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Tourism & Culture

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Univ. of Basle & CSEND, Geneva
http://www.csend.org/trade-policy-governance-cat/trade-tourism
Questions for this Session

Under what conditions can tourism & culture generate large scale employment and contribute to poverty reduction?

Does a Green Economy offer new opportunities for poverty reduction?
Sustainability as Driver for Tourism Development and Employment Generation

Linkage Possible?  YES!!!!!

Requires system thinking and effective policy coordination & governance
Relevance of Tourism

- Tourism & culture are major contributors to GDP, employment, cultural industry and international appreciation of a country - no matter what level of development!!!

- Tourism and its linkage to sustainable development has been largely absent in the capacity building discussions in Aid-for-Trade, EIF, PRSP and general development discourses
## 1. Tourism Non-LDCs Country Performance (1)

<table>
<thead>
<tr>
<th>Country</th>
<th>International tourist (overnight) arrivals (000)</th>
<th>Economic share of tourism industry (% in GDP)*a</th>
<th>Travel &amp; Tourism Economy Employment</th>
</tr>
</thead>
<tbody>
<tr>
<td>France</td>
<td>79,300</td>
<td>10.0</td>
<td>11.6</td>
</tr>
<tr>
<td>U.S.A.</td>
<td>57,937</td>
<td>10.0</td>
<td>10.5</td>
</tr>
<tr>
<td>Spain</td>
<td>57,316</td>
<td>16.3</td>
<td>17.9</td>
</tr>
<tr>
<td>China</td>
<td>53,954</td>
<td>9.8</td>
<td>7.6</td>
</tr>
<tr>
<td>Italy</td>
<td>42,734</td>
<td>9.6</td>
<td>11.0</td>
</tr>
<tr>
<td>UK</td>
<td>30,142</td>
<td>9.6</td>
<td>9.9</td>
</tr>
<tr>
<td>Turkey</td>
<td>24,994</td>
<td>9.9</td>
<td>6.4</td>
</tr>
<tr>
<td>Germany</td>
<td>24,884</td>
<td>8.0</td>
<td>8.3</td>
</tr>
<tr>
<td>Mexico</td>
<td>22,637</td>
<td>12.7</td>
<td>13.7</td>
</tr>
<tr>
<td>Macau</td>
<td>22,290</td>
<td>75.8</td>
<td>72.1</td>
</tr>
<tr>
<td>Malaysia</td>
<td>22,052</td>
<td>13.4</td>
<td>11.6</td>
</tr>
<tr>
<td>Austria</td>
<td>21,982</td>
<td>12.5</td>
<td>13.3</td>
</tr>
<tr>
<td>Hong Kong</td>
<td>17,319</td>
<td>16.2</td>
<td>16.2</td>
</tr>
<tr>
<td>Switzerland</td>
<td>8,608</td>
<td>13.1</td>
<td>16.9</td>
</tr>
</tbody>
</table>
Tourism Value Chain

Source: ITC
Policy Making Process & Tool box

Policy Initiation → Policy Formulation → Policy Implementation → Policy Evaluation

Monitoring

Inclusiveness + Coherence + Relevance = Quality & Results

- Inter-Ministerial Coordination
- Multi-Stakeholder Consultation
- Evidence based Monitoring
Creative Economy

Is a set of knowledge-based economic activities with cultural value and cross-cutting linkages with the overall economy.

Creative Industries

Are tangible goods and intangible services with creative content, economic value and market objectives.
UNCTAD Classification

Figure 1.3

UNCTAD classification of creative industries

- Cultural sites: Archaeological sites, museums, libraries, exhibitions, etc.
- Traditional cultural expressions: Arts and crafts, festivals and celebrations.
- Performing arts: Live music, theatre, dance, opera, circus, puppetry, etc.
- Visual arts: Paintings, sculptures, photography and antiques.
- Audiovisuals: Film, television, radio, other broadcasting.
- Design: Interior, graphic, fashion, jewellery and toys.
- Creative services: Architectural, advertising, creative R&D, cultural & recreational.
- New media: Software, video games, digitalized creative content.

Source: UNCTAD

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Table 6.1  
Some results of the surveys based on the WIPO Guide

