

DIRECTORATE FOR SCIENCE, TECHNOLOGY AND INDUSTRY

SWISS TOURISM POLICY - A SYNTHESIS

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TABLE OF CONTENTS

Tourism as a strategic sector of the economy	2
Tourism policy as growth-orientated economic policy	2
Location competition as the new tourism policy challenge	3
Tourism policy as a "cross-sectional" area of responsibility.....	4
Tourism promotion in conditions of imperfect competition	5
A panoply of tourism policy promotional instruments which do not conflict with a market-orientated approach	6
Need for political action in the hotel sector, as the tourism industry leader	7
Cost-effective, lean organisation of the national tourism administration.....	8
Looking ahead.....	9

Annex – Relevant Legislation

Diagrams

- 1 Tourism policy as an aspect of economic and location policies
- 2 Tourism policy as a cross-sectional task
- 3 Tourism promotion in Switzerland
- 4 Tourism expenditures
- 5 The federal authorities and federal public law corporations in the field of tourism
- 6 The National Tourism Administration
- 7 The "private-public partnership" in the area of tourism

SWISS TOURISM POLICY - A SYNTHESIS (Note by Switzerland)

Tourism as a strategic sector of the economy

1. Tourism can be understood as a final consumption by households for holidays or as an intermediate stage in the production of goods and services (business travel), which through the spending of domestic and foreign visitors creates **turnover and added value for a great many companies and different sectors of the economy**. It is indeed the only "industry" that can be defined in terms of the spending of visitors, i.e. in terms of **demand**. This demand consists of a package of services either put together by the tourist himself or by the operator. The creation of such a package requires production in partnership and marketing by the supplier.

2. This new definition of tourism makes it possible to better understand and measure the importance to the macroeconomy of this particular industry, which involves many different kinds of companies and economic sectors. To measure it requires the preparation at the national level of a tourism satellite account in the context of the national accounts. A **satellite account for Switzerland** is currently being drawn up by the national tourism authorities in collaboration with the Federal Office of Statistics. Exhaustive preliminary studies have shown that the **aggregated value creation of tourism-dependent economic sectors in Switzerland accounts for about SFr26,000 million or around 5-6 per cent of the gross domestic product (GDP)**.

3. The high level of value added by tourism in Switzerland can be explained by the fact that this country has **specialised** in this field for well over a century. Switzerland has the advantage of **competitive tourism centres** which as highly diversified systems can be copied only at great expense. However as the modern industries and the service sector gained in importance, so tourism lost much of the dominant position it had enjoyed in its heyday of the "belle époque" in the 19th century. But as our country's level of development improved, so did the **productivity per employee in tourism**. The multiplier effect of tourism spending is particularly high in Switzerland, reflecting the attractive nature of the products and services. Moreover in many areas including the Alps and the lake districts there are few alternatives for development. For all these reasons the Swiss government and parliament again decided to consider tourism as a **strategic sector of the economy** during the parliament's summer session in June 2000.

Tourism policy as growth-orientated economic policy

4. Switzerland as a tourism destination suffered first a long period of stagnation in the Eighties, due to the high exchange rate, and then a major slump in the industry as a result of a recession between 1992 and 1996. Another cause however was the failure to adapt the structures of the fragmented supply of products and services to the new conditions of the global market. This crisis in tourism did have one positive result, despite losses amounting to billions of francs, in that it demonstrated to a great many people in political and economic circles just **how important tourism is for economic growth and employment in Switzerland**. Fortunately growth has returned in the meantime. The **short- to medium-term** prognoses published for the first time in July 2000 by the federal Tourism authorities of the State Secretariat for Economic Affairs **seco** are favourable, and indeed need to be revised upwards (overnights up by 3 per cent in 2001/2002, international tourism revenues up by 4 per cent).

5. Switzerland still has plenty of potential for growth in tourism. Thanks to our country's easy accessibility and high level of development we are in a position to reap economic benefits from such **new**

trends in tourism as short holidays, so-called "wellness" holidays, and tourism in the context of seminars and congresses. But it remains a fact that **only with the help of a carefully targeted tourism policy is it possible to make full use of whatever growth potential** exists in markets that are ever more hotly contested. And optimum economic output cannot be achieved without a helping hand from the state in view of the high transactions costs. The exchange between suppliers of products and services and their customers, which is necessary for tourism production and marketing, cannot take place. The cost of co-operation is too high. It is for these reasons that a "macropolicy" orientated towards growth and employment is necessary in tourism.

