value added exports of hotels and restaurants in 2013 came from the domestic industry (table 10).

Table 10. Ten largest contributors to exports of hotels and restaurants from Myanmar, 2013
(Millions of dollars and per cent)

Contributing country	Contributing industry	Contributing value	Share in gross exports (%)
Myanmar	Hotels and Restaurants	27.3	56.2
Myanmar	Financial Intermediation and Business Activities	4.6	9.5
Myanmar	Wholesale Trade	3.4	7.1
Myanmar	Food & Beverages	2.4	4.9
Myanmar	Post and Telecommunications	2	4.1
Myanmar	Transport	1.4	2.8
Myanmar	Petroleum, Chemical and Non-Metallic Mineral Products	1.2	2.5
Myanmar	Agriculture	1.1	2.3
Myanmar	Wood and Paper	0.9	1.8
Myanmar	Retail Trade	0.8	1.6

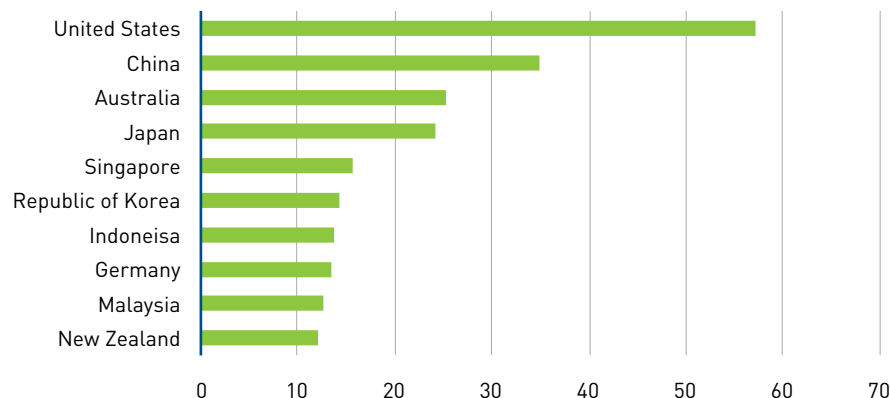
Source: AJC-UNCTAD-Eora database on ASEAN GVCs.

Philippines: The United States is the largest creator of foreign value added, partly because it is the largest owner of international hotels in the country. In the formal economy, 5,492 establishments with 20 or more employees are engaged in the accommodation and food service activities sector, according to the 2015 Annual Survey of Philippine Business and Industry. Restaurants and mobile food service activities led the sector, with 3,942 establishments accounting for 72 per cent of the establishments, followed by short-term accommodation activities by 1,210 establishments (22 per cent). The five hotel groups with the top market share, namely Shangri-La, Marriott, Mandarin Oriental, New World and Hyatt are all foreign owned or under foreign management contracts.

Although foreign-owned hotels play an important role in the hotel market, the hotel and restaurant industry does not import much for use in provision of services but tends to use local resources. Therefore, the share of foreign value added in hotel and restaurant exports is only one-tenth, much lower than the ASEAN average (table 3).

The largest source country of Philippine hotels and restaurants is the United States, which inputs about \$60 million in materials to Philippine exports in this industry. The United States is the second largest source of travelers to the Philippines at nearly 100,000 passengers in 2016. This figure is exceeded only by the Republic of Korea. However, Philippine purchases of Korean products for use at hotels and restaurants are not large, at \$14 million (figure 14). Because of the smaller share of foreign value added in value added exports, no foreign country appears as the largest contributor at the industry level (table 11).

Figure 14. **Foreign value added in exports of hotels and restaurants from the Philippines, 2013: 10 largest contributors** (Millions of dollars)



Source: AJC-UNCTAD-Eora database on ASEAN GVCs.

Table 11. **Ten largest contributors to exports of hotels and restaurants from the Philippines, 2013**
(Millions of dollars and per cent)

Contributing country	Contributing industry	Contributing value	Share in gross exports [%]
Philippines	Restaurants	1 551.1	45.1
Philippines	Hotel	705.1	20.5
Philippines	Wholesale and retail trade	160.1	4.7
Philippines	Slaughtering, meat products and dairy products	131.6	3.8
Philippines	Other food products	71.1	2.1
Philippines	Livestock and poultry	70.3	2.0
Philippines	Food crops	65.4	1.9
Philippines	Other services	55.6	1.6
Philippines	Electricity and gas	40.5	1.2
Philippines	Milled grain and flour	27.3	0.8

Source: AJC-UNCTAD-Eora database on ASEAN GVCs.

Singapore: all of the large contributors to value added exports of hotels and restaurants are foreign countries. At the end of 2016, the number of hotels was 413 and their number of rooms was 63,850. More and more restaurants have also opened. Today some 3,000 belong to the Restaurant Association of Singapore, compared to 2,426 in 2012. According to the Department of Statistics of the Singapore Tourism Board, in 2016, the hotel industry provided employment for about 35,000 people and the food and beverage industry employed nearly 10 times more—about 300,000. Strong tourism receipts resulted from visitors spending more on food and beverages, as well as accommodation. Foreign travelers to Singapore spend the second largest amount in ASEAN after Thailand, in both the tourism sector as a whole and in the hotel and restaurant industry.

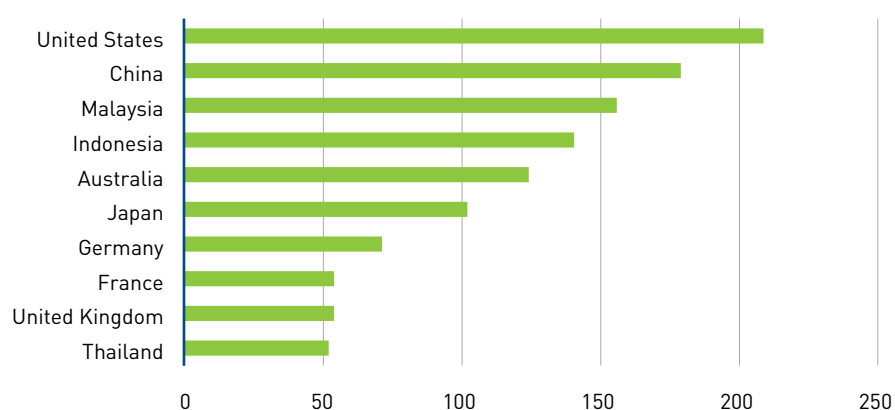
Given the fact that, with little farming land and limited fishing grounds, Singapore imports over 90 per cent of the food consumed in the country, hotels and restaurants naturally also rely on imported materials importing them directly from abroad or buying them at local markets. Purchases of imported

goods at local markets are not considered as imports to the hotel and restaurant industry, but included in other industries such as retail. However, as long as non-resident or foreign travelers consume at hotels and restaurants, no matter where the materials originate, their payment is recorded as travel in the BoP and tourism expenditures as defined in the tourism satellite account (box 1).

Singapore attracted 16 million tourists from abroad in 2016 with Indonesia, China, Malaysia, India and Australia being the source countries of more than 1 million travelers each. Japan, Thailand, the United States and the United Kingdom are also large sources, with more than or nearly 0.5 million travelers. All of these countries (except India) are among the top 10 contributors of value added to Singapore's hotels and restaurants (figure 15).

At the individual industry level, all of the largest contributors to value added exports of hotels and restaurants are foreign companies, including those in mining and construction materials, and in foods (table 12).

Figure 15. **Foreign value added in exports of hotels and restaurants from Singapore, 2013: 10 largest contributors** (Millions of dollars)



Source: AJC-UNCTAD-Eora database on ASEAN GVCs.

Table 12. **Ten largest contributors to exports of hotels and restaurants from Singapore, 2013** (Millions of dollars and per cent)

Contributing country	Contributing industry	Contributing value	Share in gross exports [%]
Australia	Architectural aluminium	1 423.6	23
Hong Kong, China	Petroleum and coal	1 263.5	20.4
Israel	Photographic activities and other business activities n.e.c.	507.8	8.2
United States	Poultry and egg production	249.1	4
Australia	Forwarding agencies	149.8	2.4
United Kingdom	Organic: Manufacture of starches and starch products	110.7	1.8
United States	Animal production, except cattle and poultry and eggs	91.2	1.5
Australia	Fabricated metal products	85.5	1.4
New Zealand	Starches	74.4	1.2
New Zealand	Pesticides	64.7	1

Source: AJC-UNCTAD-Eora database on ASEAN GVCs.

Thailand: China is the largest creator of foreign value added to hotel and restaurant exports. In 2013, there were some 10,000 hotel and guesthouse establishments in all categories, with a capacity of nearly 0.5 million room in total. There were 11,020 restaurants registered with the Ministry of Commerce as of March 2016. Other statistics show that in the hotel, restaurant and institutional food service sector, there are 150,000 outlets including some 100,000 restaurants, though most are not necessarily frequented by foreign travelers. However, general restaurants have been replaced in the market by restaurant chains such as Oishi, Fuji, Zen, MK Suki, S&P, Black Canyon and Seefah, which are also becoming more popular with foreign tourists because of their convenience.

Average spending per tourist is about \$150 per day with 19 per cent spent on food and drink, 30 per cent on accommodations, 24 per cent on shopping, 11 per cent on entertainment, 10 per cent on transportation and 4 per cent on sightseeing. Thus, half of spending is for hotel and restaurant services.

About 97.5 per cent of hotels and guesthouses in Thailand are owned by domestic private entrepreneurs; foreign investors and joint ventures account for the rest, only 2.5 per cent of the total. The majority of the income, about 67 per cent, is from room sales and about 33 per cent is from restaurant services at these hotels and guesthouses. There are minimal barriers to entry for newcomers entering the market. The industry has steadily expanded in recent years, driven by continuous growth in the country's tourism sector. As Thailand is an agricultural country, the hotel and restaurant industry can receive local outputs for foods. Therefore, the foreign value added share in exports is less than the ASEAN average, at 12 per cent. Among the top 10 contributors to domestic value added creators are the hotel and restaurant industry, as well as various infrastructure-related industries (table 13).

China is by far the largest source of foreign tourists at 8.7 million, accounting for one quarter of all foreign tourists in 2016, followed by Malaysia with 3.5 million. China is also the largest provider of foreign inputs to Thailand's hotels and restaurants (figure 16). To lessen income fluctuation, the hotel industry is targeting different market segments through retaining existing markets – for example, European tourists, who are less sensitive to political events, tend to stay longer and have more spending power – while courting tourists from Asian countries whose income is growing. Thus, more acquisition of foreign inputs from Europe and Asia may come out stronger.

Figure 16. Foreign value added in exports of hotels and restaurants from Thailand, 2013: 10 largest contributors (Millions of dollars)

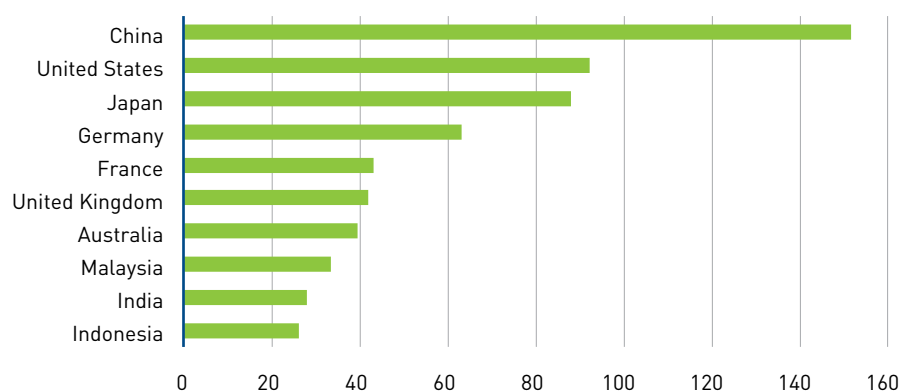


Table 13. Ten largest contributors to exports of hotels and restaurants from Thailand, 2013
(Millions of dollars and per cent)

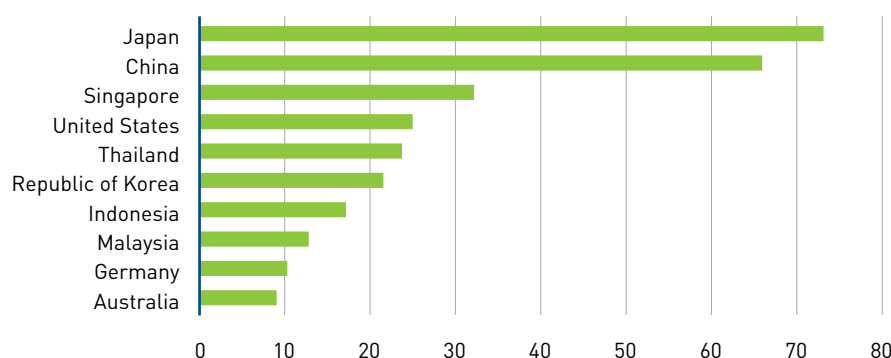
Contributing country	Contributing industry	Contributing value	Share in gross exports (%)
Thailand	Restaurant and Drinking Place	1 963.7	22.9
Thailand	Hotel and Lodging Place	1 795.2	20.9
Thailand	Electricity	482.9	5.6
Thailand	Retail Trade	425.6	5.0
Thailand	Wholesale Trade	384.2	4.5
Thailand	Breweries	231.1	2.7
Thailand	Post and Telecommunication	172.3	2
Thailand	Banking Services	143.1	1.7
Thailand	Cement	113.7	1.3
Thailand	Slaughtering	112.8	1.3

Source: AJC-UNCTAD-Eora database on ASEAN GVCs.

