UNWTO COMMISSION FOR EAST ASIA AND THE PACIFIC
UNWTO COMMISSION FOR SOUTH ASIA
Twenty-fourth Joint Meeting
Chiang Mai, Thailand
4 May 2012

Item 4 of the Provisional Agenda

PRELIMINARY REMARKS OF THE SECRETARY-GENERAL

Note by the Secretary-General

The Secretary-General presents to the Joint Commission information on contemporary international tourism trends and UNWTO’s programme of work.
PRELIMINARY REMARKS BY THE SECRETARY-GENERAL

Introduction

1. The present report for the twenty-fourth joint meeting of the Commission for East Asia and the Pacific and the Commission for South Asia briefly addresses the following subjects:

   A. Update on International Tourism in 2011 and Prospects for 2012;
   B. Mainstreaming Tourism in the Global Agenda;
   C. Implementation of the Programmes of Work 2010-2011 and 2012-2013; and
   D. Administrative and Financial Matters.

Some of the above-mentioned subjects have constituted the object of dedicated reports for this joint meeting.

A. Update on International Tourism in 2011 and Prospects for 2012

2. Overview on the year 2011: International tourist arrivals grew by 4.4% in 2011 to a total 980 million, up from 939 million in 2010. In a year characterised by a stalled global economic recovery, major political changes in the Middle East and North Africa and natural disasters namely the terrible earthquake and tsunami in Japan, overall results were clearly above expectations. Contrary to previous years, growth was slightly higher in advanced economies (+4.7%) than in emerging ones (+4.1%), due largely to the strong results in Europe, and the declines in the Middle East and North Africa.

3. By region, Asia (+6.1%) and Europe (+5.8%) were the best performing regions in 2011, while by subregion South-East Asia (+10.4%) and South-America (+10.1%) topped the ranking. The Americas (+4%) saw an increase of 6 million arrivals, reaching 156 million in total, Africa (+0.2%) maintained international arrivals at 50 million, as the gain of two million by Sub-Saharan destinations (+6.2%) was offset by the losses in North Africa (-9.9%). The Middle East saw arrivals decline by 8.4%.

4. Preliminary data on international tourism receipts and expenditure, not yet complete at this time of the year, seem to confirm that the growth in receipts followed closely that of arrivals.

5. International tourism in Asia Pacific in 2011: Asia and the Pacific (+6.1%) was up over 12 million in 2011, reaching a total 217 million international tourists. South-East Asia (+10.4%) and South Asia (+8.0%) benefited from strong intraregional demand, while growth was comparatively weaker in North-East Asia (+3.8%) and Oceania (+0.8%), partly due to the temporary decline in the Japanese outbound market.

6. Prospects for 2012 – international tourist arrivals to reach one billion: UNWTO forecasts international tourism to continue growing in 2012 although at a slower rate. Arrivals are expected to increase by 3% to 4%, reaching the historic one billion mark by December 2012. Emerging economies are expected to regain the lead with stronger growth in Asia and the Pacific and Africa (4% to 6%), followed by the Americas and Europe (2% to 4%). The Middle East is forecast to recover part of its losses from 2011. As international tourism receipts tend to be more affected in times of economic constraints, receipts are expected to lag somewhat behind arrivals in 2012.
7. **In Asia**, UNWTO forecast points to a growth in international tourist arrivals between 4% and 6% in 2012. Initial data from countries in the region seem to confirm this positive trend. Some 18 countries around the region monitored by UNWTO already reported international tourist arrivals data for January 2012. Of these, 14 show positive figures, including 10 countries with double-digit growth.

8. Considering that data on the first quarter of 2012 have yet to be released, an update of the above information will be communicated during the presentation of this agenda item.

**B. Mainstreaming Tourism in the Global Agenda**

9. With the objective of positioning tourism as a priority in the global agenda, the ‘**Global Leaders for Tourism**’ campaign (“Golden Book”) has advanced substantially during 2011 and 2012. The campaign, a joint initiative by UNWTO and the World Travel and Tourism Council (WTTC), comprises the presentation of an Open Letter to Heads of State and Government worldwide, seeking their acknowledgement of the relevance of tourism in facing today’s global challenges. Between 28 February 2011, when President Felipe Calderón of Mexico first received the Open Letter and the end of March 2012, **25 leaders had joined the Campaign**.

