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The Economy and Environment Program for Southeast Asia (EEPSEA) was established in May 1993 to support training and research in environmental and resource economics across its 10 member countries: Cambodia, China, Indonesia, Laos, Malaysia, Papua New Guinea, the Philippines, Sri Lanka, Thailand, and Viet Nam. Its goal is to strengthen local capacity for the economic analysis of environmental problems so that researchers can provide sound advice to policymakers.

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How Much For World Heritage?: The Value Of Temple Preservation In Vietnam

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Cultural landmarks such as temples, ancient fortresses and 'lost' cities are key destinations for tourists across Southeast Asia. Unfortunately, in many instances, there is not enough money or resources to adequately protect these historically important sites from the ravages of the weather or from the wear and tear caused by visitors' feet. In response to this challenge, →

A summary of EEPSEA Research Report 2006-RR6, *Valuing the Economic Benefits of Preserving Cultural Heritage: The My Son Sanctuary World Heritage Site in Vietnam*, by Tran Huu Tuan, College of Economics – Hue University, 100 Phung Hung Street, Hue City, Vietnam. Tel: +84 54 538332. Fax: +84 54 529491. Email: tran.tuan@umb.no or tuantranhuu@yahoo.com

“Visitors would be willing to pay ...

→ a new study from Vietnam has attempted to put an economic value on the preservation of one of the country's most important cultural artifacts, the My Son temple complex in Quangnam province.

The study was carried out by Tran Huu Tuan from the College of Economics at Hue University, Vietnam. Tran used two complementary approaches to gauge the value that foreign and local visitors placed on the temple's preservation. He found that foreign visitors in particular would be willing

Hindu temple complexes in Southeast Asia. In December 1999, the sanctuary was listed as a UNESCO World Cultural Heritage Site (WHS). Following this designation, the yearly number of visitors to the site soared by 40%. It has now become a major tourist destination, attracting about 100,000 Vietnamese and foreign visitors per year.

In spite of its importance, the temple complex is severely threatened with degradation due to environmental pressures, neglect and

An Innovative Approach To Valuation

Tuan looked at how much visitors would be willing to pay to implement a program that would improve the condition of My Son and preserve the site for the future. This was done for three reasons: to evaluate how much value different types of people place on preservation of the monument; to find out whether more money could be raised by changing the charges levied on tourists; and to find out what levels of conservation investment are justified. In other words, the study

Expected revenue at different entrance fee

Foreign visitors			Vietnamese visitors		
Entrance fee (US\$)	% visitors	Expected revenue (US\$)	Entrance fee (US\$)	% visitors	Expected revenue (US\$)
4	100	345,844	1.89	100	57,598
5	78	338,639	2.20	69	46,605
9	69	535,775	3.14	51	48,785
14	46	555,618	5.03	30	45,323
19	11	188,513	8.18	20	49,100

to pay substantially more than the current entrance fee to ensure the temple's safe future. This represents a significant new potential source of income.

A Sanctuary In Danger

The My Son sanctuary is a large temple complex that originally comprised more than 70 structures. Twenty-five of these remain today. My Son dates back to the fourth century and is considered one of the most important

tourist numbers. This unique site is now in a state of significant disrepair and urgently requires conservation efforts. The situation at My Son is unfortunately mirrored in many other heritage sites across the developing world – victims of their own popularity and of a lack of investment. Information is badly needed to drive forward a conservation program for these unique and irreplaceable examples of world heritage.

aimed to provide information that would both validate and facilitate the restoration and protection of My Son.

This investigation broke new ground, since only fifty such valuation studies of cultural heritage have been undertaken anywhere in the world, most of them in developed countries. The study used two techniques: the Contingent Valuation (CV) method and the Choice Experiment (CE) method. These are considered the

to ensure the temple's safe future."

Example of a choice set used for Interviewing foreign visitors. Please select the option you prefer:

Attributes	Current situation	Alternative situation
Entrance fee	\$4	\$5
Proposed preservation plan	No	Yes
Upgrading infrastructures	Current condition	Current condition
Additional services	Existing services	Multimedia audio-visual services, temporary exhibitions
Would you have made this trip to My Son if you had known that the alternative situation had been applied?	☐	☐

best techniques to estimate the total economic value of cultural assets that are not traded in the market – especially those with high intrinsic 'non-use' values. However, the CE approach has been rarely used to value cultural heritage. The study therefore aimed to advance understanding of how this approach could be applied and to compare it to the more familiar CV approach.