Viet Nam: Japan is the largest contributor of foreign value added, and its wholesale trade is one of the top 10 individual industry contributors. According to the Vietnam National Administration of Tourism, Viet Nam had 18,800 accommodation establishments in 2015, with 355,000 bedrooms. Vietnam's food service sector in 2013 consisted of over 440,000 street stalls and kiosks, nearly 8,000 fast-food restaurants, 85,000 full-service restaurants and 24,000 cafeterias and bars. Of 148 foreign brands that registered their franchising businesses in Vietnam in 2016, fast food, bakery, coffee, drinks and restaurants accounted for 44 per cent of all franchise contracts signed.⁴

Japan and China are the largest countries providing inputs to Vietnam's hotel and restaurant services (figure 17). China is the largest source country of foreign tourists in Vietnam, accounting for more than one quarter of the 10 million visitors. Japan is the third largest, with 0.7 million, after the Republic of Korea with 1.5 million. More than 35 per cent of foreign inputs to this sector come from these two countries. After Japan's hotels and restaurants, Japan's wholesale trade contributed most to the value added exports of hotels and restaurants (table 14).

Figure 17. Foreign value added in exports of hotels and restaurants from Vietnam, 2013: 10 largest contributors (Millions of dollars)



Source: AJC-UNCTAD-Eora database on ASEAN GVCs.

⁴ International Trade Administration, U.S. Department of Commerce, 2017, Vietnam - Franchising Industry Sector (<https://www.export.gov/article?id=Vietnam-Franchising-Industry-Sector>).

Table 14. Ten largest contributors to exports of hotels and restaurants from Viet Nam, 2013
(Millions of dollars and per cent)

Contributing country	Contributing industry	Contributing value	Share in gross exports (%)
Viet Nam	Restaurants	559.8	38.2
Viet Nam	Hotels	289.2	19.7
Japan	Wholesale trade	43.4	3
Viet Nam	Cude oil, natural gas (except exploration)	36.4	2.5
Viet Nam	Trade	27	1.8
Viet Nam	Communication services	25.7	1.8
Viet Nam	Real estate business and consultancy services	25.5	1.7
Viet Nam	Electricity, gas	20.5	1.4
China	Wholesale and retail trade	13.4	0.9
Viet Nam	Banking, credit, treasury	12.7	0.9

Source: AJC-UNCTAD-Eora database on ASEAN GVCs.

Travel operators and agencies is another tourism industry; though data are limited, this industry seems to be more involved in GVCs than others in the sector.

Along with hotels and restaurants, travel and tour operators are key actors in the tourism sector. Large tour operators own travel agents, and even airlines and hotels. Many travel operators are wholesalers and facilitators, acting as distributors of those tourism services. Tour operators produce package tours that combine two or more components of tourism services (e.g. transport, accommodation, food provision, sightseeing) and sell through travel agencies.

Tour operators can boost the volume of tourist arrivals, which promotes both employment creation and economic development. It is also true that high tourist volumes elicited by providing low-cost holiday tours (because of bulk buying and low input prices from host countries and communities) exert a downward pressure on prices and reduce profits for host countries. This is reflected in the low spending by travelers in ASEAN: the average expenditures per foreign traveler in ASEAN constantly declined recently, from \$1,030 in 2012 to \$970 in 2015.

For estimating trade in value added, data are available for only two countries, namely, Singapore and Viet Nam (table 15). It is not possible to estimate this trade for the other eight ASEAN countries. Singapore is an advanced tourism country, whereas Viet Nam is in the development stage. However limited, the data from these two countries provide interesting and contrasting information. Generally speaking, this particular tourism industry tends to use more foreign inputs in delivering its services to non-resident travelers.

⁵ It is calculated as follows: total expenditures by foreign travelers in ASEAN (table 2) divided by the number of foreign travelers in ASEAN (reported by the ASEAN Secretariat)

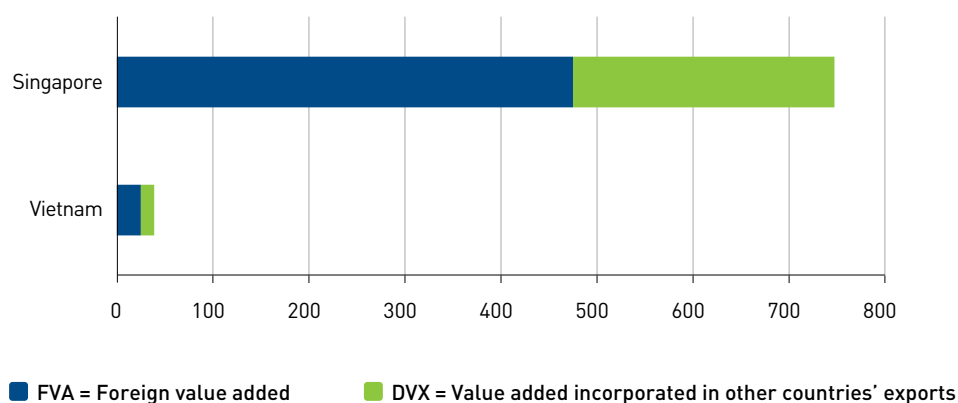
Table 15. Value added exports from travel agency and tour operator services in ASEAN, 2013
(Millions of dollars and per cent)

Country	Value			Share		
	Gross exports	Domestic value added	Foreign value added	Gross exports	Domestic value added	Foreign value added
Brunei Darussalam	..	..	..	..	..	..
Cambodia	..	..	..	..	..	..
Indonesia	..	..	..	..	..	..
Lao People's Democratic Republic	..	..	..	..	..	..
Malaysia	..	..	..	..	..	..
Myanmar	..	..	..	..	..	..
Philippines	..	..	..	..	..	..
Singapore	1 096	620	476	100	56.6	43.4
Thailand	..	..	..	..	..	..
Viet Nam	78	52	25	100	67.2	32.8
Total	1 173	672	502	100	57.3	42.7

Source: AJC-UNCTAD-Eora database on ASEAN GVCs.
Note: Data available for Singapore and Viet Nam only.

In the travel operators and agencies industry, data on Singapore and Viet Nam show greater integration of the two countries into the international tourism network: two thirds of their trade is either foreign value added or value added incorporated in other countries' exports (DVX) (figure 18).

Figure 18. GVC participation in travel operators and agencies in ASEAN, 2013: value and its share in gross exports of travel operators and agencies (Millions of dollars)



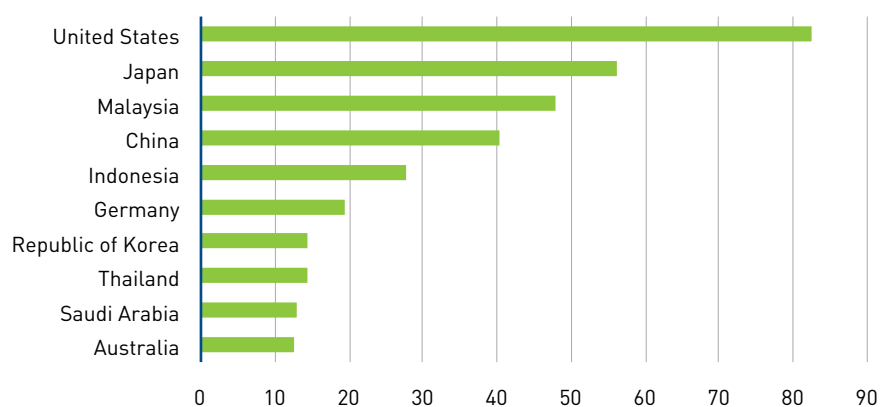
Source: AJC-UNCTAD-Eora database on ASEAN GVCs.

Singapore: domestic travel agencies, as well as foreign transport services are large contributors to exports. Today, there are over 1,000 travel agencies in Singapore. Success in the tourism sector depends highly on nurturing a good-quality workforce that is capable of delivering excellent customer service. The staffs currently filling these roles are mainly foreigners from Malaysia, China and Viet Nam, and the numbers of Filipinos are increasing in these industries. Only small percentages of Singaporeans can be found in today's front line operations. The turnover especially in front-line operations is extremely high and rapid. Under this labour constraint, Singapore has to continue to recruit or foster a talented workforce with specialized tourism-related skills or new capabilities.

Singapore's travel agencies and tour operators have a higher tendency to use imported materials than its hotels and restaurants, 43 per cent versus 27 per cent, though their value added trade is much smaller, only one sixth that of the hotel and restaurant industry. In both industries, the United States is the largest provider of foreign inputs; the second largest for travel agents and tour operators is Japan (figure 19), which ranks sixth for the hotel and restaurant industry. Although other countries figure among the top 10 contributors in both industries, an interesting observation is Saudi Arabia. As Singapore is a hub of tourism in Asia, Saudi Arabia offers assistance to Muslim pilgrims who attend the annual Hajj gathering in Mecca. Saudi Arabian travelers made up fewer than 15,000 visitors to Singapore in 2016.

Most of the industries creating large value added for Singapore travel agencies and tour operators are transport industries, including those from Japan, Malaysia, Indonesia and the United States (table 16).

Figure 19. **Foreign value added in exports of travel agencies and tour operators from Singapore, 2013: 10 largest contributors** (Millions of dollars)



Source: AJC-UNCTAD-Eora database on ASEAN GVCs.

Table 16. Ten largest contributors to exports of travel operators and agencies from Singapore, 2013 (Millions of dollars and per cent)

Contributing country	Contributing industry	Contributing value	Share in gross exports (%)
Singapore	Sight-seeing & tourism	413	37,7
Singapore	Supporting services to water transport	37,4	3,4
Singapore	Communications	29,6	2,7
Singapore	Water transport	25,8	2,4
Japan	Road freight transport	17,2	1,6
Singapore	Real estate	15,9	1,4
Malaysia	Transport	14,9	1,4
Malaysia	Business services	14,1	1,3
Indonesia	Transportation	9,7	0,9
United States	Air transportation	9,7	0,9

Source: AJC-UNCTAD-Eora database on ASEAN GVCs.

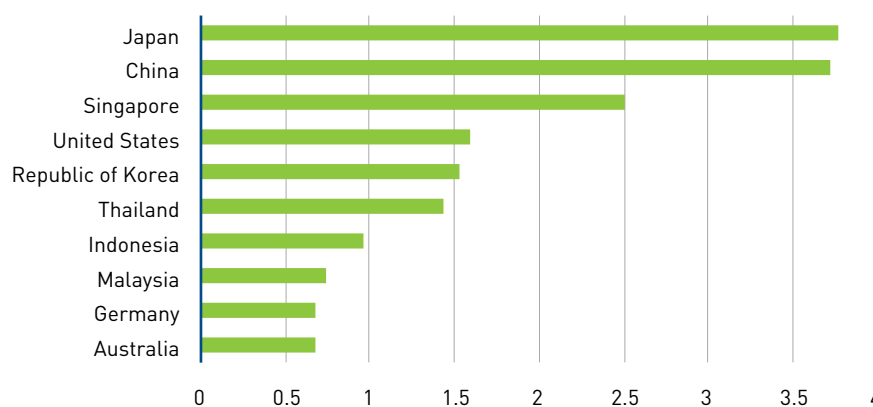
Viet Nam: among the top 10 industries contributing to Viet Nam's exports, the only foreign source is Japan's wholesalers. There are more than 1,500 tour operators and travel agencies in the country. In Ho Chi Minh City alone, there are about 1,000 travel firms. In accordance with the Vietnamese laws on tourism, only foreign tourism companies (not foreign individuals) can collaborate with a Vietnamese tourism company to establish a joint venture that provides tourism services in Viet Nam. However, such joint ventures number only 15, the same number since 2011. The foreign investor must be carrying out tourism services in the country where it was established, and the Vietnamese party must have a license issued by the Vietnamese government in order to carry out foreign tourism services.

Other operational constraints limit the growth of travel agencies and tour operators. The new tourism law requires travel services managers to have formal degrees and qualifications. Because of this, many tour operators are worried that they may be forced to attend school again to meet higher requirements. Thus, value added trade in this particular tourism industry is small, just 5 per cent of hotels and restaurants. The small amount is also due to the fact that local tour companies have to attract travelers by lowering prices instead of offering quality products, because their services are almost the same.

Thus, travelers, including foreign tourists, tend to use services from foreign online travel agencies instead of Vietnamese service providers. Agoda and Booking are the two leading agencies in Vietnam, holding 80 per cent of the booking services and serving both outbound and inbound tourists.

One third of Viet Nam's travel agency and tour operator services exports is provided with materials from tourism within the country as far as the largest 10 contributors are concerned (table 17). The foreign country ranking in providing inputs to the Viet Nam's exports in this sector is somewhat different (figure 20). Vietnam provides the transport services for its exports of travel agencies and tour operators, and the role of foreign transport services is limited, unlike in Singapore (table 17).

Figure 20. **Foreign value added in exports of travel agencies and tour operators from Vietnam, 2013: 10 largest contributors** (Millions of dollars)



Source: AJC-UNCTAD-Eora database on ASEAN GVCs.

Table 17. **Ten largest contributors to exports of travel agencies and operators from Viet Nam, 2013** (Millions of dollars and per cent)

Contributing country	Contributing industry	Contributing value	Share in gross exports [%]
Viet Nam	Tourism	27,2	35,1
Viet Nam	Transportation	4,2	5,4
Viet Nam	Banking, credit, treasury	3,8	4,9
Viet Nam	Hotels	2,8	3,6
Viet Nam	Electricity, gas	2,3	2,9
Viet Nam	Communication services	1,8	2,4
Japan	Wholesale trade	1,8	2,3
Viet Nam	Trade	1,4	1,8
Viet Nam	Restaurants	1,2	1,5
Viet Nam	Real estate business and consultancy services	1	1,2

Source: AJC-UNCTAD-Eora database on ASEAN GVCs.

ASEAN and Japan are important partners for the tourism sector...