10. Out of the 25 Heads of State and Governments who have joined the Campaign, **six are from Asia-Pacific region**: Brunei, China, Indonesia, Malaysia, Philippines and the Republic of Korea. Seven more countries are expected to join within the coming months.

11. Also in this framework, UNWTO continues to support the **T.20 initiative**, which gathers the tourism ministers of the 20 major world economies. The 4th T20 Ministers’ Meeting, the first to be officially part of the G20 calendar, will be held in Mexico (15-16 May 2012) and will focus on **tourism as an alternative to job creation**. The meeting will particularly look into how **visa facilitation can act as a lever to stimulate demand and create jobs**.

12. **Travel facilitation, taxation and consumer protection** have been identified as **key policy issues** to address in 2012:

   a) **Travel facilitation**: As destinations worldwide look to stimulate travel demand under pressing economic conditions, UNWTO has been working with several industry bodies and governments to advance visa facilitation, an area in which in spite of the great strides made so far, there is still much room for progress. The Secretariat has been raising awareness among all countries of the potential of maximizing new technologies in improving visa application and processing formalities, as well as the timings of visa issuance, and advising them to analyse the possible impact of travel facilitation in increasing their tourism economies.

   b) **Taxation**: The recent trend of introducing new and/or increasing existing taxation on travel and tourism continues to represent a serious setback to the sector. The Secretariat has been raising awareness of this issue in several international fora and coordinating with industry bodies to voice the concern of the tourism sector in this respect.

   c) **Consumer Protection**: please see point 16. e)

13. The Secretariat also continued to work within the **UN system** and with **other international organizations** such as regional development banks to **move tourism higher on the development agenda**. Efforts have been strengthened ahead of **Rio+20**, the UN Conference on Sustainable Development (UNCSD), during which UNWTO has proposed to the UN to organize, together with
the Ministry of Tourism of Brazil and the UN Steering Committee on Tourism for Development (SCTD), an official side event on Tourism and Sustainable Development. UNWTO will also join the UN Environmental Programme (UNEP) and the Organisation for Economic Co-operation and Development (OECD) in the organization of an event on Green Innovation in Tourism. More importantly, UNWTO has been lobbying for the recognition of tourism in the official outcome of Rio+20. In this respect, and thanks to the active contribution of several Member States (Republic of Korea, Algeria, EU, Honduras and G77) tourism is now part of the draft outcome document of Rio+20 (Members are kindly requested to support this effort), of the UN Chief Executive Board Statement for Rio+20 and of the Ocean Pact, a major initiative within the Rio+20.

14. UNWTO was also the main contributor to the Chapter on Tourism of the Green Economy Report by the United Nations Environment Programme (UNEP) published in 2011.

C. Implementation of the Programmes of Work 2010-2011 and 2012-2013

C.1 Programmes of Work 2010-2011 and 2012-2013

15. An important number of activities has been implemented since the twenty-third joint meeting of the Commissions for East Asia and the Pacific and for South Asia and since the report prepared by the Secretariat to the 19th session of the General Assembly covering the period up to June 2011.

16. Detailed information on the activities carried out is provided in documents CAP/CSA/5 and CAP/CSA/6. Some of the activities are as follows:

a. **Events**: Major global events held include:
   - the World Tourism Day High Level Dialogue on Tourism, Linking Cultures in the framework of the celebrations of World Tourism Day 2011 in Aswan, Egypt (September 2011);
   - the 1st UNWTO International Conference on Tourism and the Media in Zagreb, Croatia (September 2011);
   - the 1st International Congress on Ethics and Tourism in Madrid, Spain (September 2011);
   - the 2nd International Conference on the Measurement and Economic Analysis of Regional Tourism, in Bilbao, Spain (October 2011);
   - the UNWTO & WTM Ministers' Summit on *How Tourism Can Prosper in Times of Uncertainty* at the World Travel Market in London, UK (November 2011);
   - a Panel Discussion on Women's Empowerment in the Tourism Sector - an Engine for Development, at FITUR, in Madrid, Spain (January 2012);
   - the 1st Meeting of the Global NTO Think Tank – Creating value through collaboration, a joint initiative of UNWTO and the European Travel Commission (ETC), at ITB Berlin, Germany (March 2012);
   - the 7th World Congress on Snow and Mountain Tourism in La Mansana, Andorra (April 2012)
   - the 2nd Tourism and the Media Conference in Marsa Alam, Egypt (April 2012); and
   - a Joint Tourism Side Event at the 13th session of the United Nations Conference on Trade and Development (UNCTAD XIII), in Doha, Qatar (April 2012)

Several other technical and regional seminars and workshops took place during this period, the detail of which is presented in the corresponding reports.
b. **Publications:** Among the outputs of UNWTO’s extensive research programme during the period under review it is worth highlighting the publication of the following reports:

- The UNWTO long-term forecast *Tourism Towards 2030 – Global Overview* presented at the 19th Session of the General Assembly;
- The *Toolbox for Crisis Communications in Tourism*; and
- A series of reports on outbound travel including *The Chinese Outbound Travel to Africa, The Spanish Outbound Travel Market to Africa and the Middle East, and The Middle East Outbound Market with Special Insight into the Image of Europe as a Destination* done in cooperation with ETC.

Moreover, the Secretariat has during 2011-2012 increased the frequency of the *UNWTO World Tourism Barometer* to a total of three full issues, two interim updates and one advance release allowing Members a more effective monitoring of short-term tourism trends;

c. **Technical Cooperation and Development Assistance:** By the end of 2011, a total of 38 ST-EP projects were under implementation in 29 countries; four new projects have started in 2012 (Bolivia, Burundi, Jordan and Timor-Leste). Furthermore, several technical cooperation projects are currently underway, including eight MDG-F Achievement Fund (MDG-F) projects in Ecuador, Egypt, Nicaragua, Panama, Peru, Serbia and Turkey. MDG-F projects were concluded during 2011 in Honduras and Senegal.

d. **Education and Capacity Building:** Through the UNWTO Themis Foundation, UNWTO’s executive arm for education, several training courses were held in the various regions covering areas such as statistics and Tourism Satellite Account (TSA), marketing and promotion, tourism and development, risk and crisis management and sustainable development.

e. **Special Initiatives and Projects:** Four special initiatives and projects have been further advanced during the period under review:

- **Hotel Energy Solutions:** Following three years of testing and research, the Hotel Energy Solutions online toolkit was officially launched in August 2011. The e-toolkit created to help hotels evaluate their energy consumption and assist in improving their energy management and cutting costs. Though it was developed for European Union Member States in line with EU Energy Policies, it is expected to be rolled out globally. (Discussions on the adaptation and/or translation of the online tool to other languages and regions are on-going). The online toolkit, alongside other web-based resources – ‘Energy School’, a series of research reports to better understand energy efficiency and renewable energy technologies and promotional materials for hotels to sensitize their guests on energy saving – are available free of charge to all accommodation establishments registered with the project at [http://www.hotelenergysolutions.net](http://www.hotelenergysolutions.net).

- **Knowledge Network:** The UNWTO Knowledge Network, an important part of the Affiliate Members programme, currently counts 122 knowledge-based tourism-related institutions, organizations and universities from the public and private sectors. UNWTO is strengthening
the capacity of the Knowledge Network as an extensive research body of UNWTO to support innovation in policy, governance and other areas of tourism, closely connecting with its Member States and the global tourism community. Some of the planned activities for 2012 include the launch of an interactive virtual home of the UNWTO Knowledge Network and the 2012 edition of the UNWTO Ulysses Prize and Awards (4th quarter of 2012).

