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Report of the Secretary-General

Part I: Programme of work

(a) The state of the global tourism sector and mainstreaming tourism in the global agenda

I. International tourism in 2012 and outlook for 2013

1. Despite the global economic volatility, particularly affecting the Eurozone, **international tourist arrivals grew by 4.0% in 2012** to reach a historic milestone of over one billion (1.035 billion) according to the April issue of the *UNWTO World Tourism Barometer*.
2. Emerging economies (+4.3%) regained the lead over advanced economies (+3.7%), representing in 2012 already a share of 47% of all international tourist arrivals.
3. By region, **Asia and the Pacific (+7%) was the best performer** while by sub-region South-East Asia and North Africa (both at +9%) had the best results. The Americas (+4%) saw an increase of 7 million arrivals, reaching 163 million in 2012. Arrivals grew by 6% in Africa to reach a new record (53 million) due to the rebound in North Africa (+9%) and the continued growth of sub-Saharan destinations (+5%). Results in the Middle East (-5%) were still on the negative, in spite of the clear recovery in Egypt.
4. Data on international tourism receipts for 2012 indicate that the **growth in receipts was in line with that of arrivals (+4.1%)**.
5. By region, **growth in receipts was stronger in the Americas (+7%)**, followed by Asia and the Pacific (+6%) and Africa (+5%). Receipts were up by 2% in Europe while the Middle East lost 2% in terms of international tourism income.
6. As for **outbound tourism** as measured by international tourism expenditure, data shows that the **highest growth rates in expenditure abroad among the ten top tourism markets came from the emerging economies** of China (+41%), which became in 2012 the top spender in travel abroad in the world with an expenditure of US\$ 102 billion, and Russia (+30%).
7. **Yet, important traditional source markets also showed good results**. In Europe, and despite economic pressures, expenditure on international tourism by Germany grew by 6%, while the UK (+4%) returned to growth after two flat years. In the Americas, expenditure by USA and Canada increased by



6% and 7%, respectively. On the other hand, France (-9%) and Italy (-1%) registered declines in travel expenditure.

8. Data for the **first two months of 2013 shows a 3.6% growth in international tourist arrivals.**

9. UNWTO **forecasts international tourist arrivals to increase by 3% to 4% in the full year of 2013**, much in line with its long-term forecast *Tourism Towards 2030*: +3.8% a year on average between 2010 and 2020.

10. By region, prospects for 2013 are stronger for Asia and the Pacific (+5% to +6%), followed by Africa (+4% to +6%), the Americas (+3% to +4%), Europe (+2% to +3%) and the Middle East (0% to +5%).

11. Considering that the current document was prepared in June 2013, an update of the above information will be provided to the 20th session of the General Assembly.

II. Mainstreaming tourism in the global agenda

12. The Secretariat continued to work in advocating tourism's contribution to economic growth and sustainable development in order to move the sector higher on the international and national political and economic agendas and obtain the necessary policy support for its sustained growth.

13. The **Open Letter initiative** has advanced substantially since the 19th session of the General Assembly. This 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 and their support for policies that stimulate the growth of the sector. Between 28 February 2011, when President Felipe Calderón of Mexico first received the Open Letter, and the end of June 2013, 53 leaders have been presented the UNWTO/WTTC Open Letter on Travel and Tourism.

14. 2012 was marked by two significant milestones in terms of positioning tourism in the global agenda:

- (a) At the **Rio+20 Conference** world leaders agreed on the Outcome Document, *The Future We Want*, which includes a reference to the fact that "tourism can make a significant contribution to the three dimensions of sustainable development, has close linkages to other sectors, and can create decent jobs and generate trade opportunities". The inclusion of tourism in the Outcome Document of a UN Conference on Sustainable Development for the first time was the culmination of year-long efforts by UNWTO Member States, namely the Republic of Korea, co-chair of the Preparatory Committee, and the Secretariat. Further achievements in this area include tourism's inclusion in the Joint Statement of the UN Chief Executive's Board (CEB) to the Rio+20 Conference and in the Oceans Compact, a UN initiative launched in August 2012 by the UN Secretary-General to address the most pressing issues regarding the sustainable management of oceans.
- (b) For the first time as well, the **G20 Leaders** recognized the role of tourism as "a vehicle for job creation, economic growth and development" (G20 Summit Declaration, Los Cabos, Mexico, June 2012). This acknowledgment came on the back of the T.20 process, a Members-driven initiative started in 2010 with the full support of UNWTO that gathers the Ministers of Tourism of the G20 (T.20 meetings were held in 2010 in South Africa and in the Republic of Korea, in 2011 in France and in 2012 in Mexico; in 2013 the T.20 will meet

