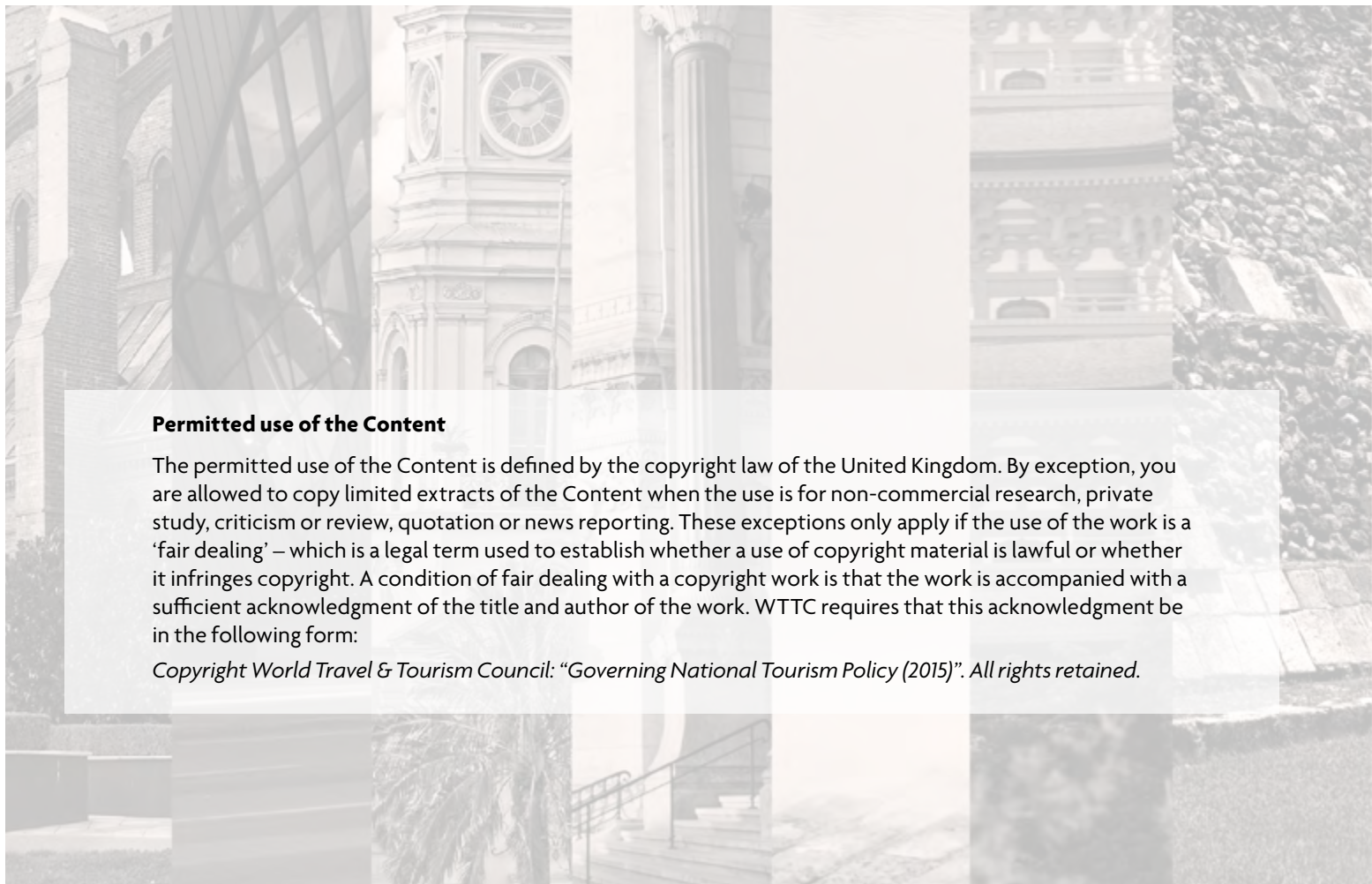




Governing National Tourism Policy

WORLD
TRAVEL &
TOURISM
COUNCIL





Permitted use of the Content

The permitted use of the Content is defined by the copyright law of the United Kingdom. By exception, you are allowed to copy limited extracts of the Content when the use is for non-commercial research, private study, criticism or review, quotation or news reporting. These exceptions only apply if the use of the work is a 'fair dealing' – which is a legal term used to establish whether a use of copyright material is lawful or whether it infringes copyright. A condition of fair dealing with a copyright work is that the work is accompanied with a sufficient acknowledgment of the title and author of the work. WTTC requires that this acknowledgment be in the following form:

Copyright World Travel & Tourism Council: "Governing National Tourism Policy (2015)". All rights retained.



Governing National Tourism Policy

WORLD
TRAVEL &
TOURISM
COUNCIL



Contents

■ <i>Introduction</i>	<i>07</i>
■ <i>Travel & Tourism's Role in Government</i>	<i>11</i>
■ <i>Overview of the Research Findings</i>	<i>17</i>
■ <i>Conclusions & Recommendations</i>	<i>27</i>
■ <i>Appendix – Case Studies</i>	<i>33</i>
■ <i>Acronyms & Bibliography</i>	<i>63</i>

Foreword

The World Travel & Tourism Council (“WTTC”) is the authority in World Travel & Tourism. For the past 25 years, WTTC has been conducting research to showcase the economic and employment contribution that Travel & Tourism makes to the economies of the world. Recent WTTC research outputs have looked at the importance of Travel & Tourism to trade, and its relative contribution compared to other industry sectors, which has further supported the importance of the sector as a tool for economic development.

For the sector to truly thrive and for Travel & Tourism to develop in a sustainable manner, governments need to provide and promote a supportive physical, regulatory and social environment. Governments need to create the right incentives for private sector investment, develop good transport connectivity, facilitate the freedom to travel and ensure that there is intelligent taxation, as well as support other policies for growth.

Over the years, WTTC has seen how Travel & Tourism suffers from a lack of coordination between different representative government departments. This can result in conflicting policy decisions – funding promotional campaigns while clamping down on visa-free travel, being a prime example. Where government departments work together to understand the value of Travel & Tourism, they can develop coordinated policies and messages that benefit the sector.

As an area of government policy, tourism can to be subject to high level of change within a ministry and can sit alongside, or within, a range of different portfolios. Our experience shows, however, that in both developed and emerging economies, governments are slowly moving to strengthen their institutional arrangements for tourism policy formulation and implementation.

This report sets out best practice examples of how a holistic approach to Travel & Tourism development and management are far more likely to develop co-ordinated policies and messages in support of the sector. And those that welcome, and even encourage, the input of the private sector into strategic planning and policy-making are helping to ensure a more balanced development of Travel & Tourism in the years ahead.

In our advocacy towards governments, WTTC will continue to press for improving, formalising and legislating this information sharing, awareness and co-ordination between government agencies, across different levels of government, and between government and industry, in an effort to strengthen and create a more supportive and co-operative policy environment for tourism.

David Scowsill

President & CEO

World Travel & Tourism Council



Introduction

Background to Study

Introduction

The right policies for Travel & Tourism growth

For the past 25 years, WTTC has been conducting research to showcase the importance of Travel & Tourism to national economies around the world – not just in terms of economic growth and job creation, but also as a means of enhancing social stability and community development, and preserving a nation's culture and heritage.

For the sector to thrive, and for Travel & Tourism to develop in a sustainable manner, governments need to provide a supportive physical, regulatory, fiscal and social environment – one which is also conducive to business development. This means adequate infrastructure, incentives for private sector investment, easy access – including good transport connectivity and visa facilitation – and intelligent taxation, as well as the appropriate policies to encourage growth in demand.

Although Travel & Tourism's economic importance is now widely recognised by governments around the world, the sector often suffers from a lack of co-ordination between different ministries/departments and agencies. This can result in conflicting policy decisions – such as funding promotional campaigns while clamping down on visa-free travel, or imposing unfair, non-hypothecated taxes on departing airline passengers – not to mention a frequent lack of coherence in terms of tourism governance generally.

Governments that seek to adopt a holistic approach to Travel & Tourism development and management are far more likely to develop co-ordinated policies and messages in support of the sector. And those that welcome, and even encourage, the input of the private sector into strategic planning and policy-making are helping to ensure a more balanced development of Travel & Tourism in the years ahead.

Objectives of the research

This preliminary study was commissioned by WTTC in an effort to assess and better understand trends in cross-government consultation, as well as co-operation between the public and private sectors and other stakeholders in Travel & Tourism – such as academia and local communities.

The main objectives were to identify formal and informal mechanisms for consultation between these different entities and, where they exist, to determine the impacts of the respective consultative processes. The research findings would therefore, in turn, help to inform recommendations on the way forward for governments that have not yet embraced a 'whole-of-government', or holistic approach to Travel & Tourism development and management.

Data sources and methodology

The study was conducted primarily through desk research but interviews were also undertaken with a number of key stakeholders in selected countries – both from government and industry – and with representatives of different international and regional organisations and associations involved in, or with an influence on, Travel & Tourism and related sectors. Most importantly, these included the

Organisation for Economic Co-operation and Development (OECD) and the World Tourism Organization (UNWTO), from which much of the information on tourism governance was sourced.

Some key terms and definitions

The term ‘tourism policy council’ is used throughout the report, but it can also – as discussed in greater detail below – apply to a whole host of different types of formal and informal committees, commissions, boards and simply groups which have a consultative or advisory role. The most prevalent are inter-ministerial, cross-government (*ie vertical groups across different levels of government as well as across different ministries, departments and/or agencies*), and public-private sector bodies – at national/federal, state/provincial and local levels.

Government’s Changing Role and Responsibilities

A pendulum swing – from a dirigiste regime ...

As different studies by both OECD and UNWTO have shown, the role of governments in Travel & Tourism has changed significantly over the past 40-50 years. In the early years of mass tourism development, governments played a pioneering role. This was considered essential since huge investments were clearly required to provide the basic infrastructure and facilities necessary to open up areas of a country to tourism and help kick-start growth in demand. The private sector could hardly be expected to fund such investment until such time as a climate of confidence had been created.

National Tourism Administrations (NTAs) not only developed their countries’ tourism plant, but they were also responsible for running it. The powers invested by governments in their NTAs in those early days were very broad, encompassing all areas of tourism-related activity. So they became hoteliers, travel agents, transport and tour operators, creating some of the massive state-owned enterprises that still compete with the private sector in some less-developed tourism economies. More importantly, there was little or no accountability to government – performance measurement was as yet an unknown term.

However, as tourism started to grow, enhancing its potential commercial value, the private sector became increasingly interested in the business opportunities it offered. This resulted in a boom in private sector investment in hotel development and a rapid expansion of travel agency and tour operations. Before long there was excessive hotel capacity in the most popular destinations, leading to cut-throat competition and, in some countries, to industry malpractice.

In order to moderate the growth in supply and prevent or control malpractice, the sector was increasingly subjected to regulation by governments. Travel agency licensing and hotel classification became obligatory in most countries and price controls became widespread. In addition, new taxes were imposed to help recoup some of the public sector’s initial investments in tourism infrastructure and, as more and more people discovered the joys of foreign travel, many governments introduced foreign currency restrictions in an attempt to keep nationals at home and stem the growing deficit in the balance of payments.

... to a laissez-faire approach

In many countries, this led to excessive legislation and over-regulated industries, which partly explains why the pendulum has swung back in the opposite direction, with many governments adopting a laissez-faire approach.

Since the mid-1990s it has become increasingly rare for governments, especially those from developed economies, to still have any direct interests in tourism plant and services – eg in hotels, tour operations and travel agencies. In addition, a growing number have withdrawn from many of their traditional responsibilities and activities in the field of tourism – such as marketing and promotion – usually in favour of public-private sector national tourism organisations (NTOs).

In addition, although it may not always appear to be the case, industry regulation is less evident, except where it relates to consumer protection, or to cultural heritage and environmental conservation. By way of example, travel agency licensing is very uncommon and hotel classification and grading schemes are usually operated by industry itself rather than government.

Today, governments see their role more as a facilitator, or stimulator of private sector investment through fiscal and other incentives. And this is also the role increasingly being adopted by provincial/regional and local authorities.

Budgetary and political pressures

Despite the widespread recognition of Travel & Tourism's importance to national economies, governments are increasingly questioning the rationale for their continued involvement in tourism. And there are a number of different reasons contributing to the trend. Budgetary pressures are of course a serious constraint – and a major reason why taxation of Travel & Tourism still remains a favourite tool of governments to help fill depleted treasury coffers. Disengagement is also a natural consequence of decentralisation in some countries, which has resulted in increasing powers of decision-making being shifted to provincial/state and local authorities.

In addition, there has been growing concern in recent years – at least, in the Western world – as to how governments can continue to justify the use of taxpayers' money to support and promote Travel & Tourism and, most importantly, marketing and promotion. This issue is compounded by the fact that government support of the sector is no longer necessarily purely in national interests since, with the current trends towards globalisation and concentration of the sector, Travel & Tourism companies have increasingly become multinational concerns.

As we move further into the third millennium, the issues and challenges facing both governments and the Travel & Tourism sector will become much broader and, therefore, even more difficult to address without a more holistic approach to tourism governance, as well as close public-private sector co-operation.

Travel & Tourism demand is constantly changing, tourists themselves are changing and the sector itself is also changing, driven by the rapid advances in technology and, most importantly, online travel distribution and social media. It is imperative for the public sector to retain close contact with all stakeholders in Travel & Tourism to enable it to absorb the many changes and focus policy, regulation, infrastructure, service development and taxes in the most appropriate ways.

Travel & Tourism's Role in Government



Travel & Tourism's Role in Government

Setting the research in context

In order to put the WTTC research in context – to highlight the different approaches to tourism governance – it is interesting to look first at the position of Travel & Tourism within governments' hierarchical systems. As indicated in a recent OECD report, "A Review of Effective Policies on Tourism", virtually all countries have a government department or unit responsible for tourism policy. Yet, among these, relatively few nowadays have a separate, independent ministry or department for Tourism, and the numbers of those that do would seem to be shrinking.

Travel & Tourism's position in government ...

The following are some examples of countries with a dedicated Tourism ministry or department, the majority of which in emerging economies: Argentina, Brazil, Bulgaria, Croatia, Egypt, India, Indonesia, Israel, the Maldives, Mexico, South Africa and the Philippines.

In other countries, tourism is one of the specified competencies within a ministry with two or multiple portfolios. Examples include the new Ministry of Tourism and Education, reporting to the Ministry of Foreign Affairs and Trade in Australia; the Ministry of Trade, Tourism and Telecommunications in Serbia; the Department of Transport, Tourism and Sport in Ireland; the Ministry of Tourism and Sports in Thailand; and the Ministry of Land, Infrastructure, Transport and Tourism in Japan.

The third example – and one reflective of a trend that seems to be growing – is for tourism to be located within a ministry or department which bears no mention of 'Tourism' in its title. Examples of this type of ministry are numerous, especially in developed economies, where there is an increasing trend to integrate tourism more into higher-profile, arguably more prestigious, ministries such as economic planning and policy-making.

Such ministries/departments range from Science, Research and Economy in Austria; to Culture, Media and Sport in the UK; Local Authorities and Cities in Belgium; Employment and Economy in Finland; Economy, Industry and Digital Affairs in France; Business Innovation and Employment in New Zealand; Industry in Canada; and Commerce in the USA.

... is constantly changing

It should however be noted that tourism's place in government can change quite frequently, either because it is moved to another ministry/department, or because the different portfolios making up the ministry/department change. In the past 12-24 months, for example, this has been the case in France (*tourism was formerly within the Ministry of Economy, Finance and Industry*), Serbia (*formerly just within the Ministry of Economy*) and Indonesia (*prior to 2014 Tourism was linked to the Creative Economy*). See table: "Ministerial responsibility for Travel & Tourism", p16.

These different examples, which represent many of the natural links associated with Travel & Tourism, are also reflective of the extent to which Travel & Tourism pervades so much of the national economy – highlighting its significance to other sectors as well as the influence and impacts of policy decisions in other sectors on Travel & Tourism.

The potential synergies between the different competencies are largely self-explanatory (*although there are sometimes surprises in the linkages attributed by governments to Travel & Tourism*), and governments have an important role to play in addressing the inter-linkages between these policy areas. Transport is one of the important cases in point. To cite the OECD report:

- Transport policy (*eg airport/cruise hubs, roads, public transport*) can shape access to and travel patterns within destinations, influencing visitor accessibility, mobility and satisfaction;
- Tourism policies can help to secure the economic viability of local transport systems;
- Transport policy can facilitate a shift to more eco-friendly transport options, enabling destinations to position themselves as sustainable;
- Tourism policies can stimulate movement to and within a destination – although this can in turn emphasise seasonal peaks and troughs, push transport capacity limits, and place pressure on existing infrastructure capacity.