- **Legal instrument on tourist/consumer protection**: In response, and mandated by the 19th session of the General Assembly, the Secretariat has set up a Working Group on the Protection of Tourists/Consumers and Travel Organizations to draft an international convention for the protection of both parties. The convention will be the first legally-binding instrument to be proposed by UNWTO, highlighting the growing relevance and recognition of the tourism sector. In 2011, the Working Group met twice to discuss the content of the legal instrument, as well as to define its scope and level of application. The convention, it was decided, will cover issues including providing assistance to, and ensuring the repatriation of, consumers, particularly in cases of force majeure; the supply of accurate and timely information to tourists including how to handle bankruptcy situations of travel organizers; and issues related to accommodation.

- **DEVCO Project**: The European Commission (Directorate General Development and Cooperation – DG DEVCO/EuropeAid) has requested UNWTO to assist in the creation of a Guidebook on Sustainable Development as an engine for development, trade in services, job creation and poverty reduction. The project will deliver a *Sustainable Tourism for Development Study* - an instrument that will enable EU services and other development institutions to include sustainable tourism development projects in their programme cycles.

### C.2 Specific UNWTO Activities in Asia and the Pacific

17. In line with the Organization’s Programme of Work and strategic objectives, the primary focus of the activities carried out in Asia and the Pacific has been on improving competitiveness and sustainability. This has been done through a series of initiatives, including capacity building activities, research and technical assistance projects.

a. **Capacity-building**

- **5th UNWTO Asia Pacific Executive Training Programme** (Brunei Darussalam, June 2011): This training programme, organized by UNWTO on annual basis in collaboration with the host country and sponsored by the Government of the Republic of Korea, aims at providing a platform for high level policymakers to exchange ideas on current tourism issues. The 5th edition focused on the role that tourism can play in contributing to socio-economic development; how to manage rapid tourism growth while safeguarding natural and cultural heritage; how to optimize the benefits of regional and sub-regional cooperation and on sharing successful tourism policies.

- **3rd Workshop on Tourism Statistics and Regional Seminar** (Thailand, March 2012): These events marked the end of the two-year regional capacity-building programme. The workshop allowed countries to assess the advances undertaken since the 2nd Workshop (Manila, July 2011) in terms of Inbound, Outbound and Domestic tourism statistics while the Seminar focused on sharing lessons learnt over the two-year period.

- **UNWTO/Tianjin Training Programme on Tourism Marketing** (China, August 2011): This training programme, organized in collaboration with the Municipal Government of
Tianjin in China, is a new endeavour to provide training in collaboration with Member States that are strong in certain areas of tourism, and can share their technical know-how. The aim of this inaugural session was to provide the latest information on market trends for Asia and the Pacific, with special emphasis on China outbound.

b. Research initiatives

- **Hangzhou MICE Project**: The project *MICE Industry: Global Trends and Development Strategy for Hangzhou* was conducted with the Hangzhou Tourism Commission within the overall collaboration framework between the Hangzhou Municipal Government and UNWTO. The project included a comprehensive and in-depth analysis of the key issues, concepts and trends of the global and regional MICE industries and a comparative analysis and evaluation of Hangzhou as a MICE destination. Three reports have been produced as an outcome of the project: MICE industry from the global perspective, from the local perspective with Hangzhou as the focal point and from an Asia-Pacific perspective.

- **Compendium of Best Practices and Guidelines for Ecotourism in the Asia Pacific Region**: This compendium identifies specific steps which tourism business owners and other stakeholders can take in order to qualify as ecotourism businesses. The purpose of this study is to provide Member States in the region with a tool to assist in the development and management of ecotourism operations based on the Global Sustainable Tourism Criteria (GSTC). Case studies are used to demonstrate the criteria in action across the region, and in various businesses within the tourism sector.

c. Technical Assistance

- **Japan**: In the wake of the terrible earthquake and tsunami that hit the north-eastern part of Japan on 11 March 2011, UNWTO organised a special international symposium on the revitalization of Japan’s tourism sector and earthquake-affected regions. The event, done in collaboration with the Japan Tourism Agency, aimed at rallying international support for and solidarity with the recovery programme of the tourism sector in Japan; showing the safeness of the Sendai area after its recuperation from the disaster and showing that it continued to be an attractive tourism destination endowed with rich natural and cultural resources and testify to the achievements made in the recovery process after site inspections of the affected areas.

