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“Tourism and Aviation: Building common policies for sustainable growth”

Dr Assad Kotaite, President Emeritus of the ICAO Council and President of the Montréal Branch of the Royal Aeronautical Society;

Members of the Society;

Representatives on the ICAO Council and Members of the ICAO Air Navigation Commission;

Mr. Pierre Jeannot, Director General Emeritus of IATA;

Ms. Angela Gittens, Director General of ACI;

Mr Boubacar Djibo, Director of the ICAO Air Transport Bureau;

Other staff of the ICAO Secretariat;

All other friends coming from the wide aviation and tourism communities in the dynamic aerospace cluster that surrounds Montréal.

Thank you for the kind invitation to address such a respected audience on this special occasion.

I feel particularly honoured and privileged to be giving this prestigious Lecture for three reasons:

- **First, and foremost**, because this is the ***Assad Kotaite*** Lecture and Dr Kotaite is a remarkable leader whose achievements in international civil aviation are outstanding.

I have long admired his work and I am most grateful for the opportunity awarded to the Organization I represent to be the first speaker from outside the aviation industry to deliver the Assad Kotaite Lecture. I believe this is a symbolic reflection of Dr Kotaite's global vision of the role of civil aviation and I truly recognize, and appreciate, the privilege that this represents.

Dr Kotaite's vision is at the forefront of the growing recognition of the intrinsic relationship between air transport and tourism as well as of the growing need to think beyond sectoral "silos" and work closer together.

It is the only way forward if we are to ensure that air transport and tourism play their part in building the foundations of a more sustainable future in all its three pillars - social, economic and environmental.

- **The second reason**, which is difficult to separate from Dr Kotaite himself, is the link with ICAO.

ICAO and UNWTO, sister agencies within the United Nations system, are the global inter-governmental bodies responsible, respectively, for aviation and tourism. As such, it is our obligation to lead by example and show the way for closer and more effective cooperation at all levels.

UNWTO, with 161 Member States and Territories and over 400 Affiliate Members representing academia, destinations and the industry, is mandated to “promote the development of responsible, sustainable and universally accessible tourism”. Within this mandate, UNWTO has worked closely with ICAO since 1978. In 2010 the UNWTO/ICAO collaboration was strengthened through a Memorandum which identified key areas of mutual interest and action.

As a concrete symbol of increased commitment to work together, Raymond Benjamin, Secretary-General of ICAO, and I signed a Joint Statement in March this year where we commit to work together in 8 key areas:

1. optimizing the benefits of aviation and tourism by ***maximizing our synergies***;
2. promoting the ***modernization of the air transport regulatory framework***;
3. ***enhancing air transport connectivity***;
4. promoting ***facilitation in the area of visa and other travel document formalities and issuance***, including the simplification of

visa processing and the development of multi-State regional visas and e-visas;

5. ensuring the ***protection of passengers, tourists and tourism service providers***;
6. reducing ***greenhouse gas emissions***;
7. addressing ***air transport for tourism development*** in long-haul destinations and landlocked or island countries; and
8. ***assessing the economic impact of taxes, charges and other levies*** on aviation and tourism.

- And now I would like to come to **the third reason why I feel extremely honoured to be here today**. This is because my presence here is due to the kind invitation from none less than the Royal Aeronautical Society.

The Royal Aeronautical Society is the world's first and foremost aviation society, founded in the United Kingdom in 1866 and now having a worldwide ambit recognized this year with being given Observer status at ICAO.

The Society was founded only thirteen years after the man-carrying Cayley glider flight. The man carried was Sir George Cayley's coachman who after 180 metres in the air and a very rough landing is reputed to have said, "Sir George, I wish to hand in my notice, I was hired to drive and not to fly".

Cayley defined the form of the present day aeroplane by breaking away from the previous ideas of how powered flight would be achieved and he has been described as the “father of aviation”.

Fifty years later of course we had the Wright Brothers and then Santos Dumont, with the first international scheduled service, by Chalk's Flying Service between Miami and Bimini in the Bahamas, in February 1919.