6. Tourism policy as an aspect of economic policy is from the Swiss point of view **neither industrial policy nor sectorial policy**. Tourism demand benefits many different companies and economic sectors. The development of tourism co-operation is therefore characterised above all by the way it extends beyond specific boundaries, at the level of both individual companies and whole sectors. Tourism promotion makes a substantial contribution to the objectives of economic policy in the area of employment. Modern tourism is one of the forces that is **helping to turn the Swiss economy into a service economy**. This has nothing to do with the hotel and catering segment, which in Switzerland accounts for only half of the direct value added by tourism. **As an information business tourism is much more a part of the "new economy"**, since management, organisation and reservations increasingly rely on the support of information technology. Furthermore, tourism is creating jobs in the emerging **"experience" economy**, the new quaternary sector, which caters to personal well-being in the emotional and intellectual senses as well as physically. Tourism satisfies the increasingly important immaterial needs which are at the very top of Maslow's Pyramid, creating promising jobs in a post-modern industry.

Location competition as the new tourism policy challenge

7. The worldwide competition between economic locations or places has led to a **revival of economic policy**. Today it is a question of being able to offer investors, both foreign and domestic, the most favourable framework conditions in competing for scarce production factors. This also means **deregulation and favourable rates of taxation as well as highly qualified human resources and infrastructure**. This new location policy puts pressure on tourism policy in several ways. First tourism has to prove that it is one of the core tasks of the state. Also that it promotes development, and that it belongs in the economic portfolio of an industrialised nation. And finally it must demonstrate its efficiency and cost-effectiveness.

8. The tourism policy of the Swiss government tries to satisfy these criteria. This policy is grounded **in articles of the Federal Constitution concerning the economy**, which are the basis for state intervention for the promotion of tourism within the framework of a market economy. From today's perspective such efforts at state intervention are above all limited to the cases of market failures in the fields of efficient allocation of resources and efforts to counter the high transaction costs of co-operation. The federal authorities specifically recognise **the strategic importance of growth-orientated tourism policy**. Important political interest groups defend the need for tourism policy programmes. In some cases the measures to be taken are a subject of controversy. The need at the political level for a balanced budget, with state expenditure kept well under control, results in most cases in **relatively modest funding**. The question is whether or not it pays to engage in tourism promotion in a country that is characterised by high wages and a hard currency. The answer is provided first and foremost by the market. Tourism promotion is considered justifiable only if it enables the **tourism industry to achieve long-term success in the international travel markets and the domestic factor markets for labour and capital**.

Tourism policy as a "cross-sectional" area of responsibility

9. Due to the location-specific nature of tourism, tourism-dependent sectors of the economy are obliged to live with the State interventions, whether they like it or not. One of the objectives of tourism policy is to ensure that **policy decisions in flanking or hierarchically superior policy areas are as tourism-friendly as possible**. This "cross-sectional" aspect of the tourism policy gives rise to difficulties due to conflicting objectives. The most important role of the state from the tourism policy point of view is that of a **service provider**. It makes many goods and services available that are necessary for tourism. The state's role in the area of regional **planning** is equally important in the way it controls the development of the natural and the socio-cultural environment. This importance is easy to understand, since tourism is a way of economically exploiting natural and cultural resources. Finally the state also plays a key role as **regulator**, setting influences and limits to the development of tourism in key areas such as the development of existing infrastructures, the addition of new installations, and the control of the labour market.

10. In many cases state activities have more impact in indirect ways than through any results obtained via the tourism promotion policy. Thus the state as a **co-producer** and service provider helps to improve the competitiveness of tourism. Switzerland has a well developed **vocational training system** covering many fields, as well as the highest density of hotel and tourism schools. Touristic human resources help to meet the high cost of maintaining the **public transport systems** which serve all tourism destinations. The state-subsidised railways for example have developed such world famous tourism brand products as the "Glacierexpress" that runs between Zermatt and St. Moritz. Switzerland's current transition from intensive agriculture supported by state-guaranteed selling prices to a more extensive form of land management with subsidies provided on the basis of ecological criteria is providing considerable help in **maintaining the "cultural landscape"**, which is a major part of the appeal of such tourism products as rambling holidays in the mountains.