The different location or, more to the point, 'position' of Travel & Tourism within governments' hierarchical systems clearly has a strong influence on how it is perceived by all levels of government, but also – just as importantly – by the general public. It is hardly surprising that this positioning is therefore of concern to industry and the private sector overall.

But is there a 'best' location for tourism in government? When the former Australian Prime Minister dissolved the post of Minister of Tourism in September 2013, both small and medium-sized enterprises and larger corporations reacted strongly. The general thinking was that, without a full-time portfolio and a seat in the Cabinet, tourism issues would be pushed to one side by those advocating for the bigger, higher-profile economic sectors. Yet this thinking, in many ways, is a denial of the importance of Travel & Tourism's links with those other sectors.

The jury is still out on the Australia case, especially since the post of Minister of Tourism (*together with International Education*) has now been re-established by the current prime minister, albeit within a larger, Cabinet-level ministry. This is an issue that is nevertheless worth monitoring over a longer period.

Tourism policy and planning ...

Although successive governments are constantly rethinking the role and responsibilities of their national tourism administrations (NTAs) to reflect new government priorities or to take account of changes in the industry marketplace, government's role in Travel & Tourism is generally to:

- Set national tourism policy;
- Determine and allocate the tourism budget;
- Establish an appropriate legislative framework;
- Oversee the administrative structures for policy delivery;
- Assess and influence wider government policies impacting on tourism; and
- Put in place appropriate research, statistics and evaluation programmes.

In a well-managed NTA, tourism policy unit/staff provide advice to the government on basic infrastructure needs and how it can create the right environment for enhanced productivity and growth in the Travel & Tourism sector, thereby maximising the sector's contribution to the national economy. The research unit not only monitors the sector's performance for the benefit of government and other stakeholders, but it also evaluates the effectiveness of government initiatives that impact on tourism.

Among the best examples of professional tourism governance, a number of which are presented as case studies in this report, the NTA consults regularly with industry on key issues affecting Travel & Tourism, building effective relationships with different stakeholders, and representing and championing its partners' concerns. How they do this varies across governments, as WTTC's research shows.

... versus marketing and promotion

Although detailed discussion of this issue is beyond the scope of this study, some mention must be made of governments' changing role in marketing and promotion. There are many examples today of successful public-private sector partnerships in this area – not least Australia, Austria, Canada, France, Sweden and the UK, to name but a few.

Tourism departments have suffered big cuts in core funding in recent years – in line with a reduction in government spending generally – but more significantly, in their budgets for marketing and promotion (*which not all NTAs still have, of course*). As already discussed, government expenditure is increasingly open to scrutiny, and responsibility for the use of public funds in many countries dictates that actions meet the criteria of visibility, accountability and control. This largely explains why performance measurement and evaluation have become mandatory. As a result, new models for tourism marketing continue to be sought, so as to relieve pressure on government budgets and encourage a higher level of co-operation and industry participation.

However, in addition to easing budget constraints – and, in some cases, salving their consciences – governments also recognise that a public sector-led marketing organisation is often less entrepreneurial and effective than one managed by the sector itself, or in collaboration with the different Travel & Tourism industries.

Increased private sector involvement and funding

Marketing and promotion is today generally the responsibility of national tourism organisations (NTOs), as highlighted in the case studies. These can be 100% government owned and operated, or public-private sector partnerships – often membership organisations, such as in Canada, France and the USA. A number of the best-performing, most respected NTOs are so-called crown corporations – hybrid entities somewhere between a government body and a private enterprise that are wholly owned by the state but operate at arm's length from government. Although governments usually continue to provide some core funding (*in some cases, quite a large proportion, in fact*), any financial support for marketing and promotion depends on matching funds from the private sector, or from other public sector bodies – such as the provincial/state authorities.

Among the leading examples of best practice in this area – those countries considered as the best industry partners over the past 20-30 years, and which have traditionally been among the most successful at marketing and promotion – it is interesting to note that the success is often due to the NTO, rather than the NTA. In other words, the strong industry partners have been the Canadian Tourism Commission (*now Destination Canada*), Atout France (*Maison de la France until 2009*) and VisitBritain – and not their respective ministries or departments. In the case of the Canadian Tourism Commission and VisitBritain, these are also very influential NTOs, effective in their advocating directly with non-tourism departments in government.

The rationale for continued government funding of tourism marketing and promotion in countries that have already undertaken in-depth reviews of the issue is that it provides for the generic promotion of a country or region, which benefits not only the tourism sector, but also the community as a whole. Since tourism, unlike other markets, is not product specific, tourists must be persuaded to purchase

a range of goods and services, not just particular products, and this affects the economy, environment and culture of the whole country.

Consultation with all the different Travel & Tourism stakeholders

As already indicated, this report covers a broad range of tourism policy groups, with formal or informal structures. They go under a variety of names, from councils to commissions and committees, and involve a wide range of different participants – ministries, departments and/or agencies and different levels of government, as well as public-private sector groups from outside as well as within the Travel & Tourism sector. These consultative or advisory bodies can play a key role in guiding tourism policy, whether or not they are set up as formal mechanisms.

Quite a few of these committees and councils have actually been in existence for many years, as can be seen by different case studies, even though their role sometimes appears to be a well-guarded secret. As reported by OECD in the publication cited above, *A Review of Effective Policies for Tourism Growth*, more countries are now also implementing arrangements to improve information sharing, awareness and co-ordination across different levels of government, and between government agencies, in an effort to strengthen and create a more supportive and co-operative policy environment for Travel & Tourism.

The list of countries surveyed for this research, and whose governments have some kind of tourism policy consultative/advisory group, is by no means exhaustive. The following chapter provides a brief overview of trends generally around the world, but more details about some of the more interesting and influential examples are provided in the case studies.

Ministerial responsibility for Travel & Tourism

Selected Governments	
Argentina	Ministry of Tourism of Tourism
Australia	Ministry Trade and Investment
Austria	Ministry of Science, Research and Economy
Belgium (Wallonia)	Ministry of Local Authorities and Cities
Brazil	Ministry of Tourism
Bulgaria	Ministry of Tourism
Canada	Industry Canada
Chile	Ministry of Economy, Development and Tourism
Croatia	Ministry of Tourism
Czech Republic	Ministry of Regional Development
Denmark	Ministry of Business and Growth
Egypt	Ministry of Tourism
Finland	Ministry of Employment and the Economy
France	Ministry of Economy, Industry and Digital Affairs
Germany	Federal Ministry of Economics and Technology
Greece	Ministry of Economy, Infrastructure, Shipping and Tourism
Iceland	Ministry of Industries and Innovation
India	Ministry of Tourism
Indonesia	Ministry of Tourism
Israel	Ministry of Tourism
Italy	Ministry of Cultural Heritage and Tourism
Japan	Ministry of Land, Infrastructure, Transport and Tourism
Latvia	Ministry of Economics
Maldives	Ministry of Tourism
Mexico	Ministry of Tourism
New Zealand	Ministry of Business Innovation and Employment
Philippines	Ministry of Tourism
Poland	Ministry of Sport and Tourism
Portugal	Ministry of Economy, Innovation and Development
Serbia	Ministry of Trade, Tourism and Telecommunications
Slovak Republic	Ministry of Transport, Construction and Regional Development
Slovenia	Ministry of Economic Development and Technology
South Africa	Department of Tourism
Spain	Ministry of Industry, Energy and Tourism
Sweden	Ministry of Enterprise and Innovation
Switzerland	Federal Department of Economic Affairs, Education and Research
Thailand	Ministry of Tourism and Sports
Turkey	Ministry of Culture and Tourism
United Kingdom	Department of Culture, Media and Sport
United States	Department of Commerce
Vietnam	Ministry of Culture, Sports and Tourism

Sources: Respective governments; OECD

Overview of Research Findings



Overview of Research Findings

Different Models of Consultation

Formal or informal structures?

While this preliminary WTTC research suggests that the majority of national tourism administrations (NTAs) claim to consult and co-operate with other ministries and departments, as well as with industry, on tourism policy issues, one of the important findings is the complexity of the institutional structures in place across different economies to implement tourism policy. This might be understandable given the number of stakeholders involved but, in many cases, this consultation is not formalised – ie there is no statutory body involved – which raises issues as to the level of commitment to such consultation to ensure maximum policy coherence and effectiveness.

It might be fair to say that, in some cases, the lack of a formalised structure is due to the political system, which complicates the setting up of such a formal council or committee. But a detailed study of the situation in different countries goes beyond the scope of this preliminary research.

Separating out the different types of tourism policy councils and committees into categories is difficult, even with the more formal structures, because of the complexity of the different institutional systems in place. Inter-ministerial/departmental committees tend to exist at national/federal level only, except in countries where a whole-of-government approach to tourism development has been adopted (*eg Australia or Canada*). Understandably, consultation with provincial/regional and local tourism authorities is much more likely – as well as easier to implement and manage – in economies with a decentralised political system (*eg Spain or Germany*).

Any role for industry?

Some of the tourism councils and committees, but by no means all, involve the private or operating sector of industry – either through trade associations/federations or through elected or appointed individuals representing leading companies and organisations in Travel & Tourism and related sectors. Interestingly, ‘related sectors’ does not only imply transport, hospitality, tour operating, travel agencies etc, but also sectors such as retail generally, high fashion brands, local cuisines or even car manufacturing.

The development of tourism satellite accounting over the past 25 years, which allows for a detailed breakdown of the sector’s contribution to national – and now even provincial and local – economies has helped to show just how big an impact Travel & Tourism has on other economic sectors, not to mention on a country’s overall economic growth. This in turn has helped to raise the importance of Travel & Tourism’s role in developing a destination’s brand image.

The following provides some examples of the different types of tourism policy councils and committees identified through this WTTC research. As can be seen by the accompanying table, a number of these have been in existence for decades, while others (probably the majority) were set up quite recently – within the last few years. In the intervening years – from the early 1980s to the start of the second decade of this century – such councils and committees appear to have been out of fashion.

Early pioneers

France seems to have been one of the first countries in the world to set up an institutional structure for tourism policy coherence and effectiveness in recognition of the economic importance of Travel & Tourism. The National Council for Tourism was set up 105 years ago, in 1910, as a cross-government advisory body to the Secretary of State for Tourism (*or whatever the respective head of tourism was called at the time*). Its 300 high-level members comprised ministers from across government as well as industry representatives and other non-government stakeholders.

The Council remained extremely active through to the end of the 1990s, but it has been dormant since then. Official reports suggest it will probably be disbanded in favour of the recently established Tourism Promotion Council, which is chaired by the Minister of Foreign Affairs, and which does meet regularly.

The 1950s saw the establishment of Australia's Tourism Ministers Council, plus regional tourism councils in some Australian states (*eg Queensland in 1959*). France's Inter-ministerial Committee followed in 1964 and the United States' Tourism Policy Council in 1966. There are few other examples of tourism policy councils and committees being set up through the next 30-40 years, although Australia's Standing Committee on Tourism emerged in 1976 and Switzerland's Consultative Commission for Tourism was created in 1979. These isolated cases (*according to WTTC's preliminary research*) were followed by a number of barren years – ie as far as tourism policy councils were concerned – which continued through the remainder of the century.

Inter-ministerial Councils and Committees

Dialogue between all tourism-linked government departments

Of the 20 or so countries studied for the purposes of this WTTC research, more than half claim to have an inter-ministerial council or commission in place to help ensure that tourism policy in other ministries/departments affecting Travel & Tourism in some way take account of these impacts. In practice, however, this is often not the case.

France's Inter-ministerial Committee, which brought together either ministers or secretaries of state of 23 different ministries (*as of 2003*), and chaired by the Secretary of State responsible for tourism, was the vehicle established in 1964 to address issues such as education and training, quality control, the staggering of school holidays to combat seasonality, and the development and management of the 'France' brand. But it is interesting to note that the last recorded meeting of the Committee, in September 2003, was the first time it had met for 20 years, and anecdotal evidence suggests it has since been disbanded.

Different examples of inter-ministerial committees and councils are provided in the case studies, which can be found in the Appendix to this report. These include a number of examples that have sprung up in the last few years, *eg* Chile, Japan, Mexico and Portugal.

In Portugal, for example, steps were taken by the government in 2013 to improve horizontal co-operation in Travel & Tourism governance, with the establishment of an Inter-Ministerial Commission led by the Prime Minister, and including the Ministers of Finances, Foreign Affairs, Homeland, Economy, Agriculture and Sea, Environment, Health and Education, as well as regional governments. The goal of this Committee, which meets quarterly, is to provide a global strategic direction for tourism policy and to create interdepartmental co-ordination mechanisms that will guarantee more effective execution of tourism policies.

Mexico's leaders have been at the forefront of Travel & Tourism development in recent years, recognising that it is one of the economic activities with the greatest potential for growth. As a result, it has significant capacity to generate development and employment, thereby playing a potentially key role in contributing to resolving different social issues of concern, such as unrest and drug violence. Under the previous government, President Felipe Calderón passed a National Agreement on Tourism for the establishment of a consultative body to represent all stakeholder interests. A Tourism Cabinet was subsequently set up by the current President, Enrique Peña Nieto, as a cross-government initiative to better align all levels of government including the actions and budgets of federal agencies, to integrate the implementation of the National Tourism Policy.

The Mexican Tourism Cabinet, chaired by the President, includes Ministers from Foreign Affairs, Finance, Environment and Natural Resources, Economy, Communications and Transport, Agriculture, Urban and Rural Development, and the Federal Executive Counsel and the Chief of the Presidential Office. The Ministry of Tourism heads the Secretariat.

Japan's inter-ministerial council was initially set up in 2013 as the Ministerial Council for the Promotion of Japan as a Tourism Oriented Country, *ie* for a specific purpose –to promote Japan after a couple of difficult years following the March 2011 seaquake and tsunami. But there are signs Japan's Prime Minister, who chairs the Council, is thinking of turning it into a more permanent consultative body. It comprises the whole Japanese Cabinet.

Another interesting example to cite is that of Saudi Arabia whose Shura Council (*the Consultative Assembly which is the formal advisory body to Saudi Arabia's King and Cabinet*) is actively involved in Travel & Tourism as a means of ensuring the balanced development of all regions of the country, with a focus on the country's social and cultural dimensions. In 2014, it endorsed the new domestic tourism strategy to promote tourism as a tool to create jobs for Saudis and to develop small and medium-sized enterprises (SMEs).

A whole-of-government approach to tourism development

As indicated in the case studies, responsibility for Travel & Tourism-related policy matters in the USA has historically been housed in the Department of Commerce. The National Travel and Tourism Office, under the Department of Commerce, represents US Travel & Tourism in international dialogue and multilateral organisations, along with providing policy, planning, promotion and statistics on Travel & Tourism for the government. The Secretary of Commerce serves as the Cabinet Minister but has traditionally bestowed that role on the head of the Tourism Office or Department, through its different configurations, to serve in that capacity. Legislatively it has carried the responsibility for being the Secretariat for the Tourism Policy Council (TPC).

The TPC was established in the International Travel Act of 1961 that was restated in the National Tourism Organization Act of 1996. This set the foundation for the President's Executive Order in 2012 for the dispersal of Travel & Tourism-related matters across multiple agencies – no entity is recognised across the federal government as the primary policy-maker. A reinvigorated inter-agency Tourism Policy Council (TPC), the result of a Task Force analysis of Travel & Tourism competitiveness in the USA in 2012, comprises high-level representatives from over 18 agencies and government offices.

The aim of the TPC, which meets quarterly, is to deliver commitment and policy co-ordination across federal agencies in consultation with the private sector, and with state, territorial, tribal and local governments. The emphasis of this synchronised approach is on identifying and collaborating in areas of common

policy interest, and on leveraging linkages between policy areas. The Task Force engaged all levels of government to update and create the National Travel and Tourism Strategy, which had originally been delivered in 1995 at the White House Conference on Travel and Tourism.

As in the USA, the different tourism stakeholders in Canada's Travel & Tourism have long acknowledged the importance of enhancing co-operation among, and between, governments and industry to maximise the benefits of tourism investments. The Canadian Council of Tourism Ministers (CCTM) was set up in 2003 with the role of championing co-ordination and co-operation between the federal, provincial and local governments on tourism. It gives a national focus to tourism policy issues, and helps strengthen the competitive position of Canada's tourism sector.

The Tourism Ministers Council (TMC) is the highest-level co-ordination body in Australia, comprising portfolio ministers from the federal government, the six states and two territories (*currently Australia Capital Territory and Northern Territories*) and from New Zealand, with Norfolk Island and Papua New Guinea holding observer status. The TMC's main role is to facilitate consultation and policy co-ordination between members. In addition, an intergovernmental committee is led by the Prime Minister and a tourism committee.

