



Experiences from the Southern Cone countries and the particular situation of Small States

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movatur

UNWTO special Workshop on Tourism
Statistics, Todaiji Temple Cultural
Center, Nara-Japan, 20-21 November
2014

Towards a development of System of Tourism Statistics (STS) and Tourism Satellite Account (TSA) in emerging countries

Technical/operational + Governance/institutional framework

Experiences, finding and learnings from the Southern Cone (SC) countries; The framework in three administrative levels

- 1.The Supranational level: Harmonization of STS
- 2.The National level: Development of STS
- 3.The Subnational level: New challenges

Small States: Characteristics, adjustment of framework and learning from other developments.

Basic principles in this presentation:

- ❖ The importance of the development of STS for a further compilation of a TSA is stressed
- ❖ The compilation of TSA should be one of the final results of the enhancement of a complete, consistent and reliable information framework (the STS)
- ❖ The STS includes both the technical and institutional framework
- ❖ The SC experience is based completely on these criteria.
- ❖ The SC project, also based on an economy of scale approach, seeks to be considered best practice to implement in other community of countries with similar characteristics.

1. The Supranational level

Project for the Harmonization of the System of Tourism Statistics in the Countries of the Southern Cone (SC Project)



Funded by the **Inter-American Development Bank (IDB)**

Carried out by Araldi, with the technical support of the **World Tourism Organization (UNWTO)**

For the following countries:
Argentina, Brazil, Chile, Paraguay and Uruguay.

Background of the SC Project



Main goals of SC Project

Harmonizing the principal instruments of observation and measurement of tourism activity in the region of the Southern Cone

Promoting the provision of reliable data for planning, the definition and evaluating of policies to stimulate tourism in these countries

Consolidation of a virtuous circle between governability and economic development within the scope of the tourism sector

Main challenges within the SC project

- i. Adjustment of the methodological basic information framework recommended in IRTS2008: Technical and operational framework (harmonization)
- ii. Design of a governance and institutional basic framework
- iii. National diagnosis on the coverage of both frameworks
- iv. Basic and harmonized recommendations for development of STS

i. The Basic Information Framework: Setting the focus

Tourism Demand

- International Tourism Operation:
 - Inbound and Outbound tourism
- Domestic Tourism Survey
- Accommodation Statistics

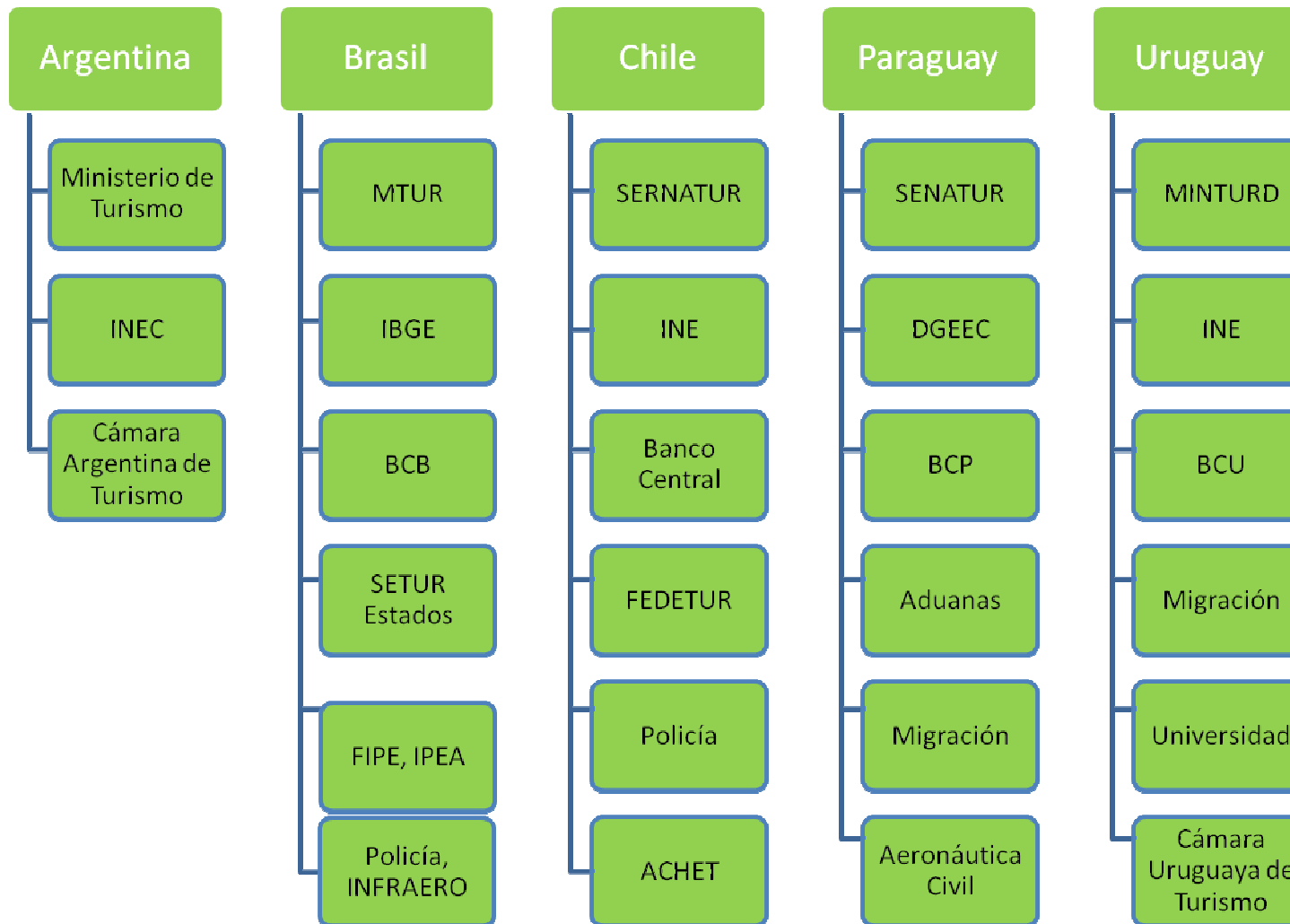
Tourism Supply

- Economic Register (Accommodation Register)
- Tourism Characteristic Activities Economic Surveys
- Employment Statistics

