Maximizing Sustainable Tourism impact for inclusive and low carbon growth
Colombo, 7 October 2014

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World Tourism Organization
The promotion of responsible, sustainable and universally accessible tourism.

“The fundamental aim of the Organization shall be the promotion and development of tourism with a view to contributing to economic development, international understanding, peace and prosperity”

- UNWTO Statutes -
WHY DOES TOURISM MATTER?
Tourism...some figures

- 9% GDP
- 1/11 Jobs (Direct, indirect and induced)
- US$1.3 trillion in exports
- 6% of world trade
- 6% exports of least developed countries

Why Tourism Matters
Tourism towards 2030
International tourist arrivals to reach 1.8 billion by 2030

International tourism, World

International Tourist Arrivals, million

source: World Tourism Organization (UNWTO) ©
Emerging economy destinations to surpass advanced destinations before 2020

Inbound tourism, advanced and emerging economies

International Tourist Arrivals, million

emerging economies

advanced economies

source: World Tourism Organization (UNWTO) ©
Asia and the Pacific will gain most of the new arrivals

Inbound tourism by region of destination

International Tourist Arrivals, million

Europe: 744 mn
Asia and the Pacific: 535 mn
Americas: 248 mn
Middle East: 149 mn
Africa: 134 mn

source: World Tourism Organization (UNWTO) ©
Asia and the Pacific, the Middle East and Africa to increase their shares

1980 (277 mn)
- Europe 63%
- Americas 23%
- Africa 3%
- Middle East 3%
- Asia and the Pacific 8%

2010 (940 mn)
- Europe 51%
- Americas 16%
- Asia and the Pacific 22%
- Middle East 6%
- Africa 5%

2030 (1.8 bn)
- Europe 41%
- Americas 14%
- Asia and the Pacific 30%
- Middle East 8%
- Africa 7%
Sri Lanka: incredible growth

- Sri Lanka is a country that has been through many changes, but for tourism it has seen some tremendous growth in the past decade or so.

- International arrivals have grown by some +38% from half a million annual arrivals in 2005 to over 1.3 mil last year (2013), representing some 1 bil (USD) in revenue.
## Sri Lanka Statistics, UNWTO Barometer

<table>
<thead>
<tr>
<th>Year</th>
<th>International Tourist Arrivals</th>
<th>International Outbound Tourism</th>
<th>International Tourism Receipts</th>
<th>International Tourism Expenditure</th>
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<td>2000</td>
<td>0.4</td>
<td>-</td>
<td>0.2</td>
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<td>2005</td>
<td>0.5</td>
<td>-</td>
<td>0.4</td>
<td>0.3</td>
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<tr>
<td>2010</td>
<td>0.7 (46.1%)</td>
<td>-</td>
<td>0.6</td>
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<tr>
<td>2011</td>
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<td>-</td>
<td>0.8 (40.9%)</td>
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<td>2012</td>
<td>1.0 (17.5%)</td>
<td>-</td>
<td>1.0 (44.5%)</td>
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<tr>
<td>2013</td>
<td>1.3 (26.7%)</td>
<td>-</td>
<td>-</td>
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</tbody>
</table>
1 BILLION TOURISTS
BILLION OPPORTUNITIES

One billion tourists traveled the world in 2012
One action $\times$ 1,000,000,000 can make a difference
Let's make our actions count.

RESPECT LOCAL CULTURE

One billion tourists traveled the world in 2012
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BUY LOCAL

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PROTECT HERITAGE

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SAVE ENERGY

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USE PUBLIC TRANSPORT

One billion tourists traveled the world in 2012
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Let's make our actions count.
TURNING ONE BILLION TOURISTS INTO ONE BILLION OPPORTUNITIES

In 2012, a record one billion tourists crossed international borders in a single year. Another five to six billion are estimated to travel in their own countries every year.

WHERE DO THEY COME FROM?

Europe: 53%
Asia-Pacific: 22%
Americas: 17%
Middle East: 4%
Africa: 3%
Not specified: 1%

WHERE DO THEY GO?

Europe: 51%
Asia-Pacific: 22%
Americas: 16%
Middle East: 5%
Africa: 6%

WHY DO THEY TRAVEL?

