The Effects of Tourism on Culture and the Environment in Asia and the Pacific

IMPACT

Cultural Tourism and Heritage Management in the World Heritage Site of the Ancient Town of

Hoi An

Viet Nam
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As one of the fastest growing and most profitable industries in the world, tourism can provide limitless opportunities for economic development, particularly in developing countries. It can generate income and employment effectively through the development of natural and cultural resources. It also provides local communities with the opportunity to express pride in their own culture, thus giving the impetus to revive threatened traditions and cultural practices. Tourism enables interaction between individuals of different nationalities and backgrounds, thus fostering dialogue among cultures and encouraging cultural diversity and creativity.

However, tourism can also cause irreversible damage to culture and the environment if not properly managed. In the rush to develop their local tourism industries, local governments, particularly in developing countries, have often focused the bulk of their investment on promoting the sites, while overlooking the need to make adequate preparations to prevent the deterioration of their cultural, natural and social assets brought about by uncontrolled tourism. Local governments, the tourism industry, developers, heritage site managers and members of the community should work together closely to formulate policies to mitigate the negative impacts of tourism on their culture and the environment. This can only be possible if all stakeholders have a clear understanding of the interaction between tourism, development and heritage resources.

From 1999 to 2003, UNESCO implemented a four-phase regional project on “Culture Heritage Management and Tourism: Models for Co-operation among Stakeholders” with the participation of pilot sites from around the Asia-Pacific region. The project developed mechanisms for cooperation among various stakeholders at eight World Heritage and Tentative List sites. Through enhanced cooperation, the pilot sites have created institutional frameworks for a sustainable local cultural tourism industry and site-specific strategies to harness tourism towards the goal of heritage preservation.

Among the pilot sites, the World Heritage Site of the Ancient Town of Hoi An in Viet Nam developed an outstanding model to generate financial resources needed for the revitalization of its historic district from the tourism industry. By capturing tourist revenue through the sale of tourist entry tickets, the municipal government has been able to restore heritage properties, both state-owned and private buildings, for adaptive re-use and to improve tourist and public facilities. Through sound fiscal management of the tourism revenue, the municipal government has succeeded in transforming the once deteriorating heritage site into a premier tourist destination.
With the cooperation of the Hoi An Centre for Monuments Management and Preservation (HACMMP), this publication has been developed to showcase the strategies adopted by the municipal government of Hoi An in making tourism an effective tool for heritage preservation and for improving the quality of life of the local inhabitants. It is hoped that this publication will inspire other heritage sites in the region to replicate the Hoi An experience in mobilizing tourism as a force for sustaining and developing their culture and economy.

Richard A. Engelhardt
UNESCO Regional Advisor for Culture in Asia and the Pacific
Introduction to Hoi An
Map of Modern Greater Hoi An

NOTE:
- ARCHAEOLOGICAL SITE
- ARCHITECTURAL RELIC
- COMMUNAL HOUSE
- PAGODA
- ASSEMBLY HALL
- TOMB
- FAMILY CHAPEL
- CHURCH
- MARKET
- SHRINE
- TEMPLE
- WELL
- BRIDGE
A. Location and Geographic Features

Hoi An is located on the northern bank of the Thu Bon River in Quang Nam province on the south central coast of Viet Nam. The town is about 50 kilometres north of Tam Ky City (the capital of the province) and about 30 kilometres south of Da Nang City.

Situated on the Thu Bon estuary, a network of waterways about 34 kilometres long, Hoi An is close to the ocean and to many beaches and fishing villages, such as An Bang beach, approximately 4 kilometres to the north; Phuoc Trach beach, a picturesque beach lined with sheoak trees (*Allocasuarina*) and Cam Thanh village, about 3 kilometres east at the mouth of the Thu Bon River close to the Thuan Tinh sand dunes.

Off the coast is an archipelago of eight small islands: Lao, Ong, Kho Me, Kho Con, Tài, Dài, Lá and Mỏ, known collectively as Cu Lao Cham (Cham Islands). The archipelago has a total area of 15.5 square kilometres, of which 90 percent is forested, seven percent farmed and three percent inhabited (with a population of around 2,800).

Hoi An has nine wards (Cam An, Cam Chau, Cam Pho, Cam Nam, Cua Dai, Minh An, Son Phong, Tan An and Thanh Ha,) along with four communes (Cam Thanh, Cam Ha, Cam Kim and Tan Hiep). It has a population of about 83,000 people.
B. History and Development of Hoi An

Prehistory

The history of Hoi An can be traced to the late Sa Huynh period (200 BC to 200 AD). Archaeological relics from the Sa Huynh period include burial jars, tools, stone jewellery, ceramics, glass and metal objects that have been found at sites in Cam Ha, Thanh Ha, Cam Pho, Cam Thanh wards.

Chinese copper coins (Wu Chou and Wang Meng period) and Xi Han period iron items similar to artefacts from Dong Son and Oc Eo sites indicate that the Sa Huynh traded with communities from China and from central and south Viet Nam.

Archaeological excavations in Bai Ong indicate that the Cham Islands have been occupied for over 3,000 years.

Cham Period

During the Cham period (200–1500 AD), Hoi An was known as Lam Ap Pho (Champa City) and was a major town of the Tra Kieu Kingdom which spread across present-day central Viet Nam.

Between the ninth and tenth centuries, Lam Ap Pho became an important commercial port, which attracted many Arab, Persian and Chinese merchants trading goods such as silk, pearls, tortoise-shell, gold, agar wood and drinking water. Remains of Cham-era foundations, wells, stone statues (including of the dancer Gandhara and of the god of fortune Kubera), along with pottery and ceramics from China and the Middle East, jewellery and coloured glass attest to bustling trade in Lam Ap Pho during the Cham period.

Ultimately, the prosperous Trà Kiệu Kingdom was weakened through continuous war with the Dai Viet to the north and the Khmer to the southwest. The Dai Viet eventually gained the upper hand and gradually expanded southward. Le Hong Duc (1471) and Nguyen Phuc Tran (1693) pushed the border southward to the Cu Mong Pass in modern day Qui Nhon city (Binh Dinh Province), effectively annexing all Cham areas.

1 Cham foundations are easily identified as the Cham used tree resins as mortar, unlike the Dai Viet who used lime mortar. See Tran Ky Phuong et al.
Dai Viet Period

Succeeding the Cham were the Dai Viet (Vietnamese) who came from north and north-central Viet Nam and who continue to be the main inhabitants of Hoi An. The Dai Viet period lasted from the fifteenth century until the early nineteenth century.

According to the family annals of the Tran, Nguyen Viet, Nguyen Duc, Huynh and Le Viet clans, settlers to Hoi An came mainly from present-day Thanh Hoa, Nghe An and Ha Tinh in the fifteenth century.

When the Dai Viet settled in Hoi An, they engaged mainly in farming (notably, wet rice cultivation) and fishing. Villages in the Hoi An area became increasingly specialized in particular forms of craft production and started to trade with other villages, which eventually led to foreign trade. Several of the craft villages exist today. For example, woodcarving is still practiced in Kim Bong, while pottery is still being produced in Thanh Hà Village.

Hoi An benefited from its advantageous geographic location (close to the Thu Bon estuary, which had a deep harbour with easy access to ships) and from its protected harbour. China’s foreign trade policies during this period also had a significant impact on Hoi An’s development. The Ming regime in China had banned exports of several goods to Japan. To circumvent this ban, Japanese rulers of the Shuinsen era (1592-1636) issued special permits to allow ships to travel to South-East Asia, and to Hoi An in particular, to obtain Chinese products. During this period, the town saw a significant influx of Chinese and Japanese traders. Hoi An became an important trading centre within the country and in the region, and a melting pot of migrants, including settlers from as far away as India.

By the early seventeenth century, the town of Hoi An was known as Faifo (or Hai Pho meaning seaside town) and was divided in two sections by the Chua Cau (Japanese Bridge), a unique covered structure built by the Japanese in 1593 and later rebuilt by the Chinese. One section of the town was Japanese and the other was Chinese, and each had its own governors and regulations.

“Hoi An is a big seaport, a meeting place for merchants from many countries. The main road, three to four leagues long, runs along the bank of the river; it is bordered on both sides by closely built houses inhabited by people who came from Fujian. The street ends at the Japanese bridge, in other words Cam Pho; on the other bank, at Tra Nhieu, foreign vessels moored.”

Thich Dai San (a Chinese Buddhist Monk)²
Hoi An, 13 March 1695

² Nguyen Dinh Dau 2003 quoted Thich Dai San.
During this period, trade also flourished in Hoi An. The Dutch and other European traders established trading posts which operated between 1636 and 1741. The town became known to the French and Spanish as Faifo and was known by similar names in Portuguese and Dutch.

During the first half of the seventeenth century, Hoi An became one of the gateways for Christianity. Catholicism was first introduced by Portuguese Jesuit missionaries between 1615 and 1658 and was later expanded by Dominican priests. Catholic missionaries created the *quoc ngu* (romanized Vietnamese script). A French missionary, Alexandre de Rhodes, was the first to publish a dictionary and a religious book in *quoc ngu*.

From the late eighteenth century, political changes in the country and the region, combined with changes in Hoi An’s harbour caused by siltation, served to diminish Hoi An’s importance as a trading port, in favour of Da Nang.

**Dai Nam**

The Dai Nam period began in the early nineteenth century (1802) and lasted until 1945. This period marked the rule of the Nguyen Dynasty, founded by the Nguyen family, who built their capital in Hue, north of Hoi An.

Many Chinese merchants continued to visit Hoi An during the Nguyen Dynasty to exchange goods. During the typhoon season (August to October), Chinese traders often remained for prolonged periods. Relationships developed with the local population; Chinese traders intermarried with the Vietnamese women and established businesses in Hoi An.

The French gained control of Indochina in 1886. Between 1887 and 1954, Viet Nam was part of the French colonial empire in Indochina. Hoi An became a centre of nationalist movements within Quang Nam province. The Association of Young Vietnamese Revolutionaries was established in Hoi An in 1927.

In 1940, during the Second World War, Japan gained military access to Viet Nam through an agreement with the French Vichy Government. Japan then gained control of Indochina and governed Viet Nam until the August Revolution, a period of demonstrations and uprisings against colonial rule throughout the country which took place between 19 and 25 August 1945.

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6. Marriage was also a convenient way to obtain residence permits from the ruling Nguyen Lords.
Following the end of the Second World War, conflict intensified between nationalists (the Viet Minh) and French colonial forces, culminating in the Battle of Dien Bien Phu in 1954. The victory of the Viet Minh in this battle marked the end of French colonial rule and led to the partition of Viet Nam at the seventeenth parallel, with the north governed by the Viet Minh and the south under control of foreign colonial powers (United States, United Kingdom and France).

Between 1959 and 1975, the Viet Nam War, also known as the Resistance War against America, was fought between the Republic of Viet Nam (North Viet Nam) and the United States and its allies.

On 2 July 1976, the Socialist Republic of Viet Nam was declared. In 1979, there was a brief border war between the People's Republic of China and the Socialist Republic of Viet Nam, which affected Viet Nam's ethnic Chinese community, including that in Hoi An. Border skirmishes continued in the 1980s, but since the 1990s, Viet Nam has been in a state of peace.

Hoi An was a quiet, rural town until it began to receive significant numbers of tourists in the 1980s, which brought about changes in its economy and population. In 1999, Hoi An was inscribed as a World Heritage Site, which has accelerated these changes.

### 1945 Until Today

The resistance leaders of Hoi An played a key role during the August Revolution. In recognition of this, the town of Hoi An was awarded the honourable title of “The People's Armed Force Hero” on 22 August 1998. At the same time, 175 women of Hoi An were proclaimed “Vietnamese Heroic Mothers”, while six villages, two armed force units and sixteen individuals were recognized as “The People's Armed Force Heroes”.

### Box 1. World Heritage Inscription Criteria

**Criterion (ii):** Hoi An is an outstanding material manifestation of the fusion of cultures over time in an international commercial port.

**Criterion (v):** Hoi An is an exceptionally well preserved example of a traditional Asian trading port.
C. Population and Economy

Population

Hoi An currently has a population of approximately 83,000. As Table 1 shows, the majority of the population are of working age. Annual in-migration is high, fuelled largely by the growth of the tourism industry.

Table 1. Population of Hoi An (2006)

<table>
<thead>
<tr>
<th>Year</th>
<th>Population</th>
<th>Population of working age</th>
<th>Households</th>
</tr>
</thead>
<tbody>
<tr>
<td>1976</td>
<td>68,153</td>
<td>35,552</td>
<td>11,358</td>
</tr>
<tr>
<td>1986</td>
<td>61,834</td>
<td>30,917</td>
<td>12,366</td>
</tr>
<tr>
<td>1996</td>
<td>76,871</td>
<td>32,670</td>
<td>16,355</td>
</tr>
<tr>
<td>2006</td>
<td>83,000</td>
<td>52,991</td>
<td>18,935</td>
</tr>
</tbody>
</table>

Source: Hoi An Department of Statistics

Economic Activities

Today, tourism is Hoi An’s main economic activity. Historically, however, the town has relied on agriculture, fishing, trade and other economic activities, described as follows.

Agriculture

The local agricultural economy has historically been dominated by the Viet people, who generally practice wet-rice agriculture. Expressions such as “no farming, no life” and “three bowls of rice a day keep the doctor away” show the importance of wet-rice agriculture to the Viet people.

The land area available for agriculture in Hoi An today is limited, but farming retains an important role in the economic structure of the town.

Present-day farmers continue to cultivate wet rice on river islets and alluvial fields using the methods and tools of their ancestors, including ploughing fields with water buffaloes. Many farmers still live in simple bamboo homes and make many of their own tools.

Settling on the fertile estuary land was a mixed blessing for the residents of Hoi An. Farmers have frequently been subject to natural disasters, including annual storms from the Eastern Sea and flooding from the Vu Gia and Thu Bon Rivers. The precarious situation of farmers has fostered close-knit communities in which mutual cooperation to protect cattle, crops and homes is the norm.
Fishing

Given Hoi An’s location, fishing has also traditionally been an important economic activity. Fishermen in the region utilize a variety of fishing tools and methods, reflecting the variety of origins of the people in Hoi An.