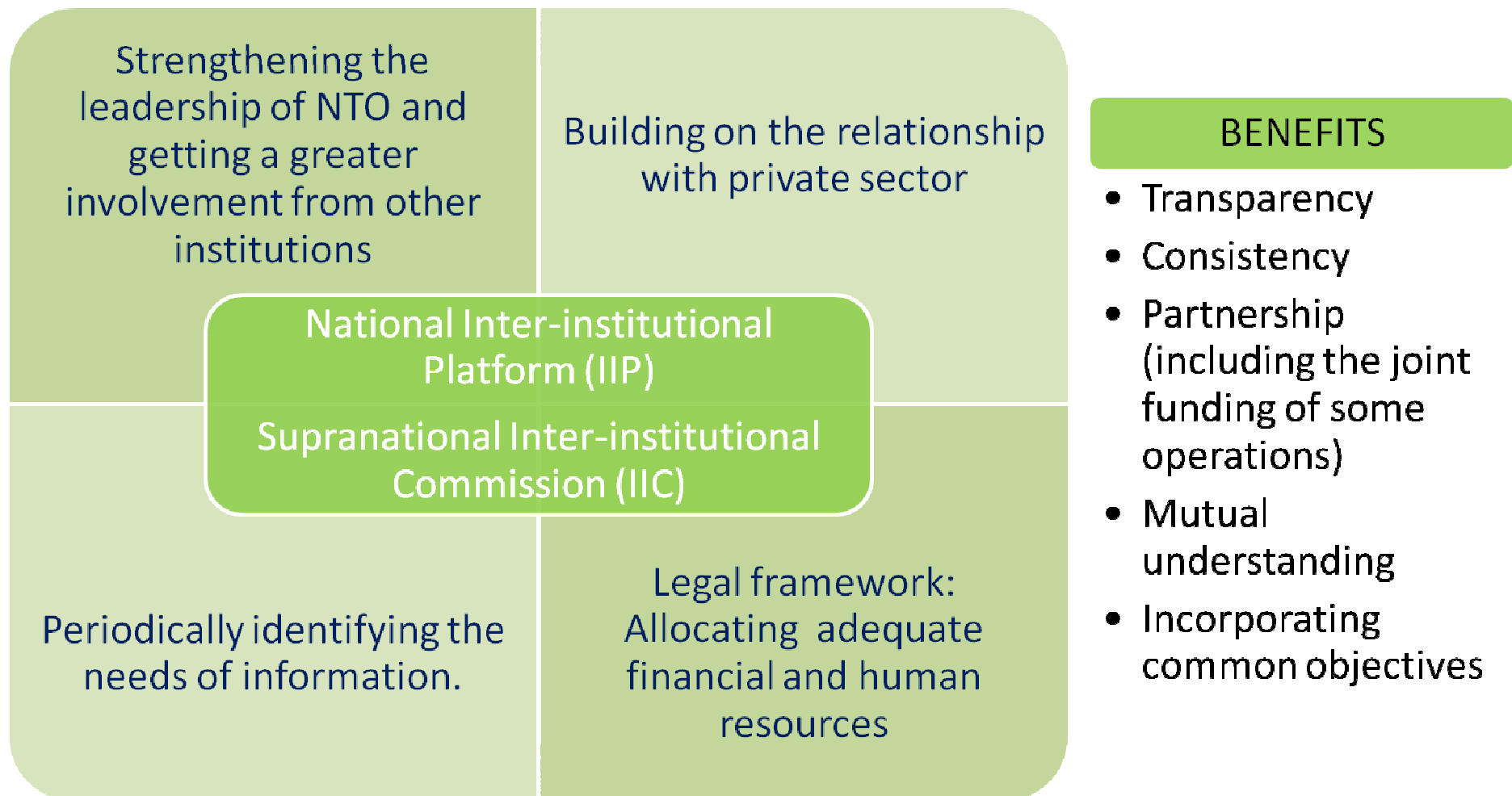
System of National Accounts

- Demands of information: Sufficient breakdown so as to detail tourism indicators

ii. The related Governance Framework: Stakeholders



ii. The Governance Framework: Setting the focus



iii. The technical and operational diagnosis

Demand

- Lack of operational coverage and heterogeneous application of definitions
- Differences and variable gaps in the questionnaires
- Ways of improvement in operational phases like sample design, processing of information and inference methods

Supply

- Non availability of Economic and accommodation registers
- If available, used classifications are heterogeneous and sometimes not related with international standards
- Insufficient breakdown in economic counts or surveys so as to detail tourism.

SNA

- Not taking into account the tourism sector demands.