While the roots of human flight can be traced at least back to Leonardo da Vinci, the first “tourists” go back much further. Ibn Battuta and Marco Polo, for example, would today be defined as international tourists, as would Columbus, since according to the UN definition tourists include both business and leisure travelers.

The first package tours were developed by Thomas Cook who, on 5 July 1841, chartered a train in England to take a group of temperance campaigners eleven miles to a rally. By 1872, he was undertaking world-wide tours, albeit with small groups.

But of course, the catalyst for the phenomenal growth of both our sectors came over recent decades because of the synergy between them.

The extraordinary growth of international tourism is as much due to advances in air transport as to the rise of the middle class, growing prosperity, the emergence and wide spread of information and communications technology and the forces of globalization.

In 2012, over one billion international tourists travelled the world. Over half these tourists arrived at their destination by air, with much higher

proportions in long-haul destinations, particularly landlocked and island developing countries.

In these voyages, tourists generated US\$ 1.3 trillion dollars in exports for the countries they visited, close to 6% of the world's exports of goods and services or 30% of service exports alone.

Tourism means jobs (1 in 11 jobs worldwide), business opportunities for small and medium enterprises, renewal of urban and rural areas and, if properly managed, the preservation and promotion of our natural and cultural heritage.

Crucially, tourism means poverty reduction. All the countries graduating from the status of Least Developed Countries (LDCs) have tourism as one of their major economic activities and the sector has gained particular relevance in emerging economy destinations.

Today, nearly half of the one billion international tourist arrivals are to emerging and developing economies. UNWTO forecasts that emerging economies will overtake advanced ones in terms of international tourist arrivals as soon as 2015, and that their share will steadily increase right through to 2030.

Tourism has thus become a fundamental pillar of the socio-economic progress of developed, emerging and developing economies alike.

Similarly, the growth of air transport is intrinsically connected to the expansion of tourism. The vast majority of international air passengers are

tourists, travelling whether for leisure or professional reasons, and in many countries, aviation is key for domestic tourism development¹.

Furthermore, together with tourism, aviation has a substantial multiplier effect on the economy and in the creation of much needed jobs.

Research suggests that every US\$ 100 of revenue produced by air transport triggers an additional US\$ 325 and that every 100 jobs generated by air transport triggers on average over 600 jobs additional in other industries².

Although it could be argued that tourism acts as a catalyst for air transport rather than *vice versa*, air transport and tourism are in an interdependent relationship.

However, despite this interdependency and the important multiplier effects, many countries have separate sectoral policies on air transport and tourism. This results in fundamental and often conflicting disconnects and a lost opportunity to maximize the potential of both for the economy and society.

Tourism and air transport are communicating vessels and there is a growing need to position them collectively as a strategic sector and speak with one voice at national and international level. By joining hands, aviation and tourism stimulate the growth of the overall economy and create many opportunities for employment and entrepreneurship.

¹ UNWTO (2011), *UNWTO General Assembly 19th Session, Tourism Towards 2030*, 10 October (Online), available at http://dtxdq4w60xqpw.cloudfront.net/sites/all/files/pdf/unwto_2030_ga_2011_korea_1.pdf
ICAO (2013), *Circular 333, AT/190, Global Air Transport Outlook to 2030 and trends to 2040*, ICAO: Montréal, Canada.

² ICAO (2005), *Circular 292-AT/124, Economic Contribution of Civil Aviation*, ICAO: Montréal, Canada.

Yet, the question remains on how can we work together to ensure these mutual benefits? **Allow me today to focus on just 6 of the numerous areas** in which I trust our common work can achieve a significant impact in promoting growth and development through travel and tourism.

1. Connectivity and the regulatory framework

While there is no universally agreed definition of ‘air connectivity’, the general understanding is that it is an overall measure of the level of service available through a country’s aviation system in relation to the global air transport network. The higher the level of connectivity, the greater will be the level of access to the global economy.

Policies limiting air connectivity present one of the major barriers to growth of travel and tourism. This has been recognized by UNWTO’s Executive Council and recently by our General Assembly which decided that promoting increased air connectivity shall be one of the priorities of the Organization³.