Fishing villages in Vong Nhi, De Vong, Phuoc Trach, Dai An and Tan Hiep catch and process seafood products for both domestic consumption and the export market.

Trade

Perhaps because of the emphasis on agriculture during feudal times by the Vietnamese people (reflected in the saying “respect agriculture, choke trade”), it was the foreign merchants (mainly Chinese traders) who historically caused trade to flourish in Hoi An. Today, Hoi An is no longer a major trading port, but many merchants still run thriving businesses.

Traditional Medicine

Hoi An was a hub of traditional medicine in central Vietnam during the sixteenth and seventeenth centuries. The medicine was known as “north medicine” if it was imported from China and “south medicine” if it was domestically produced. At that time, there were many traditional pharmacies with doctors and pharmacists along Tran Phu, Nguyen Thai Hoc, Hoang Van Thu and Le Loi Streets.

Records show that until the early twentieth century, when Western medicine became popular, patients came from across the country to Hoi An to be treated. Today, traditional medicine still has a place in Hoi An and continues to be held in high regard by residents and also by visitors seeking alternatives to Western medicine.

Tailoring

Tailoring is a traditional craft with a long history in Hoi An. Tailors were in high demand during Hoi An's heyday as an international port, sewing clothes and other items for traders from all over the world. Tailoring has been revived in Hoi An, with many tailors now catering to tourists.
Carpentry

Kim Bong village, southwest of Hoi An on the opposite bank of the Hoi An River, specializes in carpentry. Craftsmen learn their trade through apprenticeships, gradually becoming masters through years of practice.

The village was founded toward the end of the sixteenth century by settlers who brought woodworking traditions with them from northern Viet Nam. Over the years, however, the villagers incorporated technology and methods from the Chinese, Japanese and Europeans, forming a new and distinctive style.

Hoi An’s old wooden buildings were produced by the carpenters and woodcarvers of Kim Bong. The woodcarvers were so highly regarded in Viet Nam that they were taken to Hue by the Nguyen lords to help build the palaces and tombs of the Hue Citadel, another World Heritage site.

Today the woodworkers continue to produce traditional products such as wooden doors, gates, religious statuary and traditional boats, along with modern furniture and other items.

Pottery

Pottery is produced in Thanh Ha village, which is located on the western outskirts of Hoi An. The original inhabitants of Thanh Ha came from the north, probably from modern-day Thanh Hoa and Nghe Tinh provinces, and founded the village at approximately the same time that Kim Bong village was established.

Thanh Ha village mainly produces roof, floor tiles and earthenware products. Some products are decorated or embossed, while others are glazed with dark brown or dark yellow glazes. Thanh Ha no longer produces bricks because the smoke from the kilns pollutes the air.

As in the case of Kim Bong, the products of Thanh Ha village have been used in the buildings and homes of Hoi An residents for generations. Because of Thanh Ha’s favourable location close to the river and port, the pottery products could also be exported to other coastal provinces and abroad.

The pottery-making skills of the inhabitants of Thanh Ha are handed down through generations, with gender-specific tasks. Men haul and wash the clay while women operate the potter’s wheel. One woman spins the potter’s wheel with her foot while another creates the shape of the product. Men then stack and dry the products in the sun before firing them in communal wood-burning kilns.
Part 1
The Heritage of Hoi An
A. **Tangible Heritage**

### Urban Lay-out

According to archaeological evidence and historical documents, the first settlements in Hoi An were along Nguyen Thi Minh Khai and Tran Phu Streets. Due to the accumulation of silt and changes in the course of the Hoi An River, the port area was gradually extended southward.

Nguyen Thai Hoc Street was created sometime between the late eighteenth century and the early nineteenth century to further expand the port area. Streets running east to west were interconnected with perpendicular streets resulting in a grid-like pattern. This grid of streets makes the town very different from a traditional village which usually evolves organically, with winding streets. The town of Hoi An today occupies an area of about 300,000 square metres.

### Built Heritage

The built heritage of the town of Hoi An reflects the cultural influences of diverse traders who settled and worked there in the past. Though trade with Japan lasted only around half a century (1592-1636), the cultural legacy of those traders can still be seen in Hoi An today because of the style in which they built houses in their quarter of the city. Likewise, many of Hoi An's buildings feature Chinese architectural influences.

The Hoi An Centre for Monument Management and Preservation (HACMMP) has identified over 1,350 relics of heritage importance in the town. Of these, 1,254 are artistic or architectural structures, including shophouses, family chapels, communal houses, assembly halls, pagodas, churches, bridges, wells, markets, temples and tombs.

### Houses

Hoi An's buildings reflect a mixture of Vietnamese, Chinese, Japanese and French architectural influences. Generations of craftspeople have incorporated this variety of building traditions to form a harmonious combination.

The oldest surviving structures date back to the eighteenth century. The most recent heritage buildings were built during the French colonial era.
The buildings of Hoi An can be classified into five main styles:

The first style is the one-storey building with wooden façade. These buildings date from the eighteenth and nineteenth centuries. They are mainly located along Tran Phu Street, with a typical example located at 48 Tran Phu Street.

The second style is the two-storey building with eaves. These houses were built in the late nineteenth and early twentieth centuries. A typical example is located at 5 Nguyen Thi Minh Khai Street.

The third style is the two-storey building with wooden floors and balconies. These were built in the late nineteenth and early twentieth centuries.
The fourth style is the two-storey brick building. These buildings were built in the late nineteenth and early twentieth centuries and are located along Tran Phu Street and Nguyen Thai Hoc Street.

The fifth style is the two-storey French-style building. These buildings date back to the early twentieth century and can be found on the western end of Nguyen Thai Hoc Street.

There are four types of traditional building in Hoi An, reflecting different purposes: shophouses, family chapels, communal buildings and assembly halls.

Shophouses

Hoi An’s complex of wooden shophouses is one of the largest in South-East Asia. Within Viet Nam, similar building styles were commonplace in the old quarters of Ho Chi Minh City and Hanoi, but they have all but disappeared today.

Shophouses are built on long and narrow lots along the street. A shophouse is composed of three buildings in a linear arrangement: the front (main building), a rear building (annex) and a building which connects the front and rear buildings (bridge building). The building facing the street is usually reserved for commercial purposes. An open courtyard, located between the front and rear buildings, is paved with stone and has an ornamented basin on the wall facing the bridge building. This building style allowed several generations of a family to live close together, while maintaining privacy.
All shophouses have wooden interior posts and beams. Façades are either made of wood or masonry, depending on the period in which the house was built. Designed to cope with the local tropical climate, the buildings are structured to maximize air flow. Doorways within the houses are aligned with each other and external doors are aligned with doors on the opposite side of the streets. This alignment of doorways is carried all the way down the streets. As a result, with cooperation, all residents can benefit from greater air flow. Interestingly, this alignment of doorways does not correspond to the principles of feng shui. Given Hoi An's many Chinese residents, this feature is quite surprising and reflects their adaptation to the local context.

Figure 1. Plan and Section of a One-storey Wooden-walled Shophouse

1. Deep overhang
2. Main building
3. Decorative small building
4. Courtyard and bridge building
5. Rear building
6. Backyard with kitchen, toilet and shower

---

Feng shui (wind-water) is the Chinese belief and practice of balancing energy patterns of the physical environment (geomancy) involving the propitious location and orientation of buildings and interiors.
Figure 2. Air Flow in a Shophouse

1. Main buildings create enclosure of street
2. Deep overhang mediates between outside and inside
3. Roof shelters the residents from severe climate
4. Courtyard is a lifeline to provide inside with sunlight and fresh air
5. Raised floor prevents coldness and damp from the ground

Figure 3. Understanding the Shophouse

- Facade: One-storey with wooden wall
- Fittings: Sides: sliding board
- Centre: double doors (wooden, no glass)
- Composition: Front building with small additional building
  - bridge building (courtyard)
  - rear building (2 stories) + backyard
- Roof framework: A1. keo chong, A2. trinh chong - tru doi
- Roof tile: Traditional yin-yang
- Partition wall & floor: B1. partition wall dividing rooms
  - B2. raised floor
- Use of rooms: C1. shop, C2. bedrooms, C3. living room
  - C4. kitchen, C5. toilet and shower
- Other characteristics: D1. wooden panels surrounding the courtyard
  - D2. crabshell roof
Figure 4. Five Types of Facades

- One-story wooden-walled
- Two-story with eaves
- Two-story wooden-walled with balcony
- Two-story with brick wall
- Two-story colonial style
Assembly Halls:
A. Trieu Chau, B. Hai nam, C. Phuc Kien, D. All-Chinese, E. Cantonese

Temples:
F. Quan Congs Temple, G. Quan Am Pagoda, H. Tin Nghia Temple, I. Van Thanh Temple, J. Am Hon Temple, Q. Gate of Ba Mu Pagoda

Communal Houses:
K. Ong Voi, L. Minh Huong Village, M. Cam Pho
Bridges:
N. Japanese Covered Bridge

Museums:
O. Museum of Trading Ceramics, P. Museum of Sa Hyunh Culture

Family Chapels:
Family Chapels

Family chapels are detached buildings built on a square lot, usually located in small alleys and set back from the street. The lot is enclosed by a fence and there is a large garden in front of the main building. The core plan and structure are the same as the main building of a shop house, but with eaves on all sides. Often, a separate residential building is located at one side of the lot. Family chapels are primarily used for ancestral worship and are places where the younger generation is taught to pay respects to their ancestors. Family chapels are symbols of strong ties among clan members.

Communal Buildings

Communal buildings serve as both religious and cultural centres for Hoi An’s Vietnamese and Vietnam-Chinese communities. Communal buildings are the main place for social and cultural interaction among clan members and people from the same village. They are used as meeting halls and to hold gatherings to celebrate festivals and special events. Hoi An's communal buildings are still in use today.

Assembly Halls

The assembly halls in Hoi An were built to serve the Chinese community. The halls incorporate Chinese religious and architectural elements conforming to the principles of feng shui, but also integrate architectural and stylistic elements from Vietnamese building traditions. While having similar functions to communal houses, assembly halls have traditionally also served as places in which trade deals are negotiated.

Other Heritage Structures

Pagodas and Temples

Religious architecture is relatively ornate compared to other architecture. Religious structures are scattered throughout the town of Hoi An and surrounding areas. One example of religious architecture is the Phuoc Lam Pagoda which is located in Cam Ha village about 3 kilometres from Hoi An. Built in the eighteenth century by the Buddhist monk Minh Giac, the pagoda houses relics which illustrate the development of Buddhism in this part of Viet Nam.

Tombs

Hoi An's history and diverse heritage is reflected in the array of types of tombs, including Cham, Vietnamese, Chinese, Japanese, Portuguese, Spanish, German and French tombs. The tombs vary in style depending on their cultural affiliations.
Bridges

The oldest bridge in Hoi An is the Japanese Bridge, also known as the Pagoda Bridge. The bridge was built in the late sixteenth century by Japanese residents. It is believed that the bridge was built to appease a mythical creature, the Cu. According to legend, the creature's head is in India, its spine runs along the Vietnamese coast and its tail is in Japan. When the creature moves, there are earthquakes in Japan. By building the bridge on the creature's spine it was hoped to prevent earthquakes in Japan.

The bridge is arched, has seven spans and is covered by a roof, which has helped preserve the wooden bridge structure. It is lined by two narrow corridors on either side that house religious objects. Therefore, it is also a place of worship.

The bridge has been restored at least six times over its history. Only the pillars and supports are part of the original structure. With the various restorations, the bridge cannot be said to be in the building tradition of any single group. The structure and decorations are a combination of architectural styles, including Japanese, Chinese, Vietnamese and Western. It can therefore be seen as a symbol of linkages between the various cultures that have come together in Hoi An in the past and present.

Wells

Ancient wells can be found in many locations in and around Hoi An. Most wells were built of bricks to help filter the water. The oldest wells found to date were dug by the Cham people and are square in shape. An example of a significant Cham well is located at Cam Ha village. It has a diameter of 1 metre with stone walls about 10 centimetres thick, and is surrounded by four stone columns and a small rectangular yard.
B. Intangible Heritage

Family and Village Relationships

In Hoi An, as elsewhere in Viet Nam, the family (clan) is central to social life. Individuals have responsibilities to their families above everything else. Family responsibilities are not limited to the living, but also to one's ancestors. A Viet proverb states, “a bird has a nest, a tree has roots, water has a source and a person has ancestors”, meaning that an individual’s ancestors are an inextricable part of the individual, thereby encouraging respect for older generations.

The next important “level of relationships” is among people from the same village. The village is said to be established by the ancestors, and villages are therefore centres of clans. The close ties between members of the same village is illustrated by the way unrelated people address each other using terms such as uncle, aunt and grandfather.

In the past, certain families controlled the village’s activities and were its counsel and authority. At the head of the family was the patriarch, who was always the eldest son. The patriarch was considered to be predetermined by the “Creator” or “First Ancestor” of each family. This patriarch played a crucial role in resolving conflicts and determining the family’s and village’s activities.

Each family in Hoi An formerly had private family fields (recorded in family annals), a family chapel, the graves of their forefathers (cemetery) and a private ancestor worship day. Both the property and the special occasions formed the foundation of each family and clearly marked the differences between families.

Beliefs and Religion

Most people in Hoi An consider themselves to be Buddhist, although they do not practice the religion in a strict sense. Local Buddhism is strongly influenced by ancestor worship and a complex mix of various other beliefs.

Many families have a Buddhist statue (Buddha Amitabha or the Goddess of Mercy) placed in an elevated place in the house to remind them to do good deeds and avoid evil. In addition, many families eat vegetarian food on the first and fifteenth days of each lunar month in the belief that it will make their souls more restful and prevent disease.
Each family also has an ancestral altar which is traditionally placed in a prominent position in their house. Worship usually takes place on the day before the anniversary of an ancestor’s death. Apart from ancestor worship in the home, many families have separate, larger places for ancestor worship known as family chapels. In these chapels, people worship their progenitor and the clan’s annals. Smaller family branches only worship their deceased patriarch and relatives in their chapels.

Apart from ancestor worship, people also worship the five deities of the house (ngu tu gia duong). The five house deities are believed to help manage the household and family as well as determine its destiny. The five Vietnamese deities are the Kitchen God, Well God, Gate God, Patron Saint of Life and the Goddess of Prosperity. Vietnamese-Chinese residents of Hoi An differ in two of the five house deities. Instead of worshiping the Patron Saint of Life and the Goddess of Prosperity, they worship the Door God and the Earth God.