In Austria, Travel & Tourism falls under the competence of the Federal Ministry of Science, Research and Economy, although the country's nine Länder have the legislative and executive competencies for tourism affairs. In 2006, the Austrian Parliament established the Parliamentary Committee for Tourism. The Ministry collaborates closely with the Federal Ministry for Transport, Innovation and Technology and the Federal Ministry of Agriculture, Forestry, Environment and Water Management at the national level. All three federal ministries also collaborate with regional authorities, municipalities, tourism boards and other industrial stakeholders.

Similarly, vertical collaboration is key to tourism governance in Switzerland. The State Secretariat for Economic Affairs (SECO), part of the Federal Department of Economic Affairs, Education and Research, is responsible for implementing Swiss national tourism policy, which is shaped by many different policy bodies at national and regional levels – all in consultation. SECO is also responsible for the Federal Act on the Promotion of Innovation and Co-operation in Tourism (*Innotour*). And it chairs the group for the Promotion of Swiss Business Abroad, which ensures close co-operation on regional policy and the promotion of the export market and industry, and acts as the secretariat of the Parliamentary Group on Tourism and Transport, as well as the Federal Council's Consultative Commission for Tourism.

Germany's federal structure means that the federal government is primarily responsible for establishing an appropriate policy environment for tourism. The 16 Länder are responsible for the development, shaping and promotion of tourism. The Federal Länder Committee on Tourism meets twice a year, fostering the exchange of information and the co-ordination of measures involving more than one Land. The Minister of Economics and Technology is supported by the Advisory Council on Issues of Tourism, which brings together the interests of government, commerce, academia, local authorities and business associations.

Under the Spanish Constitution, Spain's autonomous regions are responsible for the promotion and regulation of tourism within their own territories. The state's role is in international relations, the promotion and marketing of tourism abroad, tourism policy, and the overall regulation of Travel & Tourism activity, in addition to national economic planning in which tourism is a key component.

Local entities (*provinces and municipalities*) manage their own tourism interests at the local level, mainly in terms of promotion and dissemination of information.

One important body is the Local Tourism Board, mostly found in the main cities, on which the Congress Offices depend, and which in turn support the private sector in their commercial strategies to attract congresses and fairs. This distribution of powers creates a network of inter-administrative relations and various instruments of co-operation in tourism matters. Co-operation is key to ensuring maximum operational effectiveness.

Ad hoc inter-ministerial meetings and consultations are also held in some countries according to need. By way of example, as a part of the preparations for the peak summer tourism season, Croatia's Ministry of Tourism and Montenegro's Ministry of Sustainable Development and Tourism convene annual pre-season meetings with participants from various departments/ministries to address key areas of concern, such as coastal traffic congestion and pollution (*clearing and cleaning of beaches, etc*). Not surprisingly, the respective ministries of transport, maritime affairs and infrastructure are among those involved, as well as local travel trade associations.

Extending co-operation to the private sector

As seen by some of the examples above, councils established as inter-ministerial or inter-agency groups across government, and between national, regional and local tourism and other tourism-related authorities, increasingly involve the private or operating sector of Travel & Tourism – primarily through trade associations, but also through the appointment of individuals, usually industry leaders. And this is a trend expected to intensify in future, with more and more involvement of sectors not directly involved in Travel & Tourism.

Among the numerous examples of this trend, the different case studies highlight some of the biggest success stories from the past decades, including Australia, Canada, France, New Zealand, the UK and, more recently, the USA. These clearly demonstrate that the private sector contributes significantly to debates on policy and planning issues and has a key role to play in tourism policy-making. But some other countries should also be mentioned.

Turkey's National Tourism Council, first mooted in 1998 but finally set up in 2012, is a good example of the holistic model. It was set up to empower the tourism sector and thereby help it to improve and solve its problems. The Council, which is co-ordinated by the Tourism Ministry and which meets a minimum of twice a year, is composed of representatives of the Ministry of Culture, the Ministry of the Environment, the Foreign Ministry, the Ministry of Finance, the Ministry of Transport, the Ministry of Housing, the Ministry of Education, the Forestry Ministry, the Supreme Board of Radio and Television (*RTUK*), the Press Council and tourism industry organisations – representing different transport sectors, travel agencies, hoteliers, hotel developers/investors and tourist guides. Local level councils, eg in Turkey's cities, report directly to the National Council and sub-committees are appointed when deemed necessary.

Another example is Latvia, whose Ministry of Economics is responsible for the development and implementation of tourism policy in Latvia. But in order to develop the competitiveness of the Travel & Tourism sector, a consultative council, the Tourism Committee, was established in 2013 as part of the National Economy Council. The Committee brings together the representatives of industry associations, planning regions and the Latvian Association of Local and Regional Governments. The Latvian Tourism Advisory Council, established in 1997, promotes co-operation and partnership between the public and private sectors, as well as non-governmental organisations (*NGOs*) engaged in developing and implementing tourism policy. It also serves as a link between the Ministry of Economics and local municipalities.

Finland, like its Scandinavian neighbours, has divested itself of a number of its tourism activities at national government level in recent years, but has also adopted a holistic model. The Ministry of Employment and the Economy is responsible for defining the priorities of tourism policy, for the general development of tourism, and for the co-ordination of support measures for tourism, as well as preparing legislation on tourism and maintaining international relations. In addition, the Ministry chairs an inter-ministerial working group, which is an unofficial entity convening several times a year, to consult on key policy issues that affect Travel & Tourism.

Also at the national level, the ministry co-ordinates a special regional development programme, the Centre of Expertise Program, which operates as a cluster-based network with the aim of increasing regional specialisation and strengthening co-operation between centres of expertise. The programme involves 13 national Clusters of Expertise and 21 regional Centres of Expertise. Within this system, the Tourism and Experience Management Cluster Program, operated by five Centres of Expertise, supports the renewal of the tourism industry nationally by intensifying the transfer of knowledge between companies, regions and research centres in Finland.

The role of the United Arab Emirates' Abu Dhabi Tourism and Culture Authority (TCA), meanwhile, is to create synergy in the destination's development through close co-ordination with its wide-ranging stakeholder base. As an organisation, it functions on the ethos that achieving its mandate will only be successful through collaborative outreach with stakeholders. A timely industry initiative, TCA Abu Dhabi's first-generation stakeholder programme 'Partners in Progress' was introduced in 2009, during the authority's fifth anniversary year. The overall programme represents the 'One Destination' approach the authority is adopting to build on the destination foundations already laid and to ensure the development of a sustainable tourism sector.

Tourism Policy Consultative Councils & Committees in Selected Economies

Economy	Policy Council/Committee	Year established	Role/function and Structure
Australia	Tourism Ministers Council (TMC)	1959	Inter-ministerial/departmental to ensure whole-of-government approach to tourism development
	National Tourism Alliance (NTA)	...	National advocacy forum for STOs ^a and industry associations
	Australian Standing Committee on Tourism (ASCOT)	1976	Forum for senior officials from government departments and agencies
	Regional tourism industry councils, eg Queensland TIC ^b	1959	Peak bodies – industry membership organisations/associations that advocate with government
	Tourism and Transport Forum (TTF)	...	National CEO forum of top 200 companies representing the T&T industry formerly the Tourism Task Force
	Australian Tourism Export Council (ATEC)	1972/2000	National inbound T&T industry membership body – formerly the Incoming Tour Operators Association which changed its name in 2000
Canada	Canadian Council of Tourism Ministers (CCTM)	...	Co-ordination between different ministries/departments at all levels of government
	Tourism Industry Association of Canada (TIAC)	1930	National private sector advocacy group, including representation from regional and local tourism associations
Chile	Tourism Ministerial Committee	2010	Inter-ministry/agency policy group – 9 ministries
	Consultative Council for Tourism Development	...	Representatives from 7 government bodies and 7 industry associations
Finland	Inter-ministerial Working Group	...	Advisory on T&T to the Minister of Employment and the Economy
France	National Council for Tourism (CNT)	1910	Dormant
	Tourism Promotion Council (CPT)	2014	Public-private sector consultative body
	Inter-ministerial Committee for Tourism	1964	Disbanded
Germany	Advisory Council on Tourism Issues	...	Public-private sector advisory body
Iceland	Icelandic Tourism Council	...	Representation from all public and private Stakeholders
Japan	Ministerial Committee on the Promotion of Japan as a Tourism Oriented Country	2013	Inter-ministerial/agency consultative body aimed at ensuring whole-of-government approach to T&T development
	Advisory Council on Tourism National Promotion	2013	Comprising individuals appointed by the Commissioner of JTA ^c

Economy	Policy Council/Committee	Year established	Role/function and Structure
Latvia	Tourism Committee	2013	Part of the National Economy Council, comprising representatives of the regional and local governments and industry associations
	Tourism Advisory Council	1997	Public-private sector advisory body including NGOs ^d
Mexico	Tourism Cabinet	2013	Statutory body established following 2011 Agreement
Portugal	Inter-ministerial Commission for Tourism	2013	Inter-ministerial/agency body including regional and local authorities
Saudi Arabia	Consultative Assembly on Tourism	...	Formal advisory body to the King and Cabinet
Serbia	National Council for Tourism Development	2014	Consultative/advisory body representing public and private sector interests
Spain	Spanish Tourism Council (CONSETUR)	2005	54 members representing state, regional and local T&T authorities – replaced former National Observatory of Tourism
	Inter-ministerial Tourism Committee	...	Representatives of all ministries/agencies affected by and/or affecting T&T
	Sectoral Tourism Conference	...	Advisory group representing different levels of government and T&T-related sectors
	Turespaña's Advisory Council	2013	Advisory group of 11 members, 5 of whom from the private sector
Switzerland	Consultative Commission for Tourism	1979	Public-private sector advisory body, including representation from the regions and local authorities
Turkey	National Tourism Council	2012	Public-private sector advisory body
United Arab Emirates	Abu Dhabi Tourism and Culture Authority	...	Advisory group
United Kingdom	All-Party Parliamentary Group (APPG)	2015	Cross-party advocacy group for T&T
	Tourism Industry Council	2014	Advisory group representing public and private sector stakeholders in T&T
United States	Tourism Policy Council	1966	Inter-agency committee representing 18 key government departments – reinvigorated in 2005
	Travel and Tourism Advisory Board (TTAB)	2003	Industry group representing all private sector interests – advisory to the Secretary of Commerce
Vietnam	Tourism Advisory Board (TAB)	2015	Public-private sector consultative group, including regional and local authorities

^a STOs = State Tourism Organisations;^b TIC = Tourism Industry Council;^c JTA = Japan Tourism Agency;^d NGOs = Non-Governmental Organisations;

... = Not Available

Sources: Respective Economies; OECD



Conclusions & Recommendations



Conclusions & Recommendations

Government's role in tourism policy development

Although Travel & Tourism's contribution to economic growth and employment is now generally acknowledged by governments around the world, there are still many countries in which the sector's broader impacts – such as on investment, trade and the redistribution of wealth – are still not fully appreciated, and where Travel & Tourism is not a government priority.

As a result, the sector frequently suffers from a lack of co-ordination between different ministries/departments and agencies, and between different levels of government (*national/federal, state/regional and local*). This can result in conflicting policy decisions – policies that have a negative impact on Travel & Tourism – not to mention a lack of coherence in terms of tourism governance generally.

Travel & Tourism needs a supportive physical, regulatory, fiscal and social environment if it is to develop in a sustainable manner, delivering benefits to all parts of the community – and this also means one which is conducive to business development. This in turn implies adequate infrastructure, easy access – including good transport connectivity and visa facilitation – intelligent taxation and incentives for private sector investment, as well as appropriate policies to encourage growth in demand.

Tourism governance and policy-making

This preliminary research into Travel & Tourism policy development in selected economies shows that there are a variety of institutional structures for tourism governance. As an area of government policy, tourism seems to be subject to an unusual level of change in a ministry's/departments' configuration, and it can sit alongside, or within, a range of different portfolios. But the research also suggests that one of the main trends in this area is a realignment of ministerial responsibility for tourism and its closer integration into the national economic agenda.

Contrary to widespread thinking – especially within the sector – having a full-time portfolio Minister for Tourism does not necessarily appear to offer an advantage. Indeed, if that minister does not have a seat in the Cabinet or direct access to the Prime Minister, the Travel & Tourism sector is much less likely to be able to influence major policy decisions.

Although there are obvious risks to being part of a larger, higher-profile ministry, it can also be positive for the interests of Travel & Tourism, especially if that ministry's portfolio concerns one of the key tourism-related sectors, such as the economy, trade, transport or investment. In this regard, the example of Australia could be particularly interesting to monitor over the coming months (*assuming the reshuffling has now ceased*). As detailed in the respective case study, the sector lost its Minister of Tourism in 2013 and, as a result, its Cabinet position but, with the recent change of prime minister, it has now been given a new Minister of Tourism and Education reporting to the Cabinet-level Minister of Trade and Investment and, seemingly, sitting alongside Foreign Affairs.

Strengthening institutional arrangements

The majority of national tourism administrations (NTAs) surveyed by WTTC say there is some form of collaboration in their respective governments between the ministry or department responsible for tourism and other ministries in formulating tourism policy. Nevertheless, the level and scope of co-operation and the frequency of exchanges

between the different ministries vary considerably. In many cases, there are no formal mechanisms for cross-government consultation, which tends to discourage regular attendance and participation in associated meetings and other activities.

According to WTTC's research, while the changes are in many cases too recent for their impacts to be felt, it is clear that a growing number of governments in both developed and emerging economies have been strengthening their institutional arrangements for tourism policy formulation and implementation. This development, which is good news for the Travel & Tourism sector, would seem to be in line with a move generally to improve information sharing, awareness and co-ordination between government agencies and across different levels of government, in an effort to strengthen and create a more supportive and co-operative policy environment for tourism.

Setting up a tourism policy council/committee

The different examples studied by WTTC suggest that if the consultation process is backed up by legislation – eg if a tourism policy council or committee has statutory powers – its survival through different government administrations is much more secure. A more informal structure, on the other hand, seems to generate much less commitment on the part of the participants or committee members, or their commitment tends to fade over time as a result of other more pressing, perhaps obligatory, engagements.

The research identified three basic types of consultative body:

- Inter-ministerial – at national/federal level between different ministries/departments responsible for sector policy decisions affecting Travel & Tourism;
- Vertical or cross-government – between national/federal, state/regional and local tourism authorities;
- Public-private sector – between government (*central and/or state/regional and local*) and the private sector and other stakeholders (*through industry associations or individually appointed Travel & Tourism leaders*).

In most cases, ie in countries where governments have set up some kind of consultative policy council or committee, they have opted for a combination of two or more of these, with the main trend towards the 'whole-of-government' approach to policy decision-making. Formal consultation with the private sector is less common, except with regard to marketing and promotion.

There do not appear to be any hard and fast rules as to which type of policy council/committee to set up, or how to go about it, and there are no obvious hurdles to the process. However, this may vary from one country to another and according to the respective political system. Decentralised economies clearly devolve more responsibilities to state/regional governments, where a similar structure of consultative committees can be found.

Public-private sector consultation and co-operation

It is also interesting to note that, in some of the more progressive economies, consultation and collaboration with the private sector involves non-tourism as well as tourism businesses – from different sectors involved in the Travel & Tourism global value chain, from banking and insurance to food production and distribution, automobile and other vehicle manufacturers, and high fashion brands and leading department stores. But, as already indicated, public-private sector co-operation often only covers marketing and promotion, which is increasingly the responsibility of public-private sector national tourism organisations (NTOs).

Among the leading examples of best practice in this area, the UK, Canada and France should be highlighted. VisitBritain, the Canadian Tourism Commission

(now Destination Canada) and Atout France (and its predecessor Maison de la France) have long been considered as strong industry partners for the promotion of the destination and tourism products. Yet, in all three cases, their respective NTAs have been less active in supporting the Travel & Tourism sector in recent years. To be fair, cross-government budget cuts, from which the tourism authorities have not been spared, have been a major cause of this, but political will is also a key factor in this.

Whatever the contributing reasons, this is a pity since sound tourism governance can help optimise the strategic direction of Travel & Tourism development in a country. A wide range of policy areas not only influence people's desire to travel, but also have an impact on the competitiveness and sustainability of a destination, so greater policy coherence is needed to boost tourism growth.

Different success stories

Governments that seek to adopt a holistic approach to Travel & Tourism development and management are far more likely to develop co-ordinated policies in support of the sector. And it is not simply about financial support. Much more critical for Travel & Tourism businesses and communities is government's role in removing impediments to growth – eg facilitating international inbound and domestic Travel & Tourism by abolishing or easing visa restrictions without compromising safety and security, and by ensuring intelligent taxation that will not discourage and dampen demand.

There is sufficient, reliable evidence to show that economies that adopt a whole-of-government approach to tourism development and management are among the most successful in terms of tourism performance, Australia being the prime example. And those governments that welcome, and even encourage, the input of the private sector into strategic planning and policy-making – a full stakeholder approach – are also contributing to ensuring a more balanced development of Travel & Tourism in the years ahead.