in London at the eve of the World Travel Market). Furthermore, the G20 Leaders committed to “work towards developing travel facilitation initiatives in support of job creation, quality work, poverty reduction and global growth”, a major breakthrough in the drive to promote visa facilitation. This was the result of the work of the 4th T20 Ministers’ Meeting, held in Mexico (15-16 May 2012), which focused on tourism as an alternative to job creation. The meeting looked into how visa facilitation can act as a lever to stimulate demand and create jobs and adopted a landmark declaration encouraging the G20 to “recognize the role of travel and tourism as vehicle for job creation, economic growth and development and commit to travel facilitation as a conduit for job creation, decent work, poverty alleviation and global growth”. UNWTO and WTTC research¹, presented at the 4th T.20 Ministers’ Meeting, showed that improving visa processes and entry formalities could generate an extra US\$ 206 billion in tourism receipts for the G20 economies and create as many as 5.1 million additional jobs between 2012 and 2015.

15. **Travel facilitation, taxation and connectivity** have been identified, and endorsed by the 95th session of the Executive Council (CE/DEC/4(XCV), as key policy issues to be addressed during the period 2012-2013. In this regard, the following work has been carried out by the Secretariat.

- (a) **Travel facilitation:** Following the important reference made to tourism and to the role of visa facilitation in stimulating growth and jobs in the Declaration of the G20 Leaders, UNWTO has continued to advocate for visa facilitation as means to grow tourism.

The issue was the theme of the 2012 UNWTO/WTM Ministers’ Summit in London and the object of a dedicated debate at the 94th session of the Executive Council, which mandated the Secretariat to “maintain visa facilitation as a priority in the work of the Secretariat and advance it through advocacy at the highest political level and the identification and dissemination of case studies” and to do so “in close cooperation with other international and regional organizations” (CE/DEC/20(XCIV).

In this respect, and to support its advocacy work, UNWTO has published in January 2013, an in-depth report on the current “openness” level of each world region in terms of visas for tourism –*Visa facilitation: stimulating economic growth and development through tourism*² – which was included in the World Economic Forum (WEF) *Travel and Tourism Competitiveness Report* and will be updated for the 20th session of the General Assembly.

UNWTO is also working with WTTC to conduct an evaluation of the impact of visa facilitation on tourism in the economies of the Asia-Pacific Economic Cooperation (APEC) to be presented in October 2013 and with the Organization for Economic Cooperation and Development (OECD) in the identification of case studies and the setting of recommendations with a view to organize an International Conference on Travel Facilitation in 2014.

- (b) **Taxation:** The Secretariat continues to advocate for intelligent taxation, raising awareness of the need to evaluate the overall economic impact of the raising or introduction of new taxes on travel and tourism. In this regard, a pilot project to assess the impact of changes in fiscal policies in tourism was carried out in cooperation with WTTC.

¹ http://dtxq4w60xqpw.cloudfront.net/sites/all/files/pdf/120731_impact_visa_facilitation_g20_mexico_prot_0.pdf

²

http://dtxq4w60xqpw.cloudfront.net/sites/all/files/pdf/visa_facilitation_stimulating_economic_growth_and_development_through_tourism.pdf

- (c) **Connectivity:** Considering that 51% of all international tourists arrive to their destinations by air, the Secretariat has started to work on the promotion of connectivity, particularly in terms of air transport, with the aim of raising awareness, at the international and national levels, of the importance of a closer coordination between tourism and aviation policies as to ensure mutual benefits.

In this respect, the UNWTO Secretary-General addressed the Member States of the International Civil Aviation Authority (ICAO) at its Sixth Worldwide Air Transport Conference (March 2013) highlighting issues such as the need to review the current legislative framework, taxation, climate change and consumer protection, and appealing for increased cooperation between aviation and tourism both at national and international level. On the occasion, in a joint UNWTO/ICAO Statement both Organizations committed to maximize synergies between air transport and tourism, while finding ways to continually enhance collaborative endeavours; cooperate for the modernization of the air transport regulatory framework; enhance air transport connectivity further through cooperation in the areas of visa and other travel document formalities and issuance, including the simplification of visa processing and the development of multi-State regional visas and e-visas, the improvement of air passenger flow management at airports and the implementation of the Essential Service and Tourism Development Route (ESTDR) concept; contribute to the emergence of globally convergent rules on the protection of passengers, tourists and tourism service providers, within the respective mandates and the framework of existing or future international bilateral or multilateral agreements; contribute to the reduction of greenhouse gas emissions from aviation and tourism; give due consideration to the particular importance of air transport for tourism development in long-haul destinations and landlocked or island countries and assess the impact of taxes, charges and other levies on aviation and tourism, and thus on global economic growth and jobs.