Hoi An was a point of entry for Christianity into Viet Nam in the early seventeenth century and there are still a number of Catholics and Protestants in Hoi An today.

Rituals and Festivals

The people of Hoi An practice a number of rituals and festivities according to the seasons and lunar calendar. These include prayers for good fishing, prayers for good harvests, rituals for newly planted rice, earth worship, rituals to mark the anniversary of an ancestor’s death, rituals to worship the Emperor Shen Nong, rites to seek inner peace (xo co), rites to protect oneself from the devil and evil spirits (hanh kieu sat phat), rites to mark the anniversary of the death of Minh Hai (a famous monk), celebrations of the Buddha’s birthday and the new year festival (nguyen dan).

Box 2. Festivals of Hoi An

Lunar month 1: Tet Nguyen Dan

*Tet Nguyen Dan* (the new morning), also called *Tet Ca*, is held on the first month of the lunar cycle to celebrate the new year. It is one of the most important festivals of the year and is traditionally celebrated with family members.

Lunar month 2: Luc Tanh Vuong Gia

*Luc Tanh Vuong Gia* is a festival celebrated by the Fujian Chinese community in Hoi An on the sixteenth day of the lunar cycle. The *Luc Tanh Vuong Gia* (six royal families) refers to six commanders
Kham, Truong, Thuan, Chu, Hoang and Thap Tam) who came from Man district in Fujian, China. They were very loyal to the Ming dynasty and died in battle. During this festival, the six families are worshipped in the Fujian Assembly Halls. Fujian traditional dishes, such as noodles and dumplings, are made in their honour. The festivities involve rituals and performances.

**Lunar month 3: Thanh Minh**

During Thanh Minh (Ancestor Day), families in Hoi An get together to visit and maintain their ancestors' graves and prepare special traditional dishes in honour of their ancestors, including floating cake and five coloured steamed glutinous rice.

**Lunar month 4: Birth of Buddha**

Celebrated on the fifteenth day of the fourth month in the lunar cycle, the Birth of Buddha is marked by decorating Buddhist pagodas and performing a variety of rituals and activities (including the release of caged birds and fish) to celebrate the life and teachings of the Buddha.

**Lunar month 5: Tet Doan Ngo (Tet Doan Duong)**

The Doan Ngo festival (Tet Doan Duong), the “insect-killing festival”, is an important summer event celebrated at midday on the fifth day of the fifth lunar month. On this day, families prepare special dishes such as small pyramid-shaped glutinous rice cakes, Chinese cakes, fruit dishes, steamed glutinous rice, sweet soup, duck dishes and Quangnam noodles. Families place offerings on outdoor tables in the sunlight in the belief that the sunlight of good “yang” can expel demons. Several special rituals are practiced on this day to destroy or prevent diseases. Such rituals include roasting ants and termites, catching lizards to put into the bath of babies to cure illness and picking medicinal leaves and herbs.

**Lunar month 6: Quan Cong**

This festival marks the death of Quan Cong, a hero who lived in the time of the “Three Kingdoms” during the Han Dynasty in the third century AD. He is a symbol of courage, loyalty, piety, moderation and righteousness. The festival is held at the Quan Cong temple (Ong Pagoda) which was built in the early seventeenth century by the Chinese community in Hoi An. Rituals are held at the temple on the twenty-fourth day of the sixth month of the lunar cycle.

**Lunar month 7: Tet Trung Nguyen**

Celebrated on the fifteenth day of the seventh month of the lunar calendar, Tet Trung Nguyen (Wandering Souls Day) is a day on which people pray to the Buddha to remove all unjust accusations against their deceased ancestors and other spirits. Families place the figure of the Bodhisattva Kshitigarbha (Bodhisattva Dizang in Chinese and Jizo in Japanese), the protector of spirits, on a
high platform, with the gods of the North, South, East and West at the four corners. Rites are carried out during the night, including making offerings of special delicacies, meat, rice and cakes.

**Lunar month 8: Tet Trung Thu**

*Tet Trung Thu* (mid-Autumn festival) is celebrated on the fifteenth day of the eighth month and revolves around children. In Hoi An, the festival takes place over several days and preparatory activities include making unicorn and dragon costumes and star-shaped lanterns. During the festival the dragon, unicorn and flower dances are performed in the streets and children walk with their parents holding their lanterns. Traditionally, children receive moon cakes from their parents. At night during the festival, the streets of Hoi An are crowded and echo with the sounds of drums and cymbals.

**Lunar month 11: Minh Hai’s Death Anniversary**

In the eleventh month of the lunar cycle, a celebration is organized at the Chuc Thanh pagoda, two kilometres from Hoi An, in honour of Minh Hai, a famous monk who established the pagoda in 1454.

**Lunar month 12: Tao Quan ceremony**

This ceremony marks the beginning of the New Year festival. It involves making offerings to the Kitchen God (Tao Quan), the god who manages the family’s affairs and reports to heaven on the twenty-third day of the twelfth lunar month. To see the Kitchen God off on his journey to heaven, families offer him sweet food such as glutinous sweet rice, sweetened porridge and fruits. In Hoi An, this ceremony also involves practicing fire worship.

**Games and Entertainment**

Children in Hoi An play many traditional games. Games for boys include playing with marbles and tossing coins against a wall (*da kien, tang tien*). Girls’ games include skipping and rhyming games. There are also some games for both boys and girls such as follow-the-leader (*rong ran*), hide and seek (*tron tim*).

Adults also enjoy games, particularly games involving singing and gambling such as watch-tower singing (*bai choi*), fortune teller catching pigs (*thay boi bat heo*), pomelo throwing (*nem buoi*), cock-fighting (*choi ga*) and card games (*to ton*). Normally, these games are played with the participation of many people and a large audience. These games are generally played on special occasions, such as during the New Year and other festivals.
For example, watch-tower singing (bai choi) is played by ten people (ten towers) with one person (tower) in the centre. Each tower has a number of cards (with lyrics) that are pasted to a board. To begin the game, one player is selected as the central tower. He pulls one card from the board and calls out its name. The tower with the same name drums a beat and sings the lyrics on the card. The central tower continues to pull cards from the board until one of the towers has had all of his or her cards called out and sung. This tower is the winner. The game is traditionally played on the fourteenth day of the lunar month. Nowadays, it is also played in central Hoi An every Saturday evening so that tourists visiting Hoi An can experience it.

Cuisine

Hoi An’s traditional cuisine has particular characteristics as a result of the type of local produce and spices available. Local cuisine is dominated by seafood, including shrimp, crab and fish, and features a variety of vegetables.

The preference for seafood and vegetables can be seen in local specialties, such as cao lau (noodles with seafood and vegetables), che bap (corn soup with sugar), banh trang dap (fried rice pancake with a steamed rice pancake in the centre) and mam danh (fermented fish sauce).

Box 3. Cao Lau

Cao lau is perhaps the local dish most loved by both locals and visitors. It is prepared with a special type of rice noodle. First the noodles are stir-fried with soybean sprouts, then meat and vegetables are added. The dish is served in a bowl with a sweet and sour sauce. Hot chilli peppers are added by diners to suit their personal taste.
Many traditional dishes are prepared by frying. Several frying methods are used, such as chien, xao, um, chay and ram (which have no English equivalent).

Local dishes of Chinese origin include dumplings, sweet soup, wontons, Cantonese rice and Fujian sweet potato. Other cultures have also left their mark on the local cuisine and dishes, such as Indian curry (ca-ry) and European beef steak (bi tet). Local dishes are complemented by drinks such as coconut milk, broad bean milk, soybean milk, glutinous rice wine and Cham Island leaf juice.

Some foods and beverages are meant for fine dining and others for everyday consumption, as reflected in the local proverb:

“There are many special dishes in Hoi An.
Eat spring rolls for polite dining and
Eat plain rice flan for a full stomach.”

Performing Arts

Hoi An’s performing arts include folk songs and other singing performances, dances and musical performances.

Folk Songs

Hoi An has a range of folk songs, covering topics from domestic chores and craft production, to the sentiments of farmers and fishermen, to tales of war and fighting. For example, songs about domestic chores include songs about pounding lime and rice and processing areca (a type of nut) and cinnamon. These types of song are sung while performing the housework and are generally sung by women.

Other songs are sung by men and women while working in the fields. Men and women take turns singing, frequently in a “call and response” style. The singing is said to help them forget their hardship and to serve as a source of motivation. The informal nature of local folk singing means that the songs are ever-changing.
Ba Trao

*Ba trao* (farewell) singing is performed in fishing villages along the central coast of Viet Nam. Performers have an oar each and make rowing actions while they sing. The ensemble includes three or four leaders and 10-14 “rowers” in a choir. They are accompanied by music performed using traditional musical instruments. This type of singing plays an important role in the spiritual life of Hoi An fishermen. It is organized to express love and respect for the Whale God (*Ngoc Lan Nam Hai*), to pray for safety during fishing expeditions and to ask for good catches.

Lion-Dragon Dance

This dance has its roots in Vietnamese-Chinese tradition and is performed during the Mid-Autumn Festival on the fifteenth day of the eighth lunar month. Three or more people wear a long lion-dragon costume and dance to the beat of the drum. Other dancers accompany the procession holding flags and star-shaped lanterns. It is performed to drive evil spirits away and to request happiness, good crops, health and prosperity.

Du Ho

*Du ho* is a type of folk art which appeared in the early years of the twentieth century, created by Hoi An’s Vietnamese-Chinese community. Performances of *du ho* have not been held since 1975. Those who remember it say that it was performed during festivals by members of Vietnamese-Chinese families who would gather together in groups to sing and play musical instruments. Each group consisted of about 20 people playing instruments such as the clarinet, gong, drum, cymbals, the Vietnamese two-chord violin and mandolin. Highly-inspired percussionists would throw their cymbals or drumsticks into the air and catch them according to the beat. The music was accompanied by other performers who performed acrobatics or breathed fire.
Part 2
Heritage Management in Hoi An
A. Conservation of Built Heritage

In 1997, the national government of Viet Nam, the provincial government of Quang Nam and the municipal government of Hoi An started to invest state funds in restoring government-owned historic properties in Hoi An, in preparation for the nomination of Hoi An as a World Heritage site. Foreign donors also contributed by providing funds for the restoration of ancient houses, along with technical expertise which helped build the capacity of local heritage site managers.

In December 1999, the Ancient Town of Hoi An was inscribed as a World Heritage site. Encouraged by the upsurge of domestic and foreign tourist arrivals following the inscription, the national, provincial and municipal governments have invested in the long-term conservation of the built heritage of Hoi An to promote its development as a tourist destination.

Zoning within Hoi An

The boundaries of the Hoi An Ancient Town were established by the Cultural Heritage Law of the Viet Nam Government and the Hoi An People's Committee Statute on Managing, Preserving and Utilizing the Hoi An Ancient Town.

To provide guidelines for the appropriate conservation and development of Hoi An, the municipal government has divided the town area into two zones, as follows:

Zone I: Intact Protection Zone

This zone covers the monuments in the ancient town and the areas determined to be part of the monuments’ original elements, which must be protected in their original state.

Zone II: Ecological Environment and Landscape Protection Zone

This is the area surrounding protection Zone I, where structures can be built that contribute to the promotion of the monuments’ value provided that these structures do not affect the architecture, natural scenery and ecological environment of the monuments. Zone II is divided into Zone II-A and Zone II-B, each with its own set of detailed regulations pertaining to physical interventions within the buildings and new developments.
The Hoi An Centre for Monuments Management and Preservation has classified the historic buildings of Hoi An into five categories according to their perceived historical, cultural and scientific value, as shown in Table 2. This categorization enables the authorities to determine the value and classification of the property, and whether government subsidies are applicable for their restoration and maintenance.

“Chong ruong” rafter, a wooden structural component of traditional houses in Hoi An (Photo: HACMMP)
Table 2. Classification Criteria of Historic Buildings in Hoi An

<table>
<thead>
<tr>
<th>Categories</th>
<th>Criteria</th>
</tr>
</thead>
<tbody>
<tr>
<td>Special Category and Category I</td>
<td>All original elements of these unique architectural and artistic structures have been maintained in an integrated manner. These elements have special historical, cultural and scientific value.</td>
</tr>
<tr>
<td>Category II</td>
<td>All original elements of the front building, facade and roof tiles have been maintained in an integrated manner. These elements have historical, cultural and scientific value.</td>
</tr>
<tr>
<td>Category III</td>
<td>The yin-yang tiled roofs and some original elements of the house have been maintained in situ. These elements have some historical, cultural and scientific value.</td>
</tr>
<tr>
<td>Category IV</td>
<td>These houses are built in modern style using modern materials like concrete. They do not contribute cultural significance to the complex of architectural monuments in Hoi An Ancient Town.</td>
</tr>
</tbody>
</table>

Source: HACMMP

The HACMMP has identified 1,254 built structures within the historic core of Hoi An, which are categorized as shown in Table 3 below.

