

## Southeast Asia's Tourism Industry: A Pillar of Regional Economic Integration

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### ABSTRACT

Tourism in Southeast Asia significantly contributes to regional economic integration because of its abundant cultural heritage, biodiversity, and strategic positioning. This study categorizes ASEAN countries into several categories according to tourist visitation, growth rates, and foreign direct investment during the past decade. This study employs secondary data to classify countries as tourism leaders or those experiencing political, economic, or infrastructural challenges. This research emphasizes the necessity for targeted sustainable tourism initiatives through the use of scholarly literature, government documents, and policy frameworks. The results underscore the imperative for regional collaboration and investment in sustainable methods to address vulnerabilities and enhance the economic and environmental advantages of tourism.

**Keywords:** Southeast Asia, Tourism economy, Regional economic integration, Sustainable tourism.

### INTRODUCTION

Tourism has been considered one of the critical areas in efforts to develop the economy of Southeast Asia, a region of the world abundant in culture, biodiversity, and wonders worth visiting (Bhattacharyay, 2010). For example, Thailand, Vietnam, Indonesia, and Malaysia pursued tourism to enhance economic growth, employment creation, GDP acceleration, and development of facilities. This study is concerned with the economics of the tourism industry in Southeast Asia, as well as its prospects, challenges, and achievements.

The tourist segment in Southeast Asia is growing in leaps and bounds owing to its diverse attractions. Every year, the sandy shores of Thailand, the historical landmarks of Vietnam, and the cultural festivals of Indonesia attract millions of foreigners. The World Travel and Tourism Council (WTTC) points out that before the outbreak, tourism accounted for close to 12% of GDP in the region, thus being a significant source of foreign exchange income and enhancing local business activities (Chattoraj & Chin, 2024). The increased volume of the inflow of foreign tourists and the upsurge in tourism in the region due to the efforts of ASEAN exemplifies the trend of increasing interconnections and economic integration in the area (Dolezal et al., 2020)

Moreover, thousands of jobs within the regional tourism industry are provided for residents. Millions earn income directly and indirectly through employment in hotels, restaurants, shops, transport, and handicrafts (Duro et al., 2021). The tourist sector in Indonesia usually includes about 10% of every one of the representatives, with media attention opening up opportunities and an advancement network like those offered through medium-sized organizations sprouting (Fakfare et al., 2022).

Nonetheless, the tourism business confronts numerous challenges. Peak tourist seasons at prominent sites such as Bali, Phuket, and Halong have resulted in traffic congestion, environmental degradation, and cultural conflicts attributable to over-tourism (Ollivaud & Haxton, 2019). Moreover, the attraction of tourists to the major spots creates economic disparity and undermines rural community tourism sites (Dritsakis, 2012). The devastating effect of the COVID-19 pandemic on tourism in Southeast Asia has astonished many, as borders have closed and travel restrictions have increased. The crisis has highlighted the vulnerability of economies heavily reliant on tourism, emphasizing the need for recovery and diversification (Kontogeorgopoulos, 1999; Miah et al., 2025).

In response to these problems, the region's governments have developed several strategic responses. Investment in ecotourism and cultural heritage is becoming a favorite area for sustainable tourism initiatives (Mohammad Nurul Huda et al., 2013). For example, Vietnam promotes rural homestay and promotion of green tourism, and Thailand carries out policies to reduce the negative effect of tourism on the environment. Regional cooperation through the ASEAN tourism arrangements has improved the joint marketing of Southeast Asia as a tourism destination (WTTC Research Hub, 2025; Módosné et al., 2025).

Any such efforts would be useful, as Southeast Asia's tourism economy holds great promise in the future. Digital technologies such as smart tourism and digital marketing are widely enhancing traveler experiences, augmenting their worldwide reach (Veseli et al., 2025; Horváth, Kupi & Kundi, 2025; Kupi, 2025). Then, Southeast Asia can solidify its place as the world's best tourist destination. This will combine economic growth with stability and sustainability, bringing about long-lasting regional change.

## LITERATURE REVIEW

### Tourism and Regional Economic Integration

Tourism has long been recognized as a driving force for economic development and regional integration. In Southeast Asia, the tourism sector acts as a crucial pillar for connecting economies, cultures, and communities within the region (Ha Van et al., 2024). By fostering cross-border trade and investment, tourism contributes to building an integrated economic bloc where countries collectively benefit from shared resources, infrastructure, and markets (Rasool et al., 2021).