11. Entrepreneurial activities in the field of tourism are shaped to a great extent by **territorial organisation and regional development policies**. The state in its role as planner regulates and channels tourism development to a considerable extent, since public awareness of the need for landscape and environmental protection is highly developed in Switzerland. Indeed the Swiss Confederation was the first country in the world, **as early as in 1979**, to create an all-purpose instrument of sustainable development, known as the **Swiss Tourism Concept**. Such instruments as physical planning, regional policy, landscape and environmental protection had to be applied in a coherent manner in accordance with **planning principles which the government has viewed as mandatory**. This made it possible in the Eighties and Nineties to achieve an **acceptable optimum between the positive and the negative externalities** of tourism development (agglomeration and rejection effects). However the restrictive use of these instruments simply made outdated structures even more rigid in many cases. Today the state in its role as planner must leave more elbow room for development, so that the potential for further tourism growth can be duly exploited. One of the most promising and least utilised trump cards in this context is greater networking of activities and sectors in the niche areas and particularly in the **creation of new tourism-orientated "clusters"**.

12. A cross-section orientated tourism policy also has to come to terms with the **state as a regulatory authority**. As an area which involves complementary economic and spatial activities tourism has difficult meeting its objectives in the face of regulations that are a hindrance to growth. In a highly industrialised country like Switzerland the **labour market** is a particularly difficult problem. Even though Switzerland has the highest labour productivity per worker in the world the most **labour-intensive branches of tourism** such as hotels and catering are not competitive in the domestic labour market. Within Switzerland itself the jobs offered in these areas are considered poorly paid, which makes it difficult to recruit Swiss staff. This means the industry has to fall back on the recruitment of **foreign labour** on a

seasonal basis, and since the level of qualifications is low very strict state regulations apply and make recruitment difficult. In the hotel trade foreign workers make up about 40 per cent of the total. Despite the proposed liberalisation of the labour market with respect to European Union member states there is no solution in sight to the Swiss tourism industry's labour problems in the short-to-medium-term, particularly when the economy is doing well. The high cost of wages is the reason that **small-to-medium-sized enterprises in the tourism field suffer from the so-called "cost disease"**. Their below-average productivity has to be compensated by the prices charged, lowering their international competitiveness. As in the past the labour market remains one of the biggest problems facing this country's tourism industry.

13. The Swiss federal government (Federal Council) published an **action plan for improving the framework conditions of Swiss tourism** in its report on tourism to the Parliament of 29 May 1996. The aim of this plan, which has already been implemented to some extent, is to dismantle restrictive regulations that stand in the way of tourism growth. This action plan was devised with the help of the government's interministerial Consultative Commission for Tourism. Although the government's attitude is for the most part tourism-friendly there are limits to what a cross-section orientated tourism policy can achieve. Thus despite a consensus it has not been possible to liberalise visa requirements with the emerging economies of the Asian region. Although an end to the ban on gaming rooms and casinos in Switzerland means this particular attraction will soon be introduced here, it has not been possible to implement the appropriate tourism policy requirements.

Tourism promotion in conditions of imperfect competition

14. Cross-sectional tourism policy is no longer sufficient today. As recently as the 1950s Switzerland had a share of the world tourism market of 8 per cent and ranked among the world's the top five tourism countries. Since then the world tourism market has **expanded tremendously**. There is scarcely a single nation left that does not wish to specialise in tourism. The customary concentration in a handful of locations that is found in other economic sectors such as the aircraft or automotive industries is no longer the case in tourism. This has resulted in a worldwide competition between tourism destinations. This competition is **imperfect**, since many new destinations are being developed with massive state subsidies. This situation often reflects the priority given to redistribution policy arguments, as in the case of the European Union's structural fund, which for reasons of cohesion supports the development of tourism in problem regions. This imperfect competition creates market distortions. Those who do not resort to promotion lose market share.

