An Introduction to Tourism and International Cooperation for Development

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World Travel & Tourism outlook

% of whole economy

GDP (constant 2011 prices)

2011: US$ 6.0 tm
2021: US$ 9.2 tm

Employment

2011: 259 mn
2021: 324 mn

Source: Oxford Economics
UNWTO Tourism Towards 2030
1.8 billion international tourists by 2030
UNWTO Tourism Towards 2030
Emerging economies to surpass advanced in 2015

Emerging economies

Advance economies

1,037 mn
552 mn
523 mn
457 mn
772 mn
540 mn
UNWTO Tourism Towards 2030

International tourist arrivals (generated, million)

- Africa: 6, 12, 30, 90, 71, 110, 160, 265, 25, 88, 204, 169, 308, 509, 832, 6, 10, 37, 81

World Tourism Organization | a specialized Agency of the United Nations
Every day, tourism plays a larger role in our world

International arrivals growing

- 1950: 25 million
- 2007: 875 million
- 2012: 1 billion
- 2015: 1.5 billion
- Add domestic travel!

How to measure yield?
Friend or foe of the environment?
Resilience despite constant change?
And sustainable tourism becomes even more vital.

Sustainability means the environmental, economic and socio-cultural aspects of tourism development. A suitable balance must be established between these three dimensions to guarantee tourism's long-term sustainability.

UN World Tourism Organization
But consumers aren’t clear on what it is.
Even our industry has trouble defining it.

- Ecotourism
- Cultural Heritage Tourism
- Community-based Tourism
- Responsible Tourism
- Geotourism
Sustainable tourism is the way ahead

☑ Experiential – Sightseeing to Site-doing & Give Back
☑ Demand for authenticity–Experiencing the real thing
☑ Going green – Take care of the environment, personal responsibility and choice
☑ Search for fulfillment – Transformative experiences with deeper meaning

Source:
www.industry.visitsoutheastengland.com
Hundreds of organizations are doing the right thing. But each in different ways.
Global change cannot happen without clarity and focus.
The Journey: Tourism as a Development Assistance Strategy
Knowledge or perception of a state of being, situation, or fact, drawn from experience and leading to insight, creativity, sensitivity, responsiveness and skillfulness
Millennium Development Goals (MDG) Funding

• At the Monterrey Financing for Development Conference in 2002, world leaders pledged “to make concrete efforts towards the target of 0.7%” of their national income in international aid. In today’s dollars, that would amount to almost $200 billion each year.

• But in 2005, total aid from the 22 richest countries to the world’s developing countries was just $106 billion—a shortfall of $119 billion dollars from the 0.7% promise. On average, the world’s richest countries provided just 0.33% of their GNP in official development assistance (ODA). The United States provided just 0.22%.

• The cost of supporting countries to meet the MDGs would require donors to increase ODA to 0.44% of GNP by 2006 (or $135 billion) and to plan for a scale-up to 0.54% by 2015 (or $195 billion) – well within the bounds of the 0.7% promised in Monterrey.
How Much ODA Goes to Tourism?

- In response to “We don’t fund tourism” by donors, GW developed a data base of 231 projects funded by multilateral or bilateral aid agencies in order to evaluate donor funded projects linked to sustainable development objectives with particular focus on poverty reduction.

- Purpose:
  - Identify effective approaches, models, policies and practices which can be adapted and replicated
  - Disseminate lessons learned and pitfalls to avoid using project literature such as reports and assessments
  - Encourage other universities to assist in the evaluation of donor funding outcomes including recommendations for maximizing impact on sustainable development
Donor Funded Tourism Project Data Base

Hawkins, GW-IITS, 2002

Donors Funding Tourism & Tourism Related Projects

- ADB 6%
- CIDA 6%
- DFID 3%
- EBRD 2%
- IDB 13%
- IFC 6%
- EU 10%
- GTZ 4%
- UN 5%
- WB 28%
- USAID 15%
- Various 2%
Donor Funded Tourism Project Data Base

Hawkins, GW-IITS, 2002

Tourism & tourism related projects by sector

- 22% Tourism in Title
- 5% Accommodation
- 6% Environmental Protection
- 8% Urban Development
- 8% Social Protection
- 44% Agriculture
- 7% Private Sector
The movement of thought into form and ideas into action
Tourism Policy Forum

Tourism’s Potential as a Sustainable Development Strategy
October 19-20, 2004,
The George Washington University, Washington, D.C.

