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**REPORT OF THE ROUND TABLE ON: "SUSTAINABLE TOURISM,
GREEN JOBS AND ADAPTATION TO CLIMATE CHANGES:
POSSIBLE LINKAGES?"**

Geneva, 19 October 2010

Communication from Zambia on behalf of the LDC Group

The following communication, dated 9 December 2010, has been received from the delegation of Zambia on behalf of the LDC Group.

**REPORT OF THE ROUND TABLE ON: "*SUSTAINABLE TOURISM,
GREEN JOBS AND ADAPTATION TO CLIMATE CHANGES:
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Geneva, 19 October 2010

On the 19 October 2010, at the headquarters of the World Trade Organization (WTO), the WTO's Least Developed Countries (LDCs) together with the Centre for Socio-Economic Development (CSEND) and the International Association for Trade and Sustainable Development (COMDEV), organized a Round Table on: "*Sustainable Tourism, Green Jobs and Adaptation to Climate Changes: Possible Linkages?*".

The Round Table brought together various stakeholders and multidisciplinary participants: representatives from developed countries, developing countries, LDCs, Geneva-based international organizations (WTO, ITC, ILO, UNEP and IATA), the private sector, non-governmental organizations (NGOs), academic and research centres, civil society, etc.

This was an analytical and prospecting event on the contribution of tourism and sustainable tourism to the countries' economies, and possible functional balances between: promoting sustainable tourism, creating innovating and green jobs, and protecting the environment, particularly in the context of climate change.

The Round Table underlined the importance of tourism in the development strategies of developing countries, particularly in the LDCs.

The introductory statement by H.E. Mr Darlington MWAPE, Ambassador, Permanent Representative of Zambia to the WTO and LDC Group Coordinator, as well as the presentations made by various panellists, underscored the positive trends of tourism in the world and its contribution to economic growth, job creation - specifically non-traditional jobs, from the perspective of the green economy - and the fight against poverty.

The constraints and challenges facing this sector were also identified, particularly in connection with adaptation to climate changes.

I. STATE OF PLAY AND TRENDS IN TOURISM SECTOR

In the different assessments made by the speakers, it emerged that:

- Tourism is one of the most dynamic and fastest growing industries and has emerged as the world's largest source of foreign exchange.
- In over 150 countries world-wide, tourism ranks fifth in export earnings.
- The sector has grown from a mere US\$6.8 billion international tourist revenue in the 1960s to US\$922 billion by 2008, before falling to US\$852 billion in 2009.
- It currently represents about 6 per cent of worldwide exports of goods and services.

- By 2011, travel and tourism will grow to reach US\$7 trillion in revenue from economic activities and will account for 260 million jobs.

However, if we compare revenue from tourism exports, there are sharp differences when it comes to the economic share of tourism expressed as a percentage of countries' GDP. For instance, while OECD countries in general show high percentages of GDP from tourism sector (France 9.9 per cent, USA 9.4 per cent, Spain 15.6 per cent Switzerland 13.8 per cent in 2009), the LDCs' comparable performances are much lower (Lesotho 2.5 per cent, Benin 5.3 per cent, Zambia 4.0 per cent, CAR 2.0 per cent). (See annexes)

In light of the potential for tourism development in the LDCs, it is of great concern to see that data for the tourism industry are either unavailable or out of date. For instance:

- The WTO's *News of the DDA* and *WTO News* websites make no mention of tourism.
- The *Africa Progress Report* does not mention tourism.
- The last formal negotiating document specifically on tourism at the WTO dates back to 2004.

