Item 3 of the Provisional Agenda

COMMUNICATION OF THE CO-CHAIRMAN OF THE JOINT MEETING

Note by the Secretary-General

The Secretary-General submits to the Members of the two Commissions the Communication of the Co-Chairman of the Joint meeting (India).
Communication of the Co-Chairman of the UNWTO Joint Commission for East Asia and the Pacific and South Asia.

Dear Members of Commission for South Asia and Commission for East Asia and the Pacific, dear colleagues and friends!

1. It is a great pleasure for me to welcome you to Chiang Mai. Let me express our sincere thanks to our host, the Ministry of Tourism of Thailand and to all other persons and institutions that have contributed to organize these events.

2. This is the first year of India’s chairmanship of the Commission for South Asia. India was elected to this seat in October last year. I bring with me the best wishes from 1.2 billion people of India.

3. Tourism in recent years has developed into one of world’s largest industry and a major engine for economic growth. Globally, tourism is a $3 billion a day business that all countries at all levels can potentially benefit from.

4. The sector has achieved significant growth over the years, with international tourist arrivals growing consistently, from 25 million in 1950 to 980 million in 2011, and tourism receipts rising from $2 billion to $919 billion in 2010. As per UNWTO the international tourist arrivals are set to increase by an average 43 million a year between 2010-2030. At the projected rate of growth, the Foreign Tourist Arrivals will surpass the 1 billion mark by 2012 and is anticipated to reach 1.8 billion mark by 2030.

5. AS per UNWTO, Tourism has evolved into a global phenomenon – one of the most important economic sectors and social activities of our time. Today it contributes directly to more than 5% of the world GDP; one in 12 jobs globally and is a major export sector for many countries.

6. In over 150 countries, tourism is one of the five top foreign exchange earners and in 60 it is the number one foreign exchange earner. In 23 of the 49 Least Developed Countries, international tourism is among the top three foreign exchange earners, and for 7, it is their single largest revenue earner.

7. In the United Republic of Tanzania, the gross tourism receipts were less than 10 per cent of total export earnings in the mid-1980s, by the middle of the current decade it has risen to become the country’s top export earner. Similar developments have been observed in other African countries, where tourism now surpasses traditional commodities.

8. Tourism contributes in reducing poverty and empowering women, youth and migrant workers and provides new employment opportunities. Women make up 70% of the labour force in the tourism sector. Half of all tourism workers are 25 years of age or below.
9. In 2011 world tourism recovered more strongly than expected from the shock it suffered in late 2008 and 2009 as a result of global melt down and economic recession and once again confirming its resilience. We are again facing global recession.

10. The share of international tourism to emerging economies will be bigger compared to advanced ones. Most of the new arrivals will be to the destinations in Asia in particular. The international tourist arrivals to Asia and the Pacific are projected to increase from 204 million in 2010 to 535 million in 2030.

11. As per UNWTO in terms of tourist arrivals South Asia registered a positive growth in the year 2011 with 8% growth over 2010. Countries like Maldives, Sri Lanka and Bhutan especially did very well and registered a double digit growth. Growth into the region was supported by a strong performance out of Europe backed up with continued strong expansion out of China and India. As per PATA this region is poised to emerge as the fastest growing in the Asia/Pacific region.

12. As discussed in SAARC Forum we are told and we often talk about the fact that South Asia is a home to 1/3rd of world’s population.
   (a) The region is home to the highest and 2nd highest mountain peaks of the world with the Everest and K2.
   (b) Most of world’s quality water resources are in the region with river systems originating from the Himalayas.
   (c) Some of world’s best ocean resources beaches and mangrove areas are located in the region.
   (d) Its bio diversity is unmatched by any other region of the earth’s.
   (e) This region is home to marvels like Sigiriya, Taxila, Tajmahal, Ajanta – Ellora, Thimpu, Swambhunath etc. The heritage and culture of the region dates back to thousands of years. The region is home to almost all of world’s religions.
   (f) The cuisine of the region is exquisite.

Our people are friendly and warm. The South Asian region has all ingredients to delight their visitor.

13. Yet with some 400 million people remaining below the poverty line and 71 million people affected by violence or its threats, most of South Asia remains a most conflict ridden region in the world. Poverty, health, child and gender related issues are still affecting the regions image.

14. India, as you all know, is emerging as one of the major economies of the world with growth rate of over 6.5% per annum in spite of massive recession throughout the world. India tourism has been growing at a significant pace. The Foreign Tourist Arrivals (FTA) in India in 2011 were 6.29 million with a growth of 8.9%, as compared to the FTAs of 5.78 million during the year 2010. The growth rate of 8.9% in 2011 for India is better than UNWTO’s projected growth rate of 4% to 5% for the world in 2011 and 7% to 9% for Asia and the Pacific. This year till March 2012 the FTAs in India stands at 1.98 million.
15. The foreign exchange earnings (FEE) from the tourism sector during 2011 were US $ 16564 million as compared to US$ 14193 million during 2010. The growth rate in FEE in US$ terms during 2011 was 16.7% over 2010. This year till March 2012 the FEE stands at US$ 4969.

16. The out bound tourist traffic from India is almost double of its inbound. India with its growing per capita income has become a big source market in the world.

17. India’s domestic tourism also witnessed encouraging trends with around 740 million domestic tourist visits in the year 2010. The domestic tourism contributes three-fourth of the total contribution of the sector to the Indian economy.

18. The Ministry of Tourism, Government of India aims to make Tourism a sector for employment generation and economic development and has set a target to increase India’s share in International Tourist Arrival from 0.6% to 1% by the year 2016. With this Ministry aims to achieve following goals:
   - Target growth rate of about 12% in terms of Foreign Tourist Arrivals by 2016.
   - Domestic Tourist Arrivals from 740 million in 2010 to 1500 million in 2016 with a growth rate of above 12%
   - Creation of additional Employment over 2010 – 25 million

19. The Ministry of Tourism has taken the initiative of identifying, diversifying, developing and promoting the nascent/upcoming niche products of the tourism industry. This is done in order to overcome the aspect of ‘seasonality’ to promote India as a 365 days destination, attract tourists with specific interests and to ensure repeat visits for the unique products in which India has comparative advantage. These include Polo, Golf and Wellness. Guidelines have been formulated for concentrated development of these areas.

20. Sustainable tourism means minimizing the negative and maximizing the positive effects of all forms of tourism on the environment and host communities. India has developed a code for “Safe & Honourable Tourism” and also developing Sustainable Tourism Criteria for the accommodation and tour operators sectors. The Ministry is planning to organize an International Conference on “Sustainable Tourism” in 2012.

21. Today in spite of its growing relevance and proven contribution to GDP, jobs and exports Tourism sector still lacks due political and economic recognition. Against this background, UNWTO and WTTC have decided to join hands for making Tourism as global agenda through “Global Leaders for Tourism Campaign”. Through this campaign we all hope to position tourism as a driver of economic growth and development.

22. Travel and tourism are one of the world’s biggest sources of jobs and export earnings, it can be a primary vehicle for job creation, enhanced development, trade promotion, economic recovery and the transformation towards a greener economy. India has partnered with UNWTO’s T-20
initiative for promoting the dialogue between the Ministers of Tourism of different countries of the world, covering issues involving global tourism.

23. In this turbulent time, marked with crisis and economic downturns throughout the world, the UNWTO has more than before linked up with the Commission for South Asia in the search for vision for further tourism development. I would like to thank the Secretary General Mr. Taleb Rifai, under whose leadership the UNWTO has developed into a strong, prudent and solid organisation and partner. We are thankful for all the support and look forward to successful cooperation in the future.

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