Research by the World Bank shows that the measure of connectivity is closely correlated with important economic variables including the degree of liberalization of air transport markets⁴. Similarly, the World Trade Organisation (WTO) estimates that replacing the most restrictive bilateral

³ UNWTO (2012), Executive Council - Ninety-third session, Madrid, Spain.
UNWTO (2013), General Assembly – 20th Session, Victoria Falls, Zambia and Zimbabwe.

⁴ World Bank (2011), *Policy Research Paper 5722, The Air Connectivity Index: Measuring Integration in the Global Air Transport Network*, June 2011, World Bank (online), available at <http://elibrary.worldbank.org/content/workingpaper/10.1596/1813-9450-5722>

air services agreements with the most liberal agreements may increase traffic by over 75%⁵.

A key factor for the future development of civil aviation and tourism is therefore the continuing need for air transport market liberalization.

Air connectivity could be improved through carefully designed regulatory liberalization encompassing market and capital access in the context of tourism and trade, notably in terms of more 'open skies', freeing up air carrier ownership and control restrictions, and developing a framework that goes 'beyond bilateralism'.

Although its application is still too limited, the concept of "open skies" has undoubtedly opened markets and generated new traffic for aviation and new tourism demand for destinations. In too many countries, however, the concept of air service reciprocity, associated with protection of 'national' carriers, takes precedence over a more rational assessment of the net national economic and social benefits from tourism and trade.

In the past, there have been legitimate concerns about continued participation and assurance of service in the case that a 'foreign' carrier may suddenly withdraw its services. Small countries in particular, live daily with the risk of foreign carrier withdrawal because they are more vulnerable than countries with bigger economies. Yet, in an increasingly competitive global environment, other carriers will usually only be too willing to move in and, through 'hubbing', even small markets can be made profitable as 'spokes'.

⁵ World Trade Organization (2008), *Staff Working Paper ERSD-2008-06, Liberalization of Air Transport Services and Passenger Traffic*, December 2008, WTO (online), available at http://www.wto.org/english/res_e/reser_e/ersd200806_e.pdf

The joint UNWTO/ICAO study on Essential Service and Tourism Development Routes (ESTDR)⁶ was developed to apply to international routes to and from least developed countries (LDCs) and developing international links especially to Small Island Developing States (SIDS) and Landlocked Developing Countries (LLDCs). This concept is equivalent to essential air service schemes in developed countries. Since then, liberalisation of air markets has enabled a number of SIDS to benefit from more routes and carriers and more competitive pricing⁷. It is now important to promote the application of the ESTDR concept more widely.

In summing up, there is an ongoing need to persuade governments of the benefits of air transport liberalization through evidence based research and to move away from the bilateral and reciprocal process towards a more multilateral and open approach.

2. Infrastructure: the role of airports in tourism development

Let me turn now to the second area; that of infrastructure, and specifically the role of airports in tourism development.

Countries need continuous investment in air transport infrastructure to keep pace with traffic growth. Many countries and airlines increasingly face constraints on airport and airspace capacity. Slot allocation, for example, has impeded the implementation of air services agreements. As air traffic

⁶ ICAO (2005), *A Study on the Essential Services and Tourism Development Route Scheme*, July 2005, ICAO (online), available at http://www.icao.int/sustainability/Pages/Eap_ER_Databases_EssentialRouteScheme.aspx

⁷ World Tourism Organization (2012), *Challenges and Opportunities for Tourism Development in Small Island Developing States*, UNWTO, Madrid.

continues to grow, slot shortages will increase, spread to other airports and impact negatively on tourism and regional economic developments.

Airports are diversifying and changing business models. According to Airports Council International (ACI), 43% of total airport revenues worldwide were generated in 2012 by non-aeronautical sources. Non-aeronautical revenues critically determine the financial viability of an airport and tend to generate higher profit margins than aeronautical activities. Traditionally, these non-aeronautical revenues have been derived from such activities as duty free shopping, restaurants etc. However, this is changing for major airports to an integrated concept of 'airport cities'. These not only generate new sources of revenue for the airport operator but can also position the airport as a tourism destination in its own right, potentially showcasing the heritage of the region and country.