Recent research (e.g., Dolezal et al., 2023) (Claudia Dolezal, Alexander, 2020) demonstrates that tourism integration is not only social or cultural but both social and cultural, and this facilitates mutual identity construction via heritage trails and transnational festivals. There are significant variations between nations - Singapore and Thailand are more fortunate when it comes to infrastructure, and Laos and Myanmar have to bear the additional weight of far greater degrees of political instability, in addition to the lowest levels of finance (ADB, 2020) (Bank, 2021)

This break reflects the importance of ensuring that there are fair regional policies to cover the gap. The ASEAN Tourism Strategic Plan (ATSP) has positioned tourism as a unified framework, transforming Southeast Asia into a destination through connectivity, joint development programs, and harmonized standards (www.asean.org, n.d.; Kálmán et al., 2025).

### Tourism as a Catalyst for Economic Growth

In Southeast Asia, the tourism industry acts as a catalyst for economic growth, creating numerous jobs, diversifying industries, and contributing significantly to GDP. Before the COVID-19 pandemic struck, tourism accounted for 12% of national GDP in some Asian countries, highlighting its role in national economic development (Fakfare et al., 2022). Thailand's "Amazing Thailand" campaign, along with national advertising campaigns and supportive development policies, stimulates growth in the tourism industry, demonstrating how tourism brings high economic benefits and is highly valued in Thailand (Kontogeorgopoulos, 1999).

Previous studies have shown that Vietnam and Indonesia attract millions of tourists through their rich cultural heritage and natural resources (Chattoraj & Chin, 2024). Meanwhile, Malaysia has diversified its strategy towards entertainment, medical, and culinary tourism (Nor Ahmar Mohd Sanip & Mustapha, 2020). Singapore has developed in the direction of smart tourism, building green and modern cities, and thanks to the application of advanced science and technology, it has become a leader in tourism development in Southeast Asia. On the contrary, Brunei has relied solely on revenue from hydrocarbons and has not adequately invested in stimulating

tourism growth, with increasing niche ecotourism providing insufficient returns to offset declining oil production and revenue (Chin & Musa, 2025; Rafee & Ramadhani, 2024).

Across the region, the tourism industry has indirectly created many jobs, attracted foreign investors, stimulated demand for industries such as handicrafts, construction, transportation, retail, and indirectly promoted agricultural development (Sobirov et al., 2023; Hirlekar et al., 2025). Case studies in these countries show that tourism not only contributes to national GDP but also serves as a bridge between many economic sectors and is a source of foreign exchange.

### **Cultural and Environmental Sustainability in Tourism**

The rapid growth of tourism in Southeast Asia has boosted economic development but also raised concerns about environmental impacts, putting pressure on historical sites and posing risks to cultural heritage (Kholil et al., 2025). Overtourism can lead to environmental problems such as waste overload, traffic congestion, and increased vulnerability of vegetation and wildlife to disasters such as forest fires or exploitation for tourist activities (Ha Van et al., 2024). For example, famous natural tourist destinations such as Bali, Indonesia; Phuket, Thailand; and Halong Bay, Vietnam, are facing excessive pressure on natural resources, leading to environmental degradation due to overtourism.

Recent studies such as “Overtourism after the COVID-19 pandemic: Ecological degradation and social tensions in tourist destinations” show that the recovery of tourism in Bali has brought significant economic benefits, but at the same time, overtourism has led to pressure on environmental and social resources (Diah, 2025). A study in Vietnam, “Homestay businesses' strategies for adapting to and recovering from the COVID-19 pandemic: A study in Vietnam,” found that homestay businesses in Vietnam changed their services during COVID-19 to preserve traditional culture while maintaining income and reducing environmental impact (Quang et al., 2023). A case study in Chumphon, Thailand, evaluated coral reef sites and ecotourism islands, showing that tourism's environmental impact can be reduced if ecotourism is properly implemented and well-managed (Darabos et al., 2024; Happ & Nemes, 2025).

The above case studies show that rapid tourism growth can have a significant impact on natural and cultural resources if there are no sustainable development policies in place. Community-based tourism and ecotourism models are initiatives that promote community-based tourism development, empowering local people to achieve economic growth without harming existing resources, which countries are focusing on developing (Kómvives et al., 2024). In addition, the ASEAN Tourism Strategy plan was adopted to promote regional cooperation and reinforce the common goal of sustainable development, ensuring that common regulations and policies can be implemented in all countries in the region.

Therefore, although tourism brings economic benefits, it has a significant impact on the environment and culture of Southeast Asian countries. Sustainable development, balancing economic interests, preserving traditional culture and the environment are common development goals that ASEAN countries are working together to achieve in order to protect the future of tourism in the region.

### **Challenges to Tourism-Led Integration**

Structural inequities and external shocks inhibit the regional tourism prospects. In addition to the inequities evident in infrastructure, for example, Singapore's Changi Airport serves 68 million passengers a year, but Myanmar's airports do not have proper connections to a majority of locations (ASEAN Stats, 2023 ASEAN Secretariat. (2023). ASEAN Tourism Strategic Plan 2021–2025 (www.asean.org, n.d.)