Table 3. Number of Built Structures in Hoi An by Category (2008)

<table>
<thead>
<tr>
<th>Categories</th>
<th>Special</th>
<th>Category I</th>
<th>Category II</th>
<th>Category III</th>
<th>Category IV</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>Communal houses</td>
<td>13</td>
<td>3</td>
<td>6</td>
<td>0</td>
<td>0</td>
<td>22</td>
</tr>
<tr>
<td>Pagodas</td>
<td>9</td>
<td>1</td>
<td>5</td>
<td>4</td>
<td>0</td>
<td>19</td>
</tr>
<tr>
<td>Temples</td>
<td>13</td>
<td>10</td>
<td>8</td>
<td>2</td>
<td>1</td>
<td>34</td>
</tr>
<tr>
<td>Assembly halls</td>
<td>5</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>5</td>
</tr>
<tr>
<td>Family chapels</td>
<td>17</td>
<td>16</td>
<td>6</td>
<td>0</td>
<td>0</td>
<td>39</td>
</tr>
<tr>
<td>Churches, oratories</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>2</td>
<td>2</td>
<td>4</td>
</tr>
<tr>
<td>Residential houses</td>
<td>10</td>
<td>88</td>
<td>222</td>
<td>335</td>
<td>409</td>
<td>1,064</td>
</tr>
<tr>
<td>Shrines</td>
<td>1</td>
<td>11</td>
<td>4</td>
<td>0</td>
<td>0</td>
<td>16</td>
</tr>
<tr>
<td>Tombs</td>
<td>7</td>
<td>31</td>
<td>0</td>
<td>1</td>
<td>0</td>
<td>39</td>
</tr>
<tr>
<td>Wells</td>
<td>2</td>
<td>8</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>10</td>
</tr>
<tr>
<td>Bridges</td>
<td>1</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>1</td>
</tr>
<tr>
<td>Other cultural works</td>
<td>1</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>1</td>
</tr>
<tr>
<td>Total</td>
<td>79</td>
<td>168</td>
<td>251</td>
<td>344</td>
<td>412</td>
<td>1,254</td>
</tr>
</tbody>
</table>

Source: HACMMP

Out of 1,254 identified heritage buildings in Hoi An, a total of 929 houses are privately-owned, 120 are collectively-owned and 205 are state-owned. Collectively-owned properties belong to associations and community groups, such as the Fujian Chinese community of Hoi An.
In 2003, one of Hoi An's heritage buildings collapsed. In response, the municipal government directed HACMMP to conduct an investigation of the entire built heritage of Hoi An. HACMMP prepared a Master Plan for the restoration of 30 government-owned historic buildings and 52 privately-owned houses, which is estimated to cost around US$3 million. Of this estimated cost, about US$1 million has already been spent as of October 2008 in the restoration of 30 government-owned properties and for the partial subsidy of restoring 16 privately-owned historic building.

### Restoration of Government-owned Heritage Buildings

Between 1997 and 2007, 168 government-owned heritage buildings were restored at a total cost of US$5,864,374. The municipal government provided 45.5 percent of the total funding, while the national and provincial governments contributed 49.5 percent. Financial support from foreign donors accounted for 5 percent of the total cost. In addition to providing funding, the foreign donors provided technical support and management assistance.

The breakdown of spending on the restoration of government-owned properties is detailed in Table 4.

#### Table 4. Sources of Funds for the Restoration of State-Owned Built Heritage (in $US)

<table>
<thead>
<tr>
<th>Year</th>
<th>Total of state-owned relics restored</th>
<th>Municipal budget</th>
<th>National and provincial budget</th>
<th>Foreign donors</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Number</td>
<td>Budget</td>
<td>Number</td>
<td>Budget</td>
</tr>
<tr>
<td>1997</td>
<td>10</td>
<td>238,930</td>
<td>8</td>
<td>56,230</td>
</tr>
<tr>
<td>1998</td>
<td>5</td>
<td>133,000</td>
<td>2</td>
<td>32,700</td>
</tr>
<tr>
<td>1999</td>
<td>13</td>
<td>552,308</td>
<td>5</td>
<td>84,518</td>
</tr>
<tr>
<td>2000</td>
<td>13</td>
<td>246,241</td>
<td>1</td>
<td>27,272</td>
</tr>
<tr>
<td>2001</td>
<td>32</td>
<td>371,370</td>
<td>27</td>
<td>163,812</td>
</tr>
<tr>
<td>2002</td>
<td>18</td>
<td>438,658</td>
<td>10</td>
<td>112,633</td>
</tr>
<tr>
<td>2003</td>
<td>22</td>
<td>522,416</td>
<td>11</td>
<td>96,400</td>
</tr>
<tr>
<td>2004</td>
<td>31</td>
<td>1,954,754</td>
<td>17</td>
<td>1,388,024</td>
</tr>
<tr>
<td>2005</td>
<td>16</td>
<td>924,028</td>
<td>16</td>
<td>474,028</td>
</tr>
<tr>
<td>2006</td>
<td>6</td>
<td>453,540</td>
<td>6</td>
<td>202,207</td>
</tr>
<tr>
<td>2007</td>
<td>2</td>
<td>29,129</td>
<td>2</td>
<td>29,129</td>
</tr>
<tr>
<td>Total</td>
<td>168</td>
<td>5,864,374</td>
<td>105</td>
<td>2,666,953</td>
</tr>
</tbody>
</table>

Percentage: 100% 45.5% 49.5% 5%

Between 1997 and 2004, foreign donors funded the restoration of ten heritage properties. Six projects were funded by the Japan International Cooperation Agency and the others were funded by Taisei, Pamhylis Organization and the United States Embassy in Viet Nam. Technical support for conservation activities was provided by UNESCO and Showa Women's University of Japan.

**Restoration of Privately-owned and Collectively-owned Properties**

Between 1997 and 2006, about 1,125 privately-owned heritage buildings were restored or repaired by local building owners. This figure is based on the number of restoration permits issued during the period. Before any repair or restoration work can be initiated on a heritage building in Hoi An, the owner is required to obtain permission from the Hoi An People's Committee and other relevant authorities, such as the Hoi An Centre for Monuments Management and Preservation. The restoration process can only start when the owner has developed a plan and identified a budget. Because the cost of restoration of historic buildings is high relative to the income levels of most of the owners of heritage buildings, the municipal government provides a partial subsidy for private conservation endeavours. Financial assistance for restoration is based on the classification of the building according to its heritage values (refer to Table 2), its location and the economic situation of its owner.

Prior to 2005, for a building in the Special Category located on a main road, the government subsidized 60 percent of the total restoration cost, while the balance was borne by the homeowner. For a Special Category house located in a side street or interior lane, the government covered up to 75 percent of the total restoration cost. Houses in smaller streets received a larger subsidy because buildings along the main road have a greater opportunity to be converted into income-generating businesses (such as shops catering to tourists), thus increasing the earning capacity of the owner.

The respective contributions of the government and building owners are summarized in Table 5.

<table>
<thead>
<tr>
<th>Types of relics</th>
<th>Located on the main road</th>
<th>Located in small lanes, alleys</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Government support (%)</td>
<td>Owner contribution (%)</td>
</tr>
<tr>
<td>Special</td>
<td>60</td>
<td>40</td>
</tr>
<tr>
<td>Categories 1 &amp; 2</td>
<td>45</td>
<td>55</td>
</tr>
<tr>
<td>Categories 3 &amp; 4</td>
<td>40</td>
<td>60</td>
</tr>
</tbody>
</table>

Source: HACMMP

Table 6. Sources of Funds for Restoration of Privately-Owned and Collectively-Owned Built Heritage (in $US)

<table>
<thead>
<tr>
<th>Year</th>
<th>Number of Relics</th>
<th>Budget</th>
<th>Support from State budget</th>
<th>Owner Contribution</th>
</tr>
</thead>
<tbody>
<tr>
<td>2000</td>
<td>4</td>
<td>3,409</td>
<td>3,409</td>
<td>0</td>
</tr>
<tr>
<td>2001</td>
<td>23</td>
<td>18,275</td>
<td>18,275</td>
<td>0</td>
</tr>
<tr>
<td>2002</td>
<td>7</td>
<td>4,466</td>
<td>4,466</td>
<td>0</td>
</tr>
<tr>
<td>2003</td>
<td>12</td>
<td>11,616</td>
<td>11,616</td>
<td>0</td>
</tr>
<tr>
<td>2004</td>
<td>5</td>
<td>5,845</td>
<td>5,284</td>
<td>561</td>
</tr>
<tr>
<td>2005</td>
<td>19</td>
<td>93,836</td>
<td>59,903</td>
<td>33,933</td>
</tr>
<tr>
<td>2006</td>
<td>40</td>
<td>223,175</td>
<td>124,732</td>
<td>98,443</td>
</tr>
<tr>
<td>2007</td>
<td>18</td>
<td>149,464</td>
<td>95,893</td>
<td>53,571</td>
</tr>
<tr>
<td>Total</td>
<td>128</td>
<td>510,086</td>
<td>323,578</td>
<td>186,508</td>
</tr>
<tr>
<td>Percentage</td>
<td>100%</td>
<td>63.5%</td>
<td>36.5%</td>
<td></td>
</tr>
</tbody>
</table>


Under the Master Plan formulated by HACMMP for the restoration of historic properties which are at an advanced stage of deterioration (refer to the first paragraph on page 32), the municipal government has decided in early 2008 to provide an additional support for the urgent restoration of the 52 privately-owned historic buildings identified under the Master Plan. For these buildings, the municipal government still provides its standard contribution based on the classification and location of the building (refer to Table 5). However, the homeowner is required to raise only 15% of the total cost of restoration, while the remaining balance can be provided by the municipal government as interest-free three-year loan.
Technical advice and assistance in the preparation of the repair and restoration plan for heritage buildings is provided to owners of historic properties by the HACMMP through the Consultancy Office for Relics Restoration and Heritage Information.

In some cases, the local government has purchased privately-owned heritage buildings from families who have economic difficulties and want to sell their houses. In these cases, the government has renovated the houses and allowed the previous owners to continue to live in the same place at a favourable rent. This has prevented outside interests from purchasing the properties and has enabled the residents to remain in their homes. This initiative has only been applied in a few cases, however, due to limited funds.

Box 4. Hoi An’s Entrance Fee System

Since the end of 1995, visitors to Hoi An are required to pay an entrance fee which covers entry to five types of sites in Hoi An: museums, assembly halls, old houses, cultural performances and temples (including the Japanese Bridge).\(^9\)

In 2008, the entrance fee was VND 75,000 (approximately US$5) for foreign visitors and VND 30,000 (US$2) for Vietnamese tourists. When purchasing eight tickets or more, groups receive one free ticket for the tour guide.

Foreign language guides cost VND 50,000 (US$3) and Vietnamese language guides cost VND 30,000 (US$2) per day.

The entrance fee revenue is sent to the Hoi An State Treasury. Of this revenue, 75 percent is reinvested in cultural heritage conservation activities, while the remaining 25 percent is allocated for maintaining the services provided by the Tourist Guide Office and for the owners of heritage buildings which have been selected for tourist visitation. This revenue is the most significant financial resource for conservation activities in Hoi An.

Depending on their size, state and architectural value, the State pays the owners of privately-owned buildings between VND 2,000 and 3,000 (US$0.13 to US$0.20) for each foreign tourist coupon and VND 1,000 (US$0.07) for each domestic tourist coupon collected. Revenue collected can be significant. For example, the owners of the Phung Hung house collected VND 224 million (US$14,000) in revenue from entrance fees in 2006.

The system was devised based on the need to generate income for maintaining the sites and services. The views of tourists regarding this system have not yet been investigated, but the system has worked well so far.

\(^9\) Entrance fee stalls are located at the end of Nguyen Thi Minh Street, 78 Le Loi Street, 12 Phan Chu Trung Street, 5 Hoang Dieu Street, 687 Hai Ba Street and Tran Phu Street.
The municipal government has devised a strategy for collecting entrance fees from tourists (see Box 4) to contribute to funding the purchase of privately-owned heritage buildings and the restoration and maintenance of all built heritage in Hoi An. These funds are also used for the improvement of tourist and public facilities and for the conservation of the intangible heritage of Hoi An. In 2007, the total revenue collected from tourist entrance fees amounted to US$1,690,000.

The “Hoi An Town Preservation Cooperation”, a heritage conservation programme implemented between 1992 and 1999 by the Viet Nam Government in collaboration with Japanese conservation experts, received recognition from UNESCO in 2000. The project was cited with the “Excellent Project” Award under the 2000 UNESCO Asia-Pacific Heritage Awards for Culture Heritage Conservation.

The project began with a comprehensive survey of the built heritage of Hoi An and involved the restoration of six selected ancient houses. The project not only ensured the conservation of valuable cultural heritage but also raised awareness among community members about conservation principles and techniques.

According to the Heritage Awards jury citation, “restoration of the historic vernacular structures in Hoi An Town exemplifies a holistic conservation strategy within a community. The collaborative efforts of international experts and local artisans followed a well-defined plan of survey, selection and restoration, integrated with skills training and knowledge transfer during the reconstruction. The inclusion of structures housing a variety of private and commercial use promotes long-term viability of the community through continuation of its historic tradition of productive commercial and domestic diversity”.

A restored heritage building in Hoi An was also part of a winning entry titled “Vietnamese Traditional Folk Houses,” which received the Award of Merit in the 2004 UNESCO Asia-Pacific Heritage Awards programme.

This restoration project was implemented by the Ministry of Information and Culture, JICA and Showa Women's University. The project began in 1997 with a comprehensive architectural survey of traditional folk houses in each province of Viet Nam. Between 300 and 600 houses were documented in each province. From this list, six were chosen for restoration. The six houses were located in Hoi An (Quang Nam Province), Dinh Bang (Bac Ninh Province), Bien Hoa (Dong Nai Province), Xuan Hong (Nam Dinh Province), Vinh Tien (Thanh Hoa Province) and Dong Hoa Hiep (Tien Giang Province).
In Hoi An, the house that was selected to be restored was the House of Worship of the Truong Clan. Built in 1840, this historic building is a unique example of a family assembly hall, in which family members continue to gather on festive occasions.

The 2004 selection panel commended the project for successfully preserving “a range of Vietnamese regional building crafts and architectural traditions”. According to the panel, “(t)horough documentation and research prior to the commencement of the work have ensured the retention of the architectural authenticity of each building, and set a regional standard for applied research in conservation practice. The project’s emphasis on the transfer of technical know-how and teaching of conservation principles has upgraded the capacity of local builders and craftsmen in undertaking similar projects in their communities, thus ensuring the long term survival of their buildings and traditions. The geographical distribution of the sites promises to have a wide-ranging impact on the conservation of local heritage throughout Viet Nam”.

**Box 5. UNESCO Asia-Pacific Heritage Awards for Culture Heritage Conservation**

The UNESCO Asia-Pacific Heritage Awards for Culture Heritage Conservation programme was founded in 2000 to recognize outstanding conservation efforts on structures of heritage value that have been undertaken through public-private initiatives in the Asia-Pacific region.

UNESCO’s mandate is to promote the stewardship of the world’s cultural resources, including built heritage which constitutes our collective cultural memory, and the foundation upon which communities can construct their future. The Heritage Awards programme advances UNESCO’s global strategic objective of “promoting the drafting and implementation of standard-setting instruments in the field of culture”. Within this global framework, it builds on the regional pillar of “localization and empowerment of the culture profession to develop and implement standards”. UNESCO supports conservation of heritage at all levels, and particularly seeks to encourage the role of the private sector in preserving the region’s cultural heritage.

