

2020 YEAR OF 'TOURISM AND RURAL DEVELOPMENT'

UNWTO has designated 2020 as the Year of Tourism and Rural Development. This Year is an opportunity to promote the potential of tourism to create jobs and opportunities. It can also advance inclusion and highlight the unique role tourism can play in preserving and promoting natural and cultural heritage and curbing urban migration.

The theme is shared with this year's World Tourism Day. World Tourism Day, commemorated each year on 27 September, is the global observance day fostering awareness of tourism's social, cultural, political and economic value and the contribution the sector can make in reaching the Sustainable Development Goals. 2020 marks the 40th anniversary of the first World Tourism Day.

'Tourism and Rural Development' is more relevant than ever as the global tourism sector faces up to the COVID-19 pandemic. Tourism in rural areas offers important opportunities for recovery, making supporting rural communities facing the economic and social impacts of the pandemic is critical.

A **renewed focus on the benefits of tourism to rural communities is timely** and important:

- Around the world, rural communities with significant tourism activity have been hit hard by the COVID-19 pandemic. Jobs have been lost and small businesses placed at risk as restrictions on travel brought tourism to a standstill.
- Rural areas **face increasing challenges** of aging populations, declines in traditional economic activities and depopulation.
- Tourism has been one of the fastest-growing and most resilient socio-economic sectors of our times.
- In many places, the **benefits** of tourism, including enhanced employment opportunities and economic growth, **are concentrated in urban areas**, particularly cities.
- New technologies, innovation and entrepreneurship, a growing interest among travellers demanding experiences connected to the places they are visiting, as well as easier connectivity, open new windows of opportunity for tourism in rural areas.
- Harnessing the power of tourism to drive rural development will enhance the sector's **contribution to achieving the Sustainable Development Goals**, particularly

Goals 1 (no poverty), 5 (gender equality), 8 (decent work and economic growth), 11 (sustainable cities and communities), 12 (responsible consumption and production), and 17 (partnerships for the goals).

- The COVID-19 crisis is an opportunity to build back better for the tourism sector investing in models that place a focus on the empowerment and engagement of local communities, inclusion, and the preservation of local natural and cultural resources.
- This crisis further stresses the importance of building resilience among communities where tourism is an important share of their income through product and market diversification, fighting seasonality, social protection and building added value experiences.

The case for rural development

Urbanization is a prevalent trend across the world. By 2050, 68% of world population will live in urban areas, while **80% of all people living in 'extreme poverty' live in rural communities**, not cities¹.

Globally, **most of the 1.8 billion young people in the world live in rural areas** of low and middle-income countries. "It tends to be the better-educated, the more highly skilled, the more highly motivated mobile people who are leaving and that is certainly a drain of the human capital."²

Youth in rural communities are three times more likely to be unemployed than adults. Without work, young people are forced to migrate to cities, either in their own countries or across borders. Youth **migration to the cities harms rural communities**, often irreversibly. As well as towns and villages dying out, local customs and heritage become lost.

Tourism, Rural Development and COVID-19: Facing up to an unprecedented challenge

Communities in rural areas are, in general, much less prepared to deal with the direct and indirect impact of the COVID-19 crisis.³ This is due to a variety of factors, including population age, lower income levels, relative lack of economic diversity, the 'digital divide', and distance from health centres.

Tourism is a lifeline for many rural communities, most notably in the developing world. According to UNWTO scenarios on the impact of COVID-19, international **tourist arrivals could fall between 60% and 80% in 2020**. This will have a massive impact on livelihoods and businesses.

¹ IFAD

² International Institute for Applied Systems Analysis

³ Food and Agriculture Organization, "COVID-19 and Rural Poverty" (2020)

UNWTO foresees that **domestic tourism** will return before international tourism. Managed well, this could benefit rural communities, most notably through protecting livelihoods and boosting local economies.

To help both governments and the private sector mitigate the impact of COVID-19 on tourism and to drive the sector's recovery, UNWTO has made available Recommendations for Action and Guidelines to Restart Tourism. This action plan for a sustainable and resilient future emphasises the importance of tourism to rural communities, particularly in the context of the COVID-19 crisis.

Tourism driving rural development: Opportunities and challenges

UNWTO is committed to guiding the tourism sector as a driver of sustainable economic and social inclusion and ensuring that tourism can contribute to **'leaving no one behind'**.

Tourism has a unique ability to **support the revitalization of rural communities**, both in the short-term as they recover from the impact of COVID-19, and in the long-term to promote sustainable and inclusive growth:

- In many areas, **economic returns** from agriculture are diminishing. At the same time, **traditional ways of life** are under threat from climate change. Travellers' **demand for new experiences** around nature, local culture and products, as well as community engagement, offer **immense opportunities** for economic revitalization.
- Yet creating new **opportunities for jobs and economic activities** in rural areas requires proper connectivity, investment, supporting the promotion and preservation of natural and cultural heritage, fostering digital transformation, developing adequate skills and products as well as strong public-public cooperation.
- The creation of value through tourism needs to be approached from an holistic perspective that engages all other sectors and activities in the tourism value chain
- National policies and programmes such as the 'Magical Towns' of Mexico are a good example of how **rural communities can benefit from tourism**.
- Promoting tourism in rural areas spreads the benefits of the sector but also helps reduce pressure on more visited locations in cities.

Infrastructure and education – the role of the public sector

The **public sector has an important** role to play in boosting tourism's contribution to rural development. At the local level, it is hard **to attract private sector investors** and retain population if there has been no public sector investment.

The public sector also has a role to play in ensuring the hard **infrastructure** is in place to provide well being for communities and allow tourists to easily visit and experience rural areas. **Education** is also key. Without the "human capital", rural development will be impossible.

Creating 'More and Better Jobs' in rural communities

Tourism can create **jobs in rural and remote areas**, not only directly but also indirectly through the preservation and restoration of traditional activities. Often it is one of the few viable economic sectors in these areas. The sector is particularly effective at providing employment **opportunities for women and young people**.

However, the tourism sector has a responsibility to ensure that it doesn't just provide work, but also offers **decent and fair jobs**. This is particularly relevant in rural communities where employment may be less formal and more flexible. Temporary and part-time jobs are particularly common among women, young people, and the less-skilled who are employed in tourism. They can often lead to decent work deficits, including inadequate social security coverage, low wages and income inequality, and poor working conditions.

New opportunities – technology & innovation

Tourists will expect to have **access to the same technology in rural areas as they enjoy in urban destinations**. This includes access to fast, reliable wireless internet and the ability to make cashless payments. Access to technology is also critical to provide local business access to the market place and promote the inclusion of providers of all sizes in the tourism value chain. Ensuring rural destinations enjoy the same technology as urban areas and are **not 'left behind'** is a challenge for the public and private sectors to address.

Innovation and entrepreneurship can help drive rural development, by accelerating the access of local providers to global markets, creating new experiences and fostering networks. Attracting talent and innovation to promote rural areas will be central. The use of big data to better understand consumers will also help craft marketable experiences, monitor impact and promote rural areas.

The COVID-19 crisis has **accelerated the digital transformation** of economies. The rise in remote working, including in tourism-related jobs, as well as **distance learning**, can help create more opportunities for rural communities around the world.

Skills development, access to finance, infrastructure development, digital transformation, economic diversification, new governance and impact assessment, should be placed at the heart of the recovery plans for tourism in rural communities in order support them navigate through the crisis and emerge stronger.