Beyond inequities within the region, external shocks, too, dampen tourism development and increases risks for investments. Instances of political instability, primarily Myanmar, for example, have hindered tourists and investors (Henderson, 2003). The regions vulnerabilities were demonstrated by the global COVID-19 pandemic that saw international arrivals decrease by 82% in 2020 (WTTC, 2021 World Travel & Tourism Council (WTTC Research Hub, 2025)

While countries and destinations attempted recovery in the immediate stages with varying degrees of success, for example, Thailand's reopening quickly and digital health passports supported a significant increase in tourism in 2023, while Myanmar continued with ongoing political unrest limiting its comeback (ADB Annual Report 2022, 2023).

In the region, these types of economic fragility underscore the need to diversify tourism, particularly in dependency economies. Additionally, political instability and inadequate cross-border policies further limit seamless regional cooperation. The COVID-19 pandemic exacerbated these vulnerabilities, disrupting global travel and exposing the region's heavy reliance on international visitors (Beh & Lin, 2022).

## Policy Responses and Regional Collaboration

ASEAN nations are collaboratively enacting policies to facilitate swift recovery and enhance the efficacy of sustainable tourism economic development. This is evidenced by regional initiatives and collaborative platforms like the ASEAN Tourism Forum (ATF). This is the paramount annual tourism event of the Association of Southeast Asian Nations (ASEAN) aimed at enhancing tourism collaboration within ASEAN and with global partners. Enhancing the perception of ASEAN as a culturally diversified region abundant in tourism offerings, while maintaining a unified regional brand and providing opportunities to launch new goods, establish cooperation agreements, encourage investment, and exchange experiences in sustainable tourism development management.

The ASEAN Tourism Strategic Plan (ATSP) 2016-2025 aims to prioritize connectivity, high-quality tourism services, and workforce development as fundamental components of integration ([www.asean.org](http://www.asean.org), n.d.). In conjunction with policy frameworks, technological innovation has become pivotal: smart travel platforms, digital health passports, and online marketing campaigns have been extensively utilized in the post-COVID-19 recovery phase, enabling destinations like Thailand and Singapore to expedite reopening and rebuild tourist confidence. In addition to policy frameworks, technological innovation has emerged as a focal point: smart tourism platforms, digital health passports, and online marketing campaigns have been extensively implemented during the post-COVID-19 recovery phase, enabling destinations like Thailand and Singapore to expedite reopening and rebuild tourist confidence (Phob-udom et al., 2025; Horváth, Raffay, & Happ, 2025).

The ASEAN Framework on Sustainable Tourism Development (2021) emphasizes the necessity for augmented collaboration among ASEAN nations and international organizations to ensure that tourism not only recuperates and bolsters micro, small, and medium enterprises (MSMEs) and vulnerable populations but also evolves sustainably, addressing economic, social, and environmental dimensions (Onsori et al., 2025). This framework was established in collaboration with prior strategic initiatives, including the ASEAN Tourism Strategic Plan (ATSP) 2016-2025, the Phnom Penh Declaration, and the Post-COVID-19 Recovery Plan.

These instances illustrate that regional collaboration, when integrated with technology and innovation, can not only rectify deficiencies but also generate competitive advantages. Coordinated visa initiatives, like the ASEAN Single Visa Program presently under consideration, will further diminish travel obstacles and enhance cross-border tourism dynamics. Sustainability-oriented activities, exemplified by ASEAN's dedication to the United Nations Sustainable Development Goals (SDGs), highlight the region's endeavors to reconcile economic expansion with environmental and cultural conservation. Collaborative initiatives promoting eco-certification for hotels and sustainable infrastructure funds exemplify how cooperation can more equally distribute resources among member nations, particularly those with diminished institutional capacity, such as Laos and Myanmar.

## Future directions for tourism in Southeast Asia

The tourism industry holds promise for strengthening regional integration in Southeast Asia through sustainable development and comprehensive growth in the future (Intapan et al., 2021). National policies combined with ASEAN tourism strategies aim to address tourism overload, improve the quality of transportation infrastructure, and focus on developing tourism in mountainous and rural areas (Rittichainuwat et al., 2002). Additionally, the post-COVID-19 tourism recovery strategy through sustainable development policies, cross-border linkages, and enhanced scientific and technological exchange is a goal that countries in the region are striving to achieve in the future (Zhao et al., 2023).