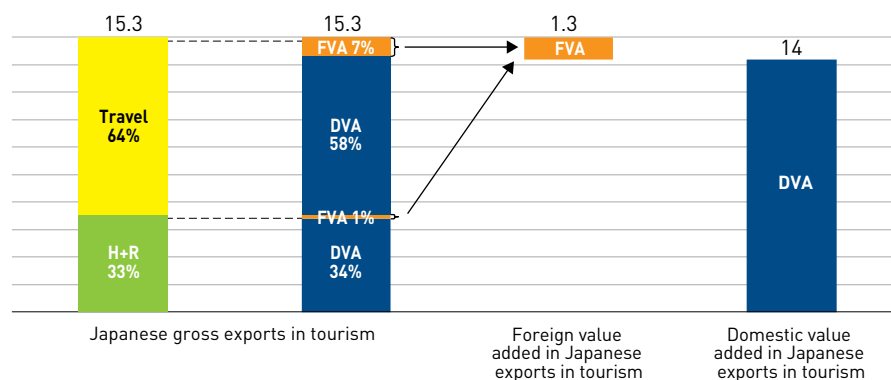
Like ASEAN, Japan’s value added trade exports of tourism are rising, reaching \$15.3 billion by 2013 (table 18). The structure of its value added shows that 8 per cent of Japan’s gross exports use foreign value added exports (table 18 and figure 21). Imports from ASEAN that were used in Japan’s tourism exports amounted to \$137 million, or 11 per cent of total foreign value added – less than 1 per cent of gross exports (table 18).

Although its importance is declining, Japan is still a significant country for ASEAN inbound tourism as it contributed \$394 million or 1.3 per cent of ASEAN’s exports of hotels and restaurants. ASEAN contributes \$108 million in inputs (1.1 per cent) in Japan’s hotel and restaurant exports,⁶ and \$29 million (0.5 per cent) in Japan’s tour operators and agencies exports in 2013 (table 18).

ASEAN inputs to Japanese exports (or non-resident payments to goods and services provided by tourism services in Japan) accounted for 9 per cent of the total foreign value added of Japan’s exports of hotel and restaurant services and 12 per cent of Japan’s exports of travel operators and agencies services. Whereas Japanese inbound tourism benefits mainly its own industries (as in any country), Japanese tourism exports benefit foreign industries, including those of ASEAN.

The largest beneficiary country among ASEAN member states whose exports to Japan are triggered by Japanese exports in the beneficiary’s tourism sector is Indonesia, in hotels and restaurants and in tour agencies and operators (table 18).

Figure 21. The structure of Japanese value added exports in tourism, 2013 (Billions of dollars)



Source: AJC-UNCTAD-Eora database on ASEAN GVCs.

Note: DVA = domestic value added. FVA = foreign value added.

⁶ This industry is a combination of the following four industries: General eating and drinking places (except coffee shops); Coffee shops; Eating and drinking places for pleasures; and Hotels and other lodging places, for which statistics on value added trade are available separately.

Table 18. Value-added exports of Japanese tourism sector, 1990-2013 (Millions of dollars)

	1990	1995	2000	2005	2010	2013
Hotels and restaurants (A)						
Gross exports	2 710	5 053	4 859	8 847	9 006	9 877
Domestic value added	2 560	4 826	4 600	8 143	8 285	8 837
Foreign value added	150	227	259	704	721	1 040
Of which, ASEAN	12	21	25	71	75	108
Brunei Darussalam	0	0	1	2	2	2
Indonesia	4	8	9	24	30	42
Cambodia	0	0	0	0	0	0
Lao P.D.R.	0	0	0	0	0	0
Myanmar	0	0	0	0	0	1
Malaysia	1	2	4	11	11	15
Philippines	1	2	2	6	7	11
Singapore	0	1	1	4	4	6
Thailand	3	6	6	19	18	27
Viet Nam	1	1	2	5	3	4
Travel agency and other services relating to transport (B)						
Gross exports	1 894	3 583	1 938	3 957	4 947	5 394
Domestic value added	1 857	3 521	1 897	3 841	4 803	5 187
Foreign value added	37	62	42	116	144	207
Of which, ASEAN	4	7	5	16	21	29
Brunei Darussalam	0	0	0	0	1	1
Indonesia	1	3	2	5	7	10
Cambodia	0	0	0	0	0	0
Lao P.D.R.	0	0	0	0	0	0
Myanmar	0	0	0	0	0	0
Malaysia	1	1	1	4	5	6
Philippines	1	1	1	2	3	4
Singapore	0	1	0	2	2	3
Thailand	1	1	1	2	2	4
Viet Nam	0	0	0	1	0	1
Tourism sector (A+B)						
Gross exports	4 604	8 636	6 798	12 804	13 953	15 271
Domestic value added	4 417	8 347	6 497	11 984	13 088	14 024
Foreign value added	187	289	301	820	866	1 247
Of which, ASEAN	16	29	30	86	96	137
Brunei Darussalam	0	1	1	2	2	3
Indonesia	5	11	11	29	37	52
Cambodia	0	0	0	0	0	0
Lao P.D.R.	0	0	0	0	0	0
Myanmar	0	0	0	0	0	1
Malaysia	2	3	5	14	16	21
Philippines	1	3	2	8	10	15
Singapore	1	2	2	6	7	10
Thailand	4	7	6	21	20	31
Viet Nam	2	2	3	6	3	4

Source: AJC-UNCTAD-Eora database on ASEAN GVCs.

... as shown by an estimation that a \$1 million increase of Japanese exports in hotels and restaurants and in travel operators and agencies attracts some \$11,000 and \$5,400, respectively, from ASEAN as inputs.

GVCs relate one industry in a country not only with other in-country industries but also with industries in other countries. Therefore, any increase or decrease in demand for the tourism sector affects industries in other countries. For ASEAN, Japanese inbound tourism is an example. In 2013, Japanese gross exports in hotels and restaurants and in travel agencies and operators services amounted to \$9.6 billion and \$5.1 billion, respectively. In that year, Japan used \$108 million and \$29 million in inputs from ASEAN, respectively, in these exports. If the relationship between ASEAN's contribution to total Japanese exports and Japanese exports to respective tourism industries holds, a \$1 million increase in exports of hotels and restaurants and of travel operators and agencies from Japan precipitates imports worth \$11,000 and \$5,400, respectively, from ASEAN, according to 2013 data.

The industries in ASEAN that are most affected by Japanese exports in these two tourism industries are petroleum in Indonesia and Malaysia, wholesale in Indonesia and Thailand, and food in Thailand, Indonesia and the Philippines (tables 19 and 20).

GVCs are spread throughout economies, but less so in the services sector than in the manufacturing sector (AJC 2017). In the case of the hotel and restaurant industry in ASEAN, as noted, the share of foreign value added (import contents in exports) in 2013 was 17 per cent, much less than the all-industry average (38 per cent). This lower share demonstrates that the tourism sector does not require much foreign input; nonetheless, there is some impact on foreign exports. Thus, Japanese inbound tourism, which has risen dramatically recently, has also brought benefits to foreign countries with which the Japanese tourism sector has linkages.

Table 19. The 50 largest industries of ASEAN that can increase exports to Japan's hotel and restaurant exports, 2013

Rank	Country	Industry	Value of ASEAN's input to Japan's exports (\$1,000)	Increases per \$1 million increase in Japanese exports (dollar)
1	Indonesia	Crude petroleum and natural gas	15 957	1 616
2	Malaysia	Crude petrol, natural gas and coal	4 984	505
3	Indonesia	Other metallic ore	4 879	494
4	Indonesia	Wholesale and retail trade	4 595	465
5	Thailand	Ocean and coastal fishing	3 743	379
6	Thailand	Canning and preserving of fish	3 692	374
7	Thailand	Wholesale trade	3 408	345
8	Indonesia	Fish products	2 839	287
9	Indonesia	Fishery	2 084	211
10	Philippines	Wholesale and retail trade	2 045	207
11	Malaysia	Business services	1 801	182
12	Indonesia	Transportation	1 656	168
13	Philippines	Food crops	1 620	164
14	Thailand	Retail trade	1 572	159
15	Philippines	Other services	1 347	136
16	Indonesia	Other services	1 238	125
17	Malaysia	Wholesale and retail trade	1 230	125
18	Indonesia	Refined petroleum and its products	1 163	118
19	Indonesia	Finance and insurance	1 065	108
20	Thailand	Noodles and similar products	979	99
21	Singapore	Wholesale and retail trades	970	98
22	Thailand	Cement	886	90
23	Philippines	Fish products	772	78
24	Brunei Darussalam	Financial intermediation and business activities	764	77
25	Viet Nam	Crude oil, natural gas (except exploration)	713	72
26	Indonesia	Food crops	678	69
27	Thailand	Canning and preserving of meat	658	67
28	Indonesia	Other food products	648	66
29	Philippines	Other food products	638	65
30	Philippines	Transportation	623	63
31	Thailand	Other cereals	565	57
32	Malaysia	Petrol and coal products	554	56
33	Malaysia	Forestry and logging products	554	56
34	Viet Nam	Coal	541	55
35	Thailand	Banking services	540	55
36	Thailand	Canning of fruits and vegetables	533	54
37	Philippines	Fishery	521	53
38	Malaysia	Oils and fats	501	51
39	Malaysia	Transport	470	48
40	Thailand	Electricity	453	46
41	Brunei Darussalam	Mining and quarrying	441	45
42	Philippines	Finance and insurance	440	45
43	Viet Nam	Trade	430	44
44	Singapore	Banks and finance companies	425	43
45	Thailand	Post and telecommunication	413	42
46	Indonesia	Telephone and telecommunication	397	40
47	Indonesia	Pulp and paper	388	39
48	Indonesia	Forestry	374	38
49	Viet Nam	Fishery	370	37
50	Thailand	Slaughtering	365	37

Source: AJC-UNCTAD-Eora database on ASEAN GVCs.

Table 20. The largest 50 industries of ASEAN that can increase exports to Japan's travel agencies and operators exports, 2013

Rank	Country	Industry	Value of ASEAN's input to Japan's exports (\$1,000)	Increases per \$1 million increase in Japanese exports (dollar)
1	Indonesia	Crude petroleum and natural gas	3 408	632
2	Malaysia	Business services	2 175	403
3	Philippines	Other services	2 080	386
4	Indonesia	Other services	1 811	336
5	Malaysia	Crude petrol, natural gas and coal	1 076	200
6	Indonesia	Other metallic ore	1 049	194
7	Indonesia	Telephone and telecommunication	577	107
8	Indonesia	Transportation	554	103
9	Indonesia	Finance and insurance	547	101
10	Indonesia	Wholesale and retail trade	508	94
11	Singapore	Other business and technical services	464	86
12	Singapore	Advertising and exhibitions	387	72
13	Thailand	Post and telecommunication	373	69
14	Malaysia	Wholesale and retail trade	362	67
15	Malaysia	Transport	357	66
16	Thailand	Wholesale trade	343	64
17	Malaysia	Other private services	315	58
18	Indonesia	Pulp and paper	299	55
19	Philippines	Wholesale and retail trade	294	55
20	Singapore	Wholesale and retail trade	275	51
21	Indonesia	Refined petroleum and its products	267	50
22	Philippines	Transportation	220	41
23	Malaysia	Communication	220	41
24	Philippines	Finance and insurance	215	40
25	Brunei Darussalam	Financial intermediation and business activities	213	39
26	Thailand	Air transport	173	32
27	Malaysia	Radio, TV and communication equipment	165	31
28	Thailand	Retail trade	152	28
29	Malaysia	Forestry and logging products	151	28
30	Malaysia	Banking services	146	27
31	Singapore	Architectural and engineering services	143	26
32	Thailand	Cement	140	26
33	Singapore	Communications	137	25
34	Malaysia	Household machinery	136	25
35	Thailand	Business service	133	25
36	Malaysia	Petrol and coal products	131	24
37	Viet Nam	Crude oil, natural gas (except exploration)	130	24
38	Singapore	Banks and finance companies	129	24
39	Singapore	Real estate	127	24
40	Malaysia	Real estate	127	24
41	Thailand	Library and museum	127	23
42	Thailand	Paints, varnishes and lacquers	122	23
43	Thailand	Electricity	118	22
44	Viet Nam	Coal	115	21
45	Singapore	Management consultants	115	21
46	Singapore	Air transport	109	20
47	Malaysia	Other financial services	100	19
48	Philippines	Pulp and paper	100	18
49	Philippines	Semiconductors and integrated circuits	98	18
50	Indonesia	Motor vehicles	98	18

Source: AJC-UNCTAD-Eora database on ASEAN GVCs.

ASEAN needs a general policy framework for ASEAN GVCs in tourism which contains five basic elements: embedding GVCs in tourism development strategies and policies; ...

Although international organizations have also recognized the importance of GVCs in the tourism sector (e.g. OECD, UNWTO and WTO 2013) and ASEAN has shown its commitment to strengthening GVCs in ASEAN Vision 2025, ASEAN has not explicitly determined and confirmed its path to GVCs in the tourism sector.

In its strategic direction, which is to “upgrade local communities and public-private sector participation in the tourism value chain”, ASEAN recognized the importance of participation in value chains to promote local community development (see the ASEAN Tourism Strategic Plan 2016–2025). The Plan therefore proposes to increase the number of community-based tourism projects.

From the viewpoint of sustainable tourism, it is important to emphasize community development through tourism, but it is also important to participate in GVCs to increase the competitiveness of the tourism sector through innovation and through the transfer of technology and management know-how from abroad. Both domestic and international value chains are required.

... enabling tourism GVC growth by maintaining a conducive environment and by putting in place infrastructural prerequisites; ...

As shown, tourism services are the least liberalized of the services industries (AJC 2017). ASEAN has continued to liberalize the provision of services by four modes. Although tourism services are supplied mainly through Mode 2 (consumption abroad) and Mode 3 (commercial presence), the Hoekman index of liberalization⁷ for these modes do not necessarily show that higher degree of liberalization (AJC 2017). This implies that there is room for further liberalization and deregulation.