Indeed, the promotion of "friendly airports" is central for any destination as it is for any airport. Airports are often the first expression of the destination as they are increasingly a place where travelers spend significant amounts of time and should thus provide a pleasant experience.

3. Visa facilitation

Let me move on to the third area where our joint action can bring significant improvements: visa facilitation.

The sustainable development of aviation and tourism requires uncompromised commitment to safety and security as well as to travel facilitation. In this regard, travel security has been assisted through ICAO's

⁸ ICAO (2005), Circular 292-AT/124, Economic Contribution of Civil Aviation, ICAO: Montréal, Canada.

work on Advanced Passenger Information (API) and specifications for Machine-Readable Travel Documents, which facilitate visa processing.

Visa facilitation is a prerequisite of connectivity and an overall restrictive visa policy means lost opportunities for economic growth and jobs. Travelers see visas as a formality that impose a cost. If the cost of obtaining a visa – either the direct monetary cost imposed in the form of fees, or the indirect costs which can include distance, time spent waiting in lines, and the complexity of the process – exceeds a threshold, potential travelers are simply deterred from making a particular journey or choose an alternative destination with less hassle.

This finding is not new. ICAO itself has a long-standing Recommended Practice that “Contracting States should waive or abolish, for a maximum number of States, the requirement for an entry visa for nationals seeking entry as visitors”⁹.

But restrictive visa-issuance policies and complicated entry formalities are still stifling travel and tourism growth, particularly from emerging economies, which are also some of the fastest-growing source markets for tourism.

Indeed what we have here is an immense opportunity to stimulate our economies through travel and tourism by supporting visa facilitation. In 2012, research by UNWTO and the World Travel and Tourism Council (WTTC) demonstrated that improving visa processes could generate an extra US\$ 206 billion in tourism receipts and create as many as 5.1 million

⁹ Now Recommended Practice 3.19 Annex 9 Facilitation, Thirteenth Edition, July 2011.

additional jobs by 2015 in the G20 economies¹⁰. As a positive outcome of this research, G20 leaders recognized at their June 2012 Summit the role of tourism as “a vehicle for job creation, economic growth and development”. Furthermore, they committed to “work towards developing travel facilitation initiatives in support of job creation, quality work, poverty reduction and global growth”.

More recently, the APEC Leaders gathered in Bali, Indonesia, agreed to “progress work on the Travel Facilitation Initiative as a way to promote tourism and facilitate business, by making travel more accessible, convenient and more efficient while also safe and secure”. This decision was based on a new report by UNWTO and WTTC, presented on the occasion of the APEC High Level Policy Dialogue (October 2013), showing that visa facilitation could create up to 2.6 million new jobs in the Asia-Pacific Economic Cooperation (APEC) economies by 2016.

These are important steps in the promotion of visa facilitation as means to grow travel and tourism and benefit the whole of society.

Indeed, in spite of the many limitations still existing in the area of visa facilitation, a UNWTO Tourism Visa Openness Report¹¹ shows that there have been also important advances.

While in 2008, destinations around the world required, on average, 77% of the world’s population to obtain a traditional visa before visiting; this

¹⁰ UNWTO/WTTC (2012), *The Impact of Visa Facilitation on Job Creation in the G20 Economies*, Report prepared for the 4th T20Ministers’ Meeting, Mexico, 15-16 May 2012, 20 June, UNWTO/WTTC (online), available at http://dtxq4w60xqpw.cloudfront.net/sites/all/files/pdf/120731_impact_visa_facilitation_g20_mexico_prot_0.pdf

¹¹ World Tourism Organization (2013), *Tourism Visa Openness Report: Visa Facilitation as Means to Stimulate Tourism Growth*, UNWTO, Madrid.

percentage went down to 64% in 2013. The reason for the substantial improvement is the determined action taken by governments. A total of 44 destinations significantly facilitated travel for citizens of 20 or more countries by changing their visa policies from visa required to eVisa, visa on arrival, or no visa required.