15. Switzerland is today one of the world's top 12 economic powers. In the area of location-specific tourism, Switzerland **as a small country has no more importance in quantitative terms than a major region** such as the Free State of Bavaria, which registers more or less the same amount of overnights. However thanks to the high added value in tourism and the high multiplier impact, Switzerland ranks **equally high in revenues from international tourism as for the economy in general, being eleventh** on the list. This result reflects the primary tourism policy objective, which is to achieve high added value with the smallest possible flow of visitors. Switzerland concentrates on **qualitative tourism growth**, accepting consciously and without regret that in the World Tourism Organisation (WTO) 's aggregated arrival statistics for incoming visitors Switzerland is destined to fall ever lower in the rankings.

16. Thanks to its small size Switzerland is able to pursue a **tourism policy of clear differentiation with respect to larger competitors**. In contrast to the bigger tourism countries which aim for decentralised tourism policies and have a correspondingly large need for co-ordination at a higher level, Swiss tourism policy is based on a degree of market-driven centralisation. To the potential visitor the **central brand** is Switzerland, which is also the market output unit. It is a familiar "umbrella label", a collection of local and regional brands each with an international reputation (the "Bernese Oberland",

Ticino, St. Moritz, etc.). The federal government's tourism policy is based on the brand "Switzerland". It is not merely a communication strategy. It is really a question of a **tourism policy vision**, of managing the **tourism country of Switzerland as a virtual company or a kind of "Switzerland Tourism Holding"**. With more than a million beds this holding counts as a "global player". It is a "virtual" company in that it takes advantage of "Deskline" -- a ubiquitous installed management, information and reservation system -- as well as the "Data Ware House" of the Switzerland Destination Management Company. This joint approach under a single brand with a corresponding marketing strategy and the production of packaged products and services in partnership gives Switzerland considerable competitive advantages *vis à vis* the opposition.

A panoply of tourism policy promotional instruments which do not conflict with a market-orientated approach

17. This tourism policy vision is based on industrial economy concepts. Swiss tourism is making an effort to become more productive and competitive through **horizontal, vertical and lateral co-operation** between companies, sectors and tourism organisations. And co-operation is not being viewed as an isolated phenomenon. It goes well beyond the traditional gathering of tourism associations. From the point of view of the government's tourism policy the co-operation that is needed must have an instrumental nature. It should be seen in the context of competition and structural changes. Competing tourism enterprises should cooperate in areas where they can achieve **economies of scale, network externalities, synergies and a reduction in organisation costs**. The tension between the two poles of competition and co-operation sparks **innovation**, which can help to improve and rejuvenate supply in the area of products, distribution channels, quality and organisational structures.

18. The implementation of a tourism policy vision based on co-operation -- for a Swiss tourism industry that is organised on the line of small businesses, is fragmented, and which targets the individual tourist -- requires state incentives, as it involves relatively high transaction costs. The Swiss government has created a tourism incentive system that is close to the market, results-orientated, which is not specific to any particular company or sector and is nationwide in scope. It was born in reaction to the serious tourism crisis of the Nineties, and so far there are two new instruments available for its implementation. The former "National tourism office" was reorganised extensively and given a new orientation between 1993 and 1996. Focused, results-orientated destination marketing has replaced public relations and conventional promotional activities. The new organisation, known as "Switzerland Tourism", works directly with the market thanks to a management, information and reservation system as well as an appropriate internet site, "My Switzerland.com". The information is developed through centralised "call centres". The distribution of advertising material is in the hands of a mailing house. The reorganisation resulted in a savings of over 50 per cent in staff and material costs for the Confederation. A new business model helps to ensure that the objectives in terms of overnights and turnover are effectively achieved. The Swiss parliament gave its blessing to this new approach in December 1999, significantly increasing to a total of SFr190 million the financial support made available to Switzerland Tourism for the 2000-04 period.

19. The new destination marketing organisation has been supported by all the partners in the tourism industry, at the level of medium-term planning and through participation in the information and reservation system. The Swiss tourism industry has had to **develop new products, new information technology distribution channels, new quality standards and new co-operative structures** at all levels. A new tourism policy instrument for the **promotion of innovation and co-operation in the area of tourism (InnoTour)** was created for this reason in 1997. This programme which provides financial support for innovation projects involving co-operation in tourism in the key areas already mentioned, is **limited** to the 1997-2001 period. As their part of the bargain, private sector companies that develop and

implement parts of the project are expected to participate in the costs to the extent of at least 50 per cent, and they must be ready to implement the project within half a year and to provide evidence of concrete results. Bearing in mind the many demands for financial support, the temporary nature of this programme and the scarcity of public funds. An extension of this limited programme for the period after 2001 is probable.