Previous studies have mentioned the potential role of tourism in the development of countries such as Thailand and Vietnam, but the role of regional connectivity remains unclear (Khemthong et al., 2024) (Lin et al., 2023). Post-COVID-19 recovery strategies and practical actions by ASEAN countries have not yet been explored in cross-national comparative analyses (Phob-udom et al., 2025). Therefore, this study aims to address this gap by systematically classifying ASEAN countries according to tourism performance and post-COVID-19 recovery capacity from a regional perspective, focusing on the policy flexibility of each country. It also provides specific pathways toward sustainable and equitable growth, such as ASEAN certifications promoting eco-friendly practices and infrastructure funds.

Research expands knowledge about tourism as an economic driver, while highlighting sustainability through regional connectivity in Southeast Asia by collecting actual data on tourist numbers, foreign direct investment, growth rates over the past 10 years, and studying the policies of ASEAN countries.

## METHODOLOGY

This paper is based on the use of a mixed-method approach, a combination of quantitative tourism metrics and qualitative policy information, where numbers are garnered from historical data regarding tourist arrivals, growth rates, and foreign direct investment with ideas from academic literature and policy reports.

### Data Collection

Quantitative metrics were collected via the ASEAN Statistics Data Portal, World Bank and World Travel and Tourism Council (WTTC). Examples of metrics included yearly international tourist arrivals for the period of 2013-2023, foreign direct investment inflows and yearly growth rates. Datasets were chosen to capture trends in tourism performance, economic effects, and regional diversity. As an example, visitor arrival figures were grouped per country (e.g., Thailand, Vietnam, Indonesia) so that high-, mid-, and low-tourism economy trends could be determined (ASEAN Secretariat, 2023) (Hieu & Yen, 2019).

As for qualitative data, the peer-reviewed literature, government strategies (e.g., ASEAN Tourism Strategic Plan) and sustainability criteria such as the Global Sustainable Tourism Council (GSTC). Case studies on individual ASEAN nations were also included (for example, Thailand's "Amazing Thailand" campaign and Vietnam's rural homestay initiatives) for providing context to the quantitative trends (Bhattacharyay, 2010) (Kontogeorgopoulos, 1999)

### Data Analysis

Comparing and classifying ASEAN countries via quantitative analysis into groups according to visitor numbers and arrival growth: Very High Tourism (Thailand and Malaysia) with annual visitor numbers (not growth) consistently above 30 million annually pre-2020, Low Tourism (e.g., Myanmar and Brunei) with annual visitation of less than 1 million visitors (Kontogeorgopoulos, 1999).

We looked at the official growth rates in comparison to the other global events, e.g. COVID-19, by examining the annual World Bank 2013-2023 Growth Rate data, attempting to identify the trends in recovery (e.g. Thailand quick recovery compared to Myanmar lack of recovery). We qualitatively assessed sustainability based on national policies (e.g. environmental laws in Thailand; UNESCO conservation programs in Vietnam) mapped against GSTC benchmarking (Kontogeorgopoulos, 1999)

We further examined the regional ASEAN Tourism Strategic Plan (ATSP) and regional collaboration efforts (e.g. joint marketing efforts), as well as exploring how collective marketing made inroads that addressed infrastructure gaps and regional cooperation (Pranita et al., 2023) (Cochrane, 2007).

Case studies gave more detail into some of the challenges confronting the region, e.g. Bali's over-tourism issue, and the challenges facing Myanmar due to ongoing political instability, as both examples were linked to ability to leverage tourism better in light of more significant economic vulnerabilities in the region (Mazumder et al., n.d.).

Finally, we utilized the overall findings to synthesize our recommendations for greater tailored strategies to be adopted (e.g. Collective regional collaboration, collective sustainable practices), that would better support promoting tourism growth/role in economic integration in the region.

### Qualitative Insights

A literature review of peer-reviewed journals, books and reports issued by institutions was conducted to explain the statistics that were found. Case studies of some of the ASEAN countries revealed the effectiveness of their tourism policies and the challenges they face. Each of the countries we examined was placed into one of four groups according to the number of tourists and how quickly those tourism numbers are growing. The four groups were: Very High Tourism, High Tourism, Moderate Tourism, and Low Tourism.