In the context this cooperation, UNWTO and ICAO are currently discussing the organization of a joint conference for Ministers of Tourism and Transport of Africa. Tourism and air transport policies will also be the theme of the General Debate at the 20th Session of the General Assembly as well as of the UNWTO/WTM Ministers' Summit to be held in November 2013.

- (d) Further to the above, the Secretariat continued to focus on advancing the issue of **consumer protection** as well as the **overarching priority of UNWTO's work, sustainability**. The latter has been addressed through various initiatives in the areas of research, namely the publication in 2012 of the landmark *Tourism in the Green Economy – Background Report*, training, technical assistance and the setting of Sustainable Tourism Observatories under the auspices of UNWTO in China and Greece.

16. Within its efforts of mainstreaming tourism in the global agenda, the Secretariat also continued to work within the **UN system and with other international and regional organizations** to move tourism higher on the sustainable development agenda.

In the framework of the UN system, it is important to highlight UNWTO's engagement in the post Rio+20 processes, namely regarding the integration of tourism in the 10-Year Framework of Programmes on Sustainable Consumption and Production Patterns (10YFP) and highlight the following collaborations: the UNWTO-led UN Steering Committee on Tourism for Development, the Global Partnership for Sustainable Tourism (GPST), the Global Sustainable Tourism Council (GSTC), which will from 2013 onwards has been located within the premises of the UNWTO Headquarters in Madrid, the participation of the Organization in the Spanish MDG Fund projects, the cooperation with UNESCO on several

tourism and culture programmes, including the World Heritage Tourism Programme, and the collaboration with the World Trade Organization (WTO) and the UN Conference on Trade and Development in positioning tourism as a key sector in the development support awarded to international trade, among many others.

In the context of the work with other international and regional organizations it is worth noting the on-going collaboration with the Inter-American Development Bank (IDB) and the launch in June 2013 of a guidebook on *Sustainable Tourism for Development* commissioned to UNWTO by the European Commission's Directorate General for Development and Cooperation (DG DEVCO) which will allow to place tourism higher in the aid for development policies of the EU.

17. The work of positioning tourism in the global development agenda is particularly relevant to the efforts of the Secretariat in achieving full **Official Development Assistance (ODA) eligibility** and mobilizing new resources for the Organization. In this respect, the Secretariat has created a **Working Group** chaired by South Africa to advance this objective as requested by the 95th session of the Council upon the proposal of South Africa.

18. Finally, it is important to note that the work **of advocating the value of tourism in the global and national agendas as a driver of socio-economic growth and development can only be fully achieved with evidence based information on the national and international measurement of tourism and its economic contribution, which in turn depend on high-quality data and standards.** Only a clear statistical picture of tourism – i.e., its proven contribution to GDP, jobs and exports – can give tourism its due political and economic recognition, relevance and rigor. The implementation of the international tourism recommendations – *International Recommendations for Tourism Statistics* and *Tourism Satellite Account: Recommended Methodological Framework* – is part of the efforts of UNWTO to strengthen Members' methodological and operational foundations of tourism statistics. The Secretariat undertakes a number of initiatives either on its own or in collaboration with the UN Statistics Division and other international and regional organizations to make sure that the recommendations are implemented in a coherent way across countries and regions.

III. Actions to be taken by the General Assembly

19. The General Assembly is requested:

- (a) To take note of the situation of international tourism in 2012 and outlook for 2013;
- (b) To commend the Member States which have joined the Open Letter initiative and encourage those which have not yet joined to do so;
- (c) To take note of the work of the Secretariat in placing tourism in the Outcome Document of Rio+20 and the Declaration of the G20 Leaders Meeting in 2012 and commend the Member States which contributed actively to the inclusion of tourism in the Rio+20 Outcome Document and the G20 Declaration;
- (d) To endorse the decision of the 95th session of the Executive Council regarding the policy priorities set forth by the Secretary-General, namely travel facilitation, taxation and connectivity;
- (e) To fully support the creation of a Working Group chaired by South Africa aimed at achieving complete ODA eligibility for UNWTO and mobilizing resources for the Organization; and

- (f) Commend the on-going work of Member States in implementing the UN international recommendations on tourism statistics (IRTS 2008 and TSA: RMF 2008) and supports the Secretariat in furthering efforts to ensure the global implementation of these recommendations.