

MID-TERM EVALUATION

MYA/001

Development of Human Resources in the
Hotel and Tourism Sector and Capacity
Development of the Ministry of Hotels and
Tourism of Myanmar

PROJECT SUMMARY DATA

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| Country | Myanmar |
| Long project title | Development of Human Resources in the Hotel and Tourism Sector and Capacity Development of the Ministry of Hotels and Tourism of Myanmar |
| Short project title | Tourism Human Resources Development |
| LuxDev Code | MYA/001 |
| Version of the Report | March 2018 |

RATING OF THE PROJECT BY THE EVALUATION MISSION

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|---|---|
| Global rating (Effectiveness) | 2 On a scale of 1 (excellent results, significantly better than expected) to 6 (the project was unsuccessful, or the situation has deteriorated on balance) |
| Rating using other evaluation criteria | Relevance: 1-2 Efficiency: 2-3 Sustainability: 3 |

EXECUTIVE SUMMARY

1.1. Framework of the evaluation mission

This Mid-term Evaluation assignment of Lux-Development project MYA/001 “Development of Human Resources in the Hotel and Tourism Sector and Capacity Development of the Ministry of Hotels and Tourism” was undertaken by Global Tourism of Denmark, who had put together an Evaluation Team consisting of:

- Jan Bjarnason, International Tourism Evaluation Expert and Team Coordinator;
- Khin Ohmmar Moe, National Training and Gender Expert;
- Lynn Lynn, National Tourism and Hospitality Expert.

The Mid-term Evaluation assignment comprised the following key elements:

- Skype briefing with Lux-Development Headquarters;
- Evaluation of project documentation and technical documents;
- Fieldwork mission to Myanmar during the period 5-22 March 2018;
- Individual and group consultations/interviews with beneficiaries and stakeholders;
- Debriefing with MYA/001 management and Resident Representative;
- Concluding stakeholder meeting with presentation of preliminary findings and recommendations;
- Submission of the draft Mid-term Evaluation Report submitted 11 April 2018;
- Debriefing at Lux-Development Headquarters with the participation of Luxembourg Ministry of Foreign and European Affairs on 19 April 2018;
- Incorporation of comments to the draft Mid-term Evaluation Report received on 26 April 2018.

1.2. Specific objective of the project

According to the project Document and subsequent adjustments made in the Inception Report, the overall and specific objectives and accompanying result areas of project MYA/001 are defined as:

Overall development objective: To contribute to the goal of Myanmar’s Tourism Master Plan, 2013-2020, i.e. to maximise hospitality and tourism contribution to national employment and income generation.

The specific objective: To build human resources capacity and promote service quality in the tourism sector in line with orientations of the strategic “Programme 2” of the Myanmar Tourism Master Plan.

Result 1, Public Sector as reformulated in the Inception Report: The organisational and Human Resource capacities of the Ministry of Hotels & Tourism are strengthened.

Result 2, Education as formulated in the project Document and the Inception Report: The operational capacity of existing and new education and training providers is strengthened.

Result 3, Industry as formulated in the project Document and the Inception Report: The skills of the existing tourism workforce are upgraded.

1.3. Results achieved by the project at the moment of the evaluation mission

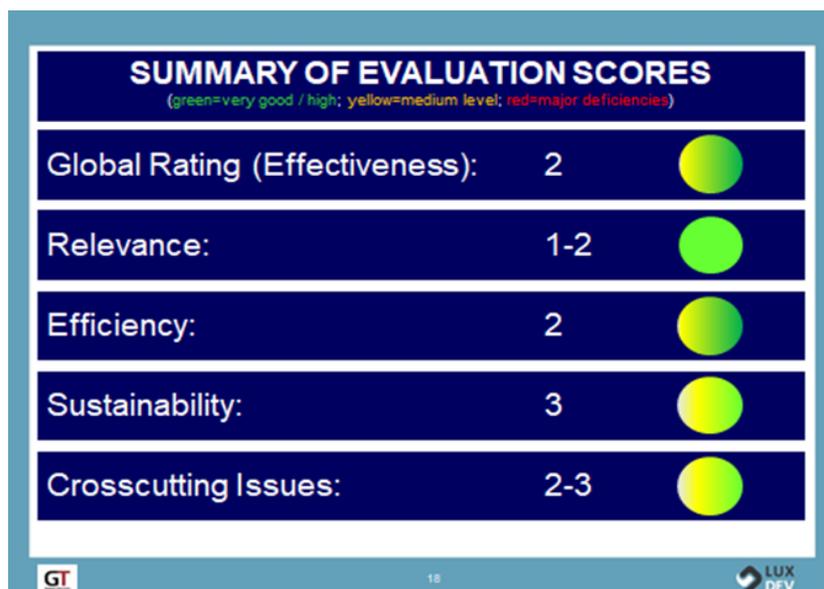
The main achievements of MYA/001 include:

- From a challenging project start, MYA/001 has gained momentum, and established itself as a firm partner for the Ministry of Hotels and Tourism, the Government of the Union of Myanmar, the private sector and development partners in tourism Human Resource Development;
- MYA/001 has proven to be flexible in implementation approach and responded positively to a changing environment and to specific Ministry of Hotels and Tourism requests;
- Capacity development of the Ministry of Hotels and Tourism - through training of some 1 300 staff in English, tourism knowledge and office skills;
- Development of a firm Human Resource Development Strategy and Action Plan - incl. 9 detailed research strands;
- Establishment of a training centre within the Ministry of Hotels and Tourism in Nay Pyi Taw;
- Development of new 48-modules curricula for Bachelor Degree in Tourism and Hospitality Management including its transfer into an EdX also comprising e-library, repository, websites, G-suites and college information systems;

- More than 1 000 young people trained in hospitality skills areas of Front Office, Housekeeping, and Food and Beverage Services;
- Occupational Mapping of all tourism occupations across 9 labour divisions and development of national standards for tourism and hospitality managers and supervisors;
- Renovation of the Tourism Training School focusing on tour guide training and ongoing renovation of the Myanmar Institute of Tourism and Hospitality in Yangon;
- More than 1 300 trainers, supervisors and managers trained;
- Mobile training conducted in post-conflict areas and emerging destinations.

1.4. Summary of evaluation scoring

The below slide, forming part of the Mid-term Evaluation mission's presentation of preliminary findings and recommendations at the concluding stakeholders' meeting, provides a summary of the evaluation scoring.



1.5. Main conclusions and recommendations

1.5.1. Main conclusions

Project proved its validity: As stated at several occasions in this report, MYA/001 has, from a challenging project commencement with a delayed start-up due to the prolonged formulation and approval phases and a series of internal and external challenges during the inception gained momentum, and established itself as a leader and a firm and well respected partner for the Ministry of Hotels and Tourism and the Government in general, the private sector and development partners in tourism Human Resource Development in Myanmar. At the same time, the project has experienced an accelerated speed of implementation and funds disbursement over the past years.

Project showed flexibility and adaptability: The project has proven to be flexible and adaptable in its implementation approach and responded positively and proactively to a changing environment and to specific stakeholder needs and requirements, in particular the Counterpart Ministry of Hotels and Tourism. This has, among others led to an adjustment of activities during the Inception Phase as well as on an ongoing basis during the project implementation, particularly relating to Result Area 1 and the need for including capital investments in training facilities and equipment, which was generally not foreseen in the project document. Latest, the project steering committee has agreed to concentrate the implementation on a relatively limited number of focal activity areas.

Insufficient budget: As a result of the project's accelerated implementation and funds disbursement since 2016 and the inclusion of capital works relating to the renovation of the training centres in Yangon and Nay Pyi Taw, 66% of the total budget of 5 million EUR, corresponding to 3.3 million EUR, has been spent at the time of the Mid-term Evaluation, i.e. by the end of Q1 2018, and a total of approximately 4.3 million EUR, or 86% of the total budget has been committed. With a budget estimate for 2018 of more than 1.8 million EUR, it is clear that the current project funds will be exhausted already in the first part of 2019.

Long-term and continuing need for Human Resource Development support: The overall and specific objectives of the project and its expected results under the three result areas of the public sector, education and the industry remain perfectly valid and appropriate in lights of Myanmar's tourism and hospitality industry's the increasing need for trained and skilled staff at both basic and supervisory, as well as management levels. Based on experience from other tourism Human Resource Development projects, as well as development projects in general, it is evidenced that serious impacts of project initiatives cannot be achieved on a short-term basis. This has also been experienced by Lux-Development in other countries in South East Asia, notably Vietnam and Laos. Given Myanmar's status as one of the world's poorest and least developed countries, and tourism's potential to become a key driver of the country's economic development through its ability to create job opportunities as well as generate local income and foreign exchange earnings, there is a need for continued development assistance to develop the human resources within the country's tourism and hospitality industry.