Since 2000, the UNESCO Heritage Awards have received 311 entries from 23 countries, with conservation projects ranging from restoration of private residences to restoring palace complexes.

Award-winning projects have not only restored structures of heritage value in accordance with internationally-accepted
standards, but have also raised awareness of local building traditions and encouraged creative adaptive reuse. In many cases, projects have revived traditional building skills and acted as catalysts for local preservation activity.

The Heritage Awards have been successful in encouraging conservation of heritage buildings in the Asia-Pacific region. Over the years, a trend has been observed of increasing momentum in terms of the level of conservation of built heritage in the region.

In 2005, UNESCO launched the Heritage Awards Jury Commendation for Innovation. The Jury Commendation recognizes newly-built structures which demonstrate outstanding standards for contemporary architectural design which are well integrated into historic contexts.

For further information about the UNESCO Heritage Awards programme, please refer to the UNESCO website: www.unescobkk.org/culture/heritageawards

Adaptive Re-use of Built Heritage

Restored government-owned heritage buildings have been re-used for various purposes. Some buildings have been re-used as museums and government offices, while others have been leased as residential and commercial properties. The revenue generated from leased properties is used to improve public facilities and is also reinvested back into conservation projects.

The restored state-owned buildings and their current use are listed in Table 7 below.

Table 7. Restored State-Owned Buildings

<table>
<thead>
<tr>
<th>No.</th>
<th>Address</th>
<th>Year of restoration</th>
<th>Adaptive re-use</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>No. 33 Nguyen Thai Hoc</td>
<td>1998</td>
<td>Museum of Hoi An Folklore</td>
</tr>
<tr>
<td>2</td>
<td>No. 46 Nguyen Thai Hoc</td>
<td>1998</td>
<td>Thematic exhibitions</td>
</tr>
<tr>
<td>3</td>
<td>No. 60 Nguyen Thai Hoc</td>
<td>1999</td>
<td>Gallery and showroom</td>
</tr>
<tr>
<td>4</td>
<td>No. 9 Nguyen Thai Hoc</td>
<td>1999-2000</td>
<td>Traditional performances</td>
</tr>
<tr>
<td>5</td>
<td>No. 55 Nguyen Thai Hoc</td>
<td>2000</td>
<td>Traditional souvenir shop</td>
</tr>
<tr>
<td>6</td>
<td>No. 84 Nguyen Thai Hoc</td>
<td>2000</td>
<td>Gallery (rented)</td>
</tr>
<tr>
<td>7</td>
<td>No. 94 Bach Dang</td>
<td>2001</td>
<td>Restaurant (rented)</td>
</tr>
<tr>
<td>8</td>
<td>No. 15 Nguyen Thai Hoc</td>
<td>2001</td>
<td>Resident and shop (rented)</td>
</tr>
<tr>
<td>No.</td>
<td>Address</td>
<td>Year</td>
<td>Use Description</td>
</tr>
<tr>
<td>-----</td>
<td>--------------------------</td>
<td>------</td>
<td>----------------------------------------------------------------------------------</td>
</tr>
<tr>
<td>9</td>
<td>No. 100 Tran Phu</td>
<td>2002</td>
<td>Minh An Ward People's Committee</td>
</tr>
<tr>
<td>10</td>
<td>No. 116 Nguyen Thai Hoc</td>
<td>2002</td>
<td>Souvenir shop (rented)</td>
</tr>
<tr>
<td>11</td>
<td>No. 45 Le Loi</td>
<td>2003</td>
<td>Tourism Office (for the Commercial and Tourism Bureau of Hoi An)</td>
</tr>
<tr>
<td>12</td>
<td>No. 35 Nguyen Thai Hoc</td>
<td>2003</td>
<td>Residence for students from Tan Hiep commune (no secondary school is available)</td>
</tr>
<tr>
<td>13</td>
<td>No. 58 Nguyen Thai Hoc</td>
<td>2004</td>
<td>Cultural service</td>
</tr>
<tr>
<td>14</td>
<td>No. 53 Tran Phu</td>
<td>2004</td>
<td>Café, souvenir shop (rented)</td>
</tr>
<tr>
<td>15</td>
<td>No. 57 Tran Phu</td>
<td>2004</td>
<td>The Consultancy Office for Monument Restoration</td>
</tr>
<tr>
<td>16</td>
<td>No. 46 and 48 Bach Dang</td>
<td>2004</td>
<td>Residence and shop (rented)</td>
</tr>
<tr>
<td>17</td>
<td>No. 134 Nguyen Thai Hoc</td>
<td>2004</td>
<td>Residence and shop (rented)</td>
</tr>
<tr>
<td>18</td>
<td>No. 91 Tran Phu</td>
<td>2004</td>
<td>Residence and shop (rented)</td>
</tr>
<tr>
<td>19</td>
<td>No. 38 Tran Phu</td>
<td>2004</td>
<td>Residence and shop (rented)</td>
</tr>
<tr>
<td>20</td>
<td>No. 2A and 133 Phan Chu Trinh</td>
<td>2004</td>
<td>Residence and shop (rented)</td>
</tr>
<tr>
<td>21</td>
<td>No. 36 Phan Boi Chau</td>
<td>2004</td>
<td>Residence and shop (rented)</td>
</tr>
<tr>
<td>22</td>
<td>No. 48 and 50 Nguyen Thai Hoc</td>
<td>2004</td>
<td>Residence and shop (rented)</td>
</tr>
<tr>
<td>23</td>
<td>No. 53 Tran Phu</td>
<td>2004</td>
<td>Residence and shop (rented)</td>
</tr>
<tr>
<td>24</td>
<td>No. 118 Nguyen Thai Hoc</td>
<td>2005</td>
<td>Gallery (rented)</td>
</tr>
<tr>
<td>25</td>
<td>No. 81 Nguyen Thai Hoc</td>
<td>2005</td>
<td>Residence and shop (rented)</td>
</tr>
<tr>
<td>26</td>
<td>No. 28 Nguyen Thai Hoc</td>
<td>2005</td>
<td>Residence and shop (rented)</td>
</tr>
<tr>
<td>27</td>
<td>No. 23 Nguyen Thai Hoc</td>
<td>2005</td>
<td>Re-use pending</td>
</tr>
<tr>
<td>28</td>
<td>No. 20 Nguyen Hue</td>
<td>2005</td>
<td>Souvenir shop (rented)</td>
</tr>
<tr>
<td>29</td>
<td>No. 118 Tran Phu</td>
<td>2005</td>
<td>Residence and shop (rented)</td>
</tr>
<tr>
<td>30</td>
<td>No. 45 Phan Boi Chau</td>
<td>2005</td>
<td>Residence and shop (rented)</td>
</tr>
<tr>
<td>31</td>
<td>No. 36 Phan Boi Chau</td>
<td>2005</td>
<td>Son Phong Ward Medical Station</td>
</tr>
<tr>
<td>32</td>
<td>No. 62 Le Loi</td>
<td>2005</td>
<td>Residence and shop (rented)</td>
</tr>
<tr>
<td>33</td>
<td>No. 49 Le Loi</td>
<td>2005</td>
<td>Residence and shop (rented)</td>
</tr>
<tr>
<td>34</td>
<td>No. 8 Phan Chu Trinh</td>
<td>2005</td>
<td>Residence and shop (rented)</td>
</tr>
<tr>
<td>35</td>
<td>No. 22 and 24 Nguyen Hue</td>
<td>2005</td>
<td>Residence and shop (rented)</td>
</tr>
<tr>
<td>36</td>
<td>No. 14 and 16 Nguyen Hue</td>
<td>2005</td>
<td>Residence and shop (rented)</td>
</tr>
<tr>
<td>38</td>
<td>No. 53 Phan Chau Trinh</td>
<td>2006</td>
<td>Minh An Ward police station</td>
</tr>
<tr>
<td>39</td>
<td>No. 12 Nguyen Hue</td>
<td>2006</td>
<td>Commercial office (rented)</td>
</tr>
<tr>
<td>40</td>
<td>An My Communal House</td>
<td>2006</td>
<td>Historical relic</td>
</tr>
<tr>
<td>41</td>
<td>Ancestral Shrine of Bird Nest Gatherers</td>
<td>2006</td>
<td>Historical relic</td>
</tr>
<tr>
<td>42</td>
<td>No. 33 Tran Phu</td>
<td>2007</td>
<td>Re-use pending</td>
</tr>
<tr>
<td>43</td>
<td>No. 27 Le Loi (Ong Voi Temple)</td>
<td>2007</td>
<td>Minh An kindergarten</td>
</tr>
</tbody>
</table>
Box 6. Museums in Hoi An

Four restored heritage buildings in Hoi An have been re-used as museums.

Museum of Hoi An Folklore

At 33 Nguyen Thai Hoc Street, this museum displays traditional crafts and artefacts from traditional village life.

Museum of History and Culture

Located at 13 Nguyen Hue Street, this museum houses artefacts from prehistoric times, the Sa Huynh period, the Champa period, the Dai Nam period and Dai Viet period.

Museum of Trade and Ceramics

Situated at 80 Tran Phu Street, this museum showcases artefacts relating to the ancient trade routes, which were excavated in Hoi An and its suburbs. They include ceramics from Japan, China, Middle East and Southeast Asia, and other parts of Viet Nam.

Sa Huynh Culture Museum

Located at 149 Tran Phu Street, this museum contains artefacts of the Sa Huynh period.

Building owners have also been encouraged to adapt their houses for homestay programmes or convert them into bed-and-breakfast facilities for tourists. This is advantageous as residents can obtain direct economic benefits from the growing tourism trade, while retaining ownership of and continuing to live in their historic properties.

Homeowners interested in converting their houses into home-stays or bed-and-breakfast facilities are required to apply for permits from the Hoi An People's Committee. The functional agencies (Department of Tourism and Trade, HACMMP and the Hoi An Department of Culture and Information) will then investigate and assess the appropriateness of having the house converted into a home-stay facility. Once the adaptive re-use has been approved, the department will help in advertising and promoting the establishment, as well as train the homeowners to provide the services required by tourists.
Conservation of built heritage

Box 7. Revitalization of Nguyen Thai Hoc Street

Following Hoi An’s inscription as a World Heritage Site in 1999, the town experienced a tourism boom. At that time, the service providers as well as tourist activities were concentrated along Tran Phu and Le Loi Streets, which led to a large gap in income between the property owners in these streets and those residing in other streets.

To encourage a more equitable redistribution of economic benefits and decongest Tran Phu and Le Loi Streets, the Hoi An authorities initiated in 2000 a revitalization programme to develop tourism services along Nguyen Thai Hoc Street. Funds were mobilized to restore 26 ancient houses along this street. Of these restored houses, 20 have been re-used for residential and commercial purposes, two as exhibition centres and museums, two as offices, one as a communal house and one as a traditional craft workshop.

Property owners in the street were granted licenses for businesses such as tailoring shops, art galleries and souvenir shops, that had been previously restricted to Tran Phu and Le Loi Streets. Other types of services were also encouraged, such as home-stays, renting or leasing properties to businesses and tour services.

At the same time, cultural and performing arts activities, such as singing of folk songs on the fourteenth night of every lunar month, were organized to attract tourists.

At present, there are nearly 200 small businesses in Nguyen Thai Hoc Street. The street has become a popular alternative destination for tourists, which has reduced the income gap among heritage property owners in the affected streets and minimized congestion along Le Loi and Tran Phu Streets. Improved equality in income distribution between homeowners has also provided the property owners with incentives and resources to maintain their heritage buildings.
B. Conservation of Intangible Heritage

In Hoi An today, many aspects of the intangible cultural heritage are disappearing due to changes in livelihood and lifestyle as residents move from traditional occupations such as agriculture and fishing into industrial and service-oriented occupations. Many traditional games, cultural events and rituals, especially those linked to agricultural and fishing practices, are no longer being practiced as a part of everyday life.

Recognizing the value of intangible heritage as a basis for community life and as an attraction for tourists, some cultural practices, such as festivals and artistic performances, have been revived by local authorities for the benefit of the residents and tourists.

The municipal government began to stage cultural performances for local residents and tourists as early as 1995. Performances of singing, dancing and playing of traditional musical instruments are regularly held in ancient houses of Hoi An. An event titled the “Legendary Night” is held on the fourteenth day of each lunar month. On this night, traditional games such as bai choi are played and traditional folk songs are performed. In addition, colourful paper lanterns are hung in the old quarter of the town, candle-lit paper rafts are launched on the river and traditional delicacies are sold in the streets. Although this cultural event is staged, residents and tourists alike participate in the cultural activities and the event serves to support the continuation of traditions that would otherwise be lost.

In addition to supporting cultural events in Hoi An, the municipal government actively supports the traditional craft villages surrounding Hoi An—Kim Bong (carpentry and wood work), Thanh Ha (pottery) and Tra Que (horticulture)—as well as traditional fishing villages. The municipal authorities have included them on tourist maps and promote tours and shopping trips to the villages, thus helping to sustain the local economy and maintain traditional skills and other elements of intangible cultural heritage in these villages.
Conservation of Intangible Heritage

Box 8. Revitalizing Traditional Woodcarving Skills

Kim Bong village, on the southern bank of the Hoi An River is located about 0.5 kilometre southwest of Hoi An Ancient Town.

During the late sixteenth century, Kim Bong village began to specialize in woodworking. Woodworkers from Kim Bong became famous for their furniture, boat and pagoda construction and, over the generations, left their traces in unique columns, rafters and furniture of Hoi An, and in the structure of the Hue citadel and elsewhere in Quang Nam Province. Recently, however, the Kim Bong woodworking tradition has been declining and by the 1990s, few master carvers remained.

In response to the decline in this traditional craft, UNESCO provided funds, technical advice and training to revitalize the woodworking craft in Kim Bong Village in partnership with the municipal government of Hoi An. Woodcarving training workshops were initiated, with training provided by a master woodcarver, Huynh Ri. Other woodworking enterprises such as those owned by Dinh Van Loi and Dinh Van Vinh also provide on-the-job training to apprentices.

The training workshops have led to an increase in the number of skilled woodworkers in the village (currently about 200 workers). Kim Bong Village now has 18 woodcarving enterprises, 10 boat building enterprises and several construction companies.