To improve visa facilitation, UNWTO fully supports the work of ICAO on document specifications. The recent ICAO Assembly concluded that Member States should be urged to continue the process of visa facilitation, as suggested by UNWTO and further agreed that ICAO and the UNWTO should jointly address the subject of visa facilitation at a strategic level.

4. Consumer protection

Now let me turn to consumer protection, a hot issue at both ICAO's Air Transport Conference and Assembly this year.

There are significant differences in consumer protection regulations applicable to air transport around the world, and an insufficiency of existing rules at a global level governing the rights and obligations of tourists/consumers and of travel organizers. This causes problems for air carriers and passengers, particularly where the provisions of two or more jurisdictions are applicable to the same flight.

UNWTO has been working on tourist/consumer protection with a special focus on the elaboration of a draft convention on the protection of tourists and tourism service providers. This project aims to make international and

multilateral some of the standards already existing and functioning effectively.

In March 2013, the ICAO Air Transport Conference gave ICAO a mandate to “develop a set of core principles on consumer protection that strike an appropriate balance between protection of consumers and industry competitiveness and that take into account the needs of states for flexibility, given different State social, political and economic characteristics”.

The recent ICAO Assembly decided that such core principles should be high-level and non-prescriptive in nature, and in the form of non-binding policy guidance. There was support for the idea that the core principles should take into account existing national regulations, should cover different operational circumstances and should be compatible with existing international instruments and guidelines.

UNWTO does not see any conflict between its work and the development by ICAO of a set of core principles on consumer protection in areas linked to air transport. Indeed we fully support the concept. Our draft convention relates to package travel, including ground transportation, accommodation and local activities, and is thus broader in scope than the work of ICAO, covering the full supply chain. Most importantly, it does not concern standalone air tickets or solely the air passenger contract. It thus neither duplicates nor contradicts the work of ICAO.

In the scope of our cooperation, ICAO and UNWTO have agreed to participate in each other’s work on consumer protection, to ensure commonality and avoid the possible application of different sets of rules, notably in cases of massive disruptions or instances of “force majeure”.

5. Taxes and other levies

Our next joint challenge is the number and impact of taxes and duties in the air transport industry and in the tourism sector, which continue to increase¹².

This trend is in large part due to the growing importance of travel and tourism and the potential source of tax revenues the sector provides.

Properly constituted taxes and duties are a fundamental and legitimate fiscal tool of governments worldwide. Earmarked charges, such as landing charges and passenger fees, provided they are consistent with ICAO guidance, are also sound.

However, there is growing concern regarding the proliferation of taxes and duties and their secondary adverse impacts on both air transport and tourism. Due to the nature of travel and tourism, intelligent taxation models are called for as the only way a net damage can be avoided to the economy.

The interdependencies of aviation and tourism have many dimensions when it comes to taxes and duties. The imposition of air transport taxes and levies in originating markets impacts not only on airlines but can have a greater impact on destination economies. The proliferation of taxes and duties and the lack of consideration of secondary impacts hinder the

¹² ICAO (2013), Working Paper ATConf/6-WP/75, Worldwide Air Transport Conference 28 February, February 2013, ICAO (online), available at http://www.icao.int/Meetings/atconf6/Documents/WorkingPapers/ATConf6-wp075_en.pdf

successful development of tourism and air transport and, ultimately, contradict the aim of building a wider tax base.

This issue needs to be addressed through collective positioning of the benefits of air transport and tourism, holistic evidence based analysis, and guidance on the impact of taxes and other levies as well as on “intelligent taxation policies”.

6. The role of aviation and tourism in the transformation to the Green Economy

Finally, let me address perhaps the greatest and most critical challenge for tourism and aviation coordination, our joint contribution to the fight against climate change.

Greenhouse gas emissions (GHG) from travel and tourism are estimated to contribute about 5% of global CO₂ emissions, of which air transport accounts for an estimated 40%. In the case of *international* travel and tourism, the air transport contribution averages 60%, with much higher proportions for long-haul destinations.

