The Challenge – in 2007

- Poor living and environmental conditions
- Low awareness and appreciation for minority cultural heritage
- Poor infrastructure services and facilities for promoting cultural and natural heritage sites
- Inadequate management and weak local institutions
- Cultural heritage assets were at risk
  - Intangible cultural heritage assets not transferred to next generation
  - Historic buildings were being demolished
# Bank Project: 2009-2016

<table>
<thead>
<tr>
<th>Components</th>
<th>Funding Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>1. Ethnic Minority Cultural Heritage Protection</td>
<td>US$44.62 million</td>
</tr>
<tr>
<td>*(small scale infrastructure rehabilitation; conservation of historic</td>
<td></td>
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<tr>
<td>buildings &amp; houses; income generation through protection if intangible</td>
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<tr>
<td>cultural heritage)*</td>
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<tr>
<td>2. Natural Heritage and Scenic Site Protection and development</td>
<td>US$21.35 million</td>
</tr>
<tr>
<td><em>(upgrading tourist infrastructure in 4 national parks)</em></td>
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<tr>
<td>3. Tourism Gateway Town Facilities Development</td>
<td>16.34 million</td>
</tr>
<tr>
<td>*(TA &amp; training for tourism promotion &amp; construction of tourist</td>
<td></td>
</tr>
<tr>
<td>information centers at county level; Provincial Cultural &amp; Natural Heritage Development Center)*</td>
<td></td>
</tr>
<tr>
<td>4. Capacity building and project implementation support</td>
<td>US$1.81 million</td>
</tr>
<tr>
<td>Total Financing</td>
<td>US$89.84</td>
</tr>
</tbody>
</table>

*Total Bank Loan US$60 million*

## Cultural Heritage Investments Enhance City Competitiveness

- Revitalization of centers of 4 Ancient towns
- Enhances overall attractiveness of the city by highlighting its uniqueness
City Promotes Regional Connectivity

- The towns operate as hubs for provincial tourism
- Fosters local economic development by creating a tourism circuit anchored through the towns
- Rural areas also benefit – 17 villages in project

Rural Areas Also Improved

- Basic infrastructure provided
- Community participation
  - Protection of vernacular architecture
  - Protection of intangible cultural heritage assets
City Promotes Regional Connectivity
Builds on unique natural heritage assets
Links parks to services in surrounding villages

Benefits of the Project

- Creates a critical mass of sites, helping prolong stays
- Supports local tourism services in villages
- Improves quality of basic services for residents and visitors (footpaths, water, sanitation, fire fighting)

Supports local economic development and benefit sharing
Implementation Challenges

- Capacity gap between national and local institutions (insufficient knowledge transfer)
- Bureau of Tourism is weak and has difficulty coordinating other sectoral actors
- Community participation in heritage operations requires specialized facilitation

Implementation Challenges

- Scattered project sites makes supervision a challenge
- Multisectoral interventions require a wide skill range in PMU
- Risk of overdesign
Task team response

- Close supervision by Bank team, with technical inputs
- Restructuring to simplify project activities and processes
- Strengthening the Project Management Consultant team to focus on facilitation and technical guidance to local actors