Leisure/Recreation/Holidays: 51%
Visit Family & Friends/Health/Other: 27%
Business/Professional: 15%
Not specified: 7%

EMERGING VS. ADVANCED

2012 1 Billion International Tourists

©UNWTO 2012
Tourism and the MDGs

**MDG 1: ERADICATE EXTREME POVERTY & HUNGER**
Local recruitment, local enterprise investment, local supply purchase, fair-trade, poverty awareness campaigns, in-kind funds, staff participation in humanitarian projects (i.e. orphanage funding, free flights for NGOs, aid dispatch, etc.)

**MDG 3: PROMOTE GENDER EQUALITY & EMPOWER WOMEN**
Scholarship programmes for managerial coaching, professional mobility workshops, family support structures for working mothers (i.e. in-company childcare programme, flexible hours), technical training & craft learning for women in local communities, etc.

**MDG 7: ENSURE ENVIRONMENTAL SUSTAINABILITY**
Compliance to advanced norms & standards (i.e. ISO 14001, Green Globe certification, etc.), resource efficiency, renewable energies, recycling & eco-materials, wildlife & ecosystem preservation actions (i.e. impact monitoring, clean-ups, offsetting, etc.)

**MDG 8: DEVELOP A GLOBAL PARTNERSHIP FOR DEVELOPMENT**
Collaboration between UN bodies, public and private sectors, independent associations & civil society participants to provide resources and assistance to governments and host communities, through tourism development & growth.

Enhancing capacities for Sustainable Tourism for development in developing countries

Project Beneficiaries

- EU Officials in Headquarters - DG DEVCO
- EU Delegations in developing countries

- International Development Organizations
- Policy makers at the national level
- Private Sector
- Civil Society
What are the objectives?

✔ To *enhance understanding and awareness* of the tourism sector’s importance for sustainable development in DCs

✔ To *provide guidance* for assessing sector’s importance for:
  • Sustainable tourism FOR development,
  • Planning actions and assistance
  • Enhancing sustainability of ongoing initiatives
  • Identifying opportunities

Deliver a user-friendly Guidebook/Study “*Sustainable Tourism for Development*” which will enable the EU and other development institutions to include sustainable tourism development in their programme cycles
Methodology on Sustainable Tourism

Enhancing capacities for Sustainable Tourism for development in developing countries

Five key pillars of sustainable tourism

1. Tourism Governance and Policy
2. Trade, Investment and Competitiveness
3. Employment, Decent Work, and Capacity Building
4. Socio-economic Dimension – Poverty Reduction
5. Sustainability of natural and cultural environment

Assessing the current state of affairs within the pillar
Assessing capacities and skills required at all levels
Uncovering opportunities and the challenges to be addressed
Analysing needs and defining the most effective interventions
Green Economy Report

- Growth with a Business-as-Usual Approach is no longer possible
- **Tourism is a key sector in the shift towards a Green Economy.**
- UNWTO/UNEP cooperative effort (2011)
Advocacy for sustainable tourism/trade

11. 4th Global Aid for Trade Review, Geneva, 2013

**AGENDA 2014:**
- SDGs formulation, inclusion of tourism (SDG8)
- UN Conference on Small Island Developing States (SIDS), Apia, Samoa (1-4 September)
- Ten-Year Comprehensive review Conference of the Almaty Programme of Action for LLDCs * (Nov 2014, Vienna)
- 10YFP for Sustainable Tourism (UNWTO, France, Korea, Morocco)
• The importance of **sustainable tourism**, including ecotourism, was confirmed by Rio+20 meeting and is highlighted in the outcome document *The Future We Want* (paragraphs 130-131).