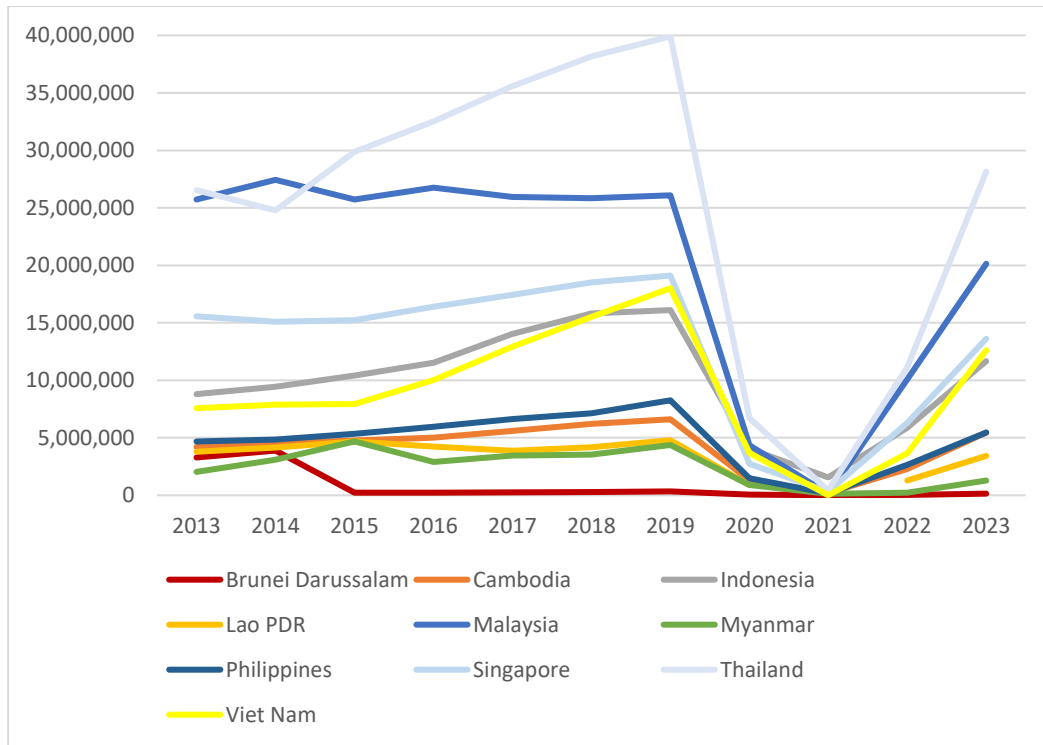
Sustainability practices were also studied by following the Global Sustainable Tourism Council (GSTC) as secondary data.

Moreover, this research study exposed differences in tourism performance and effectiveness among the ASEAN member states. Trends were related to local economic events, global issues (such as the COVID-19 pandemic), and sustainability efforts. This approach will help fully understand Southeast Asia's tourism industry and provide useful insights for policymakers, investors, and stakeholders. It combines strong data analysis with meaningful evaluations to ensure the findings are relevant and deep.

## RESULTS

### Tourism growth and grouping of ASEAN Countries

Based on the trends shown in the chart, ASEAN countries exhibited diverse tourism growth trajectories between 2013 and 2023, reflecting variations in tourism policies, infrastructure development, and external factors such as the COVID-19 pandemic. These countries can be grouped into four distinct categories based on the number of international visitors:



**Figure 1. Tourism Visitors - ASEAN (2013-2023) - in person (Source: Own compilation, using ASEAN Stats Data Portal)**

Leading the region, Thailand, Malaysia, and Singapore consistently attracted the largest numbers of international tourists, with annual arrivals surpassing 30 million before 2020. Thailand benefited from its diverse attractions and strong tourism system, Malaysia leveraged its strategic location and cultural diversity, while Singapore capitalized on its global business hub status and luxury tourism appeal (Dixit, 2020).

Following this group are Vietnam and Indonesia, categorized as high-tourism countries. Vietnam reached 18 million visitors, and Indonesia surpassed 15 million in 2019, largely due to its rich cultural heritage, natural beauty, and improved infrastructure. These countries experienced steady growth thanks to effective promotion and investments in connectivity and tourism facilities (Ollivaud & Haxton, 2019).