The quality and competitiveness of tourism services depends on the infrastructure required for providing tourism services. In many parts of ASEAN, the lack of tourism infrastructure development is widespread. The Travel and Tourism Competitiveness Index of the World Economic Forum shows that ASEAN member states diverge in terms of scores and ranks: among 136 economies, Singapore ranks 13th, whereas Cambodia ranks 101st (table 21). Many ASEAN member states should focus on upgrading the 14 subcomponents of the four different areas that constitute the Index, particularly an enabling environment (with the following five sub-components: business environment, safety and security, health and hygiene, human resources and labour market, and ICT readiness), and infrastructure (with the following three sub-components: air transport, ground and port, and tourist service).

⁷ Hoekman (1995) proposes an indexation method for measuring the GATS-style degree of commitment in the services sector. This method assigns values to each of eight cells (four modes and two aspects – market access (MA) or national treatment (NT)), as follows: first, assign the value 1 when the sector at issue is “fully liberalized”; 0.5 when “limited (but bound)”; 0 when unbound” (government has not committed to liberalize) by sub-sector, by mode and by aspect (market access or national treatment), and take the simple average for aggregation; then calculate the average value by services sector and by country.

Table 21. World Economic Forum's Travel & Tourism Competitiveness Index, 2017

Country	Score of Travel and Tourism Competitiveness Index (rank)	Score of Enabling environment (rank)				
		Business Environment	Safety and Security	Health and Hygiene	Human Resources and Labor Market	ICT Readiness
<i>ASEAN member state</i>						
Brunei Darussalam	..	..	..	..	..	..
Cambodia	3.3 (101)	3.7 (125)	5.5 (88)	4.0 (109)	4.1 (110)	3.6 (101)
Indonesia	4.2 (42)	4.5 (60)	5.1 (91)	4.3 (108)	4.6 (64)	3.8 (91)
Lao P.D.R.	3.4 (94)	4.7 (47)	5.4 (66)	4.3 (106)	4.6 (65)	3.1 (115)
Malaysia	4.5 (26)	5.4 (17)	5.8 (41)	5.2 (77)	5.2 (22)	5.2 (39)
Myanmar	..	..	..	..	..	..
Philippines	3.6 (79)	4.3 (82)	3.6 (126)	4.8 (92)	4.8 (50)	4.0 (86)
Singapore	4.9 (13)	6.1 (2)	6.5 (6)	5.5 (62)	5.6 (5)	6.1 (14)
Thailand	4.4 (34)	4.7 (45)	4.0 (118)	4.9 (90)	4.9 (40)	4.8 (58)
Vietnam	3.8 (67)	4.5 (68)	5.6 (57)	5.0 (82)	4.9 (37)	4.2 (80)
<i>Memorandum countries</i>						
Spain	5.43 (1)	4.39 (75)	6.2 (18)	6.3 (24)	4.9 (34)	5.5 (29)
Japan	5.26 (4)	5.31 (20)	6.1 (26)	6.4 (17)	5.2 (20)	6.1 (10)
United States	5.20 (5)	5.44 (16)	5.2 (84)	5.7 (56)	5.5 (13)	6.0 (19)
Korea	4.6 (19)	4.7 (44)	5.8 (37)	6.4 (20)	4.9 (43)	6.2 (8)
China	4.7 (15)	4.2 (92)	5.0 (95)	5.4 (67)	5.2 (25)	4.6 (64)

Source: World Economic Forum (2017).

Note: Out of 136 economies. Brunei Darussalam and Myanmar are not included. The index ranges from 1 (lowest) to 7 (highest). Due to rounding, ranks with the same score might not match.

Score of Travel & Tourism Policy and Enabling Conditions (rank)				Score of Infrastructure (rank)			Score of Nature and Cultural Resources (rank)	
Prioritization of Travel and Tourism	International Openness	Price competitiveness	Environmental Sustainability	Air Transport Infrastructure	Ground and Port Infrastructure	Tourist Service Infrastructure	Natural Resources	Cultural Resources and Business Travel
5.1 (29)	3.5 (58)	5.1 (51)	3.3 (130)	2.1 (96)	2.4 (108)	2.9 (102)	3.2 (62)	1.6 (76)
5.6 (12)	4.3 (17)	6.0 (5)	3.2 (131)	3.8 (36)	3.2 (69)	3.1 (96)	4.7 (14)	3.3 (23)
4.7 (54)	3.0 (71)	5.7 (14)	3.8 (98)	2.1 (97)	2.4 (111)	3.5 (86)	3.0 (71)	1.3 (107)
4.7 (55)	4.1 (35)	6.1 (3)	3.5 (123)	4.5 (21)	4.4 (34)	4.7 (46)	4.1 (28)	2.9 (34)
..
4.8 (53)	3.4 (60)	5.5 (22)	3.6 (118)	2.7 (65)	2.5 (107)	3.4 (87)	4.0 (37)	1.9 (60)
6.0 (2)	5.2 (1)	4.7 (91)	4.3 (51)	5.3 (6)	6.3 (2)	5.4 (24)	2.4 (103)	3.1 (28)
5.0 (34)	3.8 (52)	5.6 (18)	3.6 (122)	4.6 (20)	3.1 (72)	5.8 (16)	4.9 (7)	2.8 (37)
4.0 (101)	3.0 (73)	5.3 (35)	3.4 (129)	2.8 (61)	3.1 (71)	2.6 (113)	4.0 (34)	3.0 (30)
5.9 (5)	4.0 (43)	4.5 (98)	4.6 (31)	5.0 (9)	5.2 (15)	6.7 (2)	4.9 (9)	6.8 (2)
5.4 (18)	4.4 (10)	4.6 (94)	4.4 (45)	4.6 (18)	5.4 (10)	5.3 (29)	4.3 (26)	6.5 (4)
5.3 (20)	4.0 (38)	4.4 (106)	3.6 (115)	6.0 (2)	4.6 (26)	6.6 (3)	4.9 (10)	4.8 (13)
4.6 (63)	4.3 (14)	4.7 (88)	4.2 (63)	4.3 (27)	5.0 (17)	4.6 (50)	2.3 (114)	4.9 (12)
4.8 (50)	3.0 (72)	5.3 (38)	3.2 (132)	4.3 (24)	4.0 (44)	3.2 (92)	5.3 (5)	6.9 (1)

... building productive capacities in local firms to leverage tourism multiplier effects; ...

GVCs in tourism, like those in other industries, provide both opportunities and challenges. Inbound tourism affects the economy directly and indirectly (annex table 1). In the case of tourism, the indirect impact is large, compared with that of other industries (AJC 2017). Thus, promoting tourism also promotes the whole economy through linkage effects.

To maximize this effect and leverage its higher values, local firms in other industries affected by tourism spending should have capabilities enough to cater to requests from the tourism industry (i.e. affordable and accessible quality transport services; quality agricultural foods). Higher multiplier effects bring a higher level of demand for the entire economy, leading to higher growth of the economy.

... mitigating the risks involved in tourism GVC participation, which requires a strong environmental, social and governance framework; and ...

Tourism is vulnerable to environmental damages and social degradation because of the sheer number of travelers who do not necessarily appreciate tourism resources. Host countries have thought that they need to have a balance between the income generated from tourism services and the environmental and social impacts from tourism. However, it is time to recognize that these two things stand together and do not necessarily conflict. In other words, sustainable tourism can make possible both increases in travel income and protection and preservation of tourism assets.

It is imperative, therefore, that travelers and stakeholders understand the meaning of sustainable tourism and contribute to the maintenance of and even improvements to tourism resources. The AJC provides technical assistance to ASEAN member states on matters such as accessible tourism, community-based tourism and interpretation training.

... strengthening ASEAN tourism competitiveness through harnessing FDI for sustainable tourism.

Tourism destinations in ASEAN tend to offer similar attractions. They become interchangeable, like standard commodities. This means that travelers as well as tour operators can easily switch to destinations that offer more favourable terms (higher-quality product at a lower price). This increases the vulnerability of ASEAN locations, if they rely more on foreign tour operators and travelers than domestic ones in producing tourism services. In this respect, competition among tourism services companies becomes important.

Nevertheless, foreign direct investment (FDI) has played an important role for economic development in any sector. FDI can increase the competitiveness of the sector through not only providing capital but also transferring technology and management know-how. This strengthens the relationships between companies and creates international networks.

Strengthening GVCs in tourism can be made possible by attracting FDI and non-equity modes of investment (e.g. management contracts in the hotel industry, licensing contracts in tour operators, franchising agreements in restaurants) and strengthens GVCs. There is a positive relationship between GVC participation and FDI presence (AJC 2017a).

Attracting high-quality tourism FDI paves the way to creating and consolidating international or regional tourism networks. However, tourism FDI has grown only at a slow pace. In tourism activities, non-equity modes are much used instead of FDI. During 2015–2016, FDI in accommodation and food service activities as reported by ASEAN was only \$550 million per year, accounting for a mere 0.5 per cent of all FDI inflows (ASEAN and UNCTAD 2017). Indeed, recent tourism investment has been more related to hotels than to infrastructure that facilitates tourism arrivals. Although there are large investments in the hotel industry, such as that by Sino-America Gaming Investment Group (United States) in the Philippines, Marriott International in Singapore, Accor (France) in Myanmar and Thailand, and Melia Hotels International (Sol Melia Hotels & Resorts) (Spain) in Myanmar – all of which were undertaken in 2016 – management contracts that do not involve equity capital are also popular in the hotel industry in ASEAN (e.g. see AJC 2017b). The slow and small FDI in tourism activities is also due to the slow pace of liberalization of the sector (AJC 2017).

If foreigners provide or are involved in integrated services, including transportation, accommodation and sightseeing, ASEAN countries may avoid becoming interchangeable destinations, but their involvement reduces benefits that may belong to ASEAN. ASEAN touts connectivity. GVCs and connectivity reinforce each other. The more integrated the tourism sector is, the more ASEAN countries are involved in GVCs.

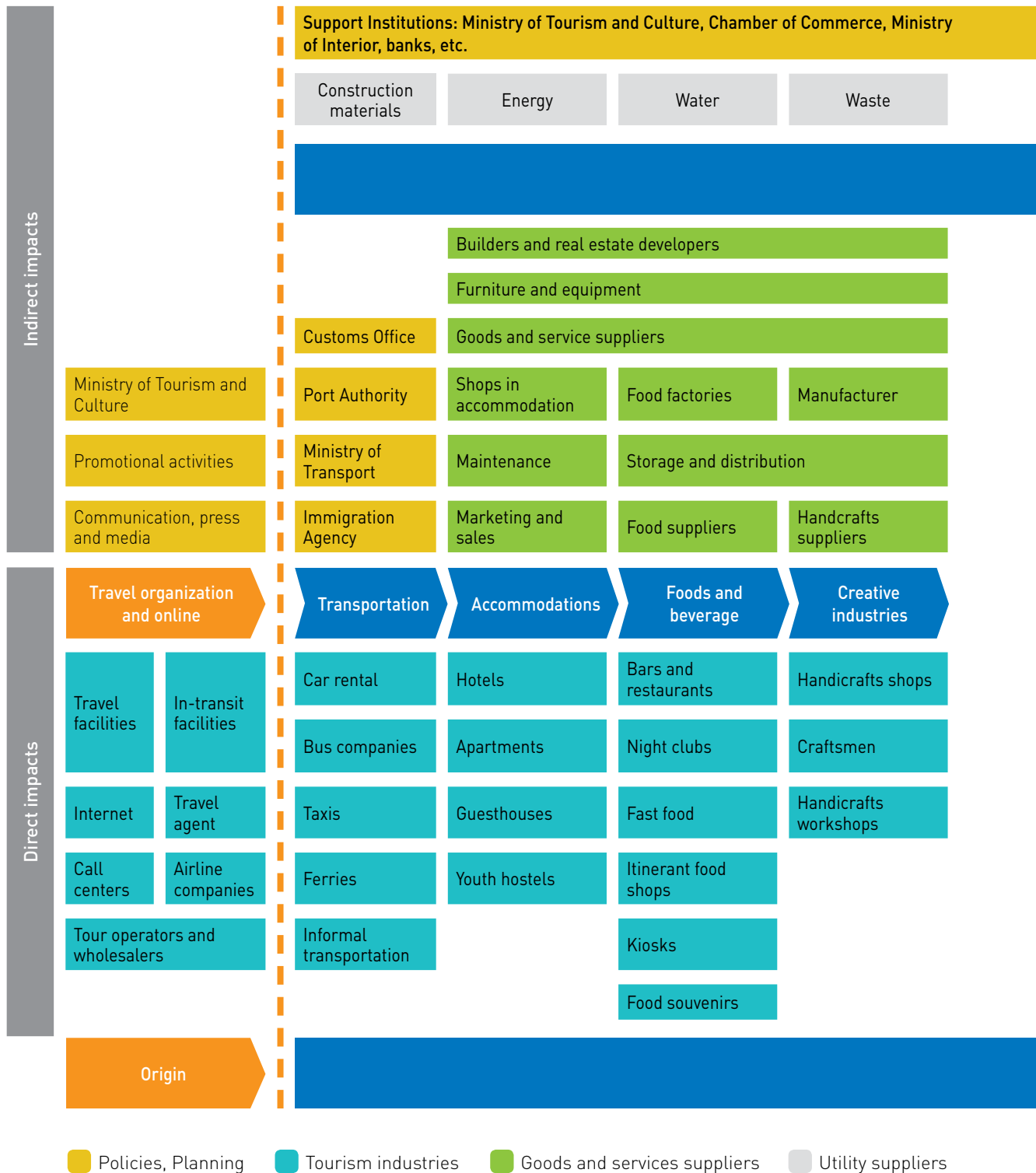
All entities involved in the same GVCs face the same fate. If the business goes well, all firms along the chains benefit. The reverse is also true. The impact of synergies is greater in the case of GVCs than otherwise. All firms, be they tour organizers, transport service providers, catering services, hotel managers or accommodation staffers, can share the same goal. That is the strength of tourism GVCs.

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ANNEXES

Annex table 1. Typical value chains in the tourism sector



Source: Based on OECD, UNWTO and WTO (2013).