Australia

Given its relatively small population of less than 24 million people and its fairly modest international arrivals count – of around 7 million annually – Australia punches well above its weight in terms of visitor exports, which rank it 11th in the world in absolute volume (or 6.4% of total exports). Travel & Tourism's contribution to Australia's total GDP was more than 10% in 2014, according to WTTC research, and the sector generated over 12% of all employment.

Examples of Australia's successes include:

- Increased tourism investment via the inclusion of tourism as one of four National Investment Priorities by the Australian Trade Commission (*Austrade*), which now actively markets Travel & Tourism investment opportunities to global and domestic investors;
- Growth in the country's transport links as a result of increased liberalisation of Australia's air services agreement framework through bilateral negotiations led by Australia's Department of Infrastructure and Regional Development;
- Improvements in travel facilitation through the expansion of the online visa application system, operated by the Australian Department of Immigration and Border Protection, to eventually encompass all Australian visitor visas; and
- Improvements in travel facilitation through the expansion of self-processing border-entry facilities beyond Australian and New Zealand passport holders to US and UK e-passport holders, led by the Australian Department of Immigration and Border Protection.

Australia is undoubtedly one of the best examples worldwide of a government adopting a full stakeholder approach to Travel & Tourism development and management. A significant aspect of Tourism 2020 strategy is its role in driving co-ordination across a number of Australian Government departments and agencies in consultation with the industry. Tourism 2020 Priorities are updated annually and endorsed by the Tourism Ministers Council, and the action plan is updated regularly with all stakeholders having important roles to play in its implementation.

WTTC's research, while preliminary, has identified a number of other good examples in addition to that of Australia. These highlight the importance of a whole-of-government approach to tourism governance, especially when it also involves a role for private sector stakeholders.

Different success stories, presented in the different case studies, include the United States, where a new model of public-private sector partnership for marketing has resulted in a radical change in the destination's Travel & Tourism fortunes, and Japan, where closer co-operation and collaboration within government on travel facilitation issues have helped to ensure the integration of transport and tourism policies for the benefit of Travel & Tourism.

Among the most recent examples of governments that have established tourism policy councils and committees, two stand out and deserve a special mention – Iceland and Portugal. In Iceland, the decision was taken by government to integrate all national marketing agencies across economic areas such as trade, tourism and enterprise in order to optimise the value and impact of all international marketing activity. And this seems to have had a very positive impact on tourism performance. Portugal has significantly stepped up both horizontal and vertical stakeholder consultation and co-operation in recent years in a major reform process – both within government and with the private sector. All regional and local tourism organisations, as well as sectoral business and regional associations and tourism operators, were involved in drawing up the National Tourism Strategy and participated in its latest review. The establishment in 2013 of the Inter-ministerial Commission for Tourism, headed by the Prime Minister, was part of the reform process, aimed at providing an overarching tourism policy.

The different case studies confirm that there is a clear trend among governments towards increased, or enhanced, consultation between tourism ministries/departments and other public and private sector stakeholders in Travel & Tourism. Two such examples in 2015 alone are Serbia and Vietnam (*led by the European Commission*). But the trend still needs to build up momentum.

Moving forward

There is clearly no set formula for establishing a tourism policy council or committee. This will vary according to the particular situations encountered in different countries, and whether the country has a centralised or decentralised economy. However, some broad common themes have emerged from this preliminary WTTC research, particularly the need for favourable legislation and a legal framework to encourage and facilitate the implementation of the consultation process – both inter-governmental and between the public and private sectors – demonstrating strong political will and support from government.

Other critical factors include a relatively straightforward, transparent governance structure, the involvement of local communities and other stakeholders in the consultation process, and commitment on behalf of all parties. Finally, and most importantly, the consultative process requires a focused approach with common and achievable goals, feasible and realistic programmes and viable projects. By setting out clear goals and deliverables, government and the Travel & Tourism sector together can effect change, which will result in national benefits to the economy. Travel & Tourism represents one of the largest services export industry for most countries, and it touches on many areas of economic activity including travel, shopping, accommodation, events and education. The wide scope of the sector means that there would suggest that there is no justification in giving a single government agency full regulatory ownership of the sector, or policy control to influence future industry development.



Appendix – Case Studies

The following case studies highlight some of the different approaches to tourism governance and, in particular, policy-making in selected economies.

Much of the information on tourism governance has been taken from OECD's 2014 Tourism Trends and Policies.



Australia

Tourism Governance

Within the Australian Government, responsibility for tourism policy, programmes and research now rests with the **Ministry for Trade and Investment**. It co-ordinates the delivery of the 'whole-of-government' tourism objectives, established in the Tourism 2020 policy document drawn up in 2011. A new post of Minister for Tourism and International Education (and Assistant Minister for Trade and Investment) was announced on 21 September – a post that had been abolished by the last Prime Minister, who assigned full responsibility for tourism to the Minister for Trade and Investment.

To support the regulatory reform agenda, the previous government made tourism a national investment priority, with the **Australian Trade Commission (Austrade)** and **Tourism Australia** working together to showcase tourism investment opportunities to potential investors. Austrade also operates a Tourism Major Project Facilitation service to assist proponents of major tourism projects navigate through Australian Government approvals.

Tourism Australia is the Australian Government agency responsible for international tourism marketing, as well as for market, events and business tourism development. It has 12 overseas offices covering 17 markets around the world.

In addition, all state and territory governments in Australia incorporate tourism into relevant areas of portfolio responsibility to ensure effective international and domestic tourism promotion, and tourism industry development.

Tourism Research Australia (part of Austrade) provides statistics, research and analysis to support industry development, policy development and marketing for the Australian tourism industry. It is professionally independent of the government of the day, which fosters a reputation for analysis based solely on economic and statistical research. Tourism Research Australia manages tourism surveys that cover the inbound, outbound and domestic markets. It also develops forecasts of tourism activity, models for regional expenditure and employment, and undertakes economic modelling using Computable General Equilibrium models. Austrade works with the Australian Bureau of Statistics to prepare Australia's Tourism Satellite Account.

At state level, policy is led by the **State Tourism Organisations (STOs)**, but the 'peak bodies' – the industry associations – also play an important role. By way of example, **Queensland Tourism Industry Council (QTIC)** is the peak industry body for tourism

in Queensland, acting as the 'Voice of Tourism' in the state. It is a not-for-profit, private sector, membership-based organisation representing the interests of Queensland's tourism and hospitality industry in its advocating and negotiations generally with government. It brings together the interests and expertise of all other stakeholders – a unique and cost-effective opportunity for governments to access robust and innovative advice from a single point of contact, representing the allied interests of its membership group.

Tourism 2020 is more of a 'process' than an actual strategy – an integration of the long-term focus, research and collaboration commenced under the National Long-Term Tourism Strategy with the growth aspirations of the 2020 Tourism Industry Potential. Tourism 2020 builds on this foundation to support industry to maximise its economic potential. It represents an unprecedented level of co-operation between industry and the Australian Government and STOs to address the barriers to industry growth, as well as a whole-of-government approach to improving the industry's productive capacity. It focuses on creating a policy framework that will support industry growth and provide industry with the tools to compete more effectively in the global economy and to take advantage of the opportunities that Asia presents.

Although there has been no apparent change in overall tourism policy since the change in government in 2013, one major development – at least, from the industry's point of view, was the dissolution of the post of Minister of Tourism in September 2013. This marked the first time in 40 years that Australia did not have a minister dedicated to Travel & Tourism. In addition, in part due to the government's overall austerity drive, tourism-focused staff within the Department of Foreign Affairs and Trade staff were reportedly reduced in number – to around 65 from 85 – although Tourism Australia's staff count was not affected.

It is not yet clear whether the appointment of the new Minister of Tourism and International Education will also result in an increase in departmental staff to manage the portfolio.

Stakeholder Consultation and Co-operation

The **Tourism Ministers Council (TMC)**, set up in 1959, is the highest-level co-ordination body, comprising portfolio ministers from the federal government, the six states and two territories (currently Australia Capital Territory and Northern Territories) and from New Zealand, with Norfolk Island and Papua New Guinea holding observer status. The TMC's main role is to facilitate consultation and policy co-ordination between

members. In addition, an intergovernmental committee is led by the Prime Minister and a tourism committee.

Each ministerial council operates in conjunction with a standing committee. The **Australian Standing Committee on Tourism (ASCOT)**, founded in 1976 and which meets twice a year, is the forum for senior officials to discuss issues at an operational level. It comprises representatives from relevant ministers' departments, from Austrade, Tourism Australia and Tourism Research Australia. Decisions are taken by ASCOT and then passed to the TMC for consideration. The TMC meets once a year, or more frequently if necessary, and the chair rotates annually.

Among the other numerous peak bodies and industry associations focusing on the interests of Australian Travel & Tourism, the following should also be mentioned:

- The **National Tourism Alliance (NTA)** is a national advocacy forum which advocates to the federal government on issues of common interest for Australian tourism and hospitality businesses. Membership of the NTA is open to national industry associations and state tourism industry councils. Members represent over 90% of tourism industry operators covering accommodation, airlines, car touring, inbound tourism, retail travel agencies, business tourism, the MICE sector, farm and country tourism, youth hostels, retail, adventure operators and the caravan and camping industry.
- The **Tourism and Transport Forum (TTF)**, formerly the Tourism Task Force, is the national, member-funded CEO forum advocating the public policy interests of the 200 most prestigious corporations and institutions in Australian tourism, transport, aviation and investment sectors.
- The **Australian Tourism Export Council (ATEC)** is the only national group representing the interests of the whole industry – more than 800 tourism export companies throughout Australia. Formed in 1972 as the Australian Incoming Tour Operators Association, it changed its operating name to ATEC in late 2000.

Other groups, such as the Indigenous Tourism Leadership Group, are set up from time to time to address issues of common concern to different segments of the market.

Lessons to be Learned

Australia remains one of the best examples worldwide of a government adopting a full stakeholder approach to Travel & Tourism development and management. A significant aspect of Tourism 2020 is its role in driving co-ordination across a number of Australian Government departments and agencies – a whole-of-government approach – in consultation with the industry. Tourism 2020 Priorities are updated

annually and endorsed by the TMC, and the action plan is updated regularly with all stakeholders having important roles to play in its implementation.

At the time of the recent change of Prime Minister and restoration of the post of Minister of Tourism (combined with International Education), the jury was still out on whether the earlier dissolution of the post would have a negative impact on tourism performance and governance – as many in the industry seemed to believe. The industry argument was that Tourism used to be a Cabinet portfolio and, as such, had a direct line to the Prime Minister and was always a focus of his/her priorities. It was also felt that Tourism's voice would be drowned out within a much larger, more important ministry, since there are too many other priorities taking up the minister's time. It remains to be seen whether the recent change of Prime Minister and appointment of a dedicated Minister for Tourism and International Education – yet still within the Ministry of Trade and Investment – will allay all the sector's concerns.

However, there is a strong counter-argument that being associated more directly with a bigger ministry dealing in trade, investment and foreign affairs is positive for the interests of tourism. Whatever the structure, the new Tourism 2020 strategy provides a big opportunity for the government and the industry, particularly if there can be commitment for change secured across the many portfolios that affect tourism policy.

By setting out clear goals and deliverables, the industry and government can effect change that will result in national benefits to the economy. Tourism represents Australia's largest services export industry and touches upon many areas of economic activity including travel, shopping, accommodation, events and education. The wide scope of the sector means that no single government agency has full regulatory ownership of the industry or policy control to influence future industry development.



Canada

Tourism Governance

In Canada, the federal government, the ten provincial governments, three territorial governments and many municipalities all play a role in supporting tourism. Federally, the **Minister of Industry** has the lead responsibility for tourism as part of a broader mandate to foster a fair, efficient and competitive marketplace, an innovative economy, a competitive industry and sustainable communities. However, the **Minister of State (Small Business and Tourism, and Agriculture)** has the delegated responsibility to promote tourism development.

Co-ordination between the federal and provincial/territorial governments is facilitated by the **Canadian Council of Tourism Ministers (CCTM)**, which meets to discuss issues of concern to the Canadian tourism sector and work together to seek solutions. The CCTM fosters coordination between the federal and provincial-territorial levels of government.

Destination Canada (until 2015, the **Canadian Tourism Commission**) is Canada's national tourism marketing organisation and it operates as a Canadian Crown corporation wholly owned by the government of Canada. However, it was set up as a public-private partnership (PPP) and benefits from funding from industry – mainly Canada's large tourism companies – and the provinces. Marketing campaigns are conducted on a 50:50 cost-sharing basis. Destination Canada reports to Parliament through the Minister of Industry, who has delegated oversight of Destination Canada to the Minister of State (Small Business and Tourism, and Agriculture).

A number of other federal departments and agencies support tourism through various programmes and through direct control and operation of tourism attractions, such as national parks and museums. By way of example, **Parks Canada** is responsible for national parks and Canadian Heritage operates federally operated museums. The Canada Border Services Agency, Citizenship and Immigration Canada, and Transport Canada are responsible for policy and implementation matters related to border access issues, entry requirements and international air access agreements, respectively. Foreign relations falls under the responsibility of the Department of Foreign Affairs and Trade Development Canada, which also plays an essential role in Travel & Tourism, and Canada's provinces and territories engage in marketing and promotion as well.

Some departments and agencies are responsible for tourism-related policy matters, such as border access, entry requirements, international air service agreements

and foreign relations. They also play other essential roles that have an impact on travellers:

- The **Canada Border Services Agency** manages the cross-border movement of eligible travellers and goods into Canada.
- **Citizenship and Immigration Canada** sets visa policy, administers visa operations, and admits immigrants, foreign students, visitors and temporary foreign workers who help sustain Canada's social and economic growth.
- **Foreign Affairs and International Trade Canada** negotiates international air agreements and trading arrangements with other countries and enhances Canada's image abroad to increase economic opportunities.
- **Transport Canada** is responsible for transportation policies and programs, as well as infrastructure programs.
- The **Canada Revenue Agency** administers the tax laws for the Government of Canada and for most provinces and territories as well as the social and economic benefit and incentive programs delivered through the tax system.
- The **Department of Finance Canada** develops policies and provides advice to the federal government to create a healthy economy for all Canadians. This responsibility includes designing and analysing Canada's tax policies.
- The **Business Development Bank of Canada** provides Canadian businesses with flexible financing, venture capital and affordable consulting services.

There are many other Government of Canada organisations that also carry out mandates that are relevant to tourism. These include portfolio partners, such as the National Capital Commission, national museums and galleries, and Via Rail Canada. All these different tourism bodies feed into the Federal Tourism Strategy (FTS) and for part of the FTS Committee.

On the industry side, the **Tourism Industry Association of Canada (TIAC)**, which was founded in 1930 to encourage the development of tourism in Canada, serves today as the national private sector advocate for the tourism sector. Based in Ottawa, TIAC takes action on behalf of Canadian tourism businesses and promotes positive measures that help the industry grow and prosper. TIAC is responsible for representing tourism interests at the national level, and its advocacy work involves promoting and supporting policies, programmes and activities that will benefit the sector's growth and development.

TIAC's membership of over 400 businesses reflects all sectors of the industry, as well as provincial, territorial and regional tourism associations, enabling the association to address the full range of issues facing Canadian tourism.

Stakeholder Consultation and Co-operation

The different tourism stakeholders in the Canadian Government have always acknowledged the importance of enhancing co-operation among, and between, governments and industry to maximise the benefits of tourism investments. They confirmed their commitment to a collaborative approach in November 2003 by signing the Quebec Declaration and by creating the **Canadian Council of Tourism Ministers (CCTM)**. CCTM's role is to champion co-ordination and co-operation between the federal, provincial and local governments on tourism. It gives a national focus to tourism policy issues, and helps strengthen the competitive position of Canada's tourism industry.

The Declaration is mirrored in the key principles that guide the National Tourism Strategy:

- Promote intergovernmental interventions that are research based, and lead to action and innovation in product development and marketing;
- Develop tourism priorities that are nationally focused, provincially/territorially sensitive, and that recognise Northern and Aboriginal tourism as an emerging and important sector;
- Develop strong, flexible and dynamic partnerships among stakeholders and key decision-makers at all levels of government;
- Enhance co-ordination and co-operation mechanisms to increase efficiency in accordance with the roles and responsibilities of each partner; and
- Develop strategies to foster and encourage sustainable practices in the tourism industry.

In October 2011, the Government of Canada launched the latest Federal Tourism Strategy (FTS), which was developed in close consultation with the Canadian tourism industry. The FTS seeks to bring greater coherence to the policies and programmes that support tourism, enhance the role of the private sector in tourism development, and facilitate the collaborative efforts of some 20 federal departments and agencies, through a whole-of-government approach focusing on four priorities:

- Increasing awareness of Canada as a premier tourism destination;
- Facilitating ease of access and movement for travellers while ensuring the safety and integrity of Canada's borders;
- Encouraging product development and investments in Canadian tourism assets and products; and
- Fostering an adequate supply of skills and labour to enhance visitor experiences through quality service and hospitality.