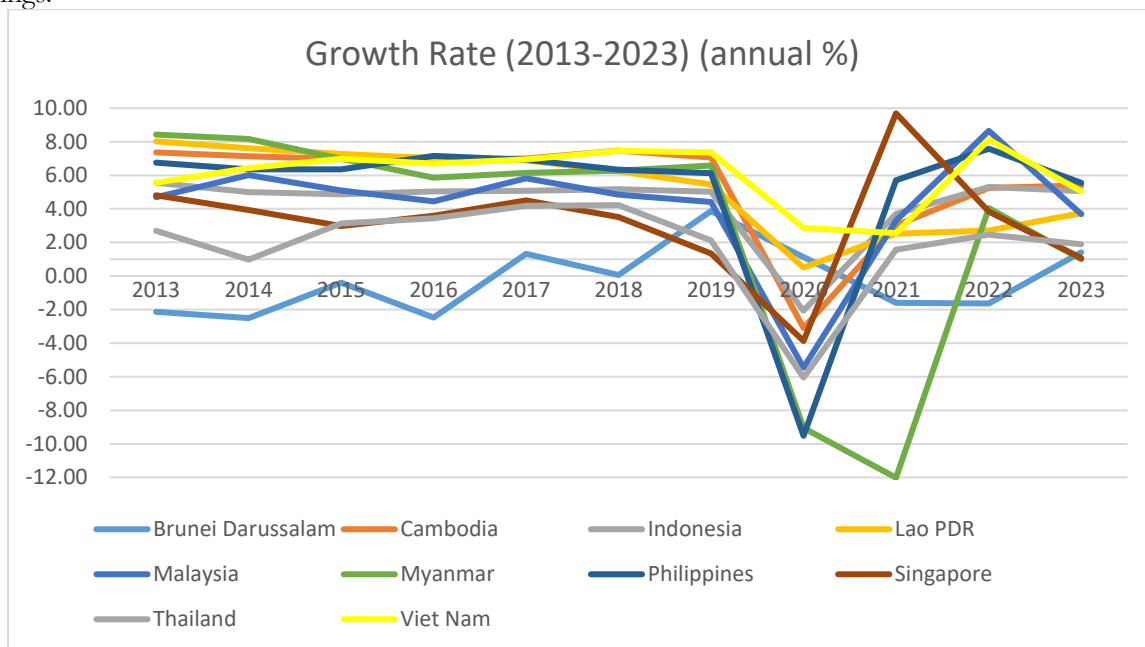
Moderate tourism countries include the Philippines, Cambodia, and Laos, with annual arrivals ranging from 3 to 10 million. These countries attract tourists with their unique historical and natural sites but face challenges such as limited infrastructure and slower development (Carter et al., 2015). Myanmar and Brunei fall into the low-tourism category, each receiving fewer than 1 million visitors annually. Political instability in Myanmar and Brunei's focus on niche tourism markets, such as ecotourism, hindered their ability to compete with their regional neighbors (Henderson, 2003).

The COVID-19 pandemic caused a dramatic drop in tourist arrivals across all ASEAN countries in 2020. Recovery trends since then have varied widely. Singapore, Thailand, and Vietnam have shown faster recoveries, supported by robust policies and proactive reopening strategies (Kibitiah, 2024). In contrast, Myanmar and Brunei have struggled to regain momentum due to structural issues and slower adaptation to changing tourism dynamics (Ibrahim & Yunus, 2018). This analysis highlights the diverse trajectories of ASEAN countries and emphasizes the need for tailored strategies to promote sustainable and inclusive tourism growth in the region.

### Impact of Global Events and Trends

The following graph shows the growth rate dynamics of the ASEAN countries between 2013 and 2023. This paper investigates the different categories of Growth rates in Southeast Asian countries over the last ten years.

While the global economy faced stagnation during the COVID-19 pandemic, we can show certain trends and groupings:



**Figure 2. ASEAN - Growth Rate (annual %) (Source: Own compilation, using the World Bank database)**

**High Growth Countries:** Cambodia, Indonesia, the Philippines, and Vietnam showed consistently strong growth performances, averaging over 5%. Strong tourism policies and increasing FDI, complemented by policies to boost regional infrastructure and connectivity, have probably contributed to their successes (2024).

**Moderate Growth Countries:** Lao, Malaysia, and Singapore have demonstrated moderate economic expansion, with growth rates fluctuating between -5.46% (for Malaysia in 2020) and 9.69% (for Singapore in 2021). These countries are distinguished by a combination of well-established tourism markets and incremental development, emphasizing diversification and prioritizing quality rather than quantity within their tourism industries (Weidenfeld, 2018).

**Low-Growth Countries:** Myanmar and Thailand exhibited average growth rates ranging from 0% to 3%, indicating a lag in tourism development or interruptions due to political and economic obstacles, such as increasing crime and the repercussions of worldwide emergencies.

**Detrimental Expansion:** Brunei Darussalam had negative average growth, which may indicate structural problems or dependence on its two main domains, hydrocarbon production, and tourism, where until 2023, Brunei's economy has remained stagnant with a decline in crude oil production and tourism (Hayden Collins, 2015).

Nations exhibiting elevated growth rates typically demonstrated robustness and rapid recuperation from global disturbances, attributed to a strategic emphasis on both regional and international tourism. Moderate growth countries, therefore, seem to depict a plateauing trend where developed infrastructure supports steady and sustainable growth rather than rapid expansion. The differences are based on differences in political stability, investment attractiveness, and dependence on tourism (Trupp & Dolezal, 2020).

### Sustainability efforts and Policy Responses

ASEAN countries have varied approaches to sustainability in tourism, reflecting their unique contexts and development priorities. While some nations have integrated sustainability as a cornerstone of their tourism policies, others are still in the early stages of adopting sustainable practices.