Need for political action in the hotel sector, as the tourism industry leader

20. The hotel industry, **once in the vanguard but which today lags behind**, represents a special challenge that has been with us for a long time. This sector has been contracting since the First World War, and with the exception of a resurgence following the Second World War, its contraction has become more and more pronounced. This leading sector of the tourism industry is very much subject to the business cycle as well as to exchange rate fluctuations and exogenous crises. In the period of the last noticeable slump in demand between 1992 and 1996 it faced a 15 per cent drop in overnights. As a result of this crisis the Swiss government accorded the industry a **special VAT rate, when value added tax was first introduced** in Switzerland. Its rate was set at 3.0 per cent compared to the normal 6.5 per cent, on the basis of an explicit mention in the Federal Constitution providing for special treatment of tourism in the event of a deterioration in its international competitive situation. Today the rate has increased to 3.5 per cent, which is still half the normal rate of 7.0 per cent. Through this measure, which has in the meantime been extended to 2003, the Swiss government hoped to improve the hotel trade's ability to compete on price. Prices have now fallen in the accommodation sector and demand has again picked up. The special rate granted was justified on the basis of the **export nature** of the services concerned and the fact that most of the European Union's member states also grant special rates to the holiday accommodation sector. The EU justifies this tax break by the discrimination which these export oriented sector with high value added and important part of VAT has in comparison with the export industry. The export of good and services is VAT tax free in the country of origin.

21. The special VAT rate granted to the accommodation sector has been extended by parliament to the end of 2003. Some circles argue that it is time to do away with this special rate. They do however support the idea of reimbursing part of the VAT paid by the hotel trade when it can be proven that that there has been investment in renovation. Despite the current recovery there is still a great need today to make up for lost time in investments in the accommodation sector. Due to the recession, its effects on real estate and the restrictive credit practices of the banks, investments in the hotel trade as the tourism industry industry leader have virtually come to a halt. **Banks are in fact disengaging from their not very profitable hotel businesses.** The resulting writeoffs and restructurings have put the **Swiss Society for Hotel Credit (SGH)** -- in which the government has a majority stake and which supports the accommodation sector with loans and guarantees as the "lender of last resort", in a difficult situation. In the past two years the government has seen loans of around SFr20 million go down the drain. A request has been made for the payment of losses incurred on guarantees amounting to about SFr50 million. The flow of funds to finance the remaining hotel credit applications has come to a halt.

22. The federal authorities are looking for a solution that will put the hotel trade back on track for a bright future. They would like to stimulate restructuring in this leading industry, while limiting their support to **companies with a convincing business concept and good chance of survival over the long-term.** Thanks to **new financial models** such as private or public sector participation companies it should be possible to compensate for the disadvantages of credit financing in this overindebted sector, and to widen the equity base. The approach based on the promotion of single companies should be complemented, or replaced altogether, by co-operative solutions, which would bring down costs and could help make companies or groups more attractive to the capital markets. State support for the hotel trade, increasingly viewed as a **transitional measure for a limited duration**, can be justified on the basis of

positive externalities. Overnights mean spending on tourism. Moreover there are market failures in the area of hotel financing.

Cost-effective, lean organisation of the national tourism administration

23. Swiss tourism promotion makes modest financial demands. Measures that target tourism directly account for **just 0.1 per cent of the federal budget**. The expenditure of local authorities and Cantons is roughly the same. In terms of financial policy, **tourism is not a heavily subsidised sector of the economy**. Some of the measures, particularly InnoTour, are underfinanced. An effective tourism policy depends less however on the funds employed than on the originality of the instruments and efficient implementation.

24. One advantage of the manageable size of the Swiss political world is the **highly specialised and efficient network of tourism experts** that exists in parliament, in the government, in the administration and in the public law corporations of the Confederation. This ensures that tourism policy views can be taken into account at all levels in the preparation and implementation of matters that impact on tourism. Worth mentioning in this context is the influential **Parliamentary Group for Tourism and Transport**, which keeps well informed on all tourism-related problems and manages tourism policy matters and initiatives in parliament. Virtually half of the members of the two houses of parliament belong to this group. At the level of the federal government there is the **Consultative Commission for Tourism**, which gives close scrutiny to all tourism policy projects. This is made up of representatives of the various ministries as well as the most important tourism associations. It is however only a consultative body.

