DELGOSEA

Best Practice Phuket:
Preserving Old Town Architecture
and Reviving Traditions as Tourist
Attraction and Economic Driver

- short version –

Thematic Area: Fiscal Management and Investment Planning
Country of Origin: Thailand

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ABOUT DELGOSEA

The Partnership for Democratic Local Governance in Southeast-Asia (DELGOSEA) was launched in March 2010 and is co-funded by the European Commission and the Konrad-Adenauer-Stiftung (KAS) of Germany through the German Ministry of Development Cooperation.

DELGOSEA aims to create a network of cities and municipalities to implement transnational local governance best practices replication across partner countries: Cambodia, Indonesia, Philippines, Thailand and Vietnam. It supports the role of Local Government Associations (LGAs) in providing and assisting the transfer and sustainability of local governance best practices replication by local governments. Most importantly, through the exchange of best practices in the region, DELGOSEA intends to contribute to the improvement of living conditions of disadvantaged groups in Southeast-Asia by helping increase their participation in local planning and decision-making.

In the first phase of project implementation, an intensive research was done to determine Best Practices (BP) in local governance in each of the five participating countries. A consortium of international local governance experts and representatives from the LGAs reviewed and selected 16 BPs out of the submitted 27 BPs.

The project concentrated on the following four thematic areas while selecting best practice examples from the five countries:
1. Peoples' participation in planning and decision-making;
2. Institutional governance;
3. Inclusive urban public services;
4. Fiscal management and investment planning.

The following short descriptions BP is one of the selected 16 BPs in the area of fiscal management and investment planning, provided by Phuket in Thailand.

Starting in January 2011 through August 2012, DELGOSEA will continue to collaborate with LGAs and local governments to transfer best practices replication. The pilot cities/municipalities could modify or improve the original best practice to their local context. The LGAs in the five participating countries will closely consult and guide the selected pilot local governments on the transfer and implementation of BP replication.

Country	Thailand
Local Government:	Phuket City
Type:	Municipality
Best Practice:	Preserving old town architecture and reviving traditions as tourist attraction and economic driver
Aspect of Governance:	Fiscal management and investment planning
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Summary

Phuket municipality aimed to improve the physical environment of Old Town and downtown Phuket to 1) boost economy in the old Phuket town, 2) conserve architectural environment, 3) strengthen the old way of life, tradition, culture and livelihood of the genuine Phuket, and 4) build awareness on cultural conservation among the people.

The comprehensive program was implemented in close cooperation with the Department of Public Administration, Ministry of Interior, the private sector and the local people living in old Phuket town. The following activities were carried out:

- Database development of architecture, physical environment, and infrastructure of old Phuket town;
- Establishment of administrative bodies: multi-party operational committee, Old Phuket Foundation, Old Town Community;
- Awareness campaign, knowledge and appreciation dissemination towards the Old Town through income generating tourism activities, such as trips "Phuket in the Past", vocational training on indigenous arts and customs e.g. traditional clothing, recipe, etc;
- Public relations through local media activities in TV programs, leaflets, and physical renovations such as conversion of an old school as museum;
- Improvement of the urban environment, such solid waste management, green energy, underground power lines, and clean water;
- Investment in communication technology and public relations;
- Long-term investments in a tourist information center, and museums for education and tourism.

The following results could be achieved:
- Communities in the old town and in downtown became proactive and developed interest groups for the conservation of the old town as a cultural attraction of Phuket tourism;
- Strengthened collaboration between the government, the private sector, and the people for improving the infrastructure of old Phuket town. In 2000, the municipality has been awarded as the "City of Identity" by the Urban Development Fund;
- The old town became a famous tourist attraction, with increasing visitor rates from year to year; higher income for the local economy and the people;
- The return of the young generation to Phuket due to the increase of local economy; average income 100 USD a month;
- Increasing prices for real estate properties due to foreign investments; higher income taxes for the city;
- Improvement of the physical environment, such as footpaths, underground wiring, lighting, flood control, and solid waste management resulting in a higher life quality.

The programme was funded by the German Technical Cooperation (GTZ), Phuket municipality and the Ministry of Science, Technology and Environment. Various stakeholders supported the program, such as the King Mongkut University Ladkrabang. Budgets - infrastructure: 17.1 million Baht; database: 2.1 million Bath; architecture: 1 million Baht per year.

Background and Objectives

ASEAN cities are developing very fast because of economic and technological advances. But when new and modern business centres are developed, historical sites are sometimes abandoned or, worse, demolished. Continued modernization also detaches the young population from their cultural identities. It becomes easier for them to leave home to find opportunities elsewhere.The municipality invested in the restoration of the Old Town area--downtown Phuket's former commercial center--and turned it into the profitable center of cultural tourism. The municipality preserved old buildings known as Sino-Portuguese (a.k.a. Sino-Colonial) architecture and revived the old tradition of *Peranakan* (Malay-Chinese, a.k.a. Straits Chinese).