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SET CST
Annex 2



iii. Key factors for the diagnosis of governance	ARG	BRA	CHI	PAR	URU
Tourism Law	Yes 2005	Yes 2008	Yes 2010	Yes 2005	Yes 2014
Legal mandate to create an inter-institutional platform	No	Yes	No	No	Yes
Existence of inter-institutional working group (a. IIP; b. Complete bilateral relations; c. incomplete bilateral relations)	b	c	b	c	a
Regulatory framework that supports the NTO's responsibility	Yes	Yes	Yes	Yes	Yes
Leadership in the transmission of the priorities of tourism statistics	Yes	No	Yes	No	Yes
Real involvement and support from the political level	Yes	No	Yes	Yes	Yes
Key people in each institution are clearly identified	Yes	No	Yes	No	Yes
Clear distribution of tasks to each institution. Existence of formal protocol.	No	No	No	No	Yes
The legislation establishes mechanisms for participation and coordination of public and private sectors	Yes	No	Yes	No	Yes
Formal Inclusion of STS in the SNS	Yes	No	Yes	No	Yes
Status in the executive structure of the country (Ministry - Secretariat)	M	M	S	M	M
Economic and human resources allocated – Level of training	No	No	No	No	No

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UNWTO - a Specialized Agency of the United Nations



iii. The diagnosis of governance: Some insights (I)

Benefits of cooperation

- NTO has benefitted the most. Some institutions were unable to identify any benefits

Main achievements

- Improvement of STS
- Easing the tasks of dissemination, awareness and knowledge of tourism to the NTO

Technical support and existing collaboration

- Cooperation of others is underrated by NTO
- The main area of cooperation is “training”.
- No institution, except NTO, takes responsibility for leading activities.

Model of organization

- General agreement on the positive effects of having a formal protocol

iii. The diagnosis of governance: Some insights (II)

Key aspects in
terms of
effectiveness

- Political willingness
- Resources (time, technical, funding, training)

Institutional
support

- Support from their own institution
- No conflict between carrying out their current work and the new tasks as members of a IIP

Level of capacity
training

- Institutional knowledge on STS is limited to a small number of technicians who have benefited from various training workshops and assistance missions organized by international organizations

iv. Basic and harmonized recommendations for a Development Plan of STS

Demand

- Harmonized application of definitions. Complementing the traditional information source in Inbound Tourism
- Improving the statistical phases: sample design and others
- Harmonized questionnaires for the Demand operations
- Towards a harmonized set of data and indicators

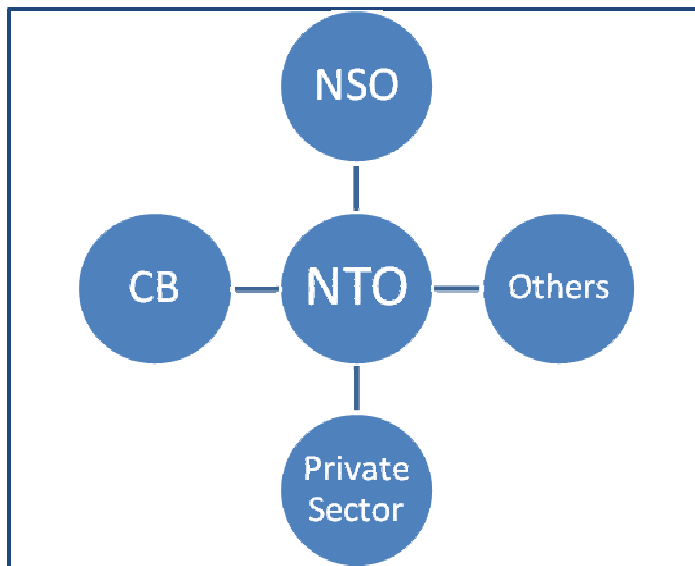
Supply

- Harmonizing classifications
- Creation and updating of Economic Establishment Registers (including accommodation)
- Recommended breakdown in economic counts or surveys so as to detail tourism.

SNA

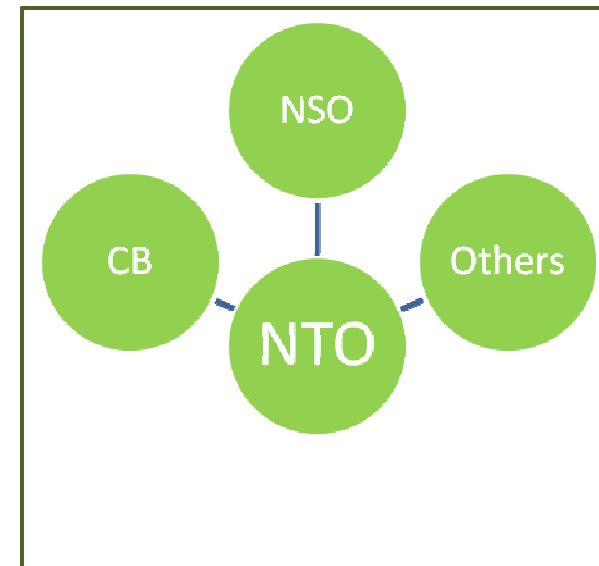
- Taking into account the tourism sector demands.

iv. Recommendations: Governance on a national level



Technical Committee

Its function is to periodically evaluate the implementation of improvement plans, propose challenges and tasks to set, set the work program, set up an agenda to follow-up meetings and inform the CI