Lessons to be Learned

There is no doubt that tourism in Canada has a well-developed infrastructure, with many different private, public, and not-for-profit sectors, including government departments, trades, industry advocacy groups and destination marketing organisations. The majority of businesses (98%) consist of small and medium-sized enterprises, but the large hotel chains, airlines, and tour operators remain important.

Canada has traditionally been viewed as one of the best examples worldwide of public-private sector partnership, not to mention as a world leader in tourism industry research. However, reduced commitment from government over the past decade, notably in terms of core funding, and an apparent lack of joined-up thinking with regard to tourism policy, have taken their toll. Despite a modest recovery in the last few years, Canada's international tourist arrivals in 2014 were still 16% down on their 2000 level. Admittedly, most of the decline was from the US market and can be attributed specifically to the implementation, in 2007, of the Western Hemisphere Travel Initiative (WHTI), requiring US citizens crossing the Canada-US border to carry a passport. But this was not the only reason.

Although CTC was to some extent buffered by additional support in the run-up to the 2010 Winter Olympics, the sharp cuts in funding to CTC/Destination Canada led in turn to less partnership funding, which had a particularly serious impact on its support of Canada's many SMEs. And CTC was forced to withdraw from a number of different markets. Pulling the CTC's US marketing campaigns proved especially costly.

Another impact of the budget squeeze since 2008 (the CTC was buffered by extra funding in the run-up to the Winter Olympics) is that it is no longer seen as the world leader in tourism industry research. Research staff alone fell from a peak of 25 to just 3. This has clearly been a big loss, not just for the Canadian travel industry but also global industry stakeholders.

The launch in 2011 of the new Federal Tourism Strategy was an important milestone as it represented the collaborative efforts of some 20 federal departments developed in close consultation with the Canadian tourism industry. The FTS has

already delivered on a number of commitments, including expanding air transport agreements in key markets such as India and China, and increasing the number of Canadian Visa Application Centres around the world. Destination Canada is also re-establishing a presence in the US market.

Nevertheless, to stay a world leader, Canada needs to beef up its marketing and promotion, curb airline and airport fees and invest in much needed infrastructure expansion, particularly in airports.



Right: Canada Parliament.
Ottawa, Ontario, Canada.

Below: Palacio de la Moneda
in Santiago, Chile.





Tourism Governance

Tourism in Chile comes under the **Ministry of Economy, Development and Tourism**. In 2010, the post of Undersecretary of Tourism was established to act as the direct link between the Minister and the **National Tourism Organisation, SERNATUR**. This strengthened the position of tourism within the government and established a clear definition of responsibilities, with the Undersecretary of Tourism in charge of national tourism strategies and policies, and SERNATUR in charge of their implementation. The Undersecretary also has a responsibility for monitoring SERNATUR's performance.

SERNATUR has regional offices in each of Chile's 15 states and its Regional Tourism Directors work closely with the state governors and local authorities.

A new National Tourism Strategy 2012-2020, which was launched in 2012, provides a long-term vision for Travel & Tourism and constitutes a roadmap for all public and private stakeholders to meet the challenges linked to tourism development. It includes 46 different lines of action in five strategic areas:

- Increasing effectiveness in promotion in order to improve the positioning of Chile both internally and abroad;
- Incorporating sustainable practices in the tourism industry with a focus on protecting the environment and cultural heritage and encouraging community participation, in order to maintain and enhance tourist attractions in a responsible manner;
- Increasing incentives for entrepreneurship to encourage investment in the sector, creating new jobs, developing new products and destinations;
- Ensuring quality training for tourist services focused on human capital and ensuring the existence of the necessary public infrastructure; and
- Improving inter-ministerial co-ordination to ensure the harmonious development of tourism throughout the country and promotion of public policies that improve conditions within this area.

In the context of relatively recent major government reforms, a new institutional framework for tourism governance was defined in 2010. Among its different objectives, the new framework was intended to improve the transparency and quality of tourism services for consumers, to establish priority areas for the development of tourism, to establish a model for

tourism concessions in national parks, and to establish a model for public-private sector promotion.

Stakeholder Consultation and Co-operation

Following the appointment of the new Undersecretary of Tourism in 2010, a **Ministerial Committee** was also created to ensure good co-ordination between the different ministries and government agencies and to improve efficiency within government. The committee comprises representatives from nine ministries, which include: Economy, Development and Tourism; Culture; Infrastructure; Agriculture; National Assets; Housing and Urban Development; and Environment.

In line with Chile's decentralised economy, SERNATUR is a decentralised service and there are also 'mirror committees' of the Ministerial Committee in each state.

A **Consultative Council for Tourism Development**, renewed annually, consists of representatives from seven industry associations and seven government organisations.

Among the other tourism-related bodies, Chile also has statutory public advisory councils involving private industry and consumers and the joint public-private sector marketing body **Tourism Promotion Corporation**, which trades under the name **VisitChile**.

Lessons to be Learned

With regard to marketing & promotion, Chile has benefited from public-private collaboration for many years – since 1993, in fact, when the Tourism Promotion Corporation was first set up.

The Chilean Government has adopted many progressive policies affecting Travel & Tourism in recent years, eg introducing open skies agreements and privatising the national airline LAN. These have contributed to boosting demand for Chile as a tourism destination. In the first six months of 2015, for example, international arrivals increased by a staggering 20%.

However, the government has still not embraced the private sector at the consultation stage, while developing policies and laws. In addition, there needs to be a substantial increase in public investment in international tourism promotion. This would put Chile closer to the levels of promotional investment by Argentina, Peru, Colombia and Ecuador.



Tourism Governance

Following numerous changes over the past 20 years or more, responsibility for Travel & Tourism in France now rests with the **Direction Générale des Entreprises (DGE)** (Directorate General for Enterprise) within the multiple-portfolio **Ministère de l'Economie, de l'Industrie et du Numérique** (Ministry of Economy, Industry and Digital Affairs). However, recent events and developments – notably the holding of the 2014 National Tourism Assizes and the subsequent establishment of the **Conseil de Promotion du Tourisme (CPT – Tourism Promotion Council)**, suggest that overall responsibility for tourism has now been given to the Minister of Foreign Affairs. So far, this involvement has been reflected only in the Minister's chairing of the Assizes and the CPT, but the full extent of his responsibilities is as yet unclear.

The DGE is tasked with developing and implementing government policy for industry – the digital economy, Travel & Tourism, commerce and trade, the craft industries and services. The DGE's 1,300 members of staff work nationally and regionally to promote business start-ups, growth, innovation and competitiveness for companies of all sizes in France and abroad. It is tasked with working closely with businesses and business representatives including trade organisations and federations, chambers of commerce, industry and trade and support networks.

These different partnerships are designed to enhance cross-government and public-private sector consultation on key industry issues. It has three sector departments covering: Industry; the Digital Economy; and Tourism, Commerce, Craft Industries, Trade Businesses and Services. In addition, there are three cross-sector departments on: Competitiveness, Innovation and Business Development; Local, Regional, European and International Action Plans; and the Secretariat.

It is the state's role to define national tourism policy and establish the legislative and regulatory framework. It sets international co-operation policy guidelines and implements them within the relevant international organisations. Finally, it promotes the co-ordination of public and private sector initiatives in the field of tourism and provides assistance for tourism development measures by local and regional authorities.

The **Conseil Régional** (Regional Council) draws up medium-term objectives for regional tourism development as part of a regional tourism and recreational development scheme, and each region sets up a **Regional Tourism Committee (RTC)** responsible for promoting tourism. According to the general rules on the composition of the RTCs and their main duties

regarding promotion, which are laid down by law, the Regional Council is responsible for collecting, processing and disseminating data on tourism in the region and for co-ordinating, within the region, public and private initiatives in the field of tourism development, promotion and information.

The Département (General Council) may set up a **Departmental Tourism Committee (DTC)** – something that almost all Departments with tourism potential do – but the Departmental Assembly is free to choose the legal system applicable to the DTC. The rules on its composition and duties are determined by law so that it can act in harmony with the regional authorities and other bodies involved in tourism development in the Department. Finally, the General Council is responsible for drawing up a Development Plan that takes into account the guidelines set by the Regional Plan.

The Commune (Municipal Council) may set up a **Local Tourist Office (LTO)** – again, a practice adopted by the majority of the local authorities, albeit often on an informal basis – which is responsible for welcoming tourists, providing information and promoting local tourism. In line with these objectives, the Commune freely chooses the tourist office's legal framework. Finally, the law allows for the creation of inter-communal tourist offices by public inter-communal co-operation institutions.

In 2009, the Law on the Development and Modernisation of Tourism Services established **Atout France** as the NTO responsible for the marketing and promotion of tourism in France. The agency also helps to implement public policies relating to tourism and promotes domestic tourism in France.

In France, tourism operators are structured by industry branch, but there is no federation regulating the structure of the whole tourism industry. The public authorities endeavour to promote dialogue either in the context of informal discussions or formal talks, such as the **Rencontres Nationales du Tourisme** (National Assizes) or within official consultation bodies (such as the Higher Council on Ground Facilities and Air Navigation, CSINA, or the National Tourism Council).

With more than 1,100 professional members, Atout France has developed a partnership model, based on seeking partners and bringing those partners together with tourism stakeholders of a destination around a shared development project. The country's tourism development agency, which replaced the purely promotional arm *Maison de la France*, was created in 2009 to support the development of the tourism sector and enable it to maintain its leadership in the international arena. Its budget comes from state contributions (over 40% of the total), membership fees and partnership revenues.

Stakeholder Consultation and Co-operation

France's **Conseil National du Tourisme (CNT)** (National Council for Tourism) currently appears to be dormant. The high-level advisory body to the Secretary of State, which was first formed in 1910, comprised around 300 public and private sector stakeholders in Travel & Tourism and related sectors, including the heads of all the tourism industry associations. A decision regarding its future has reportedly been put on ice, but it has not met for a long time and there are suggestions that it is being replaced by the new **Conseil de Promotion du Tourisme** (Tourism Promotion Council) established in 2014.

The CPT, which was set up after the 2014 National Tourism Assizes – a major event involving all tourism players and government departments at every level interested in developing Travel & Tourism – held its first meeting in September of the same year, with the Minister of Foreign Affairs and International Development chairing the event. The Assizes were tasked with initiating discussions on a new strategy for France's tourism to 2020 – a task that has now being taken over by the CPT, which also brings together professionals, elected representatives and government representatives.

The Minister reportedly chairs monthly plenary sessions, dedicated to one of the six chosen areas of work:

- Gastronomy and oenology
- Destinations and brands
- The digital sector
- Hospitality, business and shopping tourism
- Media and communication
- Education and training

Each session includes a series of presentations by experts in the field from the private sector.

The **Inter-Ministerial Committee for Tourism**, which has not met for over ten years, also seems to have been disbanded. The Committee, one of the first formal committees of its kind in the world – reportedly set up in the 1960s – brought together both the Ministers and/or Secretaries of State of 23 key ministries to address issues affecting Travel & Tourism but which involved more than one ministry.

Lessons to be Learned

In addition to maintaining its number one position in the world ranking of top international tourism destinations, France has also long been considered as one of the world leaders in terms of its effectiveness in Travel & Tourism governance. But its reputation in industry circles – particularly in France – as well as within some parts of government, would suggest that it has lost ground.

The creation of the Tourism Promotion Council, chaired by the high-level Minister of Foreign Affairs, and which is reportedly meeting regularly (last meeting in July 2015) and on a frequent basis, may represent a new turnaround in the government's commitment to Travel & Tourism.



Right: Assemblée Nationale, Paris, France.



Tourism Governance

Government responsibility for Travel & Tourism in Iceland rests with the **Ministry of Industries and Innovation**, into which the **Ministry of Industry, Energy and Tourism** (to which it formerly reported) was incorporated in 2012.

The **Icelandic Tourist Board (ITB)** is effectively the administrative arm of the Ministry on tourism matters, carrying out a number of activities not normally associated with an NTO. It has the following main responsibilities:

- Issuing licences, registration and monitoring in order to ensure that requirements for operations are met; and the
- Development, quality control and organisational issues related to tourism, ie the implementation of a defined tourism strategy, the co-ordination of environmental and educational affairs, the dissemination of information, regional and local development, and international collaboration.

The ITB collaborates extensively with the seven regional tourism marketing offices and provides financial support for their work. It also co-operates with **Innovation Centre Iceland**, especially on matters and projects pertaining to innovation and product development requiring regional co-operation. It is responsible for the implementation of Iceland tourism's new quality and environmental assurance system (VAKINN), the Tourist Site Protection Fund, and the collection of data on tourist numbers, their expectations and experiences.

Stakeholder Consultation and Co-operation

In 2010, the decision was taken by government to integrate all national marketing agencies across economic areas such as trade, tourism and enterprise in order to optimise the value and impact of all international marketing activity. As a result, responsibility for tourism marketing & promotion was transferred from the Icelandic Tourist Board to a new organisation, **Promote Iceland**, which operates under special contract to the Ministry of Industry, Energy and Tourism.

The marketing department of ITB is now run within the framework of Promote Iceland, thus ensuring close co-operation between the Tourist Board, the Trade Council and Iceland's Embassies with regard to international marketing & promotion.

Promote Iceland is a public-private partnership aimed

at improving the competitive standing of Icelandic industries in foreign markets and stimulating economic growth through increased exports. It is also responsible for reinforcing the image of Iceland as an exciting destination for tourists and for assisting in the promotion of Icelandic culture abroad.

The **Icelandic Tourism Council** is appointed by the Minister for Industries and Innovation and comprises representatives from the Ministry, the Icelandic Travel Industry Association, the Association of Local Authorities in Iceland, the Iceland Tourism Association and Promote Iceland. The ITB's Director General and a representative from the Ministry also attend Tourism Council meetings and have the right to address the meetings and present proposals.

The Council's mandate is to make recommendations to the Minister, at least once a year, on the marketing & promotion of Iceland's tourism products and services, and to act as the Minister's advisor on matters concerning tourism planning. It also comments on amendments to tourism-related legislation and regulations, as well as on other matters referred to it by the Minister.

Lessons to be Learned

Iceland has a reputation among OECD Member countries for effective tourism governance. There appears to be excellent joined-up thinking within government about tourism matters. As an example, Travel & Tourism is a core element of the national transport plan, both long and short term, and it is incorporated in the legislative requirements of the transport strategic policy plan. Although the impact of the integration of marketing activities abroad with trade and enterprise is not yet clear, expectations were high at the start. The integration itself is innovative and underscores the high importance of the sector in the economic direction of the country.

Meanwhile, the impact of the changes on Travel & Tourism performance has been extremely positive. Its share of foreign exchange earnings grew from 18.8% to 27.9% between 2010 and 2014, according to measurements on the export of goods and services. Travel & Tourism accounts for more foreign exchange income than the fisheries industry and aluminium production. Revenues from tourism more than doubled over the period, as have foreign visitor arrivals, which have tripled since 2000.

This is a unique posturing for Travel & Tourism in the fabric of Iceland's brand image and should serve as an inspiration for other countries.



Above: Icelandic Parliament Building, Alþingishús, Reykjavík.

Right: Blue Lagoon, Iceland.





Japan

Tourism Governance

The Japan Tourism Agency (JTA), established in October 2008 as an extra-ministerial bureau of the Ministry of Land, Infrastructure, Transport and Tourism, oversees the administration of the tourism policy. The agency, led by a Commissioner, represents the government of Japan in all matters concerning tourism. Promotion of Japan as a tourism destination is conducted in co-operation with the public and private sectors.

In June 2013, the government set as a new target the objective to attract 20 million international visitors by 2030. The Tourism Strategy and International Tourism Divisions were formed to bring together policies necessary to achieve this goal. In addition, an Inbound Policy Promotion Office was created.

In March 2012, a new National Tourism Plan was developed to address issues such as the recovery after the Great East Japan Earthquake of March 2011, and to accelerate Japan's economic growth over the following five years. The policy direction of the basic plan includes "expanding tourism's support base" and "improving the quality of tourism".

As one of three core policies to revitalise Japan's economy, the government launched a new growth strategy, the Japan Revitalization Strategy, in June 2013. The strategy acknowledges tourism as one of the major policy areas to stimulate economic growth, and sets the goal of generating ¥4.7 trillion in consumption and 1 million jobs through tourism by 2030.

In order to speed up the recovery in foreign demand, JTA developed an 'All Japan' system of promoting inbound travel, using all the human resources and opportunities available, including the private sector, diplomatic missions abroad, and the opportunities provided by open-skies agreements and MICE events held in Japan and abroad. The agency has also focused on encouraging business demand for international conferences and the whole range of MICE events, both domestic and international. A Tourism Industry Policy Review Forum was held, at which industry experts compiled a list of priority policy proposals and issues to be addressed.

