2011 was a stellar year for Korean tourism with growth across all segments of the industry. We welcomed an all time high of 9.8 million visitors, an 11 percent increase from 2010, while the number of Koreans travelling overseas grew by 1.7 percent to 12.7 million. Tourism receipts rose by 23 percent to hit a record of 12 Billion US dollars. Domestic tourism has also performed greatly over the last decade and is expected to increase over the longer term.

With this growth, tourism was responsible for 5.1 percent of Korea’s GDP. According to WTTC in 2011, total number of people directly and indirectly employed in tourism is estimated to represent 5.4 percent of total employment in Korea.

More significantly, there was broad-based growth across the sectors. Shopping, accommodation, medical and MICE, sightseeing and entertainment all registered growth in its quality and revenue. In particular, Korea was ranked 8th in the world and 3rd in the Asia-Pacific region for hosting 464 international conferences in 2010 and Jeju Island received the distinguished honor of being named as one of the ‘New 7 Wonders of Nature’ last November.

This achievement would not have been possible if not for the collective effort of the industry, our tourism workforce and the government. In particular, the Ministry of Culture, Sports and Tourism has particularly worked on **four strategic thrusts**.

**The first thrust of our strategy** is to enhance our productivity, and consequently our competitiveness. The profile of Korean tourism has been raised enormously in the recent decade. In order to position ourselves for the next phase of growth by moving away from sheer quantity to yield high-added values, the Ministry improved the systems of accommodation, tour guides, shopping and food, which is directly related to visitors’ satisfaction. For instance, we expanded the number of premier and reasonable accommodations and increased number of culture & tourism interpreters to 2,400 in 2011.

**The second thrust** is to develop creative tourism contents to improve the quality of tourism products and services, as well as marketing strategies to promote these products. We actively utilized traditional culture such as the six palaces of Korea’s ancient dynasties, traditional housing and temples as tourism resources. K-pop or **Hallryu** drama programs and movies were also made into unique tourism products. The ‘2010-2012 Visit Korea Year’ campaign was put forward to promote these
products and to advance the attractiveness of Korea as a destination for international tourism. In addition, we have carried out the Four Rivers Restoration Project, which creates “eco-friendly culture spaces” for tourism surrounding Korea’s four major rivers. This project is believed to contribute to preventing water shortages, improving water quality, and bolstering flood control, while nourishing green and sustainable tourism.

The third thrust is to foster high-value added tourism such as MICE and medical tourism. The Ministry worked on developing state-of-the art infrastructures and quality human resources and also on boosting Korea’s reputation as a premier MICE and medical tourism destination. As the result, Korea was placed 8th in the world and 3rd in Asia, according to Union of International Association (UIA) by hosting 464 international conferences. In addition, medical tourism has grown at 41% annually for the last three years until 2011 and we aim to be placed as one of 5 major medical tourism destinations in Asia by 2013.

The final thrust of our strategy is to stimulate domestic tourism. Due to the expansion of 40-hour work and 5-day school systems, domestic tourism is expected to grow further and becomes more important for boosting local economies. Accordingly, the Korean government is developing representative local destination tour products and activating tourism and leisure facilities around four major rivers, which include the Han, Nakdong, Geum, Yeongsan Rivers. In addition, the Ministry of Culture, Sports and Tourism (MCST) is making its utmost efforts to have all Koreans experience the value of tourism with the execution of tourism voucher programmes.

Korea values the close ties and cooperation with Asian partners. As a pledge to strengthen collaborative efforts, Korea has established the Asia Activity Fund, which annually supports the Asia-Pacific Training Programme for tourism officials and the UNWTO’s study on tourism in this region. We also anticipate that the UNWTO regional meeting will become the best channel for sharing our interests and common goals for further development of global tourism industry. We are committed to building on our relationship in the years to come and look forward to a fruitful 2012.

Thank you.