<table>
<thead>
<tr>
<th>Country</th>
<th>Creative industries contribution to GDP (%)</th>
<th>Creative industries % of employment</th>
</tr>
</thead>
<tbody>
<tr>
<td>United States</td>
<td>11.12</td>
<td>8.49</td>
</tr>
<tr>
<td>Singapore</td>
<td>5.70</td>
<td>5.80</td>
</tr>
<tr>
<td>Canada</td>
<td>4.50</td>
<td>5.55</td>
</tr>
<tr>
<td>Latvia</td>
<td>4.00</td>
<td>4.50</td>
</tr>
<tr>
<td>Hungary</td>
<td>6.67</td>
<td>7.10</td>
</tr>
<tr>
<td>Philippines</td>
<td>4.92</td>
<td>11.10</td>
</tr>
<tr>
<td>Russian Federation</td>
<td>6.06</td>
<td>7.30</td>
</tr>
<tr>
<td>Mexico</td>
<td>4.77</td>
<td>11.01</td>
</tr>
<tr>
<td>Croatia</td>
<td>4.42</td>
<td>4.23</td>
</tr>
<tr>
<td>Lebanon</td>
<td>4.75</td>
<td>4.49</td>
</tr>
<tr>
<td>Jamaica</td>
<td>5.10</td>
<td>3.03</td>
</tr>
<tr>
<td>Bulgaria</td>
<td>3.42</td>
<td>4.31</td>
</tr>
</tbody>
</table>

Source: WIPO.
The Development Dimension

Figure 2.1
Development dimension of the creative economy

- Policy dimension
  Economic, technological, cultural and social policies

- Multidisciplinary
  Culture, labour, trade, technology, education, tourism

- Cultural/Historical values
  Anthropological/aesthetic, ethnic and cultural diversity

- Intertemporal
  Past traditions, present technologies, future vision

- Omnipresent
  Education, work, leisure and entertainment

- Society-inclusive
  Public and private sectors, all social classes, profit and non-profit NGOs

Source: UNCTAD (Dos Santos, 2006).
“Sustainable Tourism & Culture, Green Jobs and Climate Change Adaptation: Possible Linkages?”
# CSEND Assessment Grid

<table>
<thead>
<tr>
<th>1. Tourism assets</th>
<th>None (0)</th>
<th>Few (1)</th>
<th>Low (2)</th>
<th>Moderate (3)</th>
<th>High (4)</th>
</tr>
</thead>
<tbody>
<tr>
<td>2. References to tourism in DTIS, AM and PRSP</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
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<tr>
<td>3. Coherence of trade development support in DTIS, AM and PRSP</td>
<td></td>
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<td></td>
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<td></td>
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<tr>
<td>4. Extent of liberalization of trade in tourism sector</td>
<td></td>
<td></td>
<td></td>
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<td></td>
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<tr>
<td>5. Trade arrangements (RTAs, FTAs)</td>
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<td></td>
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<td></td>
<td></td>
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<tr>
<td>6. Governance mechanisms pertaining to tourism development</td>
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<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>7. Articulation of Tourism Strategy</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>8. References to Sustainability of tourism sector in DTIS, AM and PRSP</td>
<td></td>
<td></td>
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<td></td>
</tr>
</tbody>
</table>

## Investment Risk Profile

<table>
<thead>
<tr>
<th>Overall Risk Assessment by the Economist</th>
<th>None (0)</th>
<th>Few (1)</th>
<th>Low (2)</th>
<th>Moderate (3)</th>
<th>High (4)</th>
</tr>
</thead>
</table>
Overlapping Policy Solutions

1. Trade Rules
   WTO, RTAs and FTAs

2. Tourism Sector
   Development Strategies &
   Policy Coherence
   (DTIS, AM, PRSP)

3. Domestic
   investment &
   competition
   framework

4. WTO/GATS
   Commitments on
   tourism with
   competition
   safeguards

CSEND WTO 2011
Levels of Governmental Coordination
(CSEND, 2009)

- Decentralised Governance
  1) Quasi Autonomous Decision Making by Ministries
  2) Ad-hoc Communications between Ministries
  3) Punctual Consultations between Ministries
  4) Voluntary Alignment of Ministries
  5) Negotiation among Ministries
  6) Mediation between Ministries by admin. third party
  7) Setting Limits for Ministries by central government procedure
- Centralised Governance
  8) Delete competence from Ministry by Central government
References:

http://www.csend.org/publications/csend-policy/studies
## GATS / Tourism Commitments

<table>
<thead>
<tr>
<th>Limitations on</th>
<th>Market Access</th>
<th>Market Treatment</th>
</tr>
</thead>
</table>
| **A. Hotels, Restaurants** (including catering) (CPC 641, 642, 643) (excluding catering in transport services sector) | 1) Unbound*  
2) None  
3) None**  
4) Unbound*** | 1) Unbound*  
2) None  
3) None  
4) Unbound*** |
| **B. Travel Agencies and Tour Operators Services** (CPC 7472) | 1) None  
2) None  
3) None  
4) Unbound*** | 1) None  
2) None  
3) None  
4) Unbound*** |
| **C. Tourist Guides Services and other** (CPC 7472) | 1) None  
2) None  
3) None  
4) Unbound*** | 1) None  
2) None  
3) None  
4) Unbound*** |

* Unbound due to lack of technical feasibility
** Location in the protected areas of particular historic and artistic interest and within national or landscape parks is subject to approval by the Government of the Republic of Croatia which can be denied
*** Unbound, except as indicated in the horizontal section