Education	Communications	Public security and health
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Infrastructure Support

Site signals		Trade companies
Restoration	ICT equipment	Wholesalers
Management		Technology shops
Maintenance	Brochure producers	Factories
		Oil stations

Tourism assets	Leisure, excursions and tours	Support services
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Cultural assets: archaeology, communities, ethnic groups, museums, tourism attractions, intangible assets	Shops	Information centers
	Tour guide organizations	Grocery shops and retail outlets
Natural assets: lakes, rivers, reefs, and mountains, forests, species of flora and fauna, etc.	Independent tour guides	Laundries
	Transport guides and escorts	Security and bank services
	Spas	Internet cafés
	Wellness services	

At the destination

Annex table 2. Value added exports of hotels and restaurants from ASEAN, by value added creator, 1990–2013 (Millions of dollars)

Value added creator	Exports from ASEAN					
	1990	1995	2000	2005	2010	2013
World	581	1 342	1 460	2 711	4 318	5 167
Developed countries	360	857	856	1 518	2 257	2 613
Europe	146	333	316	612	869	1 047
European Union	135	308	292	569	794	960
Austria	2	5	5	11	15	18
Belgium	7	18	17	34	44	54
Denmark	4	11	10	19	25	29
Finland	2	4	4	9	12	15
France	24	52	48	95	130	159
Germany	34	75	64	127	188	228
Ireland	2	4	5	12	15	18
Italy	13	28	27	52	72	88
Netherlands	12	33	31	55	75	88
Spain	5	11	10	25	33	40
Sweden	6	10	8	16	23	28
United Kingdom	20	45	52	90	123	145
Other developed Europe	10	26	24	44	75	87
Norway	3	9	9	16	26	28
Switzerland	7	16	14	27	48	57
North America	92	240	260	398	589	683
Canada	8	19	24	42	65	77
United States	84	221	236	356	524	605
Other developed countries	122	284	280	507	799	883
Australia	30	80	87	169	320	382
Japan	84	182	167	283	389	394
New Zealand	7	19	22	48	78	93
Developing countries	215	477	595	1 168	2 015	2 491
Africa	7	17	20	41	68	79
South Africa	2	7	8	17	26	31
South America	7	19	21	41	78	92
Brazil	2	6	7	15	27	34
Venezuela	1	3	4	6	18	19
Mexico	1	3	5	9	14	17
Caribbean	1	2	3	4	7	8
Asia	197	435	544	1 069	1 842	2 287
West Asia	18	36	43	93	137	180
Kuwait	2	5	6	17	20	27
Qatar	0	1	2	5	11	15
Saudi Arabia	6	10	11	21	34	45
United Arab Emirates	6	9	10	23	32	45
South, East and South-east Asia	179	399	501	976	1 705	2 107
China	25	73	102	253	500	646
Hong Kong, China	6	16	19	28	34	37
Korea, Republic of	15	36	41	74	111	132
Taiwan Province of China	52	43	59	56	55	55
India	6	24	32	81	162	197
Iran, Islamic Republic of	1	5	6	13	23	31
ASEAN	72	196	235	461	803	985
Brunei Darussalam	1	1	2	4	5	7
Cambodia	0	1	1	2	2	3
Indonesia	16	56	60	115	228	278
Lao People's Democratic Republic	0	1	1	2	3	4
Malaysia	21	37	48	105	197	236
Myanmar	2	5	11	10	22	30
Philippines	3	12	10	23	45	55
Singapore	13	34	42	82	138	170
Thailand	13	42	49	102	149	189
Vietnam	3	7	11	17	12	13
Oceania	0	1	1	2	3	4
Transition economies	7	9	9	25	46	63
Russian Federation	5	6	7	19	35	49
Domestic value added	3 692	6 879	6 701	11 826	19 370	24 611
Gross exports	4 273	8 221	8 161	14 537	23 688	29 777

Source: AJC-UNCTAD-Eora database on ASEAN GVCs.

Note: All values are estimated. The region or country refers to that to which the value added is attributed. For the GVC terminology, see box 2.

Annex table 3. Value added exports of travel agency and tour operator services from ASEAN, by value added creator, 1990–2013 (Millions of dollars)

	Value added creator	Exports from ASEAN					
		1990	1995	2000	2005	2010	2013
Foreign value added	World	38	84	87	205	409	502
	Developed countries	25	57	53	118	211	250
	Europe	6	14	15	35	67	84
	European Union	6	12	13	32	60	75
	Austria	0	0	0	1	1	2
	Belgium	0	1	1	1	3	3
	Denmark	0	0	0	1	1	1
	Finland	0	0	0	1	1	1
	France	1	2	2	4	8	9
	Germany	1	3	3	8	16	20
	Ireland	0	0	0	1	1	1
	Italy	1	1	1	3	6	7
	Netherlands	0	1	1	2	5	6
	Spain	0	0	0	1	2	3
	Sweden	0	0	0	1	2	2
	United Kingdom	1	2	3	6	11	13
	Other developed Europe	1	1	1	3	7	9
	Norway	0	0	0	1	2	2
	Switzerland	0	1	1	3	6	7
	North America	11	25	20	42	74	89
	Canada	0	1	1	2	4	5
	United States	11	24	19	40	70	84
	Other developed countries	8	18	18	40	70	76
	Australia	1	1	2	4	11	13
	Japan	7	16	16	35	57	60
	New Zealand	0	0	0	0	1	1
	Developing countries	12	26	34	86	194	246
	Africa	0	1	1	3	6	7
	South Africa	0	0	0	1	2	2
	South America	0	1	1	2	6	7
	Brazil	0	0	0	1	2	2
	Venezuela	0	0	0	1	3	3
	Mexico	0	0	0	1	2	2
	Caribbean	0	0	0	0	1	1
	Asia	11	24	31	80	180	230
	West Asia	2	3	4	13	26	36
	Kuwait	0	0	1	2	5	6
	Qatar	0	0	0	1	4	6
	Saudi Arabia	1	2	2	5	10	13
	United Arab Emirates	0	1	1	2	4	6
	South, East and South-east Asia	9	21	27	67	154	194
	China	1	2	3	10	33	44
	Hong Kong, China	0	1	1	3	5	6
	Korea, Republic of	1	3	4	8	13	16
	Taiwan Province of China	2	2	3	4	5	5
India	0	0	1	2	6	7	
Iran, Islamic Republic of	0	1	1	2	4	5	
ASEAN	4	11	15	39	88	110	
Brunei Darussalam	0	0	0	0	1	1	
Cambodia	0	0	0	0	0	0	
Indonesia	1	3	3	9	23	29	
Lao People's Democratic Republic	0	0	0	0	0	0	
Malaysia	1	4	7	18	40	49	
Myanmar	0	0	0	0	0	0	
Philippines	0	1	1	4	9	12	
Singapore	0	0	0	1	2	2	
Thailand	1	2	2	6	12	16	
Vietnam	0	0	0	1	1	1	
Oceania	0	0	0	0	0	0	
Transition economies	0	0	0	2	4	5	
Russian Federation	0	0	0	1	2	4	
Domestic value added	60	116	130	255	513	672	
Gross exports	98	200	217	460	922	1 173	

Source: AJC-UNCTAD-Eora database on ASEAN GVCs.

Note: All values are estimated. The region or country refers to that to which the value added is attributed. For the GVC terminology, see box 2.

Annex table 4.1. Value added exports of hotels and restaurants from ASEAN, by value added creator, 1990
(Millions of dollars)

Value added creator		Brunei Darussalam	Cambodia	Indonesia
Foreign value added	World	17	0	29
	Developed countries	7	0	19
	Europe	3	0	6
	European Union	3	0	6
	Austria	0	0	0
	Belgium	0	0	0
	Denmark	0	0	0
	Finland	0	0	0
	France	0	0	1
	Germany	1	0	2
	Ireland	0	0	0
	Italy	0	0	0
	Netherlands	0	0	1
	Spain	0	0	0
	Sweden	0	0	0
	United Kingdom	1	0	1
	Other developed Europe	0	0	0
	Norway	0	0	0
	Switzerland	0	0	0
	North America	2	0	6
	Canada	0	0	1
	United States	2	0	5
	Other developed countries	2	0	7
	Australia	1	0	3
	Japan	1	0	4
	New Zealand	0	0	0
	Developing countries	10	0	9
	Africa	0	0	0
	South Africa	0	0	0
	South America	0	0	1
	Brazil	0	0	0
	Venezuela	0	0	0
	Mexico	0	0	0
	Caribbean	0	0	0
	Asia	9	0	8
	West Asia	0	0	1
	Kuwait	0	0	0
	Qatar	0	0	0
	Saudi Arabia	0	0	1
	United Arab Emirates	0	0	0
	South, East and South-east Asia	9	0	7
China	0	0	1	
Hong Kong, China	0	0	0	
Korea, Republic of	0	0	1	
Taiwan Province of China	1	0	2	
India	0	0	0	
Iran, Islamic Republic of	0	0	0	
ASEAN	7	0	3	
Brunei Darussalam	-	0	0	
Cambodia	0	-	0	
Indonesia	0	0	-	
Lao People's Democratic Republic	0	0	0	
Malaysia	4	0	1	
Myanmar	0	0	0	
Philippines	0	0	0	
Singapore	2	0	1	
Thailand	1	0	1	
Vietnam	0	0	0	
Oceania	0	0	0	
Transition economies	0	0	0	
Russian Federation	0	0	0	
Domestic value added	73	3	645	
Gross exports	90	3	674	

Source: AJC-UNCTAD-Eora database on ASEAN GVCs.

Note: All values are estimated. The region or country refers to that to which the value added is attributed. For the GVC terminology, see box 2.

Hotel and restaurant exports from ASEAN

Lao People's Democratic Republic	Malaysia	Myanmar	Philippines	Singapore	Thailand	Vietnam
0	96	1	49	130	173	87
0	62	0	31	83	125	33
0	20	0	11	32	60	13
0	19	0	11	30	55	12
0	0	0	0	1	1	0
0	1	0	0	1	3	1
0	1	0	1	1	1	0
0	0	0	0	0	1	0
0	3	0	2	5	10	2
0	5	0	2	7	15	3
0	0	0	0	0	1	0
0	2	0	1	3	5	1
0	2	0	1	3	4	1
0	1	0	1	1	2	0
0	1	0	0	1	3	0
0	2	0	1	5	8	2
0	1	0	1	2	5	1
0	0	0	0	1	1	0
0	1	0	0	1	3	0
0	18	0	10	24	26	7
0	1	0	1	1	3	1
0	16	0	9	23	22	6
0	24	0	10	26	39	14
0	9	0	3	8	5	2
0	12	0	5	17	33	11
0	2	0	1	1	1	0
0	33	1	17	46	46	52
0	1	0	1	1	2	1
0	0	0	0	0	1	0
0	1	0	1	2	2	1
0	0	0	0	1	1	0
0	0	0	0	0	0	0
0	0	0	0	0	0	0
0	0	0	0	1	0	0
0	31	0	16	42	41	49
0	2	0	2	3	8	2
0	0	0	0	0	1	0
0	0	0	0	0	0	0
0	0	0	1	1	2	1
0	0	0	1	0	4	0
0	29	0	13	39	33	48
0	5	0	2	5	6	6
0	1	0	1	1	1	1
0	2	0	2	2	4	5
0	5	0	4	5	10	24
0	2	0	0	2	2	0
0	0	0	0	0	0	0
0	12	0	5	24	10	11
0	0	0	0	0	1	0
0	0	0	0	0	0	0
0	3	0	1	7	2	2
-	0	0	0	0	0	0
0	-	0	1	12	3	1
0	1	-	0	1	1	0
0	1	0	-	1	0	1
0	2	0	1	-	2	4
0	5	0	1	3	-	3
0	1	0	0	1	0	-
0	0	0	0	0	0	0
0	1	0	1	1	2	2
0	1	0	1	1	2	1
3	153	20	486	330	1 567	412
4	248	21	535	460	1 740	499

Annex table 4.2. Value added exports of hotels and restaurants from ASEAN, by value added creator, 1995
(Millions of dollars)

Value added creator		Brunei Darussalam	Cambodia	Indonesia
Foreign value added	World	16	2	77
	Developed countries	7	1	51
	Europe	3	0	16
	European Union	3	0	15
	Austria	0	0	0
	Belgium	0	0	1
	Denmark	0	0	0
	Finland	0	0	0
	France	0	0	2
	Germany	1	0	4
	Ireland	0	0	0
	Italy	0	0	1
	Netherlands	0	0	2
	Spain	0	0	1
	Sweden	0	0	1
	United Kingdom	1	0	2
	Other developed Europe	0	0	1
	Norway	0	0	0
	Switzerland	0	0	1
	North America	2	0	15
	Canada	0	0	1
	United States	2	0	14
	Other developed countries	2	0	19
	Australia	1	0	7
	Japan	1	0	12
	New Zealand	0	0	1
	Developing countries	9	1	26
	Africa	0	0	1
	South Africa	0	0	0
	South America	0	0	1
	Brazil	0	0	1
	Venezuela	0	0	0
	Mexico	0	0	0
	Caribbean	0	0	0
	Asia	8	1	23
	West Asia	0	0	3
	Kuwait	0	0	1
	Qatar	0	0	0
	Saudi Arabia	0	0	1
	United Arab Emirates	0	0	0
	South, East and South-east Asia	8	1	20
	China	0	0	4
Hong Kong, China	0	0	0	
Korea, Republic of	0	0	3	
Taiwan Province of China	0	0	2	
India	0	0	1	
Iran, Islamic Republic of	0	0	0	
ASEAN	7	1	9	
Brunei Darussalam	-	0	0	
Cambodia	0	-	0	
Indonesia	1	0	-	
Lao People's Democratic Republic	0	0	0	
Malaysia	2	0	2	
Myanmar	0	0	0	
Philippines	0	0	0	
Singapore	3	0	4	
Thailand	1	0	2	
Vietnam	0	0	1	
Oceania	0	0	0	
Transition economies	0	0	1	
Russian Federation	0	0	0	
Domestic value added	109	11	1 594	
Gross exports	125	13	1 672	

Source: AJC-UNCTAD-Eora database on ASEAN GVCs.