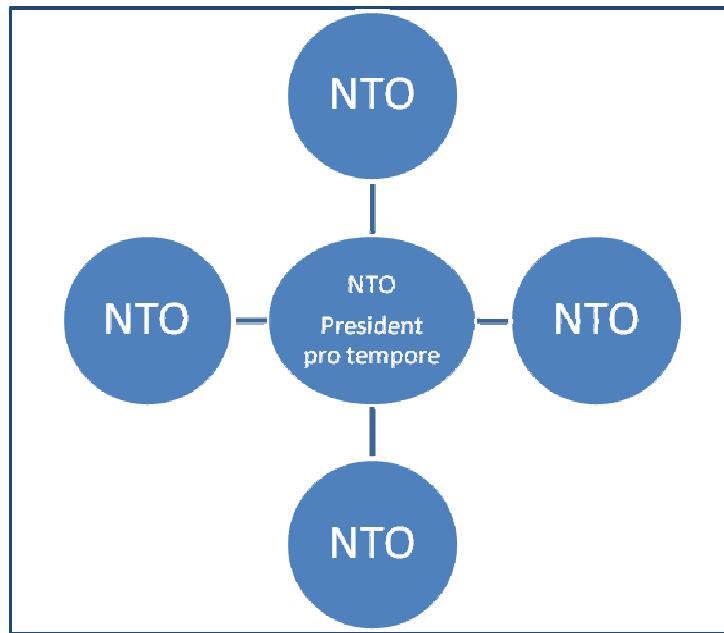
Inter-institutional Commission

Its function is to bring to a political level the Project monitoring, decision making, formalizing agreements and commitments of institutions and assigning tasks and resources

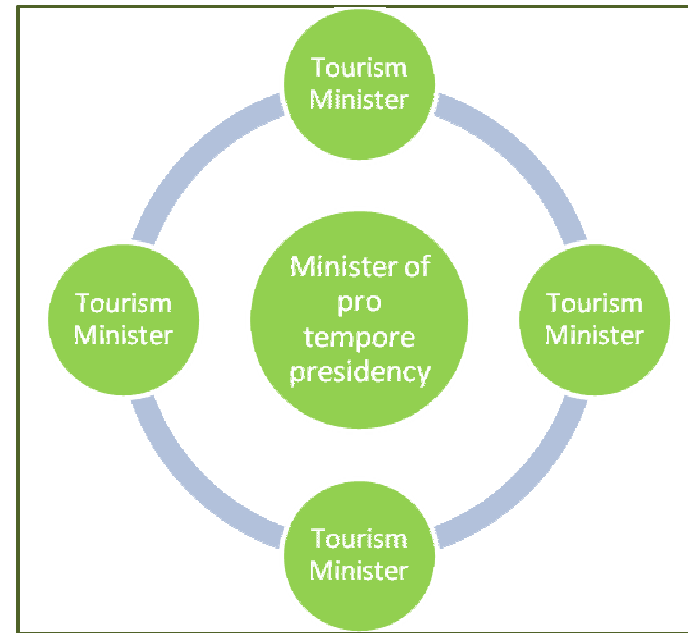
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iv. Recommendations: Governance on a supranational level



Supranational Technical Committee



Inter-Institutional Commission

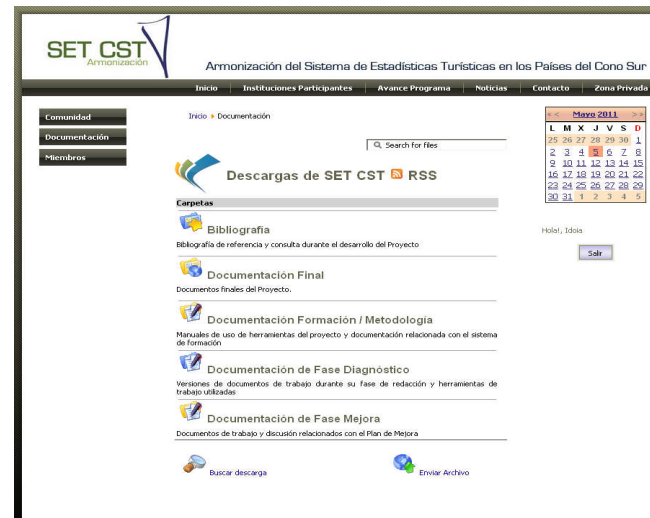
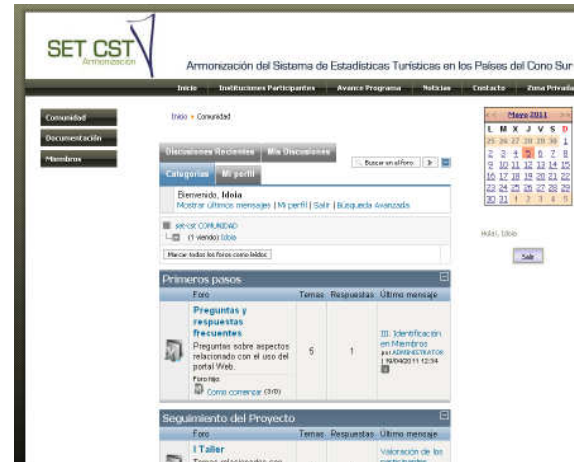
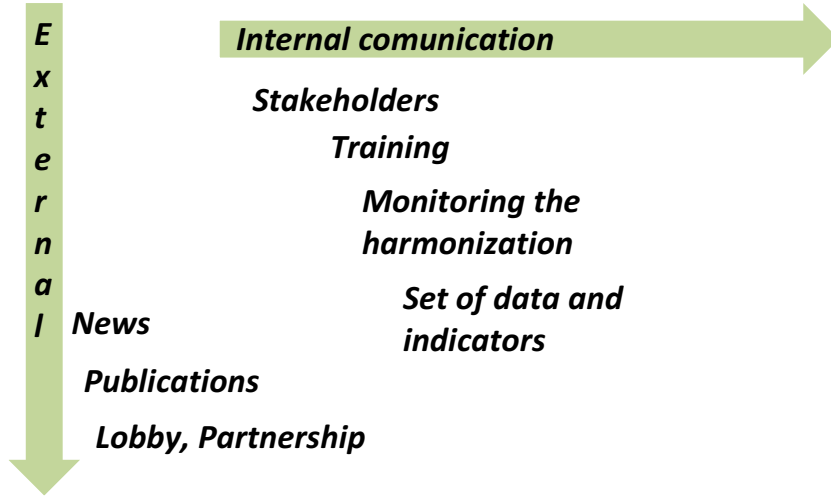
Monitoring, evaluation and support of international organizations (UNWTO and ECLAC)



