



UNWTO COMMITTEE ON STATISTICS AND TSA

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Item of the provisional programme: Protecting the TSA brand

PROTECTING THE TSA BRAND

1. Protecting the TSA brand became an issue for the first time during the Iguazú Conference in 2005. One of the findings at the Iguazú Conference was that:

“There is increasing misuse of the term TSA, at both the national and sub-national levels. As a consequence, there is an increasing need for the TSA brand to be protected. As there is also a consensus that the UNWTO should begin to disseminate TSA data, it is necessary to find the most practical way to request from countries (basically NTAs and CSOs) an assessment of the conformance of their TSA methods to the recommended methodological framework for TSAs (in effect, a brand validation approach).”

2. Some months later, UNWTO's Statistics Committee meeting discussed the document prepared by the Statistics Department entitled “Protecting the TSA brand: basic criteria for the dissemination of TSA aggregates, parameters and metadata”. The discussion helped UNWTO to prepare the design of a new publication “TSA data around the World” released during the Bali Conference in 2009.

3. After the Bali Conference¹, the UNWTO circulated a draft of “Bali statement on tourism statistics and employment” for comments and suggestions of participants. In the final document, the following paragraphs echo the relevance of protecting the TSA brand:

“In line with the importance of the TSA in measuring tourism's economic contribution, and in particular measuring tourism employment, ministers, government representatives and other stakeholders present at this conference:

- *Recommend international and regional organizations, including UNESCAP, UNWTO, ILO, OECD and Eurostat, to pursue and strengthen the cooperation to promote TSA, protect the TSA brand and expand the use of TSA for business and policy actions. This should be done in close partnership with governments and other stakeholders involved in TSA developments.”*

4. For the purpose of this note, it should be clarified that “the term brand is a set of associations linked to a name, mark, or symbol associated with a product... A name becomes a brand when people link it to other things. A brand is much like a reputation.....”²

¹ 5th UNWTO International Conference on Tourism Statistics - Tourism: An Engine for Employment Creation - Bali, Indonesia, 30 March - 2 April 2009.

² This note owes very much from Doug Frechtling “Clarifying and extending the TSA brand” document presented in the “5th UNWTO International Conference on Tourism Statistics - Tourism: An Engine for Employment Creation - Bali, Indonesia, 30 March - 2 April 2009”, <http://www.unwto.org/statistics/bali/session5.htm>.

5. The term “Tourism Satellite Account” is definitely an international brand with some attributes that informed readers connect to it:
 - it is “satellite” to the System of National Accounts 1993 sharing with it concepts / definitions/ classifications and main aggregates;
 - it is an “account”, a set of tables including basic data for most of them, as well as some SNA modelled type data;
 - it allows for international comparability of main aggregates with other international standards, not just because it has been officially approved by the UN but also because TSA conceptual framework is harmonized with other relevant macroeconomic frameworks such as National Accounts - SNA 2008-, Balance of Payment –BPM6-, and Manual on Statistics of International Trade in Services – MSITS 2010-.
6. UNWTO Statistics Department has taken note about the concern expressed in the last two UNWTO International Conference on Tourism Statistics as well as in different UNWTO Statistics Committee meetings about the missappropriation of the term TSA due to the popularity of the TSA that has spawned an international assortment of consultancies, research centers and others that apply the TSA brand name to studies they produce for national and sub-national organizations. Such activities have already produced confusion among TSA users and may damage the credibility of the TSA as a sound, comprehensive method of measuring the direct contribution of tourism to national economies.
7. More specifically, a number of consultancies and other organizations have been producing “simulated TSA” – most often as an output of general equilibrium models-for countries and sub-national areas. Nine years after the formal endorsement by the UN of the TSA official text, this practice might be qualified as missappropriation of the TSA brand for commercial purposes. In fact, the TSA is an accounting tool and not a modelling one.
8. In line with the need for protecting the TSA brand, UNWTO has identified the main steps for the development of the TSA³:
 - the first step should be the setting up of an “experimental TSA”⁴: at least tables 1-2-4-5 and 6 should be covered with a minimum level of disaggregation. This implies the existence of National Accounts Supply and Use Table (SUT) with the possibility of identifying the main tourism characteristics industries, as well as consistent information on the flows of inbound visitors at least for those coming by air and some characteristics (both of visitors and trips), in particular average length of stay and daily average expenditure data;

³ For that purpose, it has been very useful the TSA experience shared by a significant number of countries (39) with UNWTO in “TSA data around the world: worldwide summary” (UNWTO June, 2009). In fact, the three main steps described have revised those included in the questionnaire used for such publication.

⁴ See Annex 1 for more details.