The continuation of trades such as woodcarving, house building and boatbuilding is contributing to keeping the traditional skills and intangible heritage of the town of Hoi An and its surrounding villages alive.

One of the last surviving master carvers at the time, Mr. Ri comes from a family of 12 generations of woodcarvers.
Part 3
The Impact of Tourism in Hoi An
A. Tourist Arrivals

Since 1997, the number of domestic and international tourists visiting Hoi An has increased steadily, as shown in Table 8 and Figure 6. There has been a significant increase of tourist arrivals since the inscription of Hoi An as a World Heritage Site in December 1999. Tourist arrivals jumped by 24 percent in 2000 and by 82 percent in 2001.

Table 8. Number of Tourists (1997-2007)

<table>
<thead>
<tr>
<th>Year</th>
<th>Domestic Tourists</th>
<th>International Tourists</th>
<th>Total Tourists</th>
<th>% increase from the previous year</th>
</tr>
</thead>
<tbody>
<tr>
<td>1997</td>
<td>58,834</td>
<td>81,148</td>
<td>139,982</td>
<td>-</td>
</tr>
<tr>
<td>1998</td>
<td>80,039</td>
<td>66,480</td>
<td>146,519</td>
<td>4.7</td>
</tr>
<tr>
<td>1999</td>
<td>84,858</td>
<td>73,457</td>
<td>160,314</td>
<td>9.4</td>
</tr>
<tr>
<td>2000</td>
<td>97,823</td>
<td>99,617</td>
<td>199,440</td>
<td>24.4</td>
</tr>
<tr>
<td>2001</td>
<td>208,133</td>
<td>153,600</td>
<td>363,734</td>
<td>82.4</td>
</tr>
<tr>
<td>2002</td>
<td>230,565</td>
<td>212,000</td>
<td>444,567</td>
<td>22.2</td>
</tr>
<tr>
<td>2003</td>
<td>277,900</td>
<td>185,296</td>
<td>463,199</td>
<td>4.6</td>
</tr>
<tr>
<td>2004</td>
<td>241,868</td>
<td>352,442</td>
<td>596,314</td>
<td>28.2</td>
</tr>
<tr>
<td>2005</td>
<td>318,994</td>
<td>329,222</td>
<td>650,221</td>
<td>9.0</td>
</tr>
<tr>
<td>2006</td>
<td>453,379</td>
<td>423,395</td>
<td>878,780</td>
<td>35.2</td>
</tr>
<tr>
<td>2007</td>
<td>424,320</td>
<td>608,477</td>
<td>1,032,797</td>
<td>17.5</td>
</tr>
</tbody>
</table>

Source: Hoi An Department of Statistics
Tourism and other commercial services combine to make up the biggest economic sector in Hoi An, accounting for 64 percent of total municipal revenue, as shown in Figure 7 below.
Since 1999, revenues that can be attributed to tourism have grown steadily (see Figure 8 below), and the town has had an average annual economic growth of about 13 percent.

Figure 8. Revenue Attributable to Tourism in Hoi An (1999-2007) (Figures in US$ 000)

Revenue from the tourism industry derives from the retail sale of goods to tourists, the provision of food and beverages to tourists, and the provision of accommodation, transportation and other services to tourists.

Table 9. Breakdown of Tourism Revenue (Figures in US$ 000)

<table>
<thead>
<tr>
<th>Sources of Revenue</th>
<th>1999</th>
<th>2000</th>
<th>2001</th>
<th>2002</th>
<th>2003</th>
<th>2004</th>
<th>2005</th>
<th>2006</th>
<th>2007</th>
</tr>
</thead>
<tbody>
<tr>
<td>Production and sales of goods</td>
<td>256</td>
<td>459</td>
<td>1,232</td>
<td>1,865</td>
<td>1,932</td>
<td>2,100</td>
<td>1,981</td>
<td>3,395</td>
<td>4,064</td>
</tr>
<tr>
<td>Services</td>
<td>2,705</td>
<td>3,784</td>
<td>6,438</td>
<td>9,141</td>
<td>9,790</td>
<td>13,599</td>
<td>20,178</td>
<td>24,804</td>
<td>34,399</td>
</tr>
<tr>
<td>Total revenue</td>
<td>2,961</td>
<td>4,243</td>
<td>7,700</td>
<td>11,006</td>
<td>11,722</td>
<td>15,699</td>
<td>22,159</td>
<td>28,199</td>
<td>38,463</td>
</tr>
</tbody>
</table>
Retail Sales

The sale of goods to tourists brings in a significant proportion of tourism revenue (around 10.5 percent in 2007).

Businesses located along the main streets of Le Loi, Tran Phu and Nguyen Thai Hoc cater exclusively to tourists. The type and number of shops is shown in Table 10.

Table 10. Types and Number of Shops in Hoi An (2007)

<table>
<thead>
<tr>
<th>Shops</th>
<th>Number</th>
</tr>
</thead>
<tbody>
<tr>
<td>Clothing and tailor shops</td>
<td>180</td>
</tr>
<tr>
<td>Souvenirs, art and handicraft shops</td>
<td>202</td>
</tr>
<tr>
<td>Accessories (shoes, handbags) and lantern shops</td>
<td>91</td>
</tr>
<tr>
<td>Miscellaneous</td>
<td>207</td>
</tr>
<tr>
<td>Total</td>
<td>751</td>
</tr>
</tbody>
</table>

Source: Hoi An Department of Trade and Tourism

Tourism Services

While retail sales are significant, most revenue is generated through the provision of tourism services, as illustrated in Table 9.

The types of services provided in Hoi An and the amount of revenue generated from each are summarized in Table 11 below.

Table 11. Breakdown of Revenues from Tourism Services (Figures in US$ 000)

<table>
<thead>
<tr>
<th>Services</th>
<th>1999</th>
<th>2000</th>
<th>2001</th>
<th>2002</th>
<th>2003</th>
<th>2004</th>
<th>2005</th>
<th>2006</th>
<th>2007</th>
</tr>
</thead>
<tbody>
<tr>
<td>Accommodation</td>
<td>1,675</td>
<td>2,313</td>
<td>3,750</td>
<td>5,495</td>
<td>6,014</td>
<td>8,412</td>
<td>12,265</td>
<td>14,961</td>
<td>20,073</td>
</tr>
<tr>
<td>Food and beverages</td>
<td>349</td>
<td>626</td>
<td>1,540</td>
<td>2,247</td>
<td>2,325</td>
<td>3,050</td>
<td>4,792</td>
<td>6,130</td>
<td>8,973</td>
</tr>
<tr>
<td>Other services (i.e. internet, spa, coffee shops, etc.)</td>
<td>128</td>
<td>135</td>
<td>250</td>
<td>378</td>
<td>439</td>
<td>752</td>
<td>1,101</td>
<td>1,453</td>
<td>2,391</td>
</tr>
<tr>
<td>Tourist entrance fees</td>
<td>401</td>
<td>537</td>
<td>633</td>
<td>660</td>
<td>579</td>
<td>779</td>
<td>1,163</td>
<td>1,219</td>
<td>1,690</td>
</tr>
<tr>
<td>Transport</td>
<td>116</td>
<td>112</td>
<td>145</td>
<td>201</td>
<td>212</td>
<td>369</td>
<td>556</td>
<td>708</td>
<td>816</td>
</tr>
<tr>
<td>Tours</td>
<td>36</td>
<td>61</td>
<td>120</td>
<td>160</td>
<td>221</td>
<td>235</td>
<td>301</td>
<td>333</td>
<td>456</td>
</tr>
<tr>
<td>Total services revenue</td>
<td>2,705</td>
<td>3,784</td>
<td>6,438</td>
<td>9,141</td>
<td>9,790</td>
<td>13,597</td>
<td>20,178</td>
<td>24,804</td>
<td>34,399</td>
</tr>
</tbody>
</table>

Source: Hoi An Department of Statistics
The relative proportions of revenue from various sources are illustrated in Figure 9.

**Figure 9. Revenue from Tourism Services (2007)**

The provision of accommodation has generated the highest revenue among the services provided to tourists in Hoi An, making up 58 percent of the revenue raised from tourism services in 2007. There has been a significant increase in the number of hotels and guesthouses in Hoi An over the past decade, as illustrated in Figure 10.

**Accommodation Facilities**

As shown in Table 11 and Figure 9, the provision of accommodation has generated the highest revenue among the services provided to tourists in Hoi An, making up 58 percent of the revenue raised from tourism services in 2007. There has been a significant increase in the number of hotels and guesthouses in Hoi An over the past decade, as illustrated in Figure 10.
In 2007, there were 79 accommodation facilities in Hoi An providing 3,009 rooms. The majority are hotels in the three to five star category, as shown in Table 12 below.

### Table 12. Types of Accommodation and Number of Rooms (2007)

<table>
<thead>
<tr>
<th>Type of Accommodation</th>
<th>Number of hotels/guesthouses</th>
<th>Number of rooms</th>
<th>Percentage of all rooms (%)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Three to five-star hotels</td>
<td>19 hotels</td>
<td>1,684 rooms</td>
<td>55.96%</td>
</tr>
<tr>
<td>One and two-star hotels</td>
<td>26 hotels</td>
<td>843 rooms</td>
<td>28.02%</td>
</tr>
<tr>
<td>Guesthouses</td>
<td>34 guesthouses</td>
<td>482 rooms</td>
<td>10.02%</td>
</tr>
<tr>
<td>Total</td>
<td>79</td>
<td>3009</td>
<td>100%</td>
</tr>
</tbody>
</table>

*Source: Hoi An Department of Statistics*
Hoi An has around 70 restaurants and bars, which, through sales of food and beverages, generated 26 percent of the total revenue attributed to tourism services in 2007. Most of the restaurants and bars catering to tourists are situated in restored heritage buildings in the old quarter of Hoi An.

### Tourist Entrance Fees

Revenue is also generated from the sale of entrance tickets to heritage sites. In 2007, revenue captured from the sale of entry tickets accounted for 5 percent of the total revenue generated from tourism services. This revenue is reinvested into Hoi An’s heritage conservation and tourism promotion programme, as described earlier in Part II.

### Transportation

In recent years there has been much investment in infrastructure, such as new roads and electricity provision, particularly within the old quarter of Hoi An, to encourage further development of the tourism industry.

The phenomenal growth in tourist arrivals in Hoi An is facilitated by its accessibility. Visitors come to Hoi An mainly by air and road. The closest airport to Hoi An is the Da Nang International Airport, located 30 kilometres to the north, which is about a half hour drive. Chu Lai airport, located in the Chu Lai Industrial Economic Zone, 80 kilometres south of Hoi An will be upgraded to an international airport in the future.

Da Nang city also has the closest railway line. Buses and taxis regularly travel between Da Nang city and Hoi An (and other towns in the area). Cars can also be hired in Da Nang and Hoi An.

Despite its history as a port town, Hoi An has no port today. Two small ports remain at Cua Dai beach and Cam Nam Bridge, where small wooden boats are docked to provide local transport to outlying villages located along the waterways.

Hoi An has around 20 boats which provide waterway tours for tourists. At present, the total length of navigable rivers is 64 kilometres along the Hoi An River, De Vong River and Thu Bon River. Currently, four high-speed boats and three ferries provide transport between Hoi An and the Cham Islands.
C. Employment

Tourism has created considerable employment opportunities in Hoi An. Jobs have multiplied in many occupations, especially in the areas of hotel and restaurant work, express tailoring services, tour-guiding, transport services (taxi, motorbikes and bicycle renting), internet cafes, souvenir sales and lantern making.

According to statistics provided by the Department of Statistics of Hoi An, in 2005, there were 9,900 jobs related to the tourism and services sector. Of this number, 3,300 were employed by tourism enterprises.

In 2006, the number of people employed in the tourism and services sector had increased by almost 9 percent to 10,778 workers. Of this number, 3,411 people were working in tourism enterprises and 7,367 were working in trade and service enterprises.

Box 9. Tourism’s Impact on Tailoring in Hoi An

The tailoring industry is a good example of how tourism has changed local enterprise.

In the past, this service targeted local residents and the export market. Most tailors used to work for government-owned textile-garment factories, such as the Hoi An Export Garment Factory. Most of these enterprises were poorly run and ultimately failed. During the economic reform (Doi Moi, literally “renovation” in Vietnamese) in 1986, these factories were privatized and most of their employees were laid off. Those laid off passed through a decade of economic hardship before tourism began to grow in Hoi An in 1996.

When tourist numbers began to increase in Hoi An, some enterprising tailors quickly realized the opportunities presented by providing a fast service targeting tourists. Today, the fast tailoring industry is well-established in Hoi An and competition in this industry is intense, with each tailor shop trying to surpass its rivals in speed of service and in quality. At present, there are 180 businesses in this industry, with between 350 and 400 employees in total.

The tailoring industry extends well beyond the core heritage area, which now generally only serves as a point of sale to tourists. Many shops hire outside contractors (between 15 and 20 tailoring services per tailor shop) to work on a piecemeal basis. In turn, to diversify income sources, most tailoring services work with more than one shop. Orders are given from shop owners to tailors in outlying areas by mobile phone; fabrication is usually done overnight and delivery is made by motorcycle.
To diversify their range, some tailors now also make accessories such as shoes and handbags. In addition, some tailoring shops are seeking to extend their customer base by creating web sites to solicit orders from overseas.

The villages surrounding Hoi An, such as Thanh Ha (specialized in pottery production), Kim Bong (specialized in woodcarving and carpentry), Tra Que (specialized in herbs and vegetable production) and An Bang (specialized in fishing and sea products) have also seen a growth in employment. This is due to rising demand for their products from a greater number of tourists to Hoi An (who purchase their products in shops in Hoi An) and from increased visits by tourists to the villages.

The attractions of the tourism industry are drawing young people away from traditional occupations. Interviews conducted in An Bang village showed that an increasing number of young men choose not to become fishermen like their older brothers and fathers. Instead, they seek to become cooks, bartenders or waiters in hotels, restaurants and resorts. Many young people now go to Ho Chi Minh City to learn skills required in the tourism industry and then return to Hoi An to work in tourism-related enterprises.