The predicted growth of air traffic would, under a business-as-usual scenario, cause air transport’s emissions to increase fourfold by 2050. Thus air traffic growth without carbon abatement may soon bring aviation’s carbon footprint in conflict with a global emissions trajectory that will limit the aggregate global temperature increase during this century to below 2°C more than pre-industrial levels.

However, this should be considered in its proper context. Whereas air transport, taken in isolation, is presently unsustainable from an

environmental perspective, with a global share of CO₂ emissions to gross domestic product (GDP) ratio of 2:1, its value lies in delivering economic and social goods and services. If we consider the carbon and GDP impact of the full travel and tourism value chain, including the air transport cluster, then the share of emission to GDP ratio is closer to 1:1¹³.

In 2007, UNWTO, along with the United Nations Environmental Programme (UNEP) and the World Meteorological Organization (WMO), convened the Second International Conference on Climate Change and Tourism in Davos, to which key input on aviation was provided by ICAO. The resulting Davos Declaration included, as a priority, the need to “mitigate emissions in transport, in cooperation with ICAO and other aviation organizations”.

While the tourism community has been long working on both adaptation to and mitigation of climate change, aviation has, with good reason, until recently been focused almost entirely on mitigation¹⁴. The aviation mitigation measures are absolutely critical for the long-term development of the tourism sector and call for a stronger engagement by the sector.

Airlines continually focus on reducing fuel consumption since fuel represents over 30% of operating costs. This has resulted in substantial declines in per unit fuel costs which are expected to continue falling in the order of about 1.5% per annum worldwide over the coming years.

¹³ Lyle, C. (2012), *Rio, Kyoto, Brussels and Chicago: Reconciling principles related to international air transport emissions*, July 2012, GreenAironline.com (online), available at http://www.greenaironline.com/photos/Rio_Kyoto_Brussels_and_Chicago_Chris_Lyle_July_2012.pdf

¹⁴ In the past couple of years there has been recognition of a need for work also on adaptation, for example as regards increased turbulence and flooding of low-lying airports.

However, with air transport forecast to grow at over 4.5% per annum, there would still be a substantial increase in absolute emissions. Some of the mitigation “wedge” to achieve carbon neutral growth may be filled by the use of biofuels - assuming these become available at an adequate scale and price, and are based on full life-cycle assessment - but market-based measures will also be necessary, more so if net reduction in emissions is to be achieved. Carbon pricing or emissions trading will be necessary to complement the operational, technical and infrastructure improvements. Yet these pose important issues for the competitiveness of tourism destinations worldwide if measures are unilateral and affect destinations in diverse manners.

We thus believe that it is critical to address the issue of climate change and air transport beyond the aviation silo, in the broader context of tourism development. The 2010 UNWTO “Statement regarding mitigation of Greenhouse Gas emissions from air passenger transport”¹⁵, presented to the 37th session of the ICAO Assembly, calls for an assessment of mitigation measures in the context of the broad tourism spectrum, rather than for air transport in isolation, considering the social and economic costs and benefits of travel and tourism in cohesion with climate change mitigation impacts.

It particularly highlights the importance of alleviating the impacts that these measures might have on tourism destinations – notably long-haul developing, and particularly, least-developed and island countries where tourism depends critically on air transport and the livelihoods of the people depend on tourism.

¹⁵ <http://sdt.unwto.org/sites/all/files/docpdf/unwtoghaviationpolicy2010.pdf>

While ICAO continues substantial progress on the technology and operations front, and by disseminating the action plans of States and promoting the evolution of alternative fuels, it continues to face an uphill task with its work on the market-based measures in order to achieve its aspirational goal of “keeping the global net carbon emissions from aviation from 2020 at the same level”.

The key market-based measures issue is a perceived conflict in the uniform application provisions of the Chicago Convention and the principle of “Common But Differentiated Responsibilities and Respective Capabilities (CBDR&RC)” of the United Nations Framework Convention on Climate Change (UNFCCC).

In 2009, the global air transport industry set itself targets of carbon neutral growth by 2020 and a 50% reduction in overall emissions by 2050, as compared to 2005 levels¹⁶. In June 2013, the International Air Transport Association’s (IATA) Annual General Meeting approved a resolution calling for a global market-based measure. IATA encourages governments to adopt a global, single and commonly agreed market-based measures framework that offsets the industry’s growth in carbon emissions post-2020.