1.5.2. Main recommendations

Based on the overall Mid-term Evaluation process and the constructive feedback and commitment of both public and private sector stakeholders and development partners as well as the conclusions made above, the Mid-term Evaluation Team has five core recommendations, which were all sanctioned and committed to by the counterpart Ministry of Hotels and Tourism, headed by the Minister of Tourism and the private sector, headed by the Chairman and Secretary General of Myanmar Tourism Federation and other stakeholders during the Mid-term Evaluation Team's presentation of preliminary findings and recommendations at the concluding stakeholders' meeting on 19 March 2018, i.e.:

Completion of MYA/001 as scheduled with eight focal activity areas:

- Organisational and HR development of the Ministry of Hotels and Tourism;
- Capacity development for Community-Based Tourism and destination management;
- Formal establishment and launch of Myanmar Institute of Tourism and Hospitality;
- Support establishment of hospitality training programmes in key states and regions;
- Further support to the 2 tourism degree colleges;
- National occupational standards and Recognition for Prior Learning system for all tourism occupations;
- Expand industry training in states and regions;
- Establishment of a fully-fledged Mobile Training Team.

Increased budget for completion of MYA/001: Due to the accelerated speed of implementation and funds disbursement over the past years, as well as the inclusion of capital works and equipment for the three training centres in Nay Pyi Taw and Yangon, it is clear that the current project budget will be exhausted already in the first part of 2019. Consequently, there is a need for injecting additional funds into the project in the level of 3-4 million EUR depending on the exact completion date in 2020 to enable the project to maintain the current level of implementation for another 2-2½ years. This should also be seen in the light of the Mid-term Evaluation Team's recommendation to continue Luxembourg's support for tourism Human Resource Development in Myanmar also after 2020 (ref. Section 5.4.3), as well as the recommendation to avoid a gap between the completion of MYA/001 and the commencement of the follow-up project (ref. Section 5.4.4). Consequently, the project should continue and conclude on a high implementation note, either rather than a gradual downscaling in case the development assistance would conclude with the completion of MYA/001.

Continue the support of Luxembourg for tourism Human Resource Development in Myanmar also after 2020: It is evidenced throughout this report that the support provided by the Luxembourg Government for the Human Resource Development in the tourism sector in Myanmar and the capacity development of the Ministry of Hotels and Tourism through MYA/001, is highly relevant and consistent with Government of the Union of Myanmar development priorities and strategies. At the same time, the project has in spite of initial challenges gained momentum and has established itself as a solid and leading partner for the Ministry of Hotels and Tourism, the Government of the Union of Myanmar, the private sector and development partners in tourism Human Resource Development in Myanmar. Consequently, the Mid-term Evaluation Team recommends that Lux-Development and Luxembourg Ministry of Foreign and European Affairs take an immediate decision to continue the support for tourism Human Resource Development in Myanmar on a long-term basis - beyond the scheduled closure of MYA/001 in 2020 - and take immediate action to design and obtain approval for a follow-up project to MYA/001. This decision will imply that a forthcoming Final Evaluation of MYA/001 will focus solely on the achievements of the overall and specific objectives and accompanying expected results of the project.

No gap between the completion of MYA/001 and start of a 2nd project: It is of paramount importance to avoid any gap between the current MYA/001 and the recommended follow-up project. In the Consultants' view, this would be possible through the application of one of three separate approaches, of which the first is the preferred option:

- Designing the follow-up project while MYA/001 is still being implemented, so that the follow-up project can commence immediately after the closure of MYA/001;
- Extend MYA/001 by an appropriate time period to enable design and approval of the follow-up project;
- Provide for a so-called bridging period between MYA/001 and the follow-up project of an appropriate length to enable design and approval of the follow-up project.

Specific recommendations to strengthen the project's effectiveness including:

- More interaction and communication with the Ministry of Hotels and Tourism including introducing regular formal and informal meetings, written annual work programmes and brief monthly reports;
- Higher frequency of project steering committee meetings, at least twice per year;
- Increased coordination with and between project and other Government ministries, notably Ministry of Border Affairs, Ministry of Education and Ministry of Labour, Immigration and Population to enhance coordination and commitment;
- Revitalisation of the Myanmar Tourism Human Resource Development Strategy & Action Plan Working Group as a general project working group;
- Resolving specific issues relating to project training initiatives including continuing/repetitive training initiatives rather than one-off training events, increased training opportunities for restaurants and tour operators in key tourist destinations, development of a stand-alone hygiene and food safety training module, tailor-made to the Myanmar situation, ensure student accommodation during internships in Bagan and other destinations, consider the options of also offering training of disadvantaged men in border areas, ensure timely delivery of training equipment in connection with training courses;
- Improved gender focus in project implementation (course planning and design, recruiting and delivery), and gender should be incorporated in training curricula where suitable, and it would be useful to recruit a gender advisor or officer to ensure that each project activates will comply with gender and crosscutting issues effectively.