D. Income Levels

It is evident that the increased revenue from tourism is increasing the average income for local people and therefore contributing to reducing poverty rates. Hoi An municipal statistics indicate that the number of households categorized as “poor” or “low income level” has dropped over the past decade (see Table 13 below). In the same period, a corresponding increase in tourism revenue was seen.

<table>
<thead>
<tr>
<th>Table 13. Poor Households in Hoi An (2000-2007)</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
</tr>
<tr>
<td>Number of poor households</td>
</tr>
<tr>
<td>% of total households</td>
</tr>
<tr>
<td>Level of Income (US$ per HH per month)</td>
</tr>
<tr>
<td>Level of Income (VND per HH per month)</td>
</tr>
</tbody>
</table>


11 In 2001, to conform to national standards, the municipal government of Hoi An raised the household poverty line from US$6.9 to US$10 per person per month. In 2006, the government again raised the poverty line from US$10 to US$16.25 per person per month.
In terms of poverty rates, Hoi An has a lower proportion of “poor” people than the national average. In 2007, only 6.5 percent of households of Hoi An were considered poor while nationally the rate was 14.7 percent.\textsuperscript{12}

While GDP per capita in Hoi An is modest relative to large urban centres such as Hanoi (US$2,400 per capita) and Ho Chi Minh City (US$2,800 per capita), the figure for Hoi An is far greater than similar-sized municipalities in Viet Nam.

Indeed, GDP per capita in Hoi An is higher than the national average. For example, in 2007, GDP per capita was VND 14.7 million (US$918.75) in Hoi An, while the average GDP per capita in Viet Nam was US$800.

Almost all residents of Hoi An feel that tourism is significantly adding to economic growth and that their income was increasing as a result. More affluent residents have particularly benefited as they have been able to invest in infrastructure and facilities for tourism services (for example, real estate speculation, construction of hotels and provision of restaurant and tour services). This type of investment has permitted some to increase their wealth significantly within a short period.

While tourism revenues have contributed to an increase in income levels of many households and to a reduction in poverty rates, local residents are also experiencing significant increases in their cost of living as a result of increased tourism.

As tourist numbers have grown, demand for almost all commodities has increased accordingly, driving up the price of many products. Since tourists are willing to pay more for the same good or service as locals, prices are driven up even further. Tourists perceive certain prices as “reasonable” because no equivalent product or service exists in the places from which they come. Others assume that they may be paying more than locals, but don't mind paying more to people who earn less than they do. Gradually, the higher price becomes the “standard” to be applied for everybody, even local residents. One example is the cost of riding a \textit{xe om} (motorcycle taxi), which is higher in Hoi An than in Da Nang or Hanoi. Nowadays a driver is not willing to take a local resident at a reduced rate when a tourist is willing to pay more.

The increase in the price of food has had a particular impact on the residents of Hoi An. The poorest and most vulnerable are especially affected by the increase in prices. Relatively expensive products

\textsuperscript{12} Human Development Index, UNDP, 2007.
that are in high demand by tourists, such as seafood, for example, are now almost unaffordable for many local residents. At the same time, the supply of seafood is declining because marine resources are not being harvested sustainably. Furthermore, tourist providers are insisting on reserving scarce products for tourists. One woman from Hoi An complained that “before, we just chose the biggest and best fish to eat, now it is impossible to find such products in the local market, even if we are willing to pay premium prices. Everything here is privileged for tourists.”

E. Property Ownership and Land Use

Gentrification, a common phenomenon in many cities throughout the world, is now taking place in Hoi An. Private investors, often from Da Nang, Ho Chi Minh City and Hanoi, have bought many of the old houses belonging to lower-income families, either to sell them later for profit or to open tourism-related businesses.

In recent years, the local government has provided improved public facilities and services for local residents, but only outside of the old quarter of the town. As services and facilities intended for the residents are being moved away from the old quarter and as land prices increase, the old quarter has gradually lost many of its original residents and is being transformed for tourism purposes. For example, whereas the old quarter used to have a local hospital, this space is now used by a large tailoring business. Likewise, the last pharmacy selling traditional medicine in the old quarter has been relocated to an outlying area and the space is now used as a souvenir shop.

Pedestrian zones such as Le Loi, Tran Phu and Nguyen Thai Hoc Streets are almost entirely dedicated to tourism and have many nice restaurants, cafes, souvenir shops and internet shops. None of these have much to do with Vietnamese or Chinese traditions, however.

Beach and dune land, once considered a wasteland where only poor fishing households lived, is now almost exclusively reserved for resort development and five-star hotel construction. In some cases, local fishing villages have been moved from their land and source of livelihood, often without appropriate compensation.

At the same time, the increase in the price of land (as a result of tourism development and the “World Heritage site” label) has led to land ownership being out of reach to all but the wealthiest residents.

13 Gentrification is a phenomenon which often occurs when buildings in a neighborhood are renovated and the area experiences an increase in property values, resulting in the out-migration of lower-income residents who can no longer afford properties there.
Conversion of old houses in the old quarter of Hoi An into commercial spaces, such as shops and restaurants, has been actively promoted by municipal authorities. While this has been successful in terms of generating tourist revenue, it has come at a cost of degrading the integrity of the heritage assets. Very few traditional shops catering to the residents remain in the old quarter and family residency has been significantly reduced.

In many cases, the historic owners lease the house for commercial purposes and move to peripheral areas to live. In other cases they stay in the building, but most of the available space (usually three quarters of their house) is reserved for the “living museum”. Thus, while the exterior and the structure of buildings are well conserved, the functions of buildings and the living environments have radically changed.

While local government officials and business owners view these changes in the old quarter positively, tourists are beginning to notice the loss of authenticity of Hoi An. According to visitors, the old quarter of the town is becoming a museum display, lacking in life and interest for tourists.

Hoi An residents are very proud of their “Hoianian” identity, the town’s World Heritage status and their unique intangible heritage. Local residents are aware that traditional skills and products need to be kept alive in order to conserve their town, to continue to attract tourists and to inspire new cultural products.

Residents have been creative in developing new cultural products based on their traditional resources. For example, lanterns were not traditionally made in Hoi An, but the skills and materials (bamboo and silk) used to make these products have deep roots in Hoi An and the surrounding Quang Nam Province. This “new product” is therefore possible because of the existing cultural resources in Hoi An. Similarly, while paintings are not traditionally a product of Hoi An, this art form has developed because of the existing artistic skills and styles of Hoi An residents.

Local residents are also very proud of their traditional festivals. Maintaining the authenticity of such cultural practices is difficult, however, because of the high demand by tourists for such events. Many traditional forms of performance and rites have simply become entertainment for tourists and are therefore losing their original meaning and purpose.
Likewise, activities that were once part of locals’ daily life are now presented as if in a theatre, and at inappropriate times, and therefore have little meaning or community function. For example, fishing in the river is often just a show for tourists to earn money whenever tourists take photographs. Similarly, traditional rituals are practiced for tourist entertainment, rather than for spiritual reasons. Such activities are now at risk of no longer being practiced for their traditional purposes.

While tourists have a demand for cultural events, at the same time they desire experiences which are meaningful to the local residents. Therefore, providing cultural practices as entertainment risks creating a perception of artificiality among tourists, who may then lose interest and go elsewhere.

G. Cultural Beliefs and Lifestyles

Hoi An was an international port of call for many centuries and its architecture and way of life has been influenced by many cultures. In particular, Hoi An has been influenced by Chinese culture and the Chinese language is often heard in the town, especially during festival periods or clan reunions in assembly halls. Cultural exchange is therefore very much within the spirit of the place.

As Figure 11 shows, tourists from all over the world visit Hoi An, and cultural exchanges therefore continue to this day.

Cultural interactions can become problematic, however, if there is a lack of understanding by the tourist of local cultural norms and perceptions (and vice-versa). Hoi An residents, like people elsewhere in Viet Nam, tend to emphasize “the internal” and “hidden charm\(^\text{14}\)” rather than the outward expressiveness common in Western cultures. This difference can lead to misunderstandings and can result in residents becoming offended by what they perceive as inappropriate behaviour. For example, offence can be caused when tourists wear revealing clothing at the beach or when tourists dress inappropriately in sacred or formal areas such as temples and assembly halls.

The residents of Hoi An also have particular cultural norms relating to what is considered to be appropriate forms of entertainment and what is appropriate in terms of social contact between men and women. In accordance with these cultural norms, the local government has established regulations to restrict karaoke bars, hostess bars, bikini selling and “hair salons” in which women serve men. These regulations should not be interpreted by visitors as “conservative” or “backward”, but rather should be understood in the context of the underlying local cultural beliefs.

\(^{14}\) The slogan created by the Viet Nam National Tourism Administration to promote tourism is “The Hidden Charm”. This does not make a reference to Viet Nam’s geography, but its culture.
Changes are taking place, however, within people’s households and in their lifestyles. For example, while traditionally most shop-houses had an ancestral worship space in the centre of the building, today, many shop owners use this space for commercial purposes. Likewise, entertainment and hobbies are also changing, particularly among young people. Discotheques and internet cafés are replacing traditional types of entertainment and communication, while new games are being introduced, such as tennis and badminton.

Other social changes taking place in Hoi An and the surrounding villages include changes in working hours. For example, tailoring services require long working hours which affect family relations.

There is also a move away from family-centred and community-focused behaviour associated with traditional Vietnamese villages toward more urban or individualistic attitudes in which materialism and material gain are prioritized.

Of course, tourism is not the only driver behind the changes that are being seen in Hoi An. These changes are a normal part of modernization and globalization. Assimilating new infrastructure,
new appliances (such as air-conditioning, televisions, microwave ovens, computers and stereo systems) and the abundance of cultural goods (such as films, videos, music and books) represents a challenge to traditional lifestyles worldwide. A balance must be found between modernization and traditional practices, however, if Hoi An’s cultural heritage is to be preserved for future generations.

While the changes in lifestyles brought about by modernization and tourism are affecting the intangible heritage of Hoi An, some of the changes that are taking place also offer the people of Hoi An opportunities to gain exposure to new ideas, educational opportunities and livelihoods.

## H. Law and Order

Hoi An is a very safe town in general and for tourists in particular. Over one million tourists visited in 2007, but only 125 crimes were reported. The local government seeks to keep crime rates low by prohibiting businesses that are associated with crime in other parts of Viet Nam, such as karaoke bars.

While crime rates are low, there have been cases of scams in which tourists have been duped by “middlemen”. These middlemen often work in hotels as receptionists and make recommendations to tourists about which tailors to go to or tours to take. The middlemen receive around 30 percent of the total bill that the referred visitor spends, which means that the tailor or tour operator must charge the tourist 30 percent more than the going rate for the service. Tourists are thereby overcharged fairly large sums.

## I. Traffic, Noise and Air Pollution

Traffic, noise and air pollution have increased along with the numbers of tourists. The tranquil small town atmosphere of Hoi An is being lost as large tour buses and other vehicles jam the narrow streets and create noise and air pollution.

Currently over 20 tour boats and over a hundred smaller local boats ply the local rivers, transporting people and goods, while around seven tour boats take visitors to Cham Island every day. The boats cause significant noise pollution, which is very disturbing for residents and has an adverse effect on the wetland fauna. The increased number of boats in recent years has also intensified riverbank erosion.
The significant increase in tourism in Hoi An since 2001 resulted in the establishment of a formal waste collection service in 2003. Today, the town of Hoi An and peripheral areas are serviced by modern garbage trucks, with daily garbage collection in the downtown area and collection twice a week in outer areas of the town.

Solid waste collection is currently effective, but the system is gradually being stretched to its limit. With the growing numbers of tourists, increasing incomes and increasing consumption of packaged products, the amount of solid waste collected in Hoi An is rapidly rising, putting pressure on waste management capacity and on financial and other resources available for waste management.

The number of waste collection trucks and employees are limited and the roads in the surrounding areas are poor, therefore, surrounding areas are unlikely to receive adequate collection services in the near future. Unfortunately, in the surrounding villages where solid waste collection is not available, waste is burned or dumped in waterways (the ocean and rivers). It is clear that without a suitably funded and effective solid waste management system, the situation could have serious aesthetic and ecological impacts.

At the same time, Hoi An faces serious wastewater problems. Hoi An does not have an effective wastewater treatment and disposal system, so raw sewage and other wastewater flows into rivers and other waterways. As tourist numbers grow, guesthouses, restaurants and laundries are generating increasing amounts of wastewater, contributing to increasing pollution in local waterways. Such pollution has adverse impacts on local wildlife and is causing irreparable damage to the natural beauty of Hoi An.
K. Construction and Resource Consumption

In response to the rise in tourist numbers, new roads, sidewalks, street lights and drainage infrastructure have been put in place. The new infrastructure does not always suit the historic character of the town, however. For example, new granite sidewalks were installed in the old quarter of Hoi An in 2006. Previously, each house had small brick patios that were consistent with the materials used to build the houses. The new sidewalks are not in the spirit of the place and have compromised the appearance of the ancient streets.

With the rapid rise in the number of visitors, there has been a significant increase in construction of restaurants and hotels, particularly along waterways. Such construction is often uncontrolled, with no attention paid to the social and environmental impacts of such buildings.

Outside of the old quarter of Hoi An, buildings are no longer being built in the traditional style. More and more resorts, hotels and restaurants are being built in the ubiquitous elongated “tube house” style, marring the picturesque countryside and making traditional building styles obsolete.

As tourist numbers increase and the lifestyles of residents change, the consumption of wood, drinking water, energy and other resources is increasing enormously. This consumption is not being managed and is therefore not sustainable in the long term. For example, wood, which is required for restoring heritage buildings and making products for residents and tourists, is becoming very scarce. There is no planning and management of existing wood resources, even though without wood it will not be possible to restore and maintain heritage buildings in the future.
IMPACT: Hoi An, Viet Nam
Part 4
Tourism Management
Tourism is Hoi An’s largest industry and employer. The local tourism industry’s success is based on Hoi An’s natural and cultural heritage resources, therefore, if these resources are not sustainably managed, this tourism destination will be affected.

While tourism brings positive economic benefits, it also can have negative impacts on the quality of life of the local population if it is not properly controlled. Tourism growth must thus be managed so that the tourism industry conforms to the needs of Hoi An’s people and the industry remains within the limits of the carrying capacity of the built and natural environment.