• In operational terms, Tourism became one of the 5 areas (Consumer information; Sustainable lifestyles and education; Sustainable public procurement; Sustainable buildings and construction; Sustainable tourism, including ecotourism) of the 10 Year Framework of Programmes on Sustainable Consumption and Production (10YFP).
Significance of the 10YFP for Sustainable Tourism

- The 10YFP programme offers a major opportunity for achieving sustainability globally for the tourism sector over the next decade and to ensure that tourism contributes effectively to sustainable tourism.
- The 10YFP, with its political mandate, Trust Fund and multi-stakeholder processes, provides the chance to inspire and drive the necessary collective changes in the sector.
Tourism for inclusive and sustainable development
Tourism: 30% of world’s services exports

Tourism is trade, an economic activity with substantial impact on:

• International trade and wealth creation for many developing countries, including MICs, LDCs and SIDS. A key sector for graduating from LDC status (Maldives, Cabo Verde, Samoa in 2014)

• Job creation and entrepreneurship

• Poverty reduction and development, if sustained by inclusive policies. 36 out of 48 LDCs identify tourism as a key productive sector.

• Preservation of nature and culture
The Fourth Global Review of Aid for Trade focused on the theme “Connecting to value chains” (Geneva, July 2013)

Tourism was highlighted as one of 5 key sectors: Agri-food; Information and communication technology; Textiles and apparel; Tourism; Transport and logistics

OECD, WTO and UNWTO launched the joint study ‘Aid for Trade and Value chains in Tourism’ that identifies challenges and opportunities for tourism to contribute to inclusive growth, through its value chains.
ODA flows for Tourism: 0.13% of total ODA

Total ODA by sector in 2011 (US$ million)

- Social Infrastructure & Services: 43%
- Economic Infrastructure & Services: 17%
- Production Sectors: 9%
- Multi-Sector / Cross Cutting: 8%
- Action Relating to debt: 3%
- Humanitarian Aid: 11%
- Unallocated / Unspecified: 9%

Breakdown Total ODA Production Sectors

- Agriculture, Fishing, Forestry: 71%
- Industry, Mining, Construction: 18%
- Trade Policies & Regulations: 11%
- Tourism: 1%

Source: UNWTO based on OECD data

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Main obstacles to greater participation of SMES and companies in value chains

Partners’ and donors’ responses

Source: Joint OECD-WTO-UNWTO monitoring survey 2013
OECD – WTO - UNWTO Report Conclusions

• Availability and quality of infrastructure plays a key role for the development of the tourism sector … … so does security in destination countries and the smoothness of visa schemes.

• Major bottlenecks for growth and for linking with global value chains:
  ▪ weak business environment,
  ▪ lack of access to finance and
  ▪ lack of access to skilled labor
OECD – WTO - UNWTO Report Conclusions

- Tourism is an important and growing sector with relevant spill-overs to the rest of the economy.
- Tourism is employment intensive and its significant potential to contribute to inclusive growth and poverty reduction is widely recognized.
- In many countries covered by the OECD-WTO-UNWTO Monitoring Survey, the tourism sector is explicitly highlighted in the national development plans.
On average, 1 € of Value Added in tourism related industries results in 56 % of VA in upstream industries, distributed as follows.
UNWTO led Innovative delivery initiatives

- **DELIVERY**: Steering Committee on Tourism for Development: a strategic alliance with ten other UN and international organizations to “Deliver as One in Tourism” - to provide an integrated, effective approach and build on their complementary competencies. UNWTO, ITC, WTO, UNCTAD, UNDP, UNEP, UNESCO, UNIDO, ILO, UNWOMEN

- **MOBILIZING RESOURCES**: Guidebook on Sustainable Tourism for Development to empower EU delegations in 180 countries to include tourism in their work. EC DG DEVCO commissioned UNWTO to prepare a the Guidebook to concretely translate EU post-2015 priorities for tourism in the 2014-2020 cycle and instruments.

- **PROGRAMMING**: 10 YFP Sustainable Tourism programme: sustainable consumption and production at the core of tourism business
The way forward: maximizing tourism impacts for Inclusive growth

- UNWTO will continue its Advocacy efforts to place higher tourism in the Post 2015 Agenda.
- UNWTO is committed to develop a sound **10 Year Framework of Programme** on sustainable consumption and production for Sustainable Tourism, **Sri Lanka should take the opportunity to engage.**
- The private sector is a key actor in tourism and can be instrumental in development cooperation in partnership with the public sector and other stakeholders. The EU offers great opportunities to **strengthen SMEs competitiveness**
- **Maximizing** the positive impacts including developing the value chains in tourism (agro tourism, creative industries....)
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