Stakeholder Consultation and Co-operation

In 2013 the Minister of Land, Infrastructure, Transport and Tourism drew up guidelines for the creation of an advisory council, the main objective of which was to garner opinions from experts on measures that required cross-government actions to further promote the

development of Travel & Tourism in and to Japan. JTA is responsible for the Council, which came into effect in April 2013, and for any actions to be taken.

Members of the Council, a maximum of 15, are appointed by the Commissioner of JTA from among individuals who possess knowledge and experience relating to the field of tourism. Their term of office is initially for one year, but they can be re-appointed for a further term.

In June 2013, the Ministerial Council on the Promotion of Japan as a Tourism-Oriented Country, hosted by the Prime Minister, approved a new tourism strategy, Action Programme Towards the Realisation of Japan as a Tourism Oriented Country. The tourism strategy emphasises the need for a 'whole-of government' approach to achieving the goals, and identifies four priority policy areas to be addressed:

- Integrated government action to develop and market the Japan Brand;
- Travel facilitation, including easing of visa requirements and improved airline access and connectivity;
- Improved standards for welcoming tourists – integration of transport and tourism policies to provide better access, immigration and emigration procedures, improved foreign language signage and WiFi connectivity for tourists; and
- The promotion of meetings, incentives, conferences and exhibitions (MICE).

Using the 2020 Tokyo Olympic and Paralympic Games for momentum, the target is to reach 20 million overseas visitors by 2020, up from 14 million in 2015.

Lessons to be Learned

Japan's tourism sector has performed strongly since 2012, when it was severely impacted by the Tohoku seaquake and tsunami. International tourist arrivals have recorded double-digit growth of 25% or more per annum (and +45% in the first four months of 2015) and tourism receipts have shown even more impressive increases.

The recovery in demand has been driven in large part by the depreciation of the Japanese yen, which has now fallen by over 50% in value against the US dollar since 2012. But, in addition, the recovery in demand can be attributed to the Japanese Government's efforts to revive Travel & Tourism, to ease visa restrictions, to facilitate visa processes and procedures for those nations

that still require visas to enter Japan, and to open up the country to low-cost airlines (after resisting for a number of years). These steps have all been taken as a result of the JTA's increased consultation with other ministries and to improved relations with the private sector.



Right: Five-storey pagoda in Miyajima, Japan.

Below: National Diet Building, in Tokyo, Japan.





Mexico

Tourism Governance

The **Ministry of Tourism**, which is a Cabinet position within the federal government, is responsible for drawing up and implementing tourism policy. Specific policy details are set out by each new administration, appointed following the country's six-yearly presidential elections, together with a new National Development Plan established by the executive.

The **Secretaría de Turismo (SECTUR)** – the Office of the Minister – is responsible for leading and consolidating national tourism development by planning activities, supporting the development of supply and operation of tourism services, and for advocacy to meet the priorities established in the National Development Plan. The Secretary interacts and co-ordinates actions with **FONATUR** and the **Mexican Tourism Board** to promote tourism investment and products, in order to increase travel flows and expenditure.

In 2013, the year after assuming the presidency, President Enrique Peña Nieto released a new National Tourism Policy, presented as a key strategy for new tourism development in the country. The Policy is based on four pillars:

- Planning and Sectoral Transformation
- Innovation and Competitiveness
- Development and Promotion
- Sustainability and Social Benefit.

Planning and Sectoral Transformation

The institutional framework is being restructured to improve decision-making and ensure the effective implementation of the various programmes to boost tourism. In order to co-ordinate government efforts, he ordered the creation of a Tourism Cabinet, to be led by the President (see below).

The Undersecretariat for Tourism Planning is responsible for designing public policies and programmes, and, in co-ordination with state and municipal governments, for identifying priority projects for the development and promotion of tourism.

Innovation and Competitiveness

Mexico is much more than sun and beach resorts and the President believes that the diversification of tourist products is key to leveraging Mexico's many attractions and competing in the global era. Six segments have been earmarked for special attention: sun and beach tourism, cultural tourism, ecotourism and adventure tourism, health tourism, sports tourism and special interest or luxury tourism.

In line with this direction, and to ensure the quality

of tourist services, a National Tourism Certification System has been created, and an Institute of Tourism Competitiveness has been established to generate research and technical assistance and to link with educational institutions.

Development and Promotion

The Secretariats of Tourism and Economics have been tasked with developing a competitiveness agenda for each of the country's different tourism destinations and the Secretariat of Communications and Transportation is responsible for ensuring that the National Infrastructure Program includes a clear approach to tourism development. The President's aim is to build and strengthen the confidence of investors in Mexico by projecting an image of reliability, infrastructure, modernity and of the various services offered today to international tourism.

Sustainability and Social Benefit

Mexico's tourism sector needs to show that it cares for and preserves the country's natural heritage, history and culture, and a programme will be promoted to make tourism affordable to all Mexicans since tourism cannot be considered as simply an activity for the privileged few or certain sectors.

FONATUR is Mexico's National Trust Fund for Tourism Development, set up in 1974. In its 31 years of operation, it has masterminded the infrastructure behind modern tourism in Mexico by developing five of Mexico's top resorts in some prime coastal real estate areas – Cancun, Ixtapa, Los Cabos, Loreto and the Bays of Huatulco – encouraging foreign investment in its projects.

The **Mexican Tourism Board**, the NTO, develops and executes strategies to promote tourism to and from Mexico at national and international level, and maintains offices in major source markets for promotional purposes.

The **Confederation of National Chambers of Commerce, Services and Tourism (CONCANACO-SERVYTUR)** comprises all the different industry stakeholders, communicating with government to improve connectivity in the country so as to facilitate access for tourists, improve infrastructure, encourage investments, and ensure the safety and integrity of travellers – in order to consolidate Mexico as one of the most popular destinations in the world.

Stakeholder Consultation and Co-operation

In 2011, the previous President Felipe Calderón launched the National Agreement on Tourism, which was the first attempt to involve other Cabinet ministries – and,

where appropriate, the private sector – in the elaboration of the National Tourism Policy. Acknowledging – like his predecessor – that Travel & Tourism is one of the economic activities with the greatest potential for growth in the coming years, with significant capacity to generate development and employment, President Peña Nieto effectively formalised this consultative group, establishing the federal Tourism Cabinet in 2013. It was created as a cross-government initiative to achieve full co-ordination with the governors and the head of government of the Federal District to align the policy of the Federal Government with the efforts of the various states of the country.

Chaired by the President, the **Tourism Cabinet** includes representation from more than 12 government agencies, including Ministers from: Foreign Affairs; Finance; Environment and Natural Resources; Economy; Communications and Transport; Agriculture, Urban and Rural Development; as well as the Federal Executive Counsel and Chief of the Presidential Office. The Secretariat is headed by the Secretary of Tourism.

The Tourism Cabinet serves as an instrument for public policy planning, to help streamline, rationalise and optimise the use of public resources for the benefit of the tourism sector. The private sector and civil society organisations are invited to participate where appropriate.

Its mission is to develop tourism by planning and stimulating the sector, providing operational support, and promoting tourism services in co-ordination with the different bodies and levels of government. Eight working groups, whose role is to achieve the objectives of the National Tourism Policy, discuss and prepare policy recommendations on the following topics:

- Planning and institutional co-ordination;
- Connectivity and infrastructure;
- Registration, quality and accreditation of tourism services;
- Investment facilitation and planning;
- Travel facilitation;
- Effective promotion;
- Safety and security for tourism;
- Innovation, competitiveness and tourist product development.

Lessons to be Learned

It is too early to judge the impact of the Tourism Cabinet but it is important to note that Mexico's successive tourism administrations have always recognised the value of broad stakeholder consultation to optimise sustainable development. The General Tourism Law, which came into effect in 2009, established the formal basis for co-ordination between federal, state and local authorities, as well as

defining the main roles and responsibilities for each level of government.

The newly appointed Secretary of Tourism, Enrique de la Madrid Cordero, will focus on the economic value of Travel & Tourism by examining the supply-chain benefits to the local community. His accomplished financial leadership background as General Director of Financiera Rural and, most recently, as General Director of the Banco Nacional de Comercio Exterior Bancomext, will add a serious dynamic to the policy deliberations for the sector.

Below: Palacio Nacional in Mexico City, Mexico.





Portugal

Tourism Governance

Portugal's **Secretary of State for Tourism** is located in the **Ministry of Economy, Innovation and Development**. For 58 years, tourism was the responsibility of the agency for Investment, Trade and Tourism (ICEP Portugal), a government agency operating under the aegis of the Portuguese Foreign Ministry, but reporting to the Ministry of the Economy. However, in 2007, the government decided to merge five agencies with responsibilities for tourism policy – regulation, marketing, investment, training and gambling – into a single National Tourism Authority, Turismo de Portugal IP.

Turismo de Portugal is the only body with direct responsibility for tourism policy at the national level. It also covers improvement and sustainability of tourism activities, marketing & promotion – in co-ordination with seven **Regional Tourism Promotion Agencies (ARPTs)** – and has tourism promotion teams in the different priority source markets. Its main goals are to:

- Develop and categorise tourism infrastructure;
- Promote human resource training;
- Support investment in the tourism sector;
- Co-ordinate the domestic and international promotion of Portugal as a tourism destination; and
- Regulate and monitor gambling activity.

At the regional level, an administrative reform was also recently implemented. This concentrated the former eleven regional organisations into five **Regional Tourism Bodies (ERTs)**. These are public-law corporate bodies with a specific territorial scope that act as destination management organisations (DMOs) with financial and administrative autonomy, as well as competences for product development and promotion in the domestic market.

Besides these bodies, there are two **Regional Directorates for Tourism** in the autonomous regions of Madeira and the Azores, both of which have political and administrative autonomy.

The ARPTs are non-profit, private-law associations constituted by private companies and ERTs. They have formal contractual relationships with Turismo de Portugal for the development of promotional activities in international markets. Turismo de Portugal and its partners ensure that marketing plans and campaigns supported by public and private funding are in alignment with the National Strategic Plan for Tourism.

The National Strategic Plan for Tourism 2007-2015 (PENT) is a government initiative launched in 2006. It provides the framework for government activities to

support the growth of tourism in the country. A review of the plan was published in April 2013. It considered the impact of global economic developments and related changes in consumer behaviour and the views of various private and public agents (regional tourism bodies, local authorities, associations, entrepreneurs and educational institutions, among others). It set new national goals requiring proactive actions from sector agents to successfully execute the programmes and projects defined in PENT.

The 2013-15 Plan aims to enable tourism to provide a decisive contribution to the well-being of the Portuguese population and its cultural assets, through wealth generation, job creation and a capacity to promote territorial cohesion.

Stakeholder Consultation and Co-operation

As indicated above, Portugal has significantly stepped up both horizontal and vertical stakeholder consultation and co-operation – inter-governmental and with the private sector. All regional and local tourism organisations, as well as sectoral business and regional associations and tourism operators, were involved in drawing up the National Tourism Strategy and participated in its latest review.

In line with the reform process, 2013 saw the establishment of a formal **Inter-ministerial Commission for Tourism** headed by the Prime Minister and including Ministers of Finance, Foreign Affairs and Education, as well as regional governments – in order to provide an overarching tourism policy. The support of the Prime Minister was seen as critical to ensuring that relevant ministers buy into the National Tourism Strategy and associated policies.

The stimulus of innovation is very important for the tourism strategy in Portugal. A three-year project of Turismo de Portugal, launched in 2011, aims to establish a co-operative network for research and development in tourism in order to mobilise the capacity of universities for tourism research, with a focus on sustainability and competitiveness. The network has been promoting workshops, seminars and other activities that bring together companies and the academic and scientific communities, allowing the birth of new business ideas.

As a spin-off from this network, Tourism Enterprise on the Web is a new project aiming to develop tourism companies' web presence. It brings together tourism companies and associations, the regional tourism organisations and technology providers. This project will evaluate the technological maturity of tourism businesses, disseminate best practices and stimulate collaboration, and is especially targeting SMEs.

Lessons to be Learned

Two key initiatives identified in the revision of the National Strategic Plan for Tourism demonstrate clearly the positive influence of the reforms of the last few years on tourism policy co-ordination across the public and private sectors.

- Efficiency in the state-company relationship: building towards a culture intended to support investors and investment, eliminating unnecessary or ineffective steps, and simplifying relations with companies; and
- Business modernisation: making it possible to reinforce the competitive positioning and capacity of Portuguese companies in the international context, fostering adoption of advanced technologies, access to platforms and services offering greater visibility and better understanding of the preferences of potential customers, together with the best conditions in order to sell tourism products.

Turismo de Portugal clearly has a privileged relationship with other public bodies and economic agencies in Portugal and abroad, giving it a unique view and knowledge on aspects of Travel & Tourism supply and demand, and enabling it to develop integrated policies and ensure consistency and visibility to measures undertaken.

Left: Torre de Belem, in Lisbon, Portugal.

Right: Palácio da Assembleia da República in Lisbon, Portugal.





Republic of Serbia

Tourism Governance

Tourism is the responsibility of the **Ministry of Economy** and the sector is regulated by the Tourism Law and its bylaws. The Tourism Law covers all policy matters and the national tourism strategy.

The National Tourism Strategy for 2005-2015 was launched in 2006 and subsequently reviewed in 2012. The original strategy provided a good assessment of the sector at the time, but the findings and recommendations have become increasingly obsolete. In addition, the 2012 review was aimed at strengthening the National Tourism Development Corporation, a body which no longer exists.

Because of this, the National Tourism Organisation of Serbia (TOS) is more active than a traditional NTO, carrying out many of the activities more traditionally handled by the tourism ministry or NTA, such as international relations. The TOS was founded in 1994 as a government organisation to promote and improve both domestic and international tourism demand, with the aim of enhancing the value and potential of the country's tourism sector. It is the legal successor of the former Tourist Association of Serbia.

In order to implement tourism information and marketing activities in an original way, to ensure that Serbia is included on European travel itineraries and to consolidate bilateral co-operation in the field of tourism development, the TOS attends all large international tourism fairs and co-operates with other national tourism organisations, as well as with other international, regional and professional tourism associations.

Besides its global activities, the TOS, in co-operation with municipal/local and other tourism organisations, works on improving Serbia's range of tourism programming, developing a positive public attitude towards Serbian tourism and encouraging the local population to visit tourist destinations in Serbia. In doing so it lays the groundwork for guiding and encouraging the growth of tourism as part of Serbia's social and economic development.

The tourism organisations of provinces, regions, towns and municipalities in Serbia harmonise their annual programmes and promotional activities with the strategic marketing plans and programmes of the TOS.

As a 100% public sector body, TOS receives its core funding from government, but some support is provided by the EU and different aid agencies and non-government organisations (NGOs), including the German Federal Ministry for Economic Co-operation and Development (BMZ). BMZ funding and support is made through its Program for Economic Development

and Co operation in South-East Europe (SEE). Much of this funding goes to boosting economic activity in the Danube region and the four SEE Danube riparian states, Croatia, Serbia, Bulgaria and Romania.

GIZ's tourism programme has focused on developing and implementing a tourism concept for the Danube region, together with the national co-ordination teams and the Danube communities, thereby laying the groundwork for guiding and encouraging the growth of tourism as part of Serbia's social and economic development.

Stakeholder Consultation and Co-operation

With a view to improving and formalising communication and co-ordination between all stakeholders involved in Serbia's Travel & Tourism, in order to develop the tourism sector and position Serbia as a desirable tourism destination, a **National Council for Tourism Development** was set up in July 2014. Its main tasks are:

- To ensure openness and accountability in the development of Serbia as a tourism destination and in the conception and launch of new tourism products;
- To enhance the competitiveness of Serbia's tourism economy and provide the appropriate environment to stimulate business development;
- To improve the investment climate and generate increased investment in Serbia's Travel & Tourism;
- To carry out an efficiency analysis of Serbia's micro-regions in terms of infrastructure, tourism products and branding; and
- To take measures to improve competitiveness through marketing & promotion, infrastructure development, harmonisation of local and regional institutions, etc.

All deliberations and activities of the Council are conducted in consultation with the broad stakeholder base, which represents the private as well as the public and private sector. There are a total of 25 members in addition to the President and Vice President¹.

¹ There are a total of 25 members in addition to the President and Vice President, comprising high-level representation from the Ministry of Trade, Tourism and Telecommunications; Singidunum University, Department for International Co-operation; Ministry of Economy, Ministry of Culture and Information; Ministry of Agriculture and Environment; Ministry of Construction, Transport and Infrastructure; Ministry of Youth and Sport; National Tourism Organisation of Serbia (NTOS); Tourist Organization of the Western

Serbia Region; Tourist Organization of Vojvodina Region; Tourist Organization of Belgrade; Serbian Chamber of Commerce; Vojvodina Chamber of Commerce; Belgrade Chamber of Commerce; Faculty of Economy, Belgrade University; Faculty of Sciences, University of Novi Sad; Business Association of Hotel and Restaurant Industry of Serbia (HORES); National Association of Travel Agents (YUTA); Serbian Spas Association; Center for Culture and Sports of the Municipality of Lucani in Guca and the Guca Trumpet (Brass band) Festival; Alco Group; Air Serbia; the EXIT Festival and Foundation; the Serbian National Tourist Guide Association; and the Faculty of Sport and Tourism, Educons University.