Note: All values are estimated. The region or country refers to that to which the value added is attributed. For the GVC terminology, see box 2.

Hotel and restaurant exports from ASEAN

Lao People's Democratic Republic	Malaysia	Myanmar	Philippines	Singapore	Thailand	Vietnam
1	401	0	128	307	310	101
0	256	0	80	194	220	48
0	90	0	29	73	106	16
0	82	0	27	68	97	15
0	1	0	0	1	2	0
0	6	0	1	4	5	1
0	4	0	3	2	2	0
0	1	0	1	1	1	0
0	13	0	4	12	17	3
0	18	0	6	16	26	4
0	1	0	0	1	2	0
0	7	0	2	6	9	1
0	13	0	3	7	7	1
0	3	0	1	2	4	0
0	3	0	1	2	3	0
0	10	0	3	12	16	2
0	7	0	2	5	9	1
0	2	0	1	2	3	1
0	5	0	1	3	5	1
0	77	0	27	62	48	8
0	5	0	3	3	5	1
0	72	0	24	58	43	7
0	89	0	25	59	66	24
0	37	0	7	17	10	2
0	41	0	14	38	53	22
0	10	0	3	3	2	0
0	144	0	46	112	87	52
0	5	0	1	4	4	1
0	2	0	1	2	2	0
0	6	0	2	4	5	1
0	2	0	1	1	1	0
0	1	0	0	1	1	0
0	1	0	0	1	1	0
0	0	0	0	1	0	0
0	133	0	42	102	76	50
0	7	0	5	6	13	2
0	1	0	0	1	2	1
0	0	0	0	0	0	0
0	1	0	2	2	2	1
0	1	0	2	1	5	0
0	126	0	37	96	63	48
0	22	0	6	16	15	10
0	5	0	2	3	3	2
0	7	0	5	6	8	6
0	8	0	5	7	8	12
0	13	0	1	4	4	1
0	1	0	1	1	1	0
0	66	0	15	58	23	18
0	0	0	0	0	1	0
0	1	0	0	0	0	0
0	18	0	4	24	6	4
-	0	0	0	0	1	0
0	-	0	3	21	7	2
0	2	-	0	1	2	0
0	7	0	-	3	1	1
0	12	0	5	-	4	6
0	23	0	3	8	-	6
0	3	0	1	1	1	-
0	0	0	0	0	0	0
0	1	0	1	1	3	1
0	1	0	1	1	2	1
8	319	20	871	827	2 634	485
8	721	21	998	1 134	2 944	586

Annex table 4.3. Value added exports of hotels and restaurants from ASEAN, by value added creator, 2000
(Millions of dollars)

Value added creator		Brunei Darussalam	Cambodia	Indonesia
Foreign value added	World	10	2	89
	Developed countries	4	1	53
	Europe	2	0	17
	European Union	2	0	16
	Austria	0	0	0
	Belgium	0	0	1
	Denmark	0	0	0
	Finland	0	0	0
	France	0	0	2
	Germany	0	0	4
	Ireland	0	0	0
	Italy	0	0	1
	Netherlands	0	0	2
	Spain	0	0	1
	Sweden	0	0	0
	United Kingdom	0	0	2
	Other developed Europe	0	0	1
	Norway	0	0	0
	Switzerland	0	0	1
	North America	1	0	17
	Canada	0	0	2
	United States	1	0	15
	Other developed countries	1	0	19
	Australia	1	0	8
	Japan	1	0	10
	New Zealand	0	0	1
	Developing countries	6	1	35
	Africa	0	0	2
	South Africa	0	0	0
	South America	0	0	2
	Brazil	0	0	1
	Venezuela	0	0	0
	Mexico	0	0	0
	Caribbean	0	0	0
	Asia	6	1	31
	West Asia	0	0	4
	Kuwait	0	0	1
	Qatar	0	0	0
	Saudi Arabia	0	0	2
	United Arab Emirates	0	0	0
South, East and South-east Asia	5	1	28	
China	0	0	5	
Hong Kong, China	0	0	1	
Korea, Republic of	0	0	4	
Taiwan Province of China	0	0	3	
India	0	0	1	
Iran, Islamic Republic of	0	0	0	
ASEAN	4	1	12	
Brunei Darussalam	-	0	0	
Cambodia	0	-	0	
Indonesia	0	0	-	
Lao People's Democratic Republic	0	0	0	
Malaysia	1	0	3	
Myanmar	0	0	0	
Philippines	0	0	1	
Singapore	2	0	5	
Thailand	0	0	3	
Vietnam	0	0	1	
Oceania	0	0	0	
Transition economies	0	0	1	
Russian Federation	0	0	1	
Domestic value added	129	13	1 480	
Gross exports	139	16	1 569	

Source: AJC-UNCTAD-Eora database on ASEAN GVCs.

Note: All values are estimated. The region or country refers to that to which the value added is attributed. For the GVC terminology, see box 2.

Hotel and restaurant exports from ASEAN

Lao People's Democratic Republic	Malaysia	Myanmar	Philippines	Singapore	Thailand	Vietnam
1	510	0	124	336	269	118
0	303	0	73	201	172	48
0	103	0	25	75	75	19
0	94	0	23	70	69	17
0	1	0	0	1	1	0
0	7	0	1	3	3	1
0	4	0	2	2	1	0
0	1	0	1	1	1	0
0	15	0	4	13	11	3
0	20	0	5	15	17	5
0	1	0	0	1	2	0
0	9	0	2	6	7	2
0	14	0	3	7	5	1
0	3	0	1	2	3	1
0	3	0	1	2	2	0
0	14	0	4	14	14	3
0	8	0	2	6	6	2
0	3	0	1	2	3	1
0	6	0	1	3	3	1
0	95	0	27	66	42	11
0	7	0	3	5	5	1
0	88	0	23	61	38	9
0	105	0	21	60	55	19
0	44	0	6	19	7	2
0	46	0	12	37	45	16
0	13	0	3	3	2	0
0	206	0	50	133	95	68
0	7	0	1	5	4	2
0	3	0	0	2	2	0
0	7	0	2	5	4	1
0	3	0	1	2	1	0
0	1	0	0	1	1	0
0	2	0	0	1	1	0
0	0	0	0	2	0	0
0	189	0	46	120	85	65
0	9	0	7	7	13	3
0	1	0	0	1	2	1
0	0	0	0	1	1	0
0	2	0	2	3	2	1
0	1	0	3	1	4	0
0	180	0	40	112	72	62
0	43	0	6	17	19	11
0	7	0	3	4	2	3
0	10	0	5	7	6	8
0	16	0	6	9	11	14
0	18	0	2	6	4	1
0	1	0	2	1	1	0
0	82	0	16	67	28	24
0	0	0	0	0	1	0
0	1	0	0	0	0	0
0	24	0	4	24	5	4
-	0	0	0	0	0	0
0	-	0	4	28	8	4
0	2	-	0	1	7	0
0	5	0	-	2	1	1
0	18	0	5	-	4	8
0	27	0	3	9	-	7
0	6	0	1	2	1	-
0	0	0	0	0	0	0
0	2	0	1	2	2	2
0	1	0	1	1	2	1
8	628	22	809	944	2 037	631
9	1 138	22	933	1 280	2 306	749

Annex table 4.4. Value added exports of hotels and restaurants from ASEAN, by value added creator, 2005
(Millions of dollars)

Value added creator		Brunei Darussalam	Cambodia	Indonesia
Foreign value added	World	22	6	144
	Developed countries	9	2	82
	Europe	4	1	29
	European Union	4	1	27
	Austria	0	0	1
	Belgium	0	0	2
	Denmark	0	0	0
	Finland	0	0	1
	France	0	0	4
	Germany	1	0	7
	Ireland	0	0	1
	Italy	0	0	2
	Netherlands	0	0	3
	Spain	0	0	1
	Sweden	0	0	1
	United Kingdom	1	0	4
	Other developed Europe	0	0	2
	Norway	0	0	1
	Switzerland	0	0	1
	North America	2	0	23
	Canada	0	0	3
	United States	2	0	20
	Other developed countries	3	1	30
	Australia	1	0	13
	Japan	1	0	15
	New Zealand	0	0	2
	Developing countries	13	3	61
	Africa	0	0	3
	South Africa	0	0	1
	South America	0	0	3
	Brazil	0	0	1
	Venezuela	0	0	0
	Mexico	0	0	0
	Caribbean	0	0	0
	Asia	12	3	54
	West Asia	0	0	7
	Kuwait	0	0	2
	Qatar	0	0	0
	Saudi Arabia	0	0	3
	United Arab Emirates	0	0	1
	South, East and South-east Asia	12	3	47
China	1	1	12	
Hong Kong, China	0	0	1	
Korea, Republic of	0	0	6	
Taiwan Province of China	0	0	3	
India	0	0	3	
Iran, Islamic Republic of	0	0	1	
ASEAN	10	2	22	
Brunei Darussalam	-	0	0	
Cambodia	0	-	0	
Indonesia	1	0	-	
Lao People's Democratic Republic	0	0	0	
Malaysia	3	0	6	
Myanmar	0	0	0	
Philippines	0	0	1	
Singapore	5	0	8	
Thailand	1	1	5	
Vietnam	0	0	1	
Oceania	0	0	0	
Transition economies	0	0	1	
Russian Federation	0	0	1	
Domestic value added	227	31	2 492	
Gross exports	250	36	2 636	

Source: AJC-UNCTAD-Eora database on ASEAN GVCs.

Note: All values are estimated. The region or country refers to that to which the value added is attributed. For the GVC terminology, see box 2.

Hotel and restaurant exports from ASEAN

Lao People's Democratic Republic	Malaysia	Myanmar	Philippines	Singapore	Thailand	Vietnam
1	877	0	203	693	515	249
0	498	0	119	388	309	111
0	184	0	42	160	156	36
0	170	0	39	149	145	33
0	3	0	1	3	3	1
0	13	0	2	8	8	2
0	8	0	3	4	3	1
0	2	0	1	2	2	0
0	27	0	6	27	24	6
0	37	0	8	32	35	8
0	3	0	1	2	4	0
0	15	0	3	14	14	3
0	22	0	4	13	9	3
0	7	0	2	6	7	1
0	5	0	1	4	4	1
0	22	0	5	27	25	5
0	14	0	3	11	11	3
0	4	0	1	4	5	1
0	9	0	2	7	5	2
0	138	0	40	113	62	19
0	12	0	6	9	9	2
0	126	0	34	104	52	17
0	176	0	36	115	91	55
0	79	0	12	42	16	5
0	68	0	17	63	69	49
0	26	0	6	8	5	1
1	374	0	82	300	199	134
0	12	0	2	12	8	3
0	5	0	1	5	4	1
0	14	0	3	10	8	2
0	5	0	1	4	2	1
0	2	0	1	2	1	1
0	3	0	1	3	2	0
0	1	0	0	2	1	0
1	344	0	76	272	179	127
0	17	0	10	18	33	7
0	2	0	1	3	6	3
0	1	0	1	2	2	0
0	4	0	3	6	4	2
0	3	0	5	3	10	1
1	327	0	65	254	146	120
0	86	0	14	54	54	31
0	10	0	3	6	4	4
0	18	0	8	15	13	15
0	13	0	6	10	10	13
0	44	0	4	16	11	3
0	3	0	3	4	2	1
1	148	0	27	147	52	53
0	0	0	0	0	3	0
0	1	0	0	0	0	0
0	38	0	6	50	11	9
-	0	0	0	0	1	0
0	-	0	7	64	17	8
0	2	-	0	1	7	0
0	11	0	-	7	2	2
0	34	0	8	-	9	18
1	53	0	5	21	-	16
0	8	0	1	3	2	-
0	0	0	0	0	0	0
0	5	0	2	5	7	5
0	4	0	2	3	5	3
15	1 036	16	1 420	1 789	3 849	952
17	1 912	16	1 623	2 482	4 364	1 202

Annex table 4.5. Value added exports of hotels and restaurants from ASEAN, by value added creator, 2010
(Millions of dollars)

Value added creator		Brunei Darussalam	Cambodia	Indonesia
Foreign value added	World	45	10	213
	Developed countries	16	4	114
	Europe	7	2	37
	European Union	6	2	34
	Austria	0	0	1
	Belgium	0	0	2
	Denmark	0	0	1
	Finland	0	0	1
	France	1	1	5
	Germany	1	0	9
	Ireland	0	0	1
	Italy	1	0	3
	Netherlands	0	0	4
	Spain	0	0	1
	Sweden	0	0	1
	United Kingdom	2	0	4
	Other developed Europe	1	0	3
	Norway	0	0	1
	Switzerland	0	0	2
	North America	4	1	32
	Canada	0	0	5
	United States	4	1	28
	Other developed countries	5	1	45
	Australia	3	0	22
	Japan	2	1	20
	New Zealand	0	0	3
	Developing countries	28	6	97
	Africa	1	0	4
	South Africa	0	0	1
	South America	1	0	5
	Brazil	0	0	2
	Venezuela	0	0	1
	Mexico	0	0	1
	Caribbean	0	0	0
	Asia	26	6	86
	West Asia	1	0	10
	Kuwait	0	0	3
	Qatar	0	0	0
	Saudi Arabia	0	0	4
	United Arab Emirates	0	0	1
	South, East and South-east Asia	25	6	76
China	2	2	23	
Hong Kong, China	0	0	1	
Korea, Republic of	1	0	8	
Taiwan Province of China	0	0	3	
India	1	0	6	
Iran, Islamic Republic of	0	0	1	
ASEAN	20	3	34	
Brunei Darussalam	-	0	0	
Cambodia	0	-	0	
Indonesia	2	0	-	
Lao People's Democratic Republic	0	0	0	
Malaysia	6	0	9	
Myanmar	0	0	0	
Philippines	0	0	2	
Singapore	10	1	15	
Thailand	2	1	7	
Vietnam	0	0	1	
Oceania	0	0	0	
Transition economies	1	0	2	
Russian Federation	0	0	1	
Domestic value added	296	55	4 701	
Gross exports	341	65	4 914	

Source: AJC-UNCTAD-Eora database on ASEAN GVCs.