A. Current Development Planning in Hoi An

Encouraged by the rapid growth of tourism in recent years, local and provincial authorities are putting into place development plans which call for even further growth in tourism in the Hoi An area. Under current plans, by 2015, an estimated 57,600 workers will be employed in the tourism and services sector and 21,600 workers will be directly employed by the tourism industry. The proposed average rate of growth in tourism employment between 2011 and 2015 will be around 19 percent per year.

Tourism planning in Hoi An and Quang Nam province is underpinned by national sector strategies and local development plans, including:

- The Five-Year Development Plan (2006-2010) and the Five-Year Sustainable Energy Development Programme of Quang Nam Province
- Hoi An Development Master Plan to 2020

Each of these government plans place a heavy emphasis on rapid economic growth. Most growth is to be achieved through structural elements such as public infrastructure, private investment and land development.

Private sector development in the tourism sector places heavy emphasis on resort and hotel development. Around a dozen luxury hotels and resorts are scheduled to open in the Hoi An area over the next six years. Most projects are concentrated along the Da Nang-Hoi An corridor, near the Da Nang International Airport and close
to prime beach areas and three UNESCO World Heritage Sites (Hoi An, My Son Sanctuary and the former feudal capital of Hue).

It is clear that such large-scale, rapid development, with a heavy emphasis on building infrastructure, is likely to have a pronounced social, economic and environmental impacts on Hoi An and the surrounding areas unless controls are in place. To prevent damage to the built, cultural and natural assets of Hoi An, it is necessary to manage the way and the rate at which tourism develops.

B. Mitigating Negative Impacts of Tourism

The local government in Hoi An has recently adopted a number of strategies to manage and mitigate the negative impacts of tourism on heritage assets.

These strategies have included:

- Enacting regulations to restrict circulation of vehicles in parts of the old quarter of Hoi An during certain times of the day, so as to reduce traffic, noise and air pollution.  
- Encouraging development, such as hotel construction, to move outside the historic centre of Hoi An, in order to reduce crowding and take pressure off heritage assets.  
- Organizing heritage conservation awareness-raising programmes for local people and tourists, including:
  - Producing heritage education material on CDs to distribute to schools.  
  - Undertaking heritage education for young people in Hoi An, including students in 13 secondary schools and staff in hotels and restaurants.  
  - Integrating cultural heritage education into the curriculum of city schools by the Hoi An Education and Training Department in order to provide basic knowledge on heritage values, instill pride in cultural heritage and promote polite behaviour when meeting tourists. In addition, students have participated in fun competitions related to the status of Hoi An as a World Heritage Site in order to increase their knowledge.  
  - Organizing school tours to museums and heritage buildings.  
  - Encouraging skills training in traditional crafts in Kim Bong and Thanh Ha villages.  
  - Providing training and loans to poor families in order to develop necessary skills required in tourism-related jobs.

15 On Mondays, Wednesdays, Fridays, Saturdays and Sundays, all motorized vehicles (cars, trucks and motorcycles) are banned during the following periods: 08:00 to 11:00, 14:00 to 16:30 and 18:00 to 21:00. On Tuesdays and Thursdays, motorcycles are allowed to pass through the core historic zone during the above periods.
While the authorities are moving in a positive direction, much still remains to be done. Recommended mitigation approaches and activities include:

**Legal Mitigation Measures**

- Establishing effective legislation, regulations and economic incentives to minimize the negative impacts of tourism on the local resources.
- Developing an environmental management plan for Hoi An and the surrounding area that includes cultural aspects.
- Developing adequate and appropriate property rights laws and initiating land-use planning by the local government so as to ensure that the needs of the most vulnerable residents are not overlooked.

**Heritage Impact Mitigation**

- Developing comprehensive heritage conservation plans for Hoi An’s craft villages. Plans should focus on maintaining the historic character of the villages while allowing private enterprise to flourish.
- Encouraging traditions to be maintained as part of daily life, rather than only as tourist performances.
- Assisting traditional businesses (such as traditional pharmacies) to also serve the tourist market, instead of moving such businesses out of the old quarter of Hoi An. Collaborative strategies such as this would meet generate business from tourists while also conserving the old quarter’s authentic character.
- Developing a less rigid approach to heritage management, including making greater use of traditional and historic knowledge during the restoration process, particularly in the restoration of the interiors of houses.
- Working in cooperation with the authorities in other World Heritage sites to collectively manage the “World Heritage Road” initiative to link all the World Heritage sites in central Viet Nam: Hoi An, My Son and Hue.
C. Public Participation in Tourism Planning

Public participation in tourism planning is essential for ensuring that tourism is managed in a way that meets the needs of the residents of Hoi An and minimizes negative impacts on the local culture and environment.

Various kinds of “public participation” can be adopted, as shown in Table 14. The type of participation chosen has implications, however, for the kinds of outcomes that are reached. If the type of participation chosen is “passive participation”, the outcome will not reflect public opinion and needs because the public is not able to offer any input into the decision-making process.

Table 14. Types of Participation and Implications

<table>
<thead>
<tr>
<th>Type no.</th>
<th>Type of participation</th>
<th>Implications</th>
</tr>
</thead>
<tbody>
<tr>
<td>Type I</td>
<td>Passive</td>
<td>In this type of participation, the public only participates by being told what is going to happen or what has already happened. Decision-makers do not consult with the public and only share some information.</td>
</tr>
<tr>
<td>Type II</td>
<td>Contributors or consultants</td>
<td>People are consulted about problems and opportunities and they participate by contributing information and resources.</td>
</tr>
<tr>
<td>Type III</td>
<td>Implementers</td>
<td>People participate by carrying out activities and contributing their labour. They are not involved in decision-making.</td>
</tr>
<tr>
<td>Type IV</td>
<td>Decision-makers</td>
<td>People are actively involved in analysis of the problems and are involved in planning and decision-making. People have a stake in maintaining new structures and practices and have control over outcomes.</td>
</tr>
<tr>
<td>Type V</td>
<td>Self-mobilization</td>
<td>People participate by taking independent initiatives, without being organized by external institutions. They may enlist the assistance of others, but they remain in control of the process.</td>
</tr>
</tbody>
</table>

Source: Adapted from Pretty, J. 1995.
So far, the participation of the population of Hoi An has largely been of Type I, II and III. Local residents and members of the general public of Hoi An mainly participate in tourism management as beneficiaries, contributors of information and resources or implementers. The public has no major role in the decision-making process and therefore limited control over the outcome of tourism plans. Outcomes primarily reflect the opinions and priorities of the decision-makers.

**Box 10. World Heritage Conservation Workshops**

Twice a year, the Hoi An municipal government convenes the “Sustainably Conserving and Promoting Hoi An World Heritage” workshop. The workshop is chaired by government officials and is attended by homeowners, construction company owners and tourism enterprise operators. Members of the general public are also permitted to attend.

At the workshops, a representative of Hoi An Centre for Monument Management and Preservation presents the conservation activities and results. Workshop participants are asked for their opinions and feedback about these activities.

Opinions given by members of the public relate to the benefits and adverse impacts of the conservation activities, behaviour of tourism operators, changes in the town environment and resources and other matters relating to the quality of life of residents in Hoi An.

After discussing these issues, government officials take the opinions and feedback into consideration before making decisions.

In this example, the type of public participation is Type II.
Recommended approaches to strengthen public participation include the following:

- Developing participatory stakeholder strategies for tourism development and management that consider the carrying capacity of the cultural and natural resources and the need for meeting the employment needs of residents.
- Ensuring greater inclusion of Hoi An's residents in decision-making processes, understanding the perceptions of all stakeholders and adapting planning processes accordingly.
- Providing community-wide education about built, cultural and natural heritage, including education for decision-makers in the tourism industry.
- Providing more funding for the purchase and restoration of privately-owned houses (explained in Part II) by local authorities in order to prevent gentrification, prevent outsiders from purchasing local property and enable local residents to continue living in their ancestral houses.
- Finding equitable solutions for coastal populations displaced by infrastructural and resort development.

D. Stakeholder Cooperation

One of the steps required to improve heritage site management in Hoi An is to clearly identify the stakeholders involved, identify shared development goals and improve communication and cooperation among the stakeholders to achieve the shared goals.

The stakeholders in Hoi An can be divided into three main groups: government bodies, civil society and the private sector.

Government Bodies

The government stakeholders in tourism and heritage management in Hoi An include People's Committees at all levels (national, provincial, municipal and ward or commune), government departments (tourism, trade, resource management etc), the inter-sectoral inspection team and the police.
Box 11. Government Bodies in Hoi An

The responsibilities and functions of relevant government departments and agencies in Hoi An are presented below.

**People's Committees**

At the ward level, People's Committees are in charge of their own local tourism activities and also work with related offices to manage tourism, services and trade. They are responsible for upholding regulations to manage tourism. The Hoi An People's Committee both directly runs the World Heritage Site and manages the town with a view to conserving heritage and developing its values. Their vision is that heritage preservation will develop tourism and, in return, tourism will help to preserve heritage assets.

**Ministry of Culture, Sports and Tourism**

This Ministry is responsible for managing cultural heritage.
Department of Cultural Heritage
This Department provides advice to the Ministry of Culture, Sports and Tourism on issues related to cultural heritage management.

General Department of Tourism
This Department provides advice to the Ministry of Culture, Sports and Tourism on issues related to tourism management.

Quang Nam Provincial Department of Culture, Sports and Tourism
This Department is directly responsible for conducting cultural heritage and tourism activities.

Quang Nam Department of Natural Resources and Environment
This provincial department provides advice on decisions relating to water use, waste disposal and land development. This department also provides support for environmental awareness-raising activities and events related to the conservation of natural heritage. For example, this department was involved in providing logistical support for the Thu Bon River Clean Up Day in September 2006.

The Hoi An Tourism-Trade Bureau
This bureau communicates information about the laws and regulations for tourism management. It is also mandated to provide information to tourists about Hoi An, train tourism and service staff, inspect and evaluate tourism businesses and advise the People's Committee regarding the development and implementation of tourism master plans.

Hoi An Sport-Information-Culture Bureau
This bureau manages information, culture and sport within Hoi An. It advises the Hoi An Centre for Monuments Management and Preservation and enforces the implementation of the Cultural Heritage Law and regulations on relic management, preservation and use in Hoi An. It also supports coordination between related offices in monitoring and evaluating cultural and tourism activities.

The Hoi An Centre for Monument Management and Preservation
This centre is responsible for informing the public about the "Regulations on Relics Management, Preservation and Use
of Hoi An Ancient Town” and enforcing those regulations. It advises tourism businesses and residents about the importance of conserving heritage and provides guidelines on conserving that heritage. It also coordinates with the Hoi An Sport-Culture Centre in providing up-to-date information about Hoi An’s people and culture.

**The Hoi An Sport-Culture Centre**

This centre directly operates the Tourism Information Offices and is responsible for managing ticket sales, providing information to tourists in the old quarter and in the handicraft villages, training tourism workers and creating a good impression for tourists.

**The Cross-Sectoral Inspection Team**

This team composed of members of the Ward People’s Committee and HACMMP monitors all physical interventions within the old quarter and cooperates with the Sport-Culture Centre to prevent “social evils” that may take place as a result of tourism activities.

**Hoi An Police**

The police provides public security and safety for tourists in Hoi An. The police also deals with crimes against tourists and coordinates with related offices in responding to accidents or fire.
Civil Society

In general “civil society” is made up of non-governmental organizations (NGOs), associations and individual citizens who are independent from the government and work collectively to advance common interests.

Unlike most countries, in Viet Nam, many civil society organizations and associations in Viet Nam are closely attached to the government. These organizations include the Youth Union, Women’s Union, Veteran’s Union, Farmers’ Union, Senior Citizens’ Union and Education Promotion Union. They are registered under an umbrella organization called the Fatherland Front, which is closely tied to the government. These organizations play an important role in delivering government messages. They provide a “bridge of communication” between local populations and the government and they act as facilitators in the implementation of government initiatives.

Vietnamese civil society organizations are highly structured and exist at the national, provincial and local levels, similar to government structures. Members of such organizations actively participate in community development actions. For example, members of the Youth Union volunteer two weeks of their time annually for public purposes.

Such organizations can be very beneficial for heritage protection. In Hoi An, volunteers from the Youth Union participated in a series of restoration projects. With technical advice from local heritage managers and UNESCO, they worked closely with craftspersons to learn the skills and methods needed to restore and maintain Hoi An’s built heritage.

The media is another sector of civil society and also plays an important role in promoting the conservation of natural, cultural and built heritage in Hoi An. In 2003, following severe flooding of the Thu Bon River, media reports spurred the government to invest heavily in the restoration of the old quarter.

Private Sector

Tourism stakeholders in the private sector include operators of travel and tour companies, operators of tourism facilities (such as resorts, hotels, guesthouses, restaurants, cafés, handicraft, souvenir, clothing and tailoring shops and internet cafés). These businesses are profit-driven, so they make decisions on tourism development based on a financial cost-benefit analysis and not on the quality of life and sustainable resource management.

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The local authorities in Hoi An have targeted tourism enterprises in programmes to raise awareness about the value of Hoi An's built heritage, but these stakeholders have not yet received significant information about the importance of maintaining Hoi An's natural and cultural resources, so their activities do not usually take these factors into consideration.

Recommended approaches to encourage integrated planning include the following:

- Introducing more integrated planning mechanisms to help link cultural and environmental conservation with tourism development.
- Ensuring interagency cooperation at the municipal level among the government bodies responsible for the local resources, transportation and infrastructure development in tourism planning processes.
- Diffusing pressure away from Hoi An town through systematically developing and promoting other nearby attractions.

E. Future Directions

Hoi An town is home to thousands of people who rely on the built and natural resources of the town for their livelihoods and whose quality of life is affected by the continuation or disruption of their cultural traditions and practices.

While tourism has brought benefits in terms of increased employment and higher incomes, tourism has also had negative impacts on the cultural and natural resources of the town. Unless tourism management can be improved, the economic success generated by tourism will not be sustainable in the long term.

Managing the future of the tourism industry in Hoi An requires specific strategies and activities by the local and provincial authorities and should consider active public consultation and stakeholder cooperation.

If they work together, the people of Hoi An can manage tourism to ensure that the resources of their town are not depleted and that they will enjoy sustainable livelihoods and good quality of life for generations to come.
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