- subsequent TSA exercises, without integration in the country National Accounts but more complete and going beyond the experimental TSA by including a more detailed reconciliation of demand and supply;
 - “consolidated TSA”, formally integrated in the annual National Account programme of work
9. UNWTO “TSA data around the World” has been designed as a new statistical publication to be updated every 3 or 4 years. As mentioned in the “Presentation” , UNWTO has requested from countries, represented by both their National Tourism Administration and their National Statistical Office, to provide the official TSA results using the referred tables guaranteeing at the same time that the concepts used are long the line of those recommended internationally. In addition to such practice, UNWTO suggest countries to include a methodological annex in any TSA publication in which explicit mention should be made to the following issues:
- reference year of the Supply and Use Table (SUT) utilized;
 - based on SUT, explanation of the identification process of tourism industries and tourism characteristics products
 - the definition of the main aggregates;
 - which have been, if any, the adaptations made vis a vis the TSA official conceptual framework⁵
 - integration of National Account Unit staff in the compilation of TSA

Both set of initiatives are in line with the practice of other UN system agencies (like IMF, OECD, Eurostat, WB and others) in order to guarantee that the data received are aligned with the UN standards and international recommendations.

10. It might be also consider if it could be useful for users to find a clear reference in such national publications to the limits of the TSA regarding the measurement of the economic impacts of tourism. Annex 6 of the TSA:RMF 2008 very clearly states that the TSA as such only makes it possible to measure the direct effects of consumption on output and value added of tourism industries and other industries serving visitors (and it is what indicates the term “direct” in tourism direct gross value added and tourism direct gross domestic product).
11. UNWTO respectfully suggest to those other International Organizations mentioned in the Bali Statement to complement UNWTO initiatives.
12. Finally, it should be recalled that as the specialized UN agency for tourism UNWTO has very precise responsibilities regarding statistics. Article.13 of the Agreement between UN and the UNWTO states the following ones: “to collect, analyze, publish, standardize and improve the statistics of tourism, and to promote the integration of these statistics within the sphere of the United Nations system”. Therefore, in UN terminology the UNWTO is the “custodian” of the implementation of international recommendations with which it should be possible to standardize tourism statistics for the sake of international comparability; consequently, protecting the TSA brand is part of our responsibilities.

⁵ TSA official publication is “2008 Tourism Satellite Account: Recommended Methodological Framework” (TSA:RMF 2008).

REFERENCES

- The Iguazú Conference: UNWTO findings and evaluation
http://www.unwto.org/statistics/iguazu/findings_e.pdf
- Protecting the TSA brand: basic criteria for the dissemination of TSA aggregates, parameters and metadata (document presented in the Committee on Statistics and the Tourism Satellite Account, seventh meeting, 27-28 March 2006)
http://www.unwto.org/statistics/committee/7th_meeting/issue_4.pdf
- The Bali Conference: UNWTO findings and evaluation
http://www.unwto.org/statistics/bali/findings_statement.pdf
- TSA data around the world, http://www.unwto.org/statistics/bali/tsa_data.pdf

Annex 1

The term “experimental” underlines the fact that this exercise might be the first of a series of similar exercises, using only a restricted number of data, and which objective is primarily to test the logical structure of the information and to identify the major gaps and inconsistencies of existing sources in order to take actions towards their improvements. The use of the term “experimental” intends to weaken the pressure of users on the expected results and gives time for compilers to review extensively the exercise and to improve it as required so as to achieve acceptable standards of quality for the full fledged final exercise.

A Satellite Account is a procedure by which a detailed description of a certain field sector of the economic activity is linked to the existing System of National Accounts (SNA). This link with the National Accounts operates principally through the Supply and Use Table (S-U table) of the SNA that represents the transactions on goods and services in the whole economy.

The S-U tables are a cornerstone of the SNA. These tables have both a statistical and analytical function. The S-U tables provide a coordinated framework for checking both the accuracy and the consistency of the data relating to commodity flows and production accounts of industries. As a consequence, the availability of a reasonably updated S-U table within the existing SNA of a country is a necessary condition for compiling an experimental TSA exercise.

The minimal requirements of information are the following:

1. consistent information on the flows of inbound visitors at least for those coming by air and some of their characteristics (both of visitors and trips), in particular average length of stay and daily average expenditure
2. the S-U Table of National Accounts for the year for which the experimental TSA is compiled, or possibility of bringing such a table to that period
3. the possibility of identifying the main tourism characteristic industries within this S-U table.

If those minimal data are not available, it is not possible to develop an exercise that could be qualified as experimental, as at least tables 1-2-4-5 and 6 of the TSA should be covered, with a minimum level of disaggregation.

Additional to the evaluation of the statistical information that is available on the different forms of tourism and on tourism industries (both in terms of coverage and accuracy) and their apparent consistency with the data in the National Accounts, an experimental TSA exercise also requires an evaluation of the grade of breakdown of the available S-U Table: usually, countries will have two types of level of breakdown of information on products and activities: the complete S-U tables that are published are usually more aggregated than the analytical works that support them. It is likely that the compilation of the TSA requires using supporting analytical worksheets.

Some countries do not systematically establish a S-U table for each year of the series, but only for the base year of the country's National Accounts series of data. The structural link of the TSA to the System of National Accounts is through the S-U table. As a consequence, it will be necessary to require from the compilers of the National Accounts of the country to update the S-U table to the year in which the TSA is to be compiled or to provide guidelines in order to update in a gross fashion the existing official data to the year for which the TSA is compiled. The original S-U table has to be consistent with the official National Accounts data, in particular GDP, global and by activity, and with commodity flow balances.

Finally, the technical team in charge of the compilation of the experimental should integrate staff from the National Accounts unit; if not, the final results would need to be reviewed and validated by that Unit.