Note: All values are estimated. The region or country refers to that to which the value added is attributed. For the GVC terminology, see box 2.

Hotel and restaurant exports from ASEAN

Lao People's Democratic Republic	Malaysia	Myanmar	Philippines	Singapore	Thailand	Vietnam
2	1 265	0	305	1 332	794	352
1	672	0	169	689	440	153
0	229	0	53	275	223	42
0	208	0	49	252	204	38
0	3	0	1	5	4	1
0	14	0	2	13	11	2
0	10	0	3	7	3	1
0	3	0	1	4	3	1
0	33	0	8	43	34	6
0	49	0	11	58	50	9
0	3	0	1	4	6	0
0	18	0	4	23	19	4
0	27	0	4	22	14	3
0	8	0	3	9	9	2
0	6	0	1	8	6	1
0	26	0	6	44	34	6
0	21	0	4	23	19	4
0	6	0	1	8	8	1
0	14	0	3	15	10	3
0	182	0	59	194	91	26
0	16	0	8	18	14	3
0	165	0	50	177	77	23
0	261	0	57	219	126	85
0	136	0	21	99	31	8
0	83	0	24	99	84	75
0	38	0	10	17	8	1
2	584	0	132	633	342	192
0	17	0	4	24	13	5
0	7	0	1	10	5	1
0	24	0	5	24	15	4
0	9	0	2	9	4	1
0	4	0	1	7	2	2
0	4	0	1	5	3	1
0	1	0	0	4	1	0
1	537	0	121	574	309	181
0	23	0	14	35	44	10
0	3	0	1	7	4	3
0	1	0	1	4	3	1
0	5	0	4	11	6	2
0	4	0	6	5	14	2
1	514	0	107	539	264	172
0	146	0	27	133	112	54
0	11	0	3	10	4	4
0	25	0	12	26	20	19
0	13	0	7	13	10	9
0	81	0	7	40	22	5
0	4	0	5	7	2	2
1	225	0	44	305	91	78
0	0	0	0	1	4	0
0	1	0	0	1	0	0
0	67	0	12	111	21	15
-	0	0	0	0	3	0
0	-	0	11	131	28	12
0	4	-	0	3	14	1
0	20	0	-	16	4	3
0	56	0	13	-	16	28
1	73	0	7	39	-	20
0	5	0	1	3	2	-
0	1	0	0	1	1	0
0	9	0	4	11	13	7
0	7	0	3	8	10	5
39	1 629	34	2 480	3 516	5 710	909
42	2 894	34	2 785	4 848	6 504	1 261

Annex table 4.6. Value added exports of hotels and restaurants from ASEAN, by value added creator, 2013
(Millions of dollars)

Value added creator		Brunei Darussalam	Cambodia	Indonesia
Foreign value added	World	64	14	277
	Developed countries	23	5	144
	Europe	10	3	48
	European Union	9	2	44
	Austria	0	0	1
	Belgium	0	0	3
	Denmark	0	0	1
	Finland	0	0	1
	France	1	1	6
	Germany	2	0	12
	Ireland	0	0	1
	Italy	1	0	4
	Netherlands	1	0	5
	Spain	0	0	2
	Sweden	0	0	1
	United Kingdom	2	0	6
	Other developed Europe	1	0	4
	Norway	0	0	1
	Switzerland	1	0	2
	North America	6	1	41
	Canada	0	0	6
	United States	5	1	35
	Other developed countries	7	1	55
	Australia	4	0	28
	Japan	3	1	22
	New Zealand	1	0	4
	Developing countries	41	9	130
	Africa	1	0	5
	South Africa	0	0	1
	South America	1	0	7
	Brazil	0	0	3
	Venezuela	0	0	1
	Mexico	0	0	1
	Caribbean	0	0	0
	Asia	38	8	116
	West Asia	1	0	14
	Kuwait	0	0	4
	Qatar	0	0	1
	Saudi Arabia	0	0	6
	United Arab Emirates	0	0	2
South, East and South-east Asia	37	8	102	
China	4	2	32	
Hong Kong, China	0	0	1	
Korea, Republic of	1	0	10	
Taiwan Province of China	1	0	3	
India	1	0	8	
Iran, Islamic Republic of	0	0	1	
ASEAN	30	5	45	
Brunei Darussalam	-	0	0	
Cambodia	0	-	0	
Indonesia	3	1	-	
Lao People's Democratic Republic	0	0	0	
Malaysia	8	1	11	
Myanmar	0	0	0	
Philippines	1	0	2	
Singapore	16	1	20	
Thailand	2	2	10	
Vietnam	0	0	1	
Oceania	0	0	0	
Transition economies	1	0	3	
Russian Federation	0	0	2	
Domestic value added	373	71	5 900	
Gross exports	437	84	6 177	

Source: AJC-UNCTAD-Eora database on ASEAN GVCs.

Note: All values are estimated. The region or country refers to that to which the value added is attributed. For the GVC terminology, see box 2.

Hotel and restaurant exports from ASEAN

Lao People's Democratic Republic	Malaysia	Myanmar	Philippines	Singapore	Thailand	Vietnam
3	1 411	0	358	1 656	992	391
1	725	0	193	833	530	159
0	254	0	63	344	279	47
0	232	0	58	316	256	42
0	4	0	1	6	5	1
0	15	0	3	16	14	3
0	11	0	3	9	4	1
0	3	0	1	5	4	1
0	36	0	10	54	43	7
0	55	0	14	72	63	10
0	4	0	1	4	7	0
0	20	0	5	29	24	4
0	30	0	5	28	17	3
0	9	0	4	12	12	2
0	7	0	2	10	7	1
0	28	0	7	54	42	7
0	23	0	5	28	22	5
0	6	0	1	9	9	1
0	16	0	4	19	12	3
0	195	0	67	234	110	28
0	18	0	10	22	18	3
0	177	0	57	212	93	25
0	276	0	63	256	141	84
0	150	0	25	125	40	9
0	78	0	24	104	88	73
0	43	0	12	22	10	1
2	675	0	160	808	444	222
0	18	0	4	28	16	5
0	8	0	1	13	7	1
0	26	0	6	29	18	5
0	10	0	3	12	5	1
0	4	0	1	7	3	2
0	4	0	1	7	4	1
0	1	0	0	5	1	1
2	623	0	147	736	404	212
0	27	0	19	47	60	12
0	4	0	1	9	5	4
0	2	0	2	5	5	1
0	7	0	6	15	9	3
0	5	0	8	7	21	2
2	596	0	129	689	344	199
0	175	0	35	180	151	66
0	12	0	3	12	5	4
0	28	0	14	32	25	22
0	12	0	7	14	10	8
0	92	0	9	52	28	6
0	5	0	7	10	3	3
2	262	0	52	383	116	91
0	0	0	0	1	5	0
0	1	0	0	1	1	0
0	75	0	14	141	26	17
-	0	0	0	0	3	1
0	-	0	13	158	33	13
0	4	-	0	5	19	1
0	23	0	-	21	6	3
0	65	0	16	-	21	32
1	87	0	9	53	-	24
0	5	0	1	4	2	-
0	1	0	0	1	1	0
0	11	0	5	15	18	9
0	9	0	4	12	15	6
54	1 886	49	3 081	4 535	7 588	1 074
57	3 297	49	3 439	6 191	8 581	1 465

Annex table 5.1. Value added exports of travel agency and tour operator services from ASEAN, by value added creator, 1990 (Millions of dollars)

	Singapore	Vietnam
World	33.4	4.3
Developed countries	23.4	1.7
Europe	5.6	0.7
European Union	5.1	0.7
Austria	0.1	0
Belgium	0.2	0
Denmark	0.1	0
Finland	0.1	0
France	0.7	0.1
Germany	1.3	0.1
Ireland	0.1	0
Italy	0.6	0.1
Netherlands	0.4	0
Spain	0.2	0
Sweden	0.3	0
United Kingdom	0.9	0.1
Other developed Europe	0.5	0.1
Norway	0.1	0
Switzerland	0.4	0
North America	10.6	0.3
Canada	0.3	0
United States	10.3	0.3
Other developed countries	7.1	0.7
Australia	0.7	0.1
Japan	6.3	0.6
New Zealand	0.1	0
Developing countries	9.8	2.4
Africa	0.3	0.2
South Africa	0.1	0
South America	0.3	0.1
Brazil	0.1	0
Venezuela	0.2	0
Mexico	0.1	0
Caribbean	0	0
Asia	9	2
West Asia	1.6	0.1
Kuwait	0.2	0
Qatar	0.1	0
Saudi Arabia	0.8	0
United Arab Emirates	0.3	0
South, East and South-east Asia	7.4	1.9
China	0.7	0.2
Hong Kong, China	0.4	0
Korea, Republic of	0.8	0.2
Taiwan Province of China	1.5	0.9
India	0.2	0
Iran, Islamic Republic of	0.2	0
ASEAN	3.6	0.5
Brunei Darussalam	0	0
Cambodia	0	0
Indonesia	0.9	0.1
Lao People's Democratic Republic	0	0
Malaysia	1.2	0.1
Myanmar	0	0
Philippines	0.5	0
Singapore	-	0.2
Thailand	0.9	0.2
VietNam	0.1	-
Oceania	0	0
Transition economies	0.2	0.2
Russian Federation	0.1	0
Domestic value added	41.5	19
Gross exports	74.9	23.3

Source: AJC-UNCTAD-Eora database on ASEAN GVCs.

Note: All values are estimated. The region or country refers to that to which the value added is attributed. For the GVC terminology, see box 2.

Annex table 5.2. Value added exports of travel agency and tour operator services from ASEAN, by value added creator, 1995 (Millions of dollars)

	Singapore	Vietnam
World	79.4	4.3
Developed countries	55	2
Europe	13.2	0.7
European Union	11.8	0.6
Austria	0.3	0
Belgium	0.5	0
Denmark	0.2	0
Finland	0.2	0
France	1.7	0.1
Germany	3.2	0.1
Ireland	0.1	0
Italy	1.2	0.1
Netherlands	1	0
Spain	0.4	0
Sweden	0.5	0
United Kingdom	2.1	0.1
Other developed Europe	1.4	0.1
Norway	0.3	0
Switzerland	1.1	0
North America	24.8	0.4
Canada	0.8	0
United States	23.9	0.3
Other developed countries	17.1	0.9
Australia	1.3	0.1
Japan	15.4	0.8
New Zealand	0.1	0
Developing countries	24.2	2.2
Africa	0.7	0.1
South Africa	0.2	0
South America	0.9	0.1
Brazil	0.2	0
Venezuela	0.5	0
Mexico	0.2	0
Caribbean	0.1	0
Asia	22.2	2
West Asia	3.2	0.1
Kuwait	0.4	0
Qatar	0.3	0
Saudi Arabia	1.6	0
United Arab Emirates	0.5	0
South, East and South-east Asia	19	1.9
China	2.1	0.3
Hong Kong, China	1	0.1
Korea, Republic of	2.8	0.3
Taiwan Province of China	1.9	0.4
India	0.4	0
Iran, Islamic Republic of	0.6	0
ASEAN	10	0.7
Brunei Darussalam	0.1	0
Cambodia	0	0
Indonesia	3.3	0.1
Lao People's Democratic Republic	0	0
Malaysia	3.5	0.1
Myanmar	0	0
Philippines	1.2	0
Singapore	-	0.3
Thailand	1.7	0.2
VietNam	0.2	-
Oceania	0	0
Transition economies	0.3	0.1
Russian Federation	0.2	0
Domestic value added	98.8	17.6
Gross exports	178.2	21.9

Source: AJC-UNCTAD-Eora database on ASEAN GVCs.

Note: All values are estimated. The region or country refers to that to which the value added is attributed. For the GVC terminology, see box 2.

Annex table 5.3. Value added exports of travel agency and tour operator services from ASEAN, by value added creator, 2000 (Millions of dollars)

	Singapore	Vietnam
World	82.3	4.6
Developed countries	50.8	1.9
Europe	13.8	0.7
European Union	12.4	0.7
Austria	0.3	0
Belgium	0.5	0
Denmark	0.2	0
Finland	0.2	0
France	1.7	0.1
Germany	3.1	0.1
Ireland	0.2	0
Italy	1.2	0.1
Netherlands	1	0
Spain	0.4	0
Sweden	0.4	0
United Kingdom	2.6	0.1
Other developed Europe	1.4	0.1
Norway	0.3	0
Switzerland	1	0
North America	19.5	0.4
Canada	1	0
United States	18.5	0.3
Other developed countries	17.6	0.8
Australia	1.6	0.1
Japan	15.6	0.6
New Zealand	0.2	0
Developing countries	31.1	2.6
Africa	0.9	0.1
South Africa	0.3	0
South America	0.8	0.1
Brazil	0.2	0
Venezuela	0.3	0
Mexico	0.3	0
Caribbean	0.1	0
Asia	29	2.3
West Asia	4.3	0.1
Kuwait	0.6	0
Qatar	0.5	0
Saudi Arabia	1.9	0
United Arab Emirates	0.7	0
South, East and South-east Asia	24.7	2.2
China	2.6	0.3
Hong Kong, China	1.3	0.1
Korea, Republic of	3.3	0.4
Taiwan Province of China	2.1	0.5
India	0.6	0
Iran, Islamic Republic of	0.6	0
ASEAN	14.1	0.9
Brunei Darussalam	0.1	0
Cambodia	0	0
Indonesia	3.4	0.1
Lao People's Democratic Republic	0	0
Malaysia	7.3	0.1
Myanmar	0.1	0
Philippines	1.2	0
Singapore	-	0.4
Thailand	1.9	0.2
VietNam	0.3	-
Oceania	0	0
Transition economies	0.3	0.1
Russian Federation	0.2	0
Domestic value added	108.5	21.6
Gross exports	190.8	26.2

Source: AJC-UNCTAD-Eora database on ASEAN GVCs.