- Preparatory meetings in Europe (Aix en Province; Hanover) and the US 2002-04
- Participants--200 delegates and 200 observers from 52 countries—donors, governments, civil society & and businesses
- World Bank, Inter-American Development Bank, bilateral development agencies such as USAID, DGSC/MAE Italy, AECI Spain, DGCID/MAE France, SNV Netherlands, GTZ Germany, CIDA Canada, & JICA Japan.
A Consensus Building Approach for Optimizing Tourism’s Potential as a Sustainable Development Strategy in Developing Counties: The Case of the WTO Tourism Policy Forum

Step 1
- Identification and Clustering of Issues
  - Strategic Assessment
  - Decentralized Governance
  - SME Business Development
  - Natural Resource Mgmt
  - Cultural Heritage Preservation
  - Marketing Sustainable Tourism
  - Rural Development
  - Financial Instruments

Step 2
- Delphi Panel Formation

Step 3
- Three Round Internet Survey
- Issue Augmentation
- Importance/Performance Measurement
- GAP Analysis

Step 4
- WTO TOURISM POLICY FORUM
  - Presentations
    - General
    - Cases
    - Lessons Learned
  - DANTEI

Step 5
- Issue Prioritization

Step 6
- Policy Declaration
- Implementation Framework

Step 7
- Encourage aid donors and recipients to evaluate their programs and to contribute case studies to DANTEI

United Nations
- MDGs

Case Study Inputs

ICT Facilitation
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Review of Literature Strategy Formation & Execution

Step 1

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Review of Literature
Strategy Formation & Execution

Step 2
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Tourism Policy Forum Declaration

Form a Global Network of Official Development Assistance Agencies in order to:

- Create a pragmatic assessment and analytical framework
- Conduct more effective monitoring & evaluation
- Contribute to the fulfillment of the Millennium Development Goals (MDGs)
Fosters sensitivity to issues and opportunities, facilitates shared learning, builds relationships, and leads to collaboration
UNWTO-GW develop DANTE to facilitate online connectivity

Development Assistance Network for Tourism Enhancement & Investment

www.dantei.ogr
Welcome to DANTEI

The Development Assistance Network for Tourism Enhancement and Investment (DANTEI) website is a cooperative effort between the United Nations World Tourism Organization and George Washington University's International Institute of Tourism Studies (IITS) with support from GW's Center for the Study of Globalization (CSG). DANTEI is designed to facilitate global communications by addressing tourism-relevant information disconnects between host countries and destinations, donors, government and NGO aid recipients, researchers, investors and development practitioners.

The George Washington University (GWU) / United Nations World Tourism Organization (UNWTO) 2004 Tourism Policy Forum was held in Washington DC, October 18-20. At the forum several pivotal propositions emerged around the theme of information sharing and communication between development agencies involved in promoting tourism as a sustainable development strategy:

1) A need for more structured coordination between all development assistance partners working in tourism and sustainable development, particularly at the regional and national levels;
2) A need to benchmark and learn from best practices across regions and sectors concerned with tourism and sustainable development;
3) A need for common guidelines and tools to assist with the implementation and evaluation of projects and programs working using tourism as a tool for sustainable development.
The act of working together to create or produce something of value which reflects common aspirations and shared responsibility
Global Sustainable Tourism Alliance (GSTA)

US Agency for International Development (USAID)

http://www.nric.net/tourism/gsta.htm
GSTA: USAID

- Upgrade local SMME-Capabilities (improve products, processes, capacity, & capture market segments)
- Improve sector support & markets
- Improve cooperation & linkages along value chain to stimulate growth, create economies of scale, increase bargaining power
- Foster development of an enabling environment
- Improve destination market opportunities and growth (cluster development, increased efficiency)
- Conserve biodiversity & cultural heritage
- Promote sustainable tourism development standards
The Global Sustainable Tourism Alliance (GSTA) focuses on joint interventions such as design and strategy development, destination partnerships and management, and knowledge management and learning. The alliance targets under-developed, under-valued, or under-marketed tourism destinations in emerging economy, fragile state, post-conflict, or high biodiversity countries.

Non-traditional Partners (illustrative):
- Abercrombie & Kent
- Intl. Council of Cruise Lines
- Lonely Planet
- Marlin & Associates
- Host Marriott

Implementation Partners:
- AED*
- The Nature Conservancy*
- GMU*
- Solimar International*
- Citizens Dev. Corps/Tourism Dev. Corps
- Counterpart International
- EplerWood International
- Intl. Council of Tourism Partners
- National Geographic Society
- Center for Sustainable Destinations
- Rainforest Alliance
- RARE
- Solimar International
- Conservation International
- University of Hawaii
- U.S. Forest Service Heritage Design
- USAID Bureaus, Offices, Missions