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iv. Sustainability: A supranational Tourism Observatory



2. The National level

BRAZIL: NATIONAL ESTRATEGIC PLANNING FOR STS



PRODETUR NACIONAL

Funded by **Inter American Development Bank (IDB)**

Component I: Institutional Strengthening of NTO

Component II: Supporting the tourism planning at state and local level.

Component III: Supporting the state and local investments on tourism



Main challenges within a national level

- ❖ Technical and operational framework:
 - ❖ Adjustment and implementing the Development Plan of STS
- ❖ Governance framework
 - ❖ Improving the current level of co-operation and the existing technical and institutional support
 - ❖ Ensuring the sustainability of the STS project with the suitable allocation of resources and political commitment.

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First Steps taken on the technical and operational framework:

Drawing up a 5 year Development Plan defining the strategic guidelines to be carried out at national level for the production, storage and dissemination of harmonized and comparable statistics of Brazil's tourism activity.

Promoting the harmonization of Brazil tourism statistics applying IRTS 2008 and based on SC Project's Improvement Plan

Going ahead in the renovation process of statistics under the responsibility of MTUR, basic core of federal "SITUR" inbound tourism, domestic tourism and accommodation statistics.

Stimulating the development of technical and governance efforts in order to achieve a harmonized and comparable set of indicators at different levels of coverage.

Design of a platform enabling the storage, dissemination, analysis and monitoring of data and indicators of tourism activity





First Steps taken in the governance framework:

Decree July 2013: Creation of a Executive Group with the main goal of defining and carrying out the implementation and maintenance of the National STS and the compilation of Tourism Satellite Account.

Tourism
Law 2008

Decree January 2014: Designed by law the representatives and institutions of the Executive Group. NTO, NSO, Federal Police, Ministry of Justice, Central Bank, Ministry of Finance

Stimulating the participation and co-operation between institutions and tourism stakeholders in development.

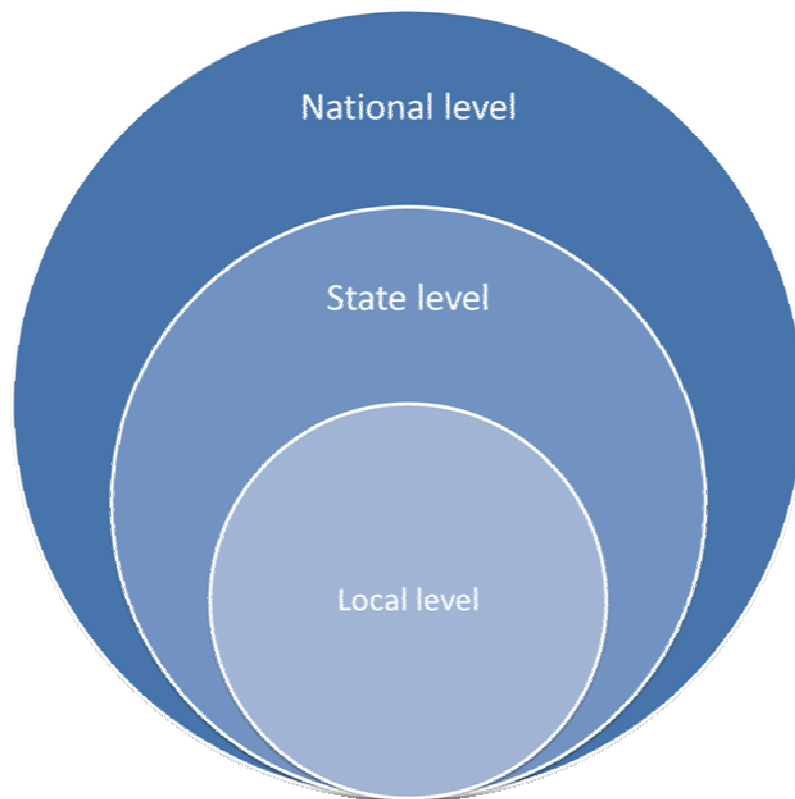
Between different areas of government so as to improve the decision making process and the definition of public policies related with tourism.

Challenges: Between different levels of administration so as to focus the development for those subnational destinations where the tourism has a particular relevance

Challenges: Inclusion of STS in SNS ensures economic and human resources

The Subnational level

BRAZIL: PRODETUR ESTADUAL



Funded by **Inter American Development Bank (IDB)**

Component II: Supporting the tourism planning at state and local level.

Component III: Supporting the state and local investments on tourism



The measurement at subnational level: Conceptual aspects

The connection between tourism and the mobility of the resident population has greater importance

The identification of tourism industries at the regional level would justify the consideration of some new as tourism characteristic industries, while this would not necessarily be the case at the national level

The scope of sub-national tourism is not a mere disaggregation of national Tourism.

It also has its own thematic singularity and technical complexity when it comes to its measurement..

The concept of —tourism sector is not always appropriate at sub-national levels due to the fact that a cluster of a significant number of production units in different tourism industries might not be relevant

While at the national level it would be possible to justify not prioritizing certain issues these could be priority interests for certain regions..