Left: Close up of Victor monument at Belgrade Fortress.

Below: National Assembly of the Republic of Serbia, in Belgrade, Serbia.





South Africa

Tourism Governance

South Africa has a full-time **Minister of Tourism** responsible for the **National Department of Tourism (NDT)**, whose CEO is charged with providing strategic corporate and governance support. The NDT covers:

- Policy and Knowledge Services – supporting policy development and evaluation, research and knowledge management, promotion of sector transformation and responsible tourism;
- International Tourism Management – providing political and policy direction for the development of South Africa's tourism potential throughout the various regions of the world; and
- Domestic Tourism Management – providing political, policy and strategic direction for the development and growth of sustainable tourism throughout South Africa.

South African (SA) Tourism, the NTO/DMO, is responsible for marketing and promoting South Africa as a tourism destination both domestically and internationally.

The governance of tourism in South Africa is a concurrent competence, ie at national, provincial and local/municipal levels, with a ministry/department at national level, and nine members of executive councils (MECs) at provincial level. Similarly, to complement the activities of South African Tourism, each province has a provincial tourism marketing organisation/DMO.

Alignment and co-ordination between the national and provincial levels are achieved through the MINMEC and MIPTECH structures:

- **MINMEC (Minister and Members of the Executive Council)** is a forum of the minister and the MECs responsible for tourism. Co-operative governance is provided for in the constitution and relevant supporting legislation;
- At a more technical level, **MIPTEC (Minister and Members of the Executive Council Interprovincial Steering Committee)** is a forum of officials chaired by the Director General of the National Department of Tourism, with participation from provincial departments and tourism marketing organisations.
- Local government is represented by nominees of the **South African Local Government Association (SALGA)** in both structures.

South Africa also has a highly organised Travel & Tourism industry. By way of example, the **Tourism Business Council of South Africa (TBCSA)** is a membership-based organisation engaging with government primarily

as a voice of tourism businesses in South Africa. Various sub-sectoral associations are affiliated with the TBCSA, representing: tour operators; travel agents; vehicle rental; airlines; hospitality (accommodation and restaurants); and the Meetings, Incentives, Conferencing and Events (MICE) sector.

TBCSA is made up of members from the key Travel & Tourism associations, leading tourism businesses operating in South Africa, and corporate companies which recognise the importance of tourism to South Africa and the general economy.

In 2011, following South Africa's successful hosting of the FIFA World Cup the previous year, the then Minister of Tourism organised the first National Tourism Stakeholder Forum (NTSF) in order to review the manner in which the DOT related to the tourism sector as well as to the three spheres of government in positioning tourism as a key growth driver of the economy. It comprises representatives from government, business, organised labour, academic and research institutions, non-governmental organisations and community-based organisations.

The NTSF was set up as a delivery forum aimed at enhancing partnerships for the implementation of the new National Tourism Sector Strategy (NTSS), which was released the same year. The NTSS is a product of a collective sector-wide consultation effort, whose aim was to place tourism on a new and ambitious growth trajectory for the future. During the development process, the sector collectively agreed on a number of priorities and set targets for a number of institutions and stakeholders which included among others positioning South Africa as one of the top 20 destinations by 2020.

After much robust engagement, the NTSF resolved that the shape of the forum would follow a cluster formation comprising representatives from the respective sector groups, which have direct implementation responsibilities from the NTSS. The clusters were:

- Policy, strategy regulations, governance, monitoring and evaluation
- Tourism growth and development: demand and supply
- People development; and
- Enablers of growth

The clusters were mandated to monitor that sector groups make progress on the NTSS during the implementation phase 2011-2016. The NDT also agreed to align its departmental mandate so as to respond to the strategic priorities of the NTSS, with the expectation that the process would filter to all other spheres, particularly provinces and local government.

In February 2015, South Africa's current Tourism Minister Derek Hanekom appointed a Ministerial Review Committee to conduct an extensive review of SA

Tourism, the entity responsible for marketing South Africa as a domestic and international destination. The committee was tasked with reviewing SA Tourism's institutional alignment and strategic focus in the context of the broader public and private sector landscape for tourism marketing and tourism sector governance.

Stakeholder Consultation and Co-operation

Although there has been a change of Minister since the NTSS was released in 2011 (the present Minister took office in May 2014), there do not appear to have been any significant changes in tourism policy. However, various published reports, as well as anecdotal evidence, suggest that efforts to improve stakeholder consultation and co-operation have not been successful in the last couple of years.

This is reflected in a number of developments that show a lack of joined-up thinking – policies taken by other ministries and departments (such as the suspension of South African Airways' flights to China and new immigration rules for foreigners) that have had a negative impact on international tourism demand, and at a time when the rand is at a record low.

The first example highlights the lack of co-ordination between the ministries of transport and tourism, since the tourism sector was reportedly not given any warning about the suspension of South African Airways' flights to China.

New immigration rules, which came into force in June 2015 (although they were expected nearly a year earlier) and which are designed to prevent child-trafficking, require minors to carry "unabridged birth certificates" when entering or leaving South Africa, which discourages family holidays.

Under separate rules, visitors from countries requiring visas, such as China, must apply in person at a South African mission in their home country, so that biometric data may be taken – rather than on arrival, as is the easier option applied in many other countries. This forces tourists from China to make what is often a long and costly trip to Beijing, Shanghai, or two other visa offices recently opened.

Not only have these rules had a negative impact on tourism performance but they have also stoked tensions within the ruling party and with the opposition, the Democratic Alliance (DA). And industry has been very vocal in their criticisms.

In August 2015, President Zuma set up a new Inter-Ministerial Committee under the chairmanship of Deputy President Cyril Ramaphosa to co-ordinate tourism policy deliberations, particularly related to visa facilitation issues. Major declines in tourism flows continue to be recorded, and in an alarming degree. The Travel & Tourism sector has been called on to provide information to the task team in support of their deliberations.

Lessons to be Learned

The new immigration and visa rules have clearly had a negative impact on demand from some key emerging markets, although they are perhaps not the only reason for South Africa's negative tourism performance so far this year. While government has recognised tourism as an important economic and social sector and aims to involve the private sector in discussions and debates of issues of importance to the industry, this has not always happened in practice.

The conclusions of the review of SA Tourism, which was commissioned from an expert panel comprising a range of public and private stakeholders, and led by former prominent politician Valli Moosa, include, among other recommendations:

- A call for greater collaboration between the private sector and SA Tourism to increase South Africa's global tourism market share; and
- A strengthened National Department of Tourism as essential to facilitating effective intergovernmental co-ordination in support of the tourism growth objectives.

The expert panel felt that the spirit of consultation has not filtered down to planning, budgets and actions across all government departments and levels. As the tourism sector is complex and influenced by multiple sectors, it is crucial that the profile of Travel & Tourism industry is raised at national government level and within Parliament, to ensure that the relevant national government departments take the development requirements of the industry into account. General co-ordination also needs to be improved between the NDT and other departments that have an impact on tourism, to ensure that they consider tourism when developing and implementing their own strategies and actions.



Spain

Tourism Governance

Travel & Tourism in Spain is the responsibility of the **Ministro de Industria, Energía y Turismo** (Ministry of Industry, Energy and Tourism) through the **Secretaría de Estado de Turismo** (Secretary of State), who is responsible for the current National Tourism Plan (2012–2015), the Plan Nacional e Integral de Turismo (PNIT).

Turespaña (the Spanish Tourism Institute) is the administrative unit of central government charged with promoting Spain abroad as a tourism destination. It has 33 offices worldwide, which are part of Spain's embassies and consulates. Turespaña operates in the following areas:

- Planning, developing and carrying out activities aimed at promoting Spain as a tourism destination in international markets;
- Supporting the marketing of Spanish tourism products abroad in co-operation with regional and local authorities and the private sector;
- Undertaking research to determine the different influences on tourism, gathering statistical information and data on the tourism sector, and creating, disseminating and co-ordinating knowledge and intelligence on tourism generated by the various administrative units; and
- Establishing the strategy, plan of action and investments for new Paradores de Turismo de España (Spanish Paradors – luxury hotels usually in historic buildings).

Under the Spanish Constitution, the autonomous regions are responsible for the promotion and regulation of tourism within their own territories. The state's role is in international relations, the promotion and marketing of tourism abroad, tourism policy, and the overall regulation of tourism activity, in addition to national economic planning in which tourism is a key component.

Local entities (provinces and municipalities) manage their own tourism interests at the local level, mainly in terms of promotion and dissemination of information. One important body is the **Patronato de Turismo** (Tourism Office), mostly in the main cities, on which the Congress Offices depend, and which in turn support the private sector in their commercial strategies to attract congresses and fairs. This distribution of powers creates a network of inter-administrative relations. Co-operation is seen as key to ensuring maximum operational effectiveness.

As in a number of other countries, the last few years have seen budgetary pressures leading to cuts in the core budget of Turespaña, as well as greater emphasis on accountability and performance evaluation. The Plan

Nacional was designed as a set of measures to boost the competitiveness of Spanish tourism enterprises and destinations, renew Spain's world tourism leadership for the coming decades, and contribute towards the generation of wealth, employment and well-being for the nation. It was developed in response to the needs of the tourism sector, namely:

- Leadership, in terms of bringing together all stakeholders and resources in a common endeavour;
- Public-private sector collaboration, ensuring alignment in policy development and decision-making, as well as the funding of tourism promotion;
- Across-the-board policies and strategies, involving all government departments and agencies at local, regional, national and European level;
- An institutional structure and framework to boost the competitiveness of tourism enterprises, harmonising legislation across the whole national territory; and
- A country- and sector-wide tourism strategy and policies based on an innovative vision of Spain as a tourism destination.

The seven key objectives of the PNIT are to: boost tourism and the profitability of the sector; generate quality employment; encourage market unity; improve Spain's international positioning; enhance the cohesion and notoriety of 'Brand Spain'; encourage public-private co-responsibility; and reduce tourism seasonality. In line with these goals, the PNIT focuses on three key measures: promote knowledge, entrepreneurship and training; improve Spain's tourism offer; and diversify demand.

Stakeholder Consultation and Co-operation

Consejo Español de Turismo (CONESTUR)

CONESTUR (Spanish Tourism Council) was set up in 2005 by the Ministry of Industry, Energy and Tourism as an advisory body, bringing together 54 members from all the territorial tourism administrations (from the state, regions and cities) and the private sector (ie chambers of commerce, the National Employers' Association (CEOE), professional associations, trade unions and a wide spectrum of tourism professionals).

CONESTUR replaced the former Observatory of Tourism and the Tourism Promotion Council, with the aim of achieving higher levels of participation and collaboration on policies for the tourism sector. It works in Plenary and as an Executive Committee and may also,

if it decides to, set up working groups with a mission to perform certain tasks related to the preparation, study and proposed business of the thematic scope of the Council. It meets in Plenary session at least once a year, although it may hold as many meetings as necessary to fulfil its functions.

Three other tourism-related bodies should be mentioned:

- **The Comisión Interministerial de Turismo** (Inter-Ministerial Committee for Tourism) is a collegiate, advisory and executive co-ordination body whose members represent those national ministries that have responsibility for tourism-related matters;
- **The Conferencia Sectorial de Turismo** (Sectoral Tourism Conference) is the collegiate, advisory and executive co-ordination body, which brings together public representatives from central government and the autonomous regions with tourism responsibilities;
- **The Consejo Asesor de Turespaña** (Turespaña's Advisory Council) is an advisory board established in 2013 to enhance collaboration with the private sector. It comprises eleven members, five of whom come from the private sector.

tourism visa processing, with a particular focus on emerging markets, including China and the Russian Federation. Two key actions planned include optimising the global outsourcing contract and closer co-operation between the Travel & Tourism industry, regional **Consejerías de Turismo** (Diplomatic Mission Tourism Departments) and consulates to ensure better workload and resource planning, as well as the adoption of common criteria to simplify procedures and reduce processing time.

Activity has also been stepped up within the Visa Management Working Group, which is composed of representatives of the Ministry for Foreign Affairs and Co-operation, business associations and Turespaña.

Existing surveys on national statistics etc are being reviewed and re-oriented in line with the needs of the industry, as well as reducing costs and responding to pressures from the regional observatories.

Lessons to be Learned

Spain has made significant changes to its tourism institutional system and tourism governance over the past ten years or so – partly as a result of budgetary pressures. Traditionally, legislative initiatives in Spain showed little sensitivity regarding their repercussions for tourism – that is, until a new legal requirement was proposed a few years ago to ensure that all regulatory proposals include an analysis of their potential impact on the Travel & Tourism sector. This showed the government recognised that the tourism sector is influenced by decisions and actions undertaken across all government departments, eg with regard to visas, airport fees, land-use planning, historical and cultural heritage.

As a result, the Spanish Government has put in place a framework designed to enhance both cross-government and public-private sector management and development of Travel & Tourism. This seems to have had a positive impact since the destination has outperformed the regional average in terms of arrivals growth over the last few years.

In addition, Turespaña appears to be responding positively to industry needs and demands. The Plan Nacional proposes a set of actions to streamline

Below: Congress of Deputies in Madrid, Spain.





United Kingdom

Tourism Governance

The **Department for Culture, Media and Sport (DCMS)** is the government department responsible for Travel & Tourism in the United Kingdom. Tourism is a devolved matter in Scotland, Wales, Northern Ireland and Greater London, but DCMS retains responsibility for tourism in England outside London and for promoting Great Britain overseas.

The DCMS's aims are to:

- Attract 4 million extra visitors to the UK over the four years 2012-2016 through an ambitious £100 million marketing campaign, co-funded by the government and the private sector;
- Increase the proportion of UK residents who holiday in the UK to match those who holiday abroad each year. For longer stays (4+ nights) this would mean 29% of travellers holidaying in Britain rather than just 20% today – creating 4.5 million extra domestic trips every year, £1.3 billion more spend and 26,000 new jobs; and
- Improve the sector's productivity to become one of the top five most efficient and competitive visitor economies in the world.

The UK's tourism sector is a dynamic affiliation of public and private sector organisations including SMEs, international private businesses (eg airlines or large hotel chains) and DMOs at local and regional level.

Each of the countries within the British Isles also has its own national tourist board which works closely with DCMS and there are also a large number of tourism industry and trade associations.

VisitBritain is the national tourism agency, a non-departmental public body, funded by DCMS, responsible for promoting the UK worldwide and developing its visitor economy. Its mission is to grow the value of inbound tourism to the country, working with a wide range of partners in both the UK and overseas. VisitBritain also has a statutory advisory function to advise government on matters affecting tourism.

Following the British Tourism Framework Review in 2009, the British Tourist Authority (BTA), established **VisitEngland** – an unfunded advisory non-departmental public body. It undertakes its role as 'The British Tourist Authority trading as VisitEngland'. VisitEngland is the national tourist board for England and is legally accountable to the board and Accounting Officer of VisitBritain, but has its own CEO and board. It is responsible for the development of stand-out tourism products through the management of an English tourism challenge fund and domestic marketing.

Scotland, Wales and Northern Ireland also have independent tourist boards. The Mayor of London also has a promotional agency – London & Partners. VisitBritain works closely with all these organisations.

In Scotland, **VisitScotland** is a non-departmental public body responsible to Scottish ministers. Its main role is to market Scotland in Great Britain and overseas, encourage the highest quality standards within the industry, and operate an event strategy to support tourism. Enterprise Agencies, also responsible to Scottish ministers, provide business support and investment to encourage growth within the tourism sector.

In Wales, the responsibility for promoting and developing tourism now lies with the Welsh Government, and these functions are carried out by its tourism division, **VisitWales**, which sits within the portfolio of the Department for Economy, Science and Transport. Visit Wales is responsible for formulating tourism policy, encouraging investment in, and improving the quality of the visitor experience, in Wales. Visit Wales is also responsible for marketing Wales within the UK and internationally. International promotion of the island of Ireland (including Northern Ireland) is the responsibility of Tourism Ireland, with the **Northern Ireland Tourist Board (NITB)** working in strategic partnership with Tourism Ireland. VisitBritain and NITB work together to promote Northern Ireland in international markets.

The Channel Islands of Jersey and Guernsey both have Crown Dependency status but are not part of the UK. The tourism bodies on these islands are a department of their respective governments.

There are also a wide number of regional DMOs and local authorities with responsibility for tourism to their specific area.