USAID

Under-developed, under-valued, or under-marketed tourism destinations in emerging economy, fragile state, post-conflict, or high biodiversity countries: Local/Regional investors, SMME in-bound tour operators, Hoteliers & eco-lodge owners, Local restaurateurs & food service providers, Retail store owners, Handicrafts & producers, artisans, Public-private tourism boards and destination management companies, Attraction operators & festival organizers, Protected area concessionaires & guides, Transportation operators.
USAID NRM Portal  Free Courses
http://lms.rmportal.net/course/category.php?id=51
Sustainable Tourism Cluster (STC)

Inter American Development Bank (IADB)  
Multilateral Investment Fund (MIF)

www.iadb.org/mif
Why IADB-MIF Supports Tourism

11% of the world gross domestic product

7% of total jobs in LAC

Market tendencies to favour social base involvement

Youth and gender participation and equity

Natural and Cultural resources as a Capital

CLUSTER Turismo Sostenible MIF - FOMIN
Accomplishments

Sustainable Tourism Cluster

4 years

24 projects

28 MUSS MIF

19 countries

6500 msme

35 leading agencies

6500 MS$, MIF
A process of combining experiences, lessons learned, pitfalls to avoid into an integral, harmonious whole hopefully leading to improved levels of performance
Tourism & the MDGs

- Broadly supported, comprehensive, specific poverty reduction targets
- Fulcrum for development policy
- Tourism – fast growing sector in developing countries
- Tourism can make tremendous contribution to meeting MDGs
- Developing countries can develop legal & policy frameworks that incorporate tourism in the promotion of MDG targets
THE WORLD BANK’S ROLE IN TOURISM DEVELOPMENT

Donald E. Hawkins
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Shaun Mann
The World Bank, USA

Abstract: Over the last four decades, commitment to tourism as a development strategy for developing economies has fluctuated within the World Bank. This article reviews the bank’s experience from 1966 to the present as it has evolved through various phases of its own institutional role towards development. Today, driven by strong country demand, there is renewed interest within the bank in the role of tourism in the fulfillment of the United Nations Millennium Development Goals. The paper analyzes the role and approach of the World Bank toward this development aim. Keywords: World Bank, growth strategy, value chain, poverty reduction, economic impact, sustainable development. © 2006 Published by Elsevier Ltd.
WBG Tourism Development Cycles

- **1966 – 1979: Macro Development** -- Between 1966 and 1979, 19 Financial Intermediary Loans were made to 17 countries totaling US$ 590 million.

- **1980 – 1990: Disengagement** -- The rapid growth of tourism as a productive economic sector in the 1970s led to the WB decision in 1979 that tourism projects were not a good fit with development policies driving WB lending at that time and that the Tourism Project Department should be closed. Management at the WB believed that the markets and the private sector were the most appropriate growth engine for tourism.

- **1991 – 1999: Sustainable Development** -- Hand in hand with “sustainable development” was “sustainable tourism” and the ideology of environmental and social sustainability provided another entry opportunity for tourism at the WB.

- **2000-2006: Micro Economic Development Policies** -- Tourism-related projects are currently spread throughout the WB for a total active commitments portfolio of over US$ 3.5 billion.
The Journey Continues

AWARENESS
INTEGRATION
EMBODIMENT
COLLABORATION
CONNECTION
Concluding Points

- Integrate tourism into ODA policies & strategies
  - Development of partner networks and alliances to facilitate learning and knowledge sharing (particularly private sector expertise)
  - Donor harmonization, ideally through the development of programmatic approaches at the country level, led by the governments, involving all donors in the sector based on a common funding pool. Where this is not possible, create stronger donor coordination at the project level.
  - Support for global programs (standard setting, certification, statistics) and regional programs (e.g. New Partnership for Africa's Development (NEPAD))

- ODA funding policies and outcomes need to be evaluated empirically and reported through a global network (e.g.--DANTEI, Development Gateway) and analytical research and published papers in refereed tourism journals.
Concluding Points

• Focus on donor priorities:
  ✓ climate change adaptation.
  ✓ Food security
  ✓ Entrepreneurship/MSMEs
  ✓ Higher Education in Development (USAID example)

• Innovative business models
  ✓ Study abroad
  ✓ Volunteer utilization
  ✓ Consulting practicums
Conclusion: a simple policy recipe for Tourism and International cooperation for Development

1. Promote sustainable development concepts and practices

2. Create products for specific market segments which result in memorable visitor experiences

3. Gain and maintain competitiveness

4. Preserve & conserve cultural and natural resources

5. Improve residents’ quality of life

6. Expand MSNEs and create jobs

7. Assure that visitors and residents equitably share a healthy, safe and secure place to live and visit.
Think Globally
Act Locally
Behave Responsibly
Thank You

Questions or Comments