Main challenges within subnational level

Statistical limitations in producing regional data, especially in the absence of a national collection framework for tourism statistics

The scope of measurement could be different in comparison to that of national level

Identification of tourism characteristic products and industries

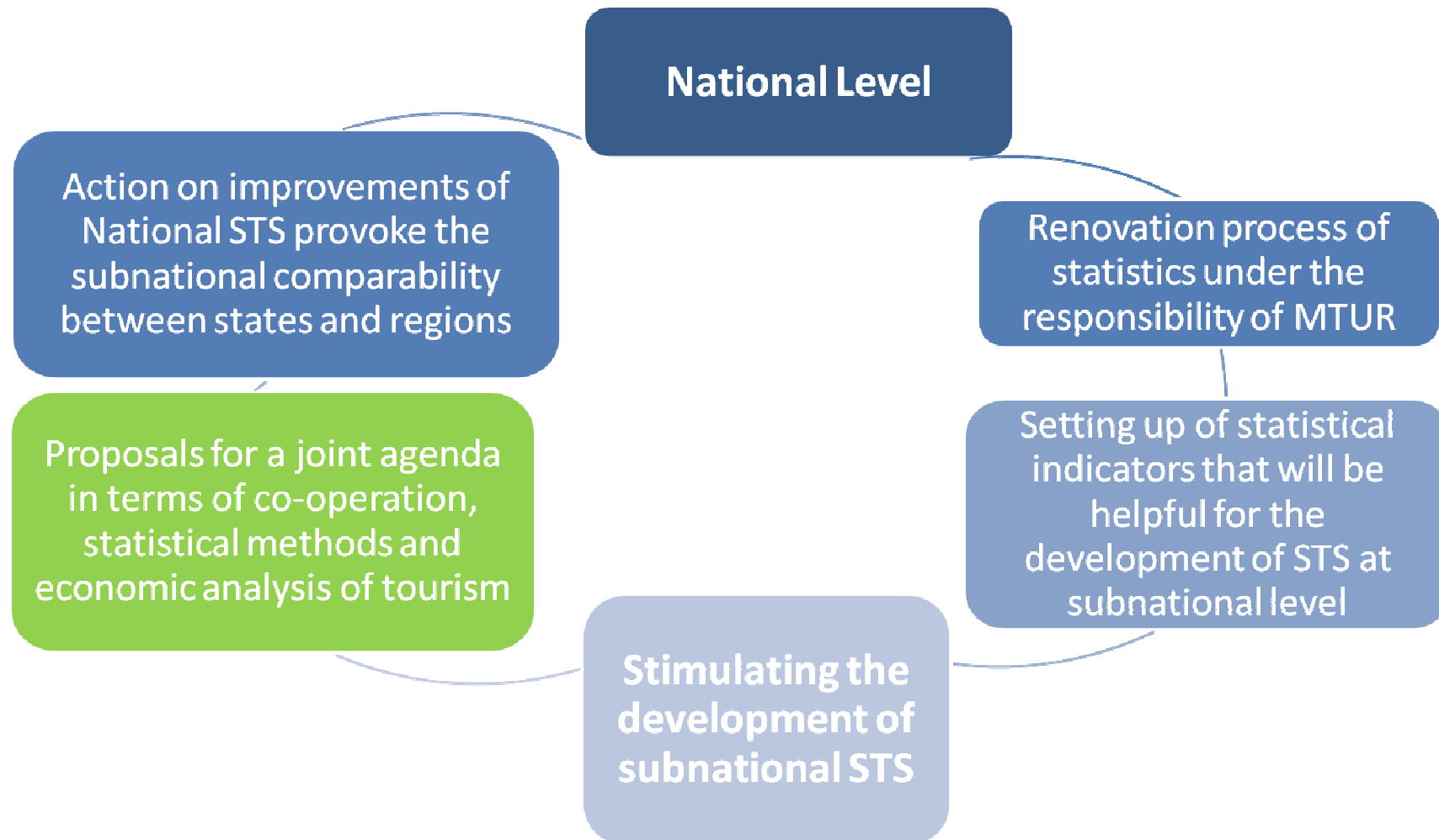
Tourism as a service in terms of international trade only makes sense at the national level

Use of administrative information

Co-operation framework – Statistical Governance



Strategic frameworks for the development of State STS

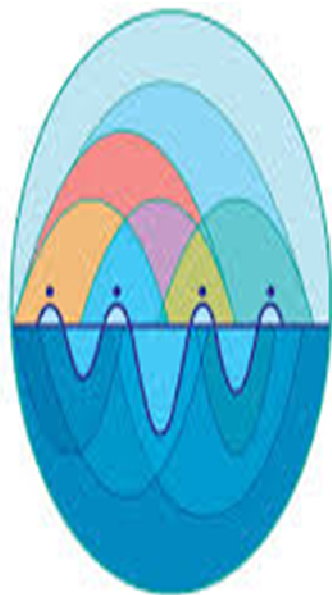


Findings and learnings within the process

- ❖ At Supranational level:
 - ❖ Harmonization and comparability
 - ❖ Training capacity: Other experiences and best practices
 - ❖ The supranational platform: Instrument of evaluation
- ❖ At National level
 - ❖ Administrative information
 - ❖ Legal framework as a means to ensure sustainability
 - ❖ NTO leadership – Political willingness
 - ❖ Knowledge management
- ❖ At Subnational level
 - ❖ National-State-Local relationship
 - ❖ National collection as framework for subnational analysis
 - ❖ State collection supporting the national STS