- **Bhutan**: UNWTO is currently providing technical support to Bhutan to update its tourism master plan. This is meant to provide technical inputs and guidance for the development of a plan of action for both public and private sectors in the next ten years.

- **Maldives**: Plans are underway to guide the formulation of the 4th Tourism Master Plan and Integrated Tourism Development Projects in the Maldives.

- **Sri Lanka**: UNWTO organised a seminar to assist officials to examine tourism trends and behaviour of emerging markets with special emphasis on China. The seminar took place within the framework of the Sri Lanka EXPO 2012 (Colombo, March 2012).

d. Sustainability
Following the establishment of the three sustainable tourism observatories in China (Yangshuo Observatory (2004), Huangshan Observatory (2008) and Zhang Jiajie Observatory (2011)), UNWTO is currently developing a standardised and systematic approach for managing these observatories as well as future ones. In addition, a standardised application procedure for potential observatories is being finalised. UNWTO is also working on the establishment of an Advisory Committee to oversee existing observatories. Bhutan is expected to apply for the establishment of an observatory.

The first Regional Conference on Green Tourism, to be held in Chiang Mai, Thailand, in the framework of the present Joint Commission Meeting, is another attempt at raising awareness about the crucial need for sustainable practices in the region.

D. Administrative and Financial Matters

18. In 2010, the Secretariat undertook a review of its structure by moving towards a programme-based distribution of posts, more attuned to on-going and emerging needs of the Organization. In 2011, as part of this process and with the expertise of an external consultant, post profiles were reviewed and redefined to better meet the objectives of the various programmes. Subsequently, a professional growth plan was introduced during the second half of 2011. Based on factors such as updated post profiles, positive performance evaluation, objective eligibility criteria, and on-going training of staff, the professional growth plan opens new perspectives to staff members on board by providing them with career growth options and incentives. This is essential when, like in the case of the Organization, the workforce is very limited in numbers but entrusted with a very wide scope of activities and responsibilities. In addition, the professional growth plan is also expected to constitute an incentive to attract highly qualified candidates to fill future vacancies that may be issued as part of the Organization’s business continuity scheme. The professional growth plan will be progressively carried out through annual review exercises.

19. The financial implementation for the biennium 2010-2011 has been made in accordance with the approved budget and as anticipated by Member States through the interim Financial Reports and as confirmed by the External Auditors’ reports on the accounts for the years 2010 and 2011.

20. The main issue faced in this period has been the challenge of transforming a zero nominal growth into an opportunity to further rationalize expenditure and programme delivery. While the Organization has done well in this regard, a continuation of such policy into the current 2012-2013 biennium may jeopardise outputs or quality. The Secretariat remains actively engaged in avoiding negative impacts from such risk, as described in the following sections.

21. The Secretariat has noted with appreciation efforts made by the large majority of Member States to keep current on their financial obligations and, in some cases, to advance the payment of accumulated arrears, particularly in the current economic context. Without the continuous financial means provided by its Members, it would not be possible for the Organization to operate adequately.

22. Regarding the preliminary financial implementation for 2012, the Secretariat has elaborated a plan of expenditure based on prudent financial estimates and will continue monitoring its implementation as the year progresses. Member States will be kept abreast of any development in this regard.
23. The Secretariat continues highly committed to strengthening its efforts in raising extra-budgetary funds for technical cooperation activities as well as for other programmes. The establishment of a dedicated fund-raising programme within the Secretariat has been a milestone in this endeavour. This new programme is focused on tapping into extra source of funding which allow expanding the Organization’s outreach and the service to Members without increasing the regular budget and the Members’ contributions. Within the work of the Organization in this regard, and as reported to the 19th session of the General Assembly, UNWTO is now recognized as an ODA Eligible Organization for Bilateral Aid, which means that funds channelled through UNWTO for projects in ODA eligible countries can now be considered as an official development assistance amount. For the next programming period UNWTO would need to increase its extra-budgetary resources so as to meet the DAC’s present minimum threshold of US$ 20 million of overall resources annually directed at ODA recipient countries in order to become a fully-fledged ODA eligible international organization.