The aim is to promote the local economy and bring in more income in a long run. Phuket municipality is located in the southwestern part of Phuket Province. It has 20,877 households or a total population of 74,583 and majority are traders. Its land area stretched to 12 kilometer square. In the middle of the municipality is a commercial and business center. The adjacent areas in the old town are residential. The inner part of downtown Phuket has higher population density. The streets in the municipal area are narrow and tight.The municipal government has 1,095 total employees. In 2008 year, the municipality registered an income of 729.16 million baht.

A.   Innovative Elements

Phuket Municipality invested in the preservation of the old buildings and the improvement of the physical environment the Old Town and downtown Phuket in general. Local communities and various national and international organizations were involved in the initiative. The local people were engaged to understand and support the municipality's plan to renovate the old town area in such a way that the unique architectural value is preserved. In the end, it's the local people who benefit the most, culturally and financially, from the growth of tourism in the area.

Awareness build-up campaigns were employed to encourage people's participation in the initiative. Through these efforts, the local people better appreciated Phuket's charming culture and their identity:

- Communities in the old town and downtown Phuket in general have become active stakeholders in the initiative to conserve the old town and turn it into a profitable cultural attraction. Although it meant higher construction costs, building owners and tenants cooperated with the municipality in making sure that the renovations approximated the original structures. Eventually, in 1990, the Siam Architecture Association asked H.R.H. Princess Sirindhorn to help in the conservation efforts.

- The people in the old town formed a group to take the lead in preserving buildings and reviving old traditions—showcasing old customs, traditional food, and wedding and religious ceremonies—to attract customers to the area. In 1997, this group was recognized by Thai Heritage Conservation Committee for their architectural conservation work.

- The government, private sector, and the locals collaborated in preserving the old town's identity and pride. In 2000, the municipality won the City of Identity award from the Urban Development Fund.

As a result, the initiatives on preserving Old Town Phuket lead to several benefits for the community:

- The young people have returned to Phuket. In the past, young people who left Phuket to pursue higher education rarely returned to establish careers back home. The restoration of the Old Town changed their mindsets. Many of them have come back to start their own tourism-related businesses, such as restaurants, hostels, and photo shops. The average income of these establishments is US$1,000 monthly.
- The price of real estate has been rising fast. Local and foreign investors have become interested to invest in the developed area. For the municipality, this means better income from taxes in the future.
- The community enjoy better quality of life because of the improved physical environment. The footpath, underground wiring, lighting, flood control, and solid waste management system were improved.
- The old town has become a famous tourist attraction drawing more and more visitors. It's become the alternative destination to Phuket's beachfronts. Local people have generated more income and the overall economy improved.

The program continues to remain active. It is co-managed by the Phuket Municipality, Old Town Foundation, and the local communities. They hold capacity-building workshops to train young people and community people to become "voluntary local guides." They also continue to develop new tourist attractions to showcase Phuket's old traditions. The municipality envisions the Old Town to become a living museum.

B.   Involvement and Activities

In 1992, the Department of Public Administration and the Ministry of Interior collaborated with GTZ to select Phuket municipality as the pilot municipality in urban environment management. The mayor then came up with the idea to conserve the Old Town. The current mayor pursued the initiative.

The new city administration leads the collaborative activities with other governmental units (Tourism Authority of Thailand, Ministry of Tourism and Culture) the private sector (Old Town Foundation, Peranakan Foundation), and the Old Town community and tenants. Preservation of these sites not only makes local people proud of their identity, but also

leads to potential sources of income. The most active civil society group, the Phuket Old Town Community which consists of 36 households was able to raise funds by selling shares (100 baht per share).

In the end, there were a total of 435 shareholders giving the group a capital of 43,500 baht. They were very successful in organizing tours and selling T-shirts. They divided their income thus; 30% for house tenants, 30% for raw material and tools, 25% for voluntary guide, and 15% goes back to the fund.

The preservation of Old Town Phuket activities can be categorized into four activities:

1) database establishment on the architecture, physical environment, and the infrastructures of Phuket's Old Town.
2) administrative bodies formation, like the multi-party operational committee, Old Phuket Foundation, Old town community.
3) raising awareness, knowledge, and appreciation of the Old Town, along with income generating activities, such as Phuket in the Past, vocational training of indigenous wisdom (e.g. traditional garments, recipe, tour guide, etc).
4) media productions for public relations purposes, and doing additional tourist attraction improvement. The municipality promoted the Old Town by funding promotional leaflets and television programs. The municipality also invested in physical developments, like converting an old school into a museum.

C.   Sustainability and Replication

Participation is the key to sustain this best practice model, with active involvement from the government, private sector, and civil society organizations and members. The Old Town Foundation and Phuket Old Town Community, the real owners and tenants who live there, were actively involved in many conservations efforts since the beginning of the project. Thus, for other local governments wish to replicate this model, it is therefore significant to ensure participation from all stakeholders throughout the project's phases.

The participation is further maintained through series of capacity-building workshops, which engage young people as volunteers as local guide and identified new, interesting activities to enhance Phuket's old traditions appeal. Depending on the type of tourism sector, other local governments can decide the nature of capacity building activities required and possible new tourism attraction.

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