Thailand, Singapore, and Malaysia are way ahead of many of their neighboring countries when it comes to sustainable tourism. For instance, Thailand's "Amazing Thailand Sustainable Tourism" program has highlighted the need for sustainable tourism that both generates economic gains, while also protecting the environment. Singapore has a greater level of green city planning that includes eco-friendly attractions supported by eco-sustainable infrastructure (Gupta et al., 2024). Malaysia recognizes that national tourism policies now have a clear emphasis on community-based ecotourism and cultural heritage protection especially for indigenous communities (Gupta et al., 2024).

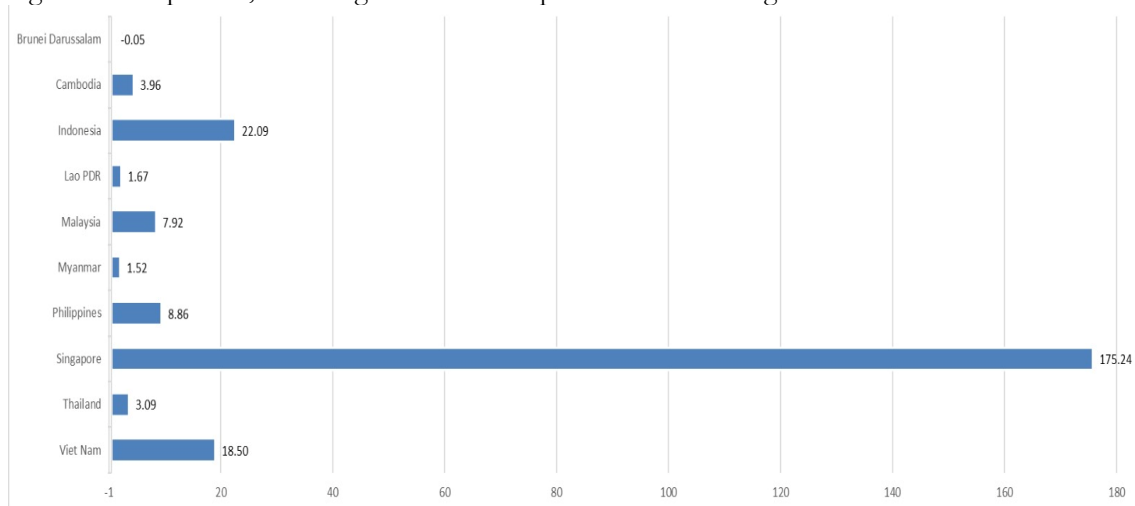
Vietnam and Indonesia have also progressed significantly. Both countries pay increasing attention to community-based tourism (CBT) and environmental conservation. Vietnam has made significant progress by

protecting UNESCO inheritances such as Ha Long Bay, and Hoi An showing its simultaneous commitment to sustainability tourism and touristic growth (Ngo & Creutz, 2022). Indonesia is recognizing its marine tourism with an archipelago's while emphasizing sustainable development to protect its fragile ecosystem.

Myanmar, Cambodia, and Lao PDR are facing a multitude of notable challenges to promote sustainability such as limited finance, unstable political climates, weak institutional frameworks, and sociocultural context when promoting sustainability. Although efforts to promote sustainability exist, there are notable challenges, such as ecotourism in Myanmar, or promoting the Angkor Wat complex in Cambodia, within the context of weak political and socioeconomic challenges.

### Economic contributions and Challenges

Based on the data presented in the chart, the economic contribution of tourism across ASEAN countries shows significant disparities, reflecting uneven development within the region:



**Figure 3. ASEAN – Foreign Direct Investment (Billion USD) in 2023 (Source: Own compilation, using the World Bank database)**

Countries with significant contributions: Singapore (175.24 B\$US) demonstrated unprecedented growth, reaffirming its status as a primary global tourism destination, which is characterized by quality service, association meetings, major worldwide events, and conferences. In addition, Indonesia (22.09 B\$US) and Vietnam (18.50 B\$US) experienced significant growth as countries with abundant tourist "natural" resources and substantial sector development through public and private investment in tourist infrastructure.

Countries with significant to moderate contributions: The Philippines (8.86 B\$US) and Malaysia (7.92 B\$US) are also playing a significant role in the region with relatively stable tourism growth that is more urban and nature-oriented. Both of these countries have supportive tourism policies that promote tourism opportunities and an open business environment to increase international visitors visiting their respective countries.