The Small Islands Developing States

PROFESSIONAL EXPERIENCE and OTHER SOURCES



International Year of
Small Island
Developing States
— 2014 —

Adjustment of UNWTO Regional
Service Capacity Building Project

UNWTO Technical Assistance to
Aruba

Dominica STS Development Plan
&

SIDSnet: Small Island Developing
States Network

SIDS Members - United Nations
Sustainable Development

General characteristics

- ❖ 52 small size countries (Caribbean, Pacific and AIMS)
- ❖ Sustainable Development Challenges: Small population, limited resources, remoteness, susceptibility to natural disasters, vulnerability to external shocks and excessive dependence on international trade
- ❖ Weaknesses in terms of growth and development: high transportation and communication costs, expensive public administration and infrastructure due to their small size, and little to no opportunity to create economies of scale.
- ❖ Natural resources management is a higher priority than economic accounts development

Tourism sector

- ❖ Tourism has contributed much to the development of many SIDS and will continue to be very important for their future growth
- ❖ Risks: Degradation of the environment, diversity and fragility of their cultures, dependence on tourism is a significant source of economic vulnerability for SIDS
- ❖ The direct contribution of tourism sector to GDP is very relevant in some SIDS. This ratio rises above 10% in most of them.
- ❖ The Caribbean region is the most intensive region in the world according to tourism (CTO)

Constraints related to governance

Human resources

- General lack of resources to carry out development plans
- Weak knowledge of tourism basic information framework
- Probable high level of rotation due to non competitive wages

Institutional aspects

- Lack of political support for statistical development
- The demands of International Organizations take a large part of the budgets
- Old legal framework causes difficulties in data sharing between agencies

Organizational aspects

- No IIP created to monitor the development of STS.
- Insufficient authority in statistical coordination
- Insufficient level of budget to face development plans
- Difficult public-private relationship

Aspects related with basic information framework

Joining activities

- General trend to focus on arrivals as the key indicator
- Mobility agreements might involve changes
- High rate of distrust between competitive countries

Administrative information

- The small public infrastructure eases its availability
- A certain formality in this data sharing is recommended

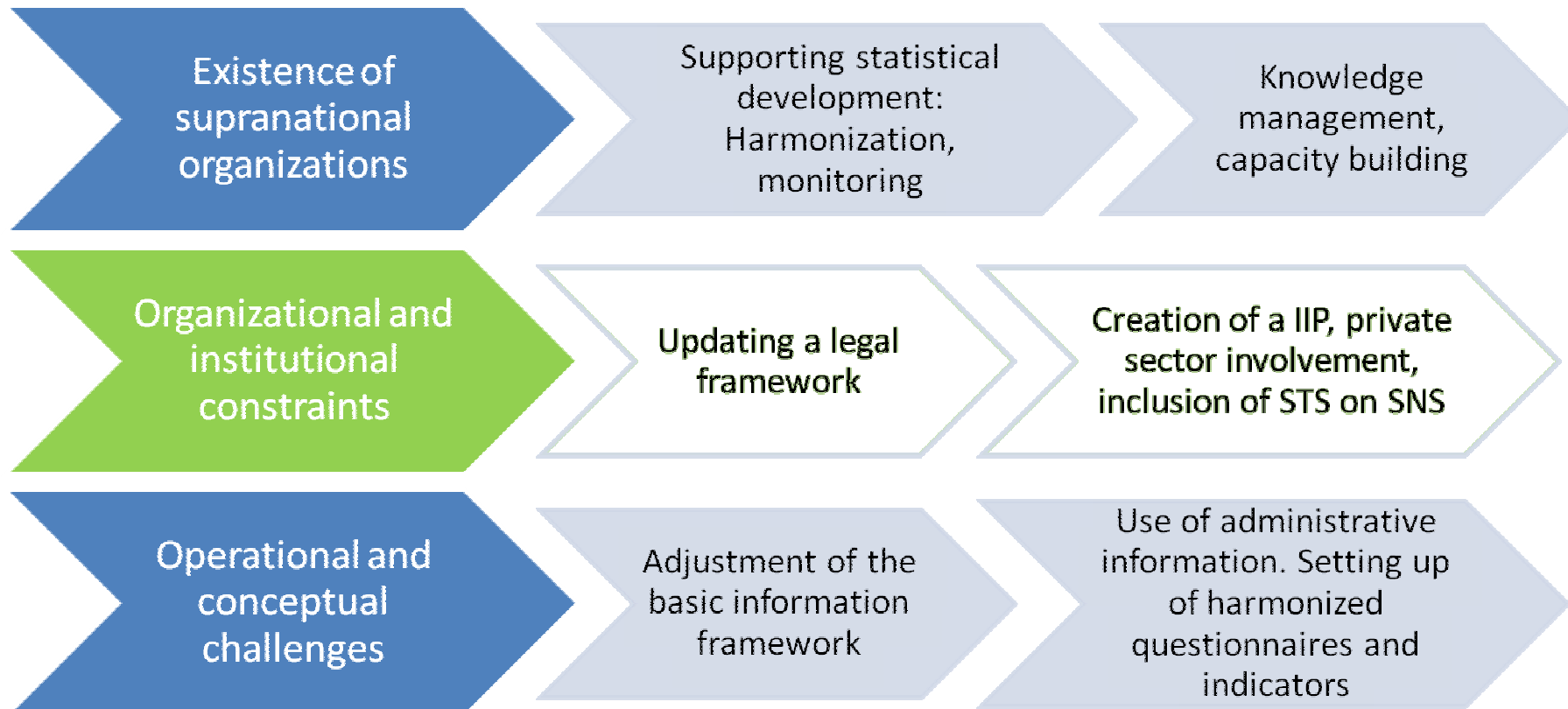
Operational aspects

- No land borders. Air and Sea measurement are correctly covered by migration authorities
- Registers are easier to create due to small size
- Administrative information as a means to face budget constraints