Tourism industry analysis statistics relating to the situation of the LDCs were produced by Pro-Poor Tourism, and date back to 2000-2004.¹ Some of the key messages are:

- The LDCs' share in international tourism receipts was a mere 0.6 per cent in 1988, which improving slightly in 1998 to reach 0.8 per cent.
- Of the US\$698 million earned world-wide from international travel, the LDCs accounted for only 0.7 per cent or US\$5.1 million in 2000, in spite of the considerable potential that these countries have in the tourism sector: rich and varied tourism products (natural, historical, and cultural).
- It is also estimated that while developing countries receive about 30 per cent of global tourism expenditure, LDCs receive only about 0.5 per cent.
- Twenty-three (23) out of forty-nine (49) LDCs have designated tourism as an important sector for growth and development.
- Tourism is one of the sectors where many LDCs have made commitments in the context of the General Agreement on Trade in Services (GATS) and many have included tourism as a priority sector under their poverty reduction strategy plans and programmes.
- The tourism sector still falls far below the growth curve, and much of its potential has remained under-exploited if exploited at all. This gap is of special significance to the LDCs.
- The WTO's plurilateral negotiating group on tourism has only seven government members, probably due at least partly to the fact that LDCs are not expected to make commitments in the current negotiations.

¹ www.propoortourism.org.uk

II. MAIN CONCLUSIONS AND RECOMMENDATIONS

To promote activities in sustainable tourism, create jobs, combat poverty in developing countries, particularly in LDCs, the following main recommendations have been drawn up:

1. Build a stable macroeconomic tourism environment and develop political leadership that would drive the process of green job creation, adaptation and linkages;
2. Elaborate national tourism policies and development plans, according to a value chain approach;
3. Develop appropriate infrastructure and equipments in the tourism and sustainable tourism sector;
4. Promote research and development of technologies and technology transfer, including biotechnologies;
5. Devote due attention to existing mechanisms, tools and legal frameworks aimed at reducing waste and/or fostering technology transfer to ensure sustainability in the tourism sector;
6. Eliminate anti-competitive practices in the tourism sector at home and abroad;
7. Provide policy space and flexibilities for LDCs in the WTO Agreements (GATS Articles IV and XIX) to ensure sound implementation of the development objectives in the tourism sector;
8. Small changes can make a big difference for sustainable tourism and poverty alleviation. For example, the installation of an ATM machine for tourists can greatly increase their local spending. These innovative experiences need to be listed and made available to LDCs faced with similar constraints;
9. Make partial GATS commitments as a means for LDCs to attract more foreign direct investment (FDI) and domestic investment to boost the development of both physical and social infrastructure, contributing to the added value of sustainable tourism;
10. Provide technical assistance and capacity building, *inter alia*, in the sustainable tourism standards and national tourism management policy areas, from the analysis stage to the follow-up stage. In this regard, targeted technical assistance and adequate funding will have to be provided under the regular budget and through voluntary contributions, both from the countries and from the relevant governmental and non-governmental organizations;
11. Ensure effective implementation of the initiatives adopted and the instruments and mechanisms set up for adaptation to climate change and promotion of the green economy such as the Clean Development Mechanism (CDM) of the United Nations Framework Convention on Climate Change (UNFCCC); the Convention on Biological Diversity (CBD); the WTO GATS and TRIPS Agreements; the World Bank Strategic Climate Fund and its Clean Technology Fund; the Millennium Development Goals Achievement Fund, etc;
12. Ensure an inclusive approach and effective participation of local communities in the activities carried out in connection with sustainable tourism, and ensure that the revenue and profits resulting from those activities are shared with the communities;