Countries with moderate contributions: Cambodia (3.96 B\$US), Thailand (3.09 B\$US), and Laos (1.67 %) are low tourism gross contributions, which are indirect economic contributions from tourism on the southeast economy. These countries still have a challenge of developing their infrastructure and promotion of tourism, and then developing their international competitiveness. Countries with low or negative contributions: Myanmar (1.52 B\$US) and Brunei Darussalam (-0.05 B\$US) ranked at the bottom of the contributions, which both can have difficulties to develop tourism in their respective countries. Myanmar is dealing with political and social instability while Brunei has depended on niche tourism destinations largely unattended and is yet to develop a broader tourism economy.

## DISCUSSION

The Southeast Asian tourism industry has emerged as an indispensable driver for regional economic development, cultural exchange, integration, and mutual support in achieving common goals. Countries such as Thailand, Vietnam, and Indonesia have leveraged their abundant natural resources and rich cultural heritage to attract a growing number of tourists, stimulate foreign investment, and fuel national economic growth. However, economic development in general and tourism development in particular among ASEAN member countries is uneven, highlighting the need for regional linkages and regional strategies to address challenges such as infrastructure disparities, overtourism, and development policies.

Although the COVID-19 pandemic has had a strong impact on the tourism industry and disrupted regional tourism development, it has also tested the resilience of each country and the trend towards sustainable development and regional integration in the future. Singapore has demonstrated remarkable economic resilience thanks to its modern healthcare services and advanced technology. Meanwhile, Thailand, Vietnam, and Indonesia have shifted their tourism services toward community-based and eco-tourism. The integration of sustainability into tourism policy shows a promising shift toward balancing economic development with the environment and local culture. However, political instability, lack of infrastructure, and limited national financial resources in Myanmar, Brunei, and Laos pose challenges and barriers to regional tourism development integration. Therefore, regional support and cooperation are required to tap into tourism potential.

The findings of this study indicate that sustainability has emerged as a key theme shaping the future development of ASEAN tourism. Initiatives such as community-based tourism in Vietnam, marine eco-tourism in Indonesia, and eco-certification programs in Thailand and Singapore demonstrate that economic growth can go hand in hand with environmental management and cultural preservation. However, the environmental and social pressures caused by overtourism at popular tourist destinations suggest the urgency of implementing coordinated regional frameworks to mitigate environmental degradation and cultural commercialization.

To sum up, regional cooperation through ASEAN frameworks, including the ASEAN Tourism Strategic Plan and the ASEAN Framework on Sustainable Tourism Development, has laid the foundation for linkage and development cooperation to achieve common goals. Sustainability, which aims to balance economic development with the environment and society, is emphasized. In the future, ASEAN member countries will strengthen comprehensive strategic cooperation to address existing challenges and jointly build sustainable economic development.

## CONCLUSION

This study has shown that the tourism industry has emerged as a positive force in attracting foreign investment, creating momentum for the development of other economic sectors and the economic integration of Southeast Asia. However, analysis of the data also clearly shows the uneven development of tourism among countries in the region. This highlights the stark contrast between economies with different levels of tourism development due to differing economic and political development policies. This disparity could weaken the region's overall competitiveness and have mutual repercussions. Therefore, ASEAN member countries have been and are striving to create mutual support for development, establishing common goals for sustainable development.

After experiencing the COVID-19 pandemic, the tourism industry has clearly demonstrated its vulnerability to external impacts. It has also shown that the pace of economic recovery in countries depends on each nation's policies. Countries that innovate technology and transform services towards sustainable development, eco-tourism, and community-based tourism have recovered better than countries with political instability and resource constraints. This emphasizes the importance of integrating sustainable development goals into all tourism policies and planning.

The shared vision of ASEAN countries for the future is to cooperate more strongly and extensively, focusing on sustainable development and creating a balanced market that benefits all member states. Community-based tourism, eco-tourism initiatives, along with the application of green technology and the development of sustainable cities, will play a crucial role in promoting tourism as a driver of economic growth in the future. Southeast Asia has the opportunity to consolidate its position in sustainable tourism, boosting economic resilience in the coming decade through strategic regional development policies.

Although the study provides valuable insights, it has certain limitations. This study is based on secondary data, the tourism development policies of individual countries, and the general policies of ASEAN countries. Therefore, it may not provide a detailed analysis of the context of each diverse locality and the microeconomic development drivers of each country. Furthermore, the focus on analyzing representative countries such as Singapore, Thailand, Vietnam, and Indonesia may be insufficient, requiring perspectives from other countries.

In the future, further studies could address this gap by using different research methods such as comparative studies, field research in communities, and combining quantitative methods to assess the impact of tourism on local sustainable development. Furthermore, continuing research on post-pandemic recovery strategies, adaptation to climate change, and the role of digital technology in promoting tourism development in Southeast Asia could provide a more comprehensive understanding of the context.

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