Note: All values are estimated. The region or country refers to that to which the value added is attributed. For the GVC terminology, see box 2.

Annex table 5.4. Value added exports of travel agency and tour operator services from ASEAN, by value added creator, 2005 (Millions of dollars)

	Singapore	Vietnam
World	194.8	10.2
Developed countries	113.5	4.3
Europe	33.9	1.6
European Union	30.8	1.4
Austria	0.7	0
Belgium	1.4	0.1
Denmark	0.5	0
Finland	0.6	0
France	4.1	0.2
Germany	7.9	0.3
Ireland	0.6	0
Italy	3	0.1
Netherlands	2.3	0.1
Spain	1.1	0.1
Sweden	0.9	0
United Kingdom	5.8	0.2
Other developed Europe	3.1	0.2
Norway	0.7	0
Switzerland	2.4	0.1
North America	41.3	0.7
Canada	2.1	0.1
United States	39.2	0.7
Other developed countries	38.3	2
Australia	4.2	0.2
Japan	33.1	1.7
New Zealand	0.4	0.1
Developing countries	80.1	5.5
Africa	2.3	0.3
South Africa	0.7	0
South America	1.9	0.2
Brazil	0.7	0
Venezuela	0.8	0
Mexico	0.7	0
Caribbean	0.3	0
Asia	74.7	4.9
West Asia	12.3	0.3
Kuwait	2.1	0.1
Qatar	1.5	0
Saudi Arabia	5	0.1
United Arab Emirates	2.1	0
South, East and South-east Asia	62.4	4.7
China	9.6	0.9
Hong Kong, China	2.6	0.1
Korea, Republic of	6.9	0.7
Taiwan Province of China	3.2	0.5
India	1.9	0.1
Iran, Islamic Republic of	1.6	0.1
ASEAN	36.4	2.1
Brunei Darussalam	0.3	0
Cambodia	0.1	0
Indonesia	8.5	0.3
Lao People's Democratic Republic	0	0
Malaysia	18	0.3
Myanmar	0.1	0
Philippines	3.6	0.1
Singapore	-	0.9
Thailand	5.3	0.6
VietNam	0.6	-
Oceania	0.1	0
Transition economies	1.2	0.3
Russian Federation	0.8	0.1
Domestic value added	220.8	34.5
Gross exports	415.6	44.6

Source: AJC-UNCTAD-Eora database on ASEAN GVCs.

Note: All values are estimated. The region or country refers to that to which the value added is attributed. For the GVC terminology, see box 2.

Annex table 5.5. Value added exports of travel agency and tour operator services from ASEAN, by value added creator, 2010 (Millions of dollars)

	Singapore	Vietnam
World	385.7	22.9
Developed countries	201.9	9.4
Europe	64.4	3.1
European Union	57.2	2.7
Austria	1.3	0.1
Belgium	2.5	0.1
Denmark	0.9	0.1
Finland	1	0
France	7.1	0.4
Germany	15.4	0.6
Ireland	1	0
Italy	5.5	0.3
Netherlands	4.3	0.2
Spain	1.9	0.1
Sweden	1.7	0.1
United Kingdom	10.4	0.4
Other developed Europe	7.2	0.3
Norway	1.4	0.1
Switzerland	5.7	0.2
North America	72.5	1.6
Canada	4.2	0.2
United States	68.3	1.5
Other developed countries	65.1	4.7
Australia	10.2	0.6
Japan	52.7	3.9
New Zealand	1	0.1
Developing countries	180.7	12.8
Africa	5.1	0.5
South Africa	1.5	0.1
South America	5.3	0.4
Brazil	1.5	0.1
Venezuela	2.6	0.1
Mexico	1.5	0
Caribbean	0.6	0.1
Asia	167.9	11.8
West Asia	25.5	0.6
Kuwait	4.3	0.2
Qatar	3.9	0.1
Saudi Arabia	9.7	0.1
United Arab Emirates	3.8	0.1
South, East and South-east Asia	142.5	11.2
China	29.9	3.1
Hong Kong, China	4.5	0.3
Korea, Republic of	11.5	1.4
Taiwan Province of China	4	0.7
India	5.3	0.4
Iran, Islamic Republic of	3.7	0.1
ASEAN	82.9	5.2
Brunei Darussalam	0.6	0
Cambodia	0.2	0
Indonesia	22	0.8
Lao People's Democratic Republic	0	0.1
Malaysia	39.6	0.7
Myanmar	0.2	0
Philippines	9.1	0.2
Singapore	-	2.1
Thailand	10.5	1.2
VietNam	0.6	-
Oceania	0.1	0
Transition economies	3.1	0.7
Russian Federation	2.1	0.4
Domestic value added	468.8	44.6
Gross exports	854.5	67.5

Source: AJC-UNCTAD-Eora database on ASEAN GVCs.

Note: All values are estimated. The region or country refers to that to which the value added is attributed. For the GVC terminology, see box 2.

Annex table 5.6. Value added exports of travel agency and tour operator services from ASEAN, by value added creator, 2013 (Millions of dollars)

	Singapore	Vietnam
World	476	25.5
Developed countries	240	9.8
Europe	80.5	3.4
European Union	71.7	3.1
Austria	1.7	0.1
Belgium	3.1	0.2
Denmark	1.1	0.1
Finland	1.3	0
France	9	0.5
Germany	19.3	0.7
Ireland	1.3	0
Italy	7	0.3
Netherlands	5.4	0.2
Spain	2.5	0.1
Sweden	2.2	0.1
United Kingdom	12.7	0.5
Other developed Europe	8.8	0.4
Norway	1.6	0.1
Switzerland	7.2	0.3
North America	87.7	1.8
Canada	5.2	0.2
United States	82.5	1.6
Other developed countries	71.8	4.6
Australia	12.8	0.7
Japan	56.2	3.8
New Zealand	1.2	0.1
Developing countries	231.7	14.8
Africa	6.1	0.5
South Africa	1.8	0.1
South America	6.3	0.4
Brazil	2	0.1
Venezuela	2.8	0.1
Mexico	1.9	0.1
Caribbean	0.7	0.1
Asia	216.3	13.6
West Asia	35.1	0.7
Kuwait	6.1	0.2
Qatar	5.7	0.1
Saudi Arabia	13.1	0.2
United Arab Emirates	5.5	0.1
South, East and South-east Asia	181.2	12.9
China	40.5	3.7
Hong Kong, China	5.2	0.3
Korea, Republic of	14.3	1.5
Taiwan Province of China	4.2	0.6
India	6.9	0.5
Iran, Islamic Republic of	5.2	0.2
ASEAN	103.9	6
Brunei Darussalam	0.7	0
Cambodia	0.3	0
Indonesia	27.7	1
Lao People's Democratic Republic	0	0.1
Malaysia	48	0.7
Myanmar	0.3	0
Philippines	11.8	0.2
Singapore	-	2.5
Thailand	14.3	1.4
VietNam	0.8	-
Oceania	0.2	0
Transition economies	4.4	0.8
Russian Federation	3.1	0.5
Domestic value added	619.7	52.1
Gross exports	1 095.7	77.5

Source: AJC-UNCTAD-Eora database on ASEAN GVCs.

Note: All values are estimated. The region or country refers to that to which the value added is attributed. For the GVC terminology, see box 2.

Annex table 6. ASEAN's value added exports of hotels and restaurants incorporated in other countries' exports, by region and country, 1990–2013 (Millions of dollars)

Region/country	DVX from ASEAN					
	1990	1995	2000	2005	2010	2013
World	319	632	825	1 752	3 195	4 042
Developed countries	224	426	562	1 193	2 072	2 603
Europe	184	347	453	983	1 728	2 147
European Union	179	338	442	959	1 681	2 091
Austria	3	5	7	18	31	39
Belgium	24	43	50	101	166	203
Denmark	2	4	5	11	18	23
Finland	1	2	3	7	12	15
France	9	17	24	45	72	88
Germany	46	79	113	257	462	584
Ireland	4	9	15	32	54	66
Italy	10	19	24	51	89	109
Netherlands	49	94	115	253	440	543
Spain	2	6	8	20	32	40
Sweden	3	5	6	13	24	30
United Kingdom	22	45	57	113	204	249
Other developed Europe	5	9	11	25	46	57
Norway	3	5	6	10	18	21
Switzerland	2	4	5	15	28	35
North America	13	29	45	77	118	149
Canada	6	14	22	40	58	74
United States	7	15	23	37	59	75
Other developed countries	27	50	63	132	226	307
Australia	8	21	27	49	96	135
Japan	17	26	32	74	115	153
New Zealand	0	1	1	3	5	7
Developing countries	94	203	260	551	1 108	1 417
Africa	2	3	4	9	18	24
South Africa	1	1	2	5	9	12
South America	1	2	3	7	13	18
Brazil	0	1	1	2	5	7
Venezuela	0	0	0	1	1	2
Mexico	1	4	9	17	25	32
Caribbean	0	0	0	1	1	2
Asia	90	193	243	516	1 047	1 339
West Asia	2	4	5	11	23	33
Kuwait	0	0	0	0	1	1
Qatar	0	0	0	0	0	1
Saudi Arabia	0	1	1	2	5	7
United Arab Emirates	0	1	1	3	7	10
South, East and South-east Asia	88	189	238	504	1 024	1 306
China	2	8	18	69	163	212
Hong Kong, China	5	11	12	28	56	72
Korea, Republic of	15	37	45	89	250	327
Taiwan Province of China	35	42	44	50	63	66
India	0	2	3	10	24	35
Iran, Islamic Republic of	0	0	0	1	2	5
ASEAN	30	88	115	255	462	582
Brunei Darussalam	0	0	0	1	1	2
Cambodia	0	0	0	1	1	2
Indonesia	4	12	17	32	52	71
Lao People's Democratic Republic	0	0	0	0	0	1
Malaysia	5	19	21	44	80	99
Myanmar	0	0	0	0	0	0
Philippines	2	7	10	22	35	43
Singapore	14	38	50	124	242	303
Thailand	3	8	10	20	34	42
Vietnam	1	3	5	12	16	20
Oceania	0	0	0	1	1	1
Transition economies	1	2	3	7	16	22
Russian Federation	1	1	1	3	7	10

Source: AJC-UNCTAD-Eora database on ASEAN GVCs.

Note: All values are estimated. The region or country refers to that to which the value added is attributed. For the GVC terminology, see box 2.

Annex table 7. ASEAN's value added exports of travel agency and tour operator services incorporated in other countries' exports, by region and country, 1990–2013 (Millions of dollars)

Region/country	DVX from ASEAN					
	1990	1995	2000	2005	2010	2013
World	18	41	55	119	215	284
Developed countries	13	24	33	72	126	165
Europe	11	21	29	64	112	145
European Union	11	20	28	61	108	140
Austria	0	0	0	1	1	2
Belgium	2	3	3	6	10	13
Denmark	0	0	0	1	1	1
Finland	0	0	0	1	1	1
France	1	2	3	5	9	11
Germany	3	5	8	18	32	43
Ireland	0	1	2	5	8	11
Italy	0	1	1	2	4	5
Netherlands	2	4	5	11	20	25
Spain	0	0	1	1	2	3
Sweden	0	0	1	1	2	3
United Kingdom	1	2	3	7	12	16
Other developed Europe	1	1	1	2	4	5
Norway	0	1	1	1	2	2
Switzerland	0	0	0	1	2	3
North America	0	1	2	3	4	6
Canada	0	0	0	1	1	2
United States	0	1	1	2	3	4
Other developed countries	1	2	3	6	10	14
Australia	0	0	0	1	2	3
Japan	1	1	2	4	6	9
New Zealand	0	0	0	0	1	1
Developing countries	5	17	21	46	88	118
Africa	0	0	1	1	3	4
South Africa	0	0	0	1	2	2
South America	0	0	0	1	2	2
Brazil	0	0	0	0	0	0
Venezuela	0	0	0	0	1	1
Mexico	0	0	0	1	1	1
Caribbean	0	0	0	0	0	0
Asia	5	15	20	43	82	110
West Asia	0	0	1	1	3	4
Kuwait	0	0	0	0	0	0
Qatar	0	0	0	0	0	0
Saudi Arabia	0	0	0	0	0	1
United Arab Emirates	0	0	0	0	1	2
South, East and South-east Asia	4	15	19	42	79	106
China	0	0	1	4	9	12
Hong Kong, China	0	1	1	3	6	8
Korea, Republic of	1	2	3	6	12	17
Taiwan Province of China	1	1	1	1	1	1
India	0	0	0	1	2	3
Iran, Islamic Republic of	0	0	0	0	0	0
ASEAN	3	10	13	27	48	64
Brunei Darussalam	0	0	0	0	1	1
Cambodia	0	0	0	0	0	0
Indonesia	1	2	4	7	13	19
Lao People's Democratic Republic	0	0	0	0	0	0
Malaysia	1	6	7	15	28	35
Myanmar	0	0	0	0	0	0
Philippines	0	1	1	2	3	4
Singapore	0	0	0	0	0	0
Thailand	0	0	1	1	2	3
Vietnam	0	0	0	1	1	1
Oceania	0	0	0	0	0	1
Transition economies	0	0	0	0	1	1
Russian Federation	0	0	0	0	0	1

Source: AJC-UNCTAD-Eora database on ASEAN GVCs.

Note: All values are estimated. The region or country refers to that to which the value added is attributed. For the GVC terminology, see box 2.

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