

# **OECD Seminar on Tourism Policy and Economic Growth Berlin (Germany), 6-7 March 2001**

## **Main issues for discussion**

### **I. Overview and objectives of the Seminar**

Tourism, a substantial and expanding economic activity, is for a large part of an international nature. The growth of tourism - which generates income, jobs and foreign exchange - represents an opportunity for all countries, if negative impacts on environment, resources and society are to be minimised. Tourism growth, however, cannot be taken for granted everywhere and policy initiatives and actions will largely influence its distribution. It is in the interest of all players to co-operate in forming the direction of their tourism policies and actions. The OECD seminar provides a convenient forum for a discussion focusing on the determinants of tourism growth and on the role of governments and industry in supporting sustainable growth.

Many questions faced by the OECD countries bring concerns far beyond the OECD area. This meeting aims to strengthen the dialogue between the OECD countries, the industry and invited economies in an area where mutual benefits can be expected from a broader international co-operation and dialogue.

The aims of the seminar are:

- To learn more about the role and importance of tourism services as well as their underlying policies in the participating countries and about the determinants of tourism growth;
- To deepen mutual understanding into current practices of the industry and strategies of governments aiming to enhance sustainable growth in tourism; to share the analysis of such strategies/practices among each other; identify problems arising and, if possible, ways and means of solving them; and
- To exchange views on whether and, if so, how mutual co-operation could be enhanced in order to deepen relations between the OECD Tourism Committee, the industry and selected economies in all aspects of tourism policy and services.

### **Session I - Opening of the meeting and organisation of work**

The Parliamentary State Secretary of the Federal Ministry of Economics and Technology (Germany) and the Chairman of the OECD Tourism Committee will open the Seminar on tourism policy and economic growth at 9:30 on Tuesday 6 March 2001. The seminar will be organised in four sessions.

### **Session II - The tourism industry in selected economies: assessment, experience, comparisons**

Session II will consider the role the tourism industries play in national economies and discuss their economic impact, performance and growth perspectives. Participants will be invited to assess the development of the tourism industry, share their experience and discuss the actions necessary to support further tourism growth, while ensuring sustainability. This session will offer to OECD and invited countries a platform for a detailed exchange of views on tourism policies.

### *Issues for discussion*

– *Maximising the benefits of tourism*

What is the outlook of the tourism industry for the OECD and invited countries? What are the prospects for the coming years?

In view of the potential of tourism to reach different kinds of economies and geographical territories, what policies should be pursued to maximise and spread the benefits of tourism in OECD and invited countries, at national/regional/local levels?

– *Managing tourism growth*

What are the costs and benefits of growth in tourism for the economy? What policies and practices can help to reduce associated costs and to maximise benefits, e.g. on environment, culture and society?

What are the main policy constraints identified by countries in developing a policy framework conducive to tourism growth based on the principles of sustainability? Can we establish limits to economic growth of tourism? What is the experience of mature/traditional tourism countries in this respect?

To better measure, understand and manage growth and performance in tourism, what indicators should be used? What might be the application of the Tourism Satellite Account in the fields of planning and decision-making?

### **Session III - Economic and political factors affecting growth in tourism**

Session III will discuss the role and the implications of selected factors for the development of tourism and the lessons to be drawn for policy-making. The determinants of tourism growth are complex and are a mixture of economic, social, political, environmental and technological elements. The remarkable tourism growth in the 70s and 80s, the relative slow down of the rate of increase in the 90s, especially for OECD countries, and the divergence of growth encourage governments and industry to examine in detail the determinants of tourism growth and performance, and the conditions by which this growth will be maintained. Participants will be invited to review the role of some determinants in the growth of tourism, with a particular concern for economic and political factors.

### *Issues for discussion*

– *Information and communication technologies, innovation and industrial changes*

What is the impact of communication and information technologies in tourism growth and performance? What is the impact of electronic commerce on the structure, organisation and performance of tourism businesses? What are the views of governments on these issues?

What is the role of innovation to enhance competitiveness of the tourism industry? How can innovation be facilitated in the tourism industry? What policies and actions can be promoted for this purpose?

How do “strategic alliances, mergers and acquisitions” have an impact on tourism growth? What effects has the development of concentration in the tourism industry for the tourism trade, notably for Small and Medium-sized Enterprises (SMEs)? What are the views of governments on these issues?

– *Financial issues, investment and trade in tourism services*

In view of the infrastructure needs of the tourism industry which require heavy financial resources, what kind of measures could be envisaged to facilitate access to financing for tourism businesses, notably SMEs?

What is the role and importance of foreign direct investment (FDI) in tourism? What are the barriers to FDI in tourism? How can participant countries work together to promote best practices and experiences in attracting FDI in tourism? What common actions could be envisaged?

#### **Session IV - Providing an adequate policy framework to support sustainable growth in tourism**

Session IV will consider impediments to growth and measures enhancing the role of tourism as an active driving force for sustainable development. It will discuss the needs of industry operators for a policy framework conducive to sustainable tourism growth and the role of governments in providing it. Participants are invited to outline possible options to be envisaged for adjusting the current policy framework to maintain the competitiveness of the tourism industry and its contribution to society, faced with new market conditions and international competition.

##### ***Issues for discussion***

– *Addressing barriers*

What are the requirements (e.g. financial and technological) of the industry faced with the development of tourism? What are the main problems encountered:

- Capacity in the airline and accommodation sectors?
- Shortage of capital investment?
- Lack of confidence in tourism as an area for investment?

What are the main priorities of the industry in removing impediments to international tourism?

– *Factors, measures and policies securing cultural, social and environmental assets*

What kind of factors and measures are important for securing a tourism growth, which can support rather than damage society/cultural and environmental assets? What policies/strategies should be pursued in this regard?

#### **Session V - Concluding session**

The Chairman of the Seminar will make some closing remarks.