As expected, the recent ICAO Assembly faced a daunting task on market-based measures. After considerable and forceful negotiations and debate, ICAO Member States finally agreed to develop a global market-based

¹⁶ IATA, (2009), *Global Approach to Reducing Aviation Emissions*, November 2009, IATA (online), available at http://www.iata.org/SiteCollectionDocuments/Documents/Global_Approach_Reducing_Emissions_251109web.pdf;
IATA (2012), *Annual Review 2012*, June 2012 , IATA (online), available at <http://www.iata.org/about/Documents/annual-review-2012.pdf012>

measures scheme for international aviation, for consideration by the Assembly in 2016 and intended implementation from 2020.

However, the resulting Resolution¹⁷ couched this in terms which offer several loopholes, and with continuing fundamental differences on both the goal of carbon neutral growth from 2020 onwards and the principles of “Common But Differentiated Responsibilities and Respective Capabilities” reflected in the text and subject to numerous “reservations” (a provision whereby individual States indicate that they do not commit to a clause or clauses concerned).

The Resolution is therefore fragile, as has already been illustrated by a subsequent regional development. Let me say right here and now that I will not even try to get into debate on that development, either in my lecture or in the Q&A which will follow!

From the tourism perspective, a positive aspect is that many elements of the UNWTO Statement Regarding Mitigation of Greenhouse Gases from Air Passenger Transport are reflected in the new Assembly Resolution. But fundamentally, one that is not is “Assessment of mitigation measures in the context of broad-spectrum tourism”. A global market-based measures scheme that is optimal for aviation in isolation may well not be optimal for tourism or indeed optimal for aviation and tourism together.

As illustrated by a recent study prepared for the climate policy organization Climate Strategies by researchers from several universities, led by Cambridge, instead of harming the economies of developing countries,

¹⁷ www.icao.int/Meetings/a38/Documents/Resolutions/a38_res_prov_en.pdf, Resolution A38-18.

carbon offsets and taxes on shipping and aviation would have a minimal or even a positive economic impact if implemented wisely¹⁸.

One hopes that ICAO will thus take a broad view in its ongoing work which could *inter alia* provide a positive bridge between ICAO and UNFCCC principles. The tourism community and UNWTO remain fully committed to providing a tourism perspective to ICAO's ongoing policy making and the continuing debate on air transport and climate change.

An integrated, collective vision for aviation and tourism

As tourism numbers continue to rise, creating more jobs, trade and development, tourism is gaining increasing recognition at national and international levels. This recognition is also increasingly seen on the international stage, with tourism gaining new relevance in the international development agenda.

Tourism represents air transport's primary, indeed dominant, end user. And tourism is increasingly dependent on air transport. If we are to fulfill expectations, tourism and air transport need to come closer and work towards an integrated policy position on common issues.

Speaking as one on the benefits of connectivity and liberalization, on security and facilitation, on the rights and obligations of tourist consumers and travel organizers, on unsubstantiated and harmful taxes, or on climate change mitigation, will make our case stronger.

¹⁸ <http://www.cam.ac.uk/research/news/carbon-offsets-could-help-lower-emissions-without-harming-the-economy#sthash.gLqXh7LG.dpuf>.

Collective action beyond the functional 'silos' of tourism and air transport is a fundamental need. Ensuring coordination amongst airlines, tourism destinations and airport authorities supported, at national level, by the appropriate government direction, and at the global level, by the joint work of UNWTO and ICAO, with the support of other international and regional stakeholders, will help us positioning travel and tourism as a strategic sector, with air transport at its core.

If we are to achieve the forecast rise in international tourism arrivals from 1 billion last year to 1.8 billion in 2030, with all the concomitant economic and social benefits, we *must* work as one.

From the UNWTO side, and I have seen the same will from ICAO's side, we commit to continue working for an integrated collective vision for aviation and tourism that brings benefits to all and contributes to a better future.

Thank you. Merci