13. Devote particular attention to the weakest and most vulnerable segments of the population, especially the rural communities and women, and foster their empowerment, *inter alia*, by facilitating access to finances and to knowledge, preserving the ecosystem, promoting access to tourism value chains, and guaranteeing them fair economic returns on the resources they are managing;
14. Promote public-private partnership to create an environment favourable to pro-poor and sustainable tourism;
15. Preserve and promote socio-cultural values within the communities in which such activities are conducted;
16. Devise ways and means to ensure the effective participation of LDCs in forums and relevant agencies dealing with tourism;
17. Several LDCs which have liberalized most segments of their tourism and related sectors in their development strategies and plans should make specific commitments in the tourism sector in the Doha Round so as to ensure the predictability of their efforts and obtain recognition and support from their trading partners;
18. The participants in the Round Table also suggested that tourism should be made an analytical criterion to be included in future DTIS/Matrix/EIF reviews; Aid-For-Trade programmes; Poverty Reduction Strategy Papers (PRSPs), trade-related technical assistance (TRTA) programmes; and bilateral aid programmes, for LDCs and low-income countries;
19. The participants in the Round Table expressed the opinion that regular monitoring of tourism sector performances needed to be included in the global Aid-for-Trade review process.
20. Moreover, the participants recommended that the UN World Tourism Organization (UNWTO) also include, in the near future, LDCs in their analytical work, and suggested that bilateral partners and donor agencies provide more targeted support to low-income developing countries, particularly to LDCs, in the field of tourism development;
21. The organizers of the Round Table and the participants thanked the representatives of the International Organizations attending this timely and well-appreciated event for their valuable contributions, and suggested that follow-up work be done with the involvement of additional international organizations such as the UNWTO, the World Bank, the United Nations Conference on Trade and Development (UNCTAD), the United Nations Industrial Development Organization (UNIDO) and the Organization for Economic Cooperation and Development (OECD), as well as other research NGOs and academic institutions;
22. Finally, the participants called for an effective and coordinated follow up of the implementation of the recommendations emanating from this Round Table through periodic assessments, and suggested that the main relevant bodies of these International Organizations be provided with a report on the progress made in the tourism sector in the LDCs.

In conclusion, it can be said that there is increasing recognition that, although tourism is not inherently pro-poor or environmentally sustainable, it can be. To reduce poverty on a large scale, tourism needs to be seen from an economy-wide perspective. It is also important to look at tourism in connection with infrastructural services, agriculture and other sectors so as to develop a value chain approach to sustainable tourism development.

Tourism in LDCs deserves much more attention. It needs constructive commitments in the WTO, the UNWTO, UNCTAD, UNIDO, the OECD, as well as academic institutions and NGOs involved in poverty reduction, trade and development.

Annex 1: Tourism Overview and Country Performance - Top of the Chart

Country (Data for 2009)	International tourist (overnight) arrivals (0000)	Economic share of tourism industry (% in GDP)^a	Travel and Tourism Economy Employment (%)^b
France	70,694.0	9.9	11.6
USA	53,972.1	9.4	10.0
China	52,350.7	9.4	7.5
Spain	51,447.6	15.6	18.0
Italy	40,653.9	9.5	11.0
Turkey	25,696.3	10.4	6.5
Malaysia	24,005.7	14.1	12.7
Macau, China	21,033.5	71.0	72.5
Hong Kong, China	17,273.2	16.1	16.4
Switzerland	8,258.4	13.8	17.7

Source: World Tourism and Travel Council (March 2010).

^a Economic contribution of travel and tourism sector including direct and indirect effects through the supply chain.

^b Coverage of the jobs generated by travel and tourism sector.

Annex 2: Tourism Overview and Country Performance - SSA Regions

Country (Data for 2009)	International tourist (overnight) arrivals (000)	Economic share of tourism industry (% in GDP)^a	Travel & Tourism Economy Employment (%)^b
Zambia	840.6	4.0	3.9
Lesotho	276.8	2.5	2.0
Benin	142.9	5.3	4.3
Gabon	68.9	7.0	6.1
Niger	53.0	4.5	3.7
Congo	38.0	6.0	5.0
Democratic Republic of Congo	39.6	4.2	3.2
Sierra Leone	38.1	4.8	3.8
Chad	34.0	4.5	3.7
Central African Republic	8.3	2.0	1.6

Source: World Tourism and Travel Council (March 2010).

^a Economic contribution of travel and tourism sector including direct and indirect effects through the supply chain.

^b Coverage of the jobs generated by travel and tourism.