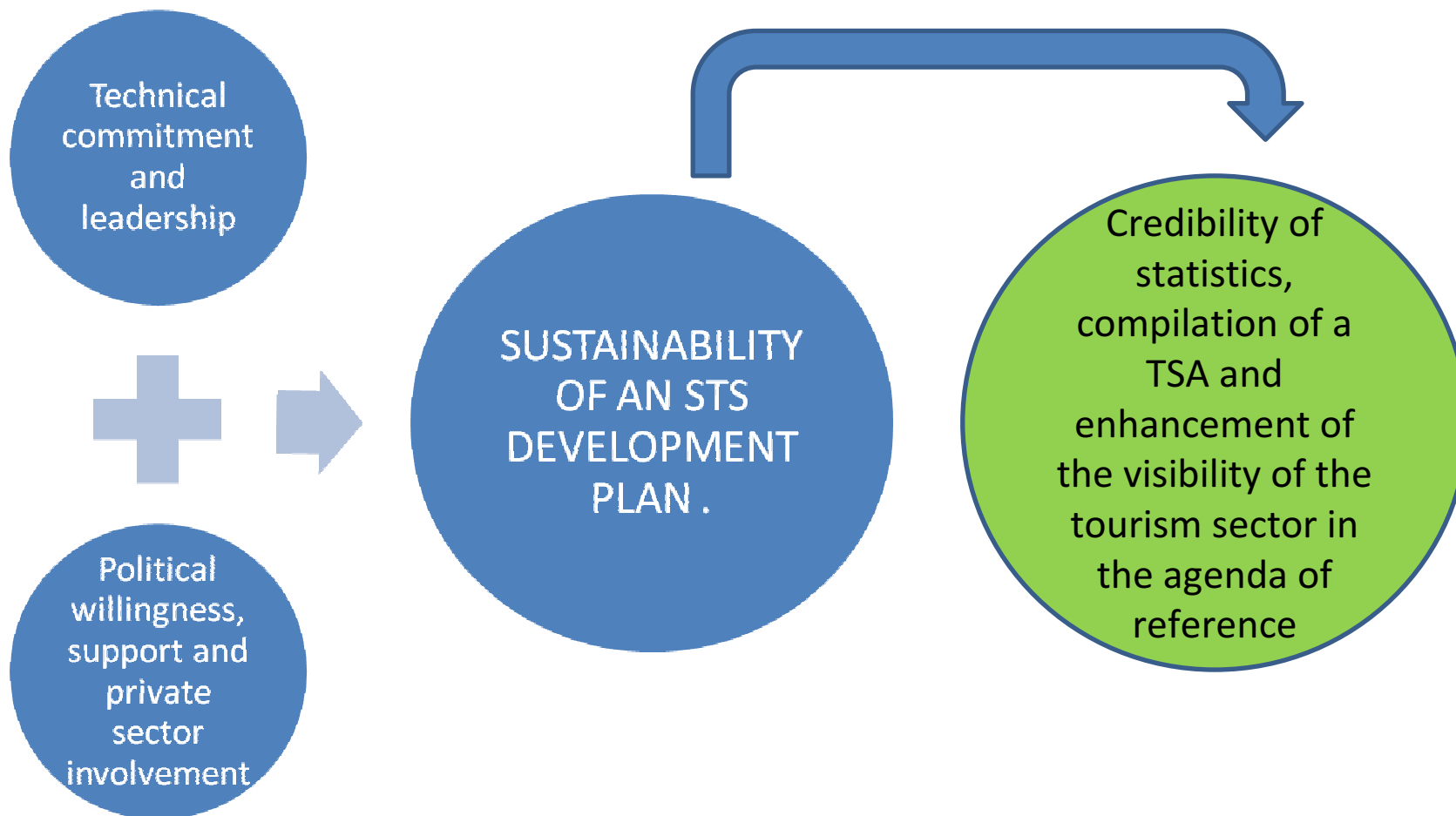
Conceptual aspects

- Nationals residing abroad
- Country's specific tourism characteristic activities
- Measurement of cruises and yachts tourism

Main findings and relation with SC experiences



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Thank you!

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SUMMARY: South-America Southern Cone countries (Argentina, Brazil, Chile, Paraguay and Uruguay) carried out a supranational joint initiative in order to develop their system of tourism statistics (STS) in a harmonized way with the view to a future long-term goal of achieving a “regional TSA”. This effort was made possible thanks to a project funded by the Inter-American Development Bank and was developed from October 2010 to May 2012.

Within this period these countries agreed to a common agenda of activities that included among others, the adjustment of the basic information framework for STS recommended by UNWTO, the design of governance instruments enabling further national development, and finally the definition of several technical and operational tools in order to overcome the bottlenecks encountered after in –depth national diagnosis.

Taking into account the main findings and learnings resulting from this project, this presentation looks at the next steps taken by one of these countries, Brazil, in order to follow up the national development plan of STS recommended in the supranational project.

Moreover, this new experience in Brazil brings to light the subnational measurement of tourism, pinpointing the new challenges related to this administrative level and proposing feasible solutions.

Finally, the presentation is addressed to the Small Islands Developing States (SIDS) and the challenges faced in terms of statistical development to measure the tourism sector. A brief analysis is done so as to relate the best practices of Southern Cone’s experience with the current situation and issues of these states.

Key words: STS, TSA, Supranational-National-Subnational measurement, basic information and governance framework, SIDS.