Stakeholder Consultation and Co-operation

The decentralised institutional structure in the UK lends itself naturally to a level of vertical integration in terms of tourism policy across the country and the strong government support in terms of funding for overseas marketing & promotion through VisitBritain – despite increasing cuts over the past few years – means that the consultation process is well developed.

However, Travel & Tourism leaders have long been campaigning and advocating to government, without much success, to reduce impediments to Travel & Tourism demand – eg for a reduction in VAT on accommodation and attractions, in order to place the UK in line with the rest of Europe and encourage additional spending.

Abolition and/or a reduction in the departure tax has also been a key issue – one which has now finally

achieved some degree of success, however modest, with the government's agreement in April 2015 to abolish the airport departure tax (APD) for children and to reduce the tax in Northern Ireland. APD cuts have already been agreed for Scotland devolution takes place.

Frustrations within industry led to the setting up of an **All-Party Parliament Group (APPG) on the Visitor Economy** in July 2015. An informal cross-party group that has no official status within Parliament, the APPG is nevertheless expected to be a fairly influential body, comprising MPs from a cross-section of political parties. The British Hospitality Association (BHA) has been appointed as Secretariat to the APPG and worked with the APPG to host a Hospitality and Tourism Day on 16 September 2015 when BHA members and other business leaders visited Parliament to make their voices heard on key issues affecting the sector.

Lessons to be Learned

Although the UK Travel & Tourism sector is very vocal in its criticism of government and, in particular, what it sees as a lack of support of the industry, public-private sector co-operation is much more developed than in most countries, thanks in large part to strong industry associations like the BHA, ABTA (the association of British travel agents and tour operators) and the Tourism Alliance. The Tourism Alliance seeks to establish and maintain a favourable operating environment for all businesses involved in the delivery of tourism, especially in England. Its main purpose is to advocate to government both in England and Brussels on the key strategic issues facing the sector.

Notwithstanding its modest achievement with regard to APD, the sector has not been very successful in persuading the UK Government to reduce impediments to Travel & Tourism growth. The high cost of APD remains a major deterrent for families with older children and for foreigners travelling to the UK. Most importantly, it is seen as an unfair tax since it was introduced with the purpose of raising revenue from the aviation industry but with the anticipation that there would be environmental benefits through its effect on air traffic volumes. This proved not to be the case and all the money collected goes directly into the government treasury coffers, making tourism a veritable milch cow.

Meanwhile, although there have been several improvements as a result of industry representation – notably with regard to visas for the Chinese market –

visa issues are also seen to have had an adverse effect on inbound Travel & Tourism flows. A competitive assessment exercise carried out by VisitBritain found that the UK's visa regime puts the destination at a disadvantage compared with its competitors.

Below: Houses of Parliament in London, UK.





United States

Tourism Governance

Responsibility for Travel & Tourism-related policy matters in the USA has historically been housed in the Commerce Department and has served as the National Travel and Tourism Office in international representations and multilateral organisations, along with policy, planning and promotion and the statistics on travel and tourism for the government. The Secretary serves as the Cabinet Minister but has traditionally bestowed that role on the head of the Tourism Office or Department, through its different configurations, to serve in that capacity. Legislatively it has carried the responsibility for being the Secretariat for a Tourism Policy Council (TPC).

At the federal level, the **National Travel and Tourism Office (NTTO)**, within the International Trade Administration of the **US Department of Commerce** serves as the authoritative focal point within the federal government and represents the USA in inter-governmental forums, including OECD and APEC. The NTTO is the source of official tourism statistics and works to enhance the competitive position of the USA with respect to Travel & Tourism.

At the regional, state and local levels, public authorities – state governments and destination marketing organisations (DMOs) – also manage Travel & Tourism. Although the federal government does not regulate the sector as a distinct industry, some related sectors, such as transport, are regulated at the federal level. And states and local government may regulate the conduct of Travel & Tourism business within their jurisdictions. The Department of Commerce serves as a facilitator between the private sector and other federal agencies for policy co-ordination with respect to Travel & Tourism issues.

The process of policy deliberation at the Department of Commerce includes the **US Travel and Tourism Advisory Board (TTAB)** and the inter-agency **Tourism Policy Council (TPC)**.

In 2010 the Travel Promotion Act was passed into law, which established the non-profit Corporation for Travel Promotion – operating as **Brand USA Inc** – charged with increasing international visitation to the USA through marketing and promotional efforts to drive job creation and economic growth. Brand USA, established in November 2011, is a non-profit public-private partnership dedicated to attracting more international visitors, and the economic benefits they bring, to the USA – all at no cost to federal taxpayers. Federal funding comes from entry fees paid for the Electronic System for Travel Authorization (ESTA) by applicants from Visa Waiver

Program countries. This is matched by funding from industry stakeholders.

In January 2012, the President issued an Executive Order calling for a Task Force on Travel and Competitiveness, chaired by the Secretary of Commerce and the Secretary of the Interior, and charged the Task Force with developing a National Travel and Tourism Strategy. This Strategy, which capitalised on the already established Tourism Policy Council, identified five key areas for the USA to address:

- Promoting the USA as never before;
- Enabling and enhancing Travel & Tourism to and within the USA;
- Providing a world-class customer service and visitor experience;
- Co-ordinating across government; and
- Conducting research and measuring results.

Stakeholder Consultation and Co-operation

The **Tourism Policy Council (TPC)** is an inter-agency committee established by the National Tourism Organization Act of 1966, which amended the 1961 International Organization Act, and which was established to ensure that the nation's tourism interests are considered in federal policy deliberations and decision-making. The TPC comprises high-level representatives from 18 key government agencies and its aim is to develop commitment and policy co-ordination across federal government departments, with consultations from the private sector, state, territorial, tribal and local governments. The emphasis of this synchronised approach is on identifying and collaborating in areas of common policy interest, and on leveraging linkages between policy areas.

Chaired by the Secretary of Commerce, the TPC has four Working Groups chaired by different government departments – Marketing & Promotion: Department of Agriculture and State; Ease of Travel: Commerce, Homeland Security and State; Visitor Services: Commerce, Interior and Transportation; and Research: Commerce, Homeland Security and State.

The **Travel and Tourism Advisory Board (TTAB)**, also established by the same Acts as that cited above, consists of private sector representatives from a broad cross-section of the industry, including transportation, financial services, hotels and restaurants, and includes SMEs as well as large firms from across the country. The purpose of the TTAB, which is composed of companies and organisations in the Travel & Tourism sector, is to provide policy recommendations to the Secretary of Commerce. The members of the Board are appointed

by the Secretary and approved by the President's office in the White House. The Board, established in 2003, serves as the advisory body to the Secretary of Commerce on matters relating to the Travel & Tourism sector in the USA. Its members represent a broad cross-section of the industry, including transportation, financial services, hotels and restaurants, as well as a mix of other small and large firms from across the country.

Brand USA also works closely with federal government partners and with the regional and state authorities, Destination Marketing Organisations (DMOs) and the US Travel & Tourism industry through the **US Travel Association (USTA)**. The focus is both to promote the USA in different markets and also to facilitate communications to the travelling public or to raise key issues of interest and/or concern to the industry generally. These include taxation and US visa and entry and exit policies.

Lessons to be Learned

Since responsibility for US tourism policy has always been shared by many different federal agencies, not to mention regional, state and local authorities, cross-government thinking is a well-entrenched concept in the USA. The US Government's withdrawal from direct marketing & promotion in 1996, resulting from the defunding of the US Travel & Tourism Administration (USTTA) and its ten offices in eight foreign countries, resulted in well over a decade of flat-lining in terms of real growth in travel to the USA.

Assumption of the policy, planning and statistical functions of the federal authorities was continued by the Department of Commerce under a different but focused Tourism Office, now the National Travel and Tourism Office (NTTO), and the NTTO continued to serve these functions for the Secretary of Commerce in intergovernmental, interagency and multilateral forums. The funding and responsibility for promotion was stepped up again within the Tourism Office in 2003, but eventually relegated to the Corporation for Travel Promotion (Brand USA) in 2011. The decision was due both to political considerations – as already discussed – but also to budgetary concerns.

The need to step up security measures in the aftermath of the 11 September 2001 terrorist attacks, which understandably included increased visa restrictions, impeded the growth of pushed Travel & Tourism. Although industry stepped in to try to compensate with strengthened VisitUSA organisational activities in the top ten markets and

others in which many US companies had offices or representation, more effort was needed to regain a competitive positioning.

Since Brand USA was launched, bringing in a new model of public-private sector partnership for marketing a nation, there has been a radical change in the USA's Travel & Tourism fortunes. The growth in international arrivals and tourism receipts over the past few years has been above both the regional and world averages, and the USA has strengthened its position as the world's leading destination in terms of revenues from earnings and improved its second position in the world arrivals ranking.

The USA's tourism success in recent years is in large part due to the much closer co-operation and collaboration between the public and private sectors, as well as to the US Government's recognition of the important advisory role the tourism industries can play in government policy formulation and implementation. The political leadership from the President and Cabinet has been a tremendous boost for recognising the vital role that Travel and Tourism plays as the leading services export and job generator.

Below: United States Capitol, Washington DC.





Vietnam

Tourism Governance

Tourism in Vietnam is the responsibility of the **Vietnam National Administration of Tourism (VNAT)**, which reports to the **Ministry of Culture, Sports and Tourism**. The 'National Tourism Strategy to 2020, with a Vision to 2030', which was approved by the Prime Minister in December 2011, was drawn up by VNAT with the support of the EU-funded Environmentally and Socially Responsible Tourism Programme (ESRT) for Capacity Building, 2011-2015.

The ESRT programme, which is being developed in line with EU policy to develop innovative partnerships that drive destination development, also prioritises consultation by the national tourism administration, the regional authorities and the private sector of Travel & Tourism.

Stakeholder Consultation and Co-operation

In the context of the ESRT Programme, a **Tourism Advisory Board (TAB)** has been – or is currently being – set up. It will be supported by regional level Destinations Management Organisations (DMOs) which are responsible for overall tourism development in their regions, as well as regional marketing & promotion.

The TAB is a public-private partnership that will advise government leaders on Travel & Tourism industry-related matters. It builds on a 2009 initiative of VNAT and the APEC Tourism Working Group (TWG), establishing and formalising a national platform for promoting a higher level of industry input and collaboration into the government decision-making and tourism policy formulation processes. It ensures high-level representation and positive engagement from both government and the private sector.

It should be noted that there are still a number of concerns as to how the public-private sector dialogue on tourism governance at a macro and micro level can be most effective. But proposals and recommendations from different stakeholders are currently being solicited at national and regional levels.

TAB's Mission statement

"To Increase Vietnam's competitive advantage as a responsible Travel & Tourism destination by leveraging the country's public and private resources to create a cohesive, comprehensive industry strategy"

Goals

The TAB will:

- Promote and advocate for the development of trade and investment in Vietnam's Travel & Tourism industry;
- Participate in the development of tourism public policy through an open and honest dialogue between industry and government;
- Provide a forum for industry leaders and public officials to identify and discuss commercial, environmental, educational and sustainable industry goals; and
- Assist in the creation and execution of a national branding campaign and destination marketing programme.

Membership

Participation in the TAB is being limited to 25 active members – industry leaders in Vietnam – who are:

- Selected by the VNAT chairman based on their ability to carry out the mission and objectives of the TAB;
- Selected on a 'balanced' basis in order to ensure representation of companies/organisations of all different sizes, scope, interests and geography;
- Invited as individuals and not on behalf of their companies/organisations;
- Required to review the TAB's Mission and Objectives and confirm their commitment to them.

Activities

Small working groups are being set up to ensure that all stakeholder interests are represented, and each working group will be assigned a relevant VNAT representative counterpart to address issues and exchange ideas on industry-related topics:

- Human resources and quality management
- Marketing, and
- Policy and Institution

Among the priority issues on the table, some of the most important to be addressed are: e-marketing, funding for tourism development, visas, land tax and visitor safety.

In order to maintain and enhance communications between the different stakeholders in Vietnam's Travel & Tourism sector, the TAB plans to organise regular and, if necessary, frequent meetings with the:

- Ministry of Culture, Sports and Tourism
- VNAT
- **Vietnam Business Forum (VCCI)**
- **Vietnam Tourism Industry Association (VITA)**
- **Local Tourism Associations (LTAs)** and
- Industry associations such as the **Vietnam Hotel Association (VHA)**.

In addition, the TAB aims to maintain and improve dialogue with other emerging economies that form the VISTA group (Indonesia, South Africa, Turkey and Argentina in addition to Vietnam), as well as organising an annual tourism conference in collaboration with VITA and with the support and participation of the Ministry.

Lessons to be Learned

The impact of the TAB will not really become clear for some time yet but, according to industry feedback, the EU-funded ESRT programme has already gone a long way to focusing the tourism authorities' attention on stakeholder consultation in drawing up policy and strategic decision-making. This also appears to have increased tourism awareness among the local population and stimulated the private sector of the tourism industries into working more closely together in clusters to address key issues and concerns.

It remains to be seen whether or not this will continue when/if EU funding is withdrawn.



Right: The Turtle Tower in Hanoi, Vietnam.

Below: Parliament House in Hanoi, Vietnam.





Acronyms & Bibliography



Frequently Used Acronyms

APEC	Asia-Pacific Economic Cooperation
DMO	Destination Management or Marketing Organisation
LTO	Local Tourism Organisation
NGO	Non-governmental Organisation
NTA	National Tourism Administration
NTO	National Tourism Organisation
OECD	Organisation for Economic Co-operation and Development
PMO	Provincial Marketing Organisation
RTO	Regional Tourism Organisation
SME	Small and medium-sized enterprises
STO	State Tourism Organisation
UNWTO	World Tourism Organization

Bibliography

Australian Government: *Tourism White Paper – A Medium to Long Term Strategy for Tourism (2003)*, Canberra, Australia.

Government of Canada: *Building a National Tourism Strategy – A Framework for Federal/Provincial/Territorial Collaboration (2006)*, Ottawa, Canada.

David Airey & Lisa Ruhanen, *Tourism Planning & Development (2014)*, 'Tourism Policy-Making in Australia: A National and State Perspective'. UK.

Department of Tourism, Republic of South Africa, *National Tourism Sector Strategy (2011)*. Pretoria, South Africa.

Department of Tourism, Republic of South Africa, *Annual Report 2014/15*. Pretoria, South Africa.

Department of Tourism, Republic of South Africa, *SA Tourism Review: Report of the Expert Panel, June 2015*. Pretoria, South Africa.

John Lennon, Hugh Smith, Nancy Cockerell & Jill Trew, *Benchmarking National Tourism Organisations and Agencies – Understanding Best Practice (2006)*, Elsevier, Oxford, UK.

Industry Canada, *Canada's Federal Tourism Strategy: Welcoming the World, 2011*. Ottawa, Canada.

Institut de Relations Internationales et Stratégiques (IRIS), *Les enjeux politiques du tourisme, 2012. Report based on the meeting organised by IRIS and the town of Enghien-Les-Bains, 29 September 2012*.

Cent Ans d'Administration du Tourisme, 2012. *Publications Pour Mémoire, History Committee, Ministry of Ecology, Sustainable Development and Energy, France (2012)*. Paris, France.

International Transport Forum, Organisation for Economic Co-operation & Development (2015): *Tourism Facilitation as Part of Transport Policy – Summary of International Experiences. Discussion Paper No. 2015-15*. ITF/OECD, Paris.

Organisation for Economic Co-operation & Development (2014): *Tourism Trends and Policies*. OECD, Paris.

Peter Haxton, (2015), *A Review of Effective Policies for Tourism Growth*, OECD Tourism Papers, 2015/01, OECD Publishing, Paris.
<http://dx.doi.org/10.1787/5js4vmp5n5r8-en>

Travel Industry Association of Canada, *Gateway to Growth – Driving Global Opportunity, 2013. Travel Industry Association of Canada (TIAC)*. Ottawa, Canada.

Travel Industry Association of Canada, *Gateway to Growth – Annual Report on Canadian Tourism: Focus on the US Market, 2014*. HTL Advisory for TIAC. Ottawa, Canada.

World Tourism Organization (1997): *Towards new forms of Public-Private Sector Partnership – The Changing Role, Structure and Activities of National Tourism Administrations (NTAs)*. UNWTO, Madrid.

World Tourism Organization (2001): *Public-Private Sector Cooperation – Enhancing Tourism Competitiveness*. UNWTO, Madrid.

World Tourism Organization: *Working Together in Europe – A Shared Leadership, UNWTO Affiliate Members' Regional Report, Volume 3*. UNWTO, Madrid.







THE AUTHORITY ON WORLD TRAVEL & TOURISM

World Travel & Tourism Council (WTTTC), The Harlequin Building, 65 Southwark Street, SE1 0HR – London, UK
Tel: +44 (0) 207 481 8007 | Fax: +44 (0) 207 488 1008 | Email: enquires@wttc.org | www.wttc.org