Getting The Valuation Data

CV and CE are to some extent complements. CV is used to estimate people's willingness to pay (WTP) for a certain action or scenario, while the CE approach is used to estimate people's marginal WTP for certain attributes of that action or scenario. The CE approach is believed to have several advantages. In particular, it encourages respondents to concentrate on the trade-offs between the characteristics of a project or program, as opposed to taking a

simple position either 'for' or 'against' a policy.

Face-to-face interviews were used to gather primary data for both the CV and CE studies. The questionnaires were developed through discussions with experts working in cultural heritage research; focus groups; and pretests. Secondary data came from the Management Board of the My Son Relics, the My Son Historic Vestiges Preservation Office and a number of provincial tourism agencies.

Four groups of people were surveyed: (i) foreign visitors to My Son; (ii) Vietnamese visitors to My Son; (iii) Vietnamese visitors visiting the area who did not visit My Son during their trip; and (iv) local residents. The surveys were carried out at My Son and in Hue and Hoian – two of the largest tourist destinations in Vietnam, and the places where most visitors stay during their trips to My

Son. Interviews with foreign visitors to My Son, were also conducted at My Son and on board tourist buses on the journey between My Son and Hue or Hoian. A total of 1,413 people were interviewed for the main surveys (967 for CV and 446 for CE).

What Visitors Were Asked

The questionnaires gathered general information about visitors' reasons for visiting My Son and Vietnam and their attitudes towards the My Son monument. Interviewees were also given factual information about My Son. CV respondents were then asked whether they would still visit My Son if entrance fees were increased to help pay for a proposed preservation plan. They were told that entrance fees would be raised by one of eight values (USD 1, 5, 10 and 15 for foreign visitors and 5,000, 20,000, 50,000, and 100,000 VND for Vietnamese visitors).

In the CE survey, respondents were presented with a number of site preservation scenarios. Each described a different combination of 'attributes' relating to the proposed temple preservation plan. These attributes included: The price it would cost the visitor (an increase in entrance fee for foreign visitors, and a preservation fee via an increase in tax for the local residents – as in the CV survey a number of potential costs were set out); whether infrastructure would be upgraded; and whether additional services would be supplied. For each of the 'new' scenarios, respondents were asked to say whether they would still visit My Son if that scenario was in place, or whether they would prefer the current situation (the status quo).

How Much People Would Pay

The mean willingness-to-pay (WTP) for preserving My Son in the CV-survey ranged from USD 7.97 for foreign visitors (USD 4 is the current charge) to USD 1.67 for Vietnamese visitors. The CE results showed that an adult foreign visitor to My Son would be willing to pay USD 6.21 for a change from the status quo to the preservation

plan, and that a local household in Quangnam province would be willing to pay USD 2.14 for the change. The aggregate WTP for all groups of respondents in 2005 was USD 3,567,344. Given their higher income levels it is not surprising that foreign visitors are willing to pay more. Overall, the two methods produce very similar results, which can be interpreted as a test of their validity.

Based on the median WTP obtained from the two studies, a potential optimal entrance fee was calculated – USD 12 for foreign and USD 3.50 for Vietnamese visitors. If this new fee system was implemented, it would generate annual revenue of USD 570,487. This compares favorably with the current entrance fees, which produce annual revenue of USD 403,442. A differential pricing policy between foreign visitors and Vietnamese visitors would thus increase the amount of revenue collected while ensuring that the relatively lower income Vietnamese do not pay too high a share of the cost. It might also reduce congestion at the

temple.

Could This Finance The Preservation Of My Son?

Adoption of the recommended price regime would both increase revenues and reduce congestion at the site. However, this pricing regime would not reduce the congestion problem stemming from Vietnamese visitors. Imposing a pricing structure with seasonal differentiations to reduce the number of Vietnamese visitors in the high season should be feasible. Results also show that if the justification of investments were only based on entrance fees, then this would lead to a level of preservation for My Son that would not be optimal for the site nor for society. The inclusion of benefits derived from non-visitors is needed to argue for increased preservation investment. Cost-benefit analysis shows that the preservation project for the My Son cultural heritage is an economically worthwhile proposition.

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