25. The Secretariats of both the parliamentary group and the commission are looked after by the Tourism Administration of State Secretariat for Economic Affairs **seco**. This **strategic unit** is the body responsible for tourism at the administrative level. It is what is called "National Tourism Administration". The basic tasks include the development of instruments to monitor the market, for research and "knowledge management" in the context of tourism policy. Its **"core competence"** is the developing of tourism policy concepts and preparing legislation. It also has responsibility at the national level for co-ordination within the administration, co-operation with the operational sector, relations with the intergovernmental organisations as well as bilateral relations with partner countries. It is part of the **Group for place promotion of seco**, which includes territorial organisation and regional policy, industrial policy and promotion of the place, small-to-medium-sized enterprises (SME) policy, as well as export promotion policy. In the field of tourism policy, **implementation is delegated** to various public law and private sector organisations (Switzerland Tourism, Swiss Hotel Credit Cooperation, partly Swiss Federation for Tourism). The Tourism Administration of seco is responsible by law for the supervision of the strategic orientation and management of these organisations and its financing and overall controlling.

26. Delegating the implementation of tourism policy instruments makes it easier to work **in close relations with the market and to adopt a results-orientated approach**. The close links that exist between the state authorities and tourism-dependent sectors of the economy and the relevant organisations is one of the strengths of the Swiss tourism policy system and brings with it a number of competitive advantages.

27. Switzerland being a federal state, things tend to be organised along federalistic lines. Tourism policy is thus not the preserve of any single political entity. The federal, cantonal and local authorities each look after their own problems in accordance with the **principle of subsidiarity**. Tourism policy is not therefore determined at a single level. However due to ever greater internationalisation, the federal government and its institutions play an increasingly important role in the area of strategic management of Switzerland's tourism policy.

Looking ahead

28. At its session in June 2000 the Swiss parliament adopted a motion calling for a **Report on ways to improve structure and quality in the supply of products and services in the area of tourism**, including proposals for measures, all to be ready for the **end of 2001**. The report is expected to address two matters in particular: the labour market in relation to tourism and vocational training in this field. The government has promised an evaluation of the existing supply-side tourism policy instruments. Priority is to be given to a thorough review of InnoTour, to a "turnaround" of the Swiss Society for Hotel Credit and a new start for the Society, the labour market situation, and the elaboration of a vocational training concept for tourism. The Swiss government feels that the current recovery in tourism is an opportunity for further restructuring the industry's products and services.

ANNEX

Relevant legislation

Overall responsibility for tourism:

- Article on economic affairs in the Federal Constitution

Responsibility at the level of implementation:

- Decree of the Federal Council of 16.8.1952, 1.5.1984, 19.12.1997

Basis for tourism policy:

- Swiss Tourism Concept of 21.3.1981
- Report of the Federal Council on the tourism policy of the Swiss Confederation of 29.5.1996

Federal legislation

- Federal decree on the central office for Swiss tourism of 21.12.1955
- Federal decree on the promotion of hotel and spa credit of 1.7.1966
- Federal decree on the Statutes of the World Tourism Organisation (WTO) of 18.12.1975
- Federal decree on the introduction of a value added tax for the accommodation sector of 6.10.1996
- Federal decree on the promotion of innovation and co-operation in the area of tourism of 10.10.1997

Related Decision of the government:

- Federal decree on the creation of a Consultative Commission for Tourism of 29.8.1973
- Federal decree on the informative and consultative activities of the Swiss tourism Federation of 6.10.1976

DIAGRAM 1

Tourism policy as an aspect of economic and business location policies
- its recognition as a strategic sector of the economy

Strategic significance

- One of Switzerland's five most important economic sectors (Basis: preliminary estimates from tourism satellite accounts)
- Undeniable growth potential
- No other type of development possible in alpine areas

Economic policy

- Tourism policy for fulfilment of growth potential
- Tourism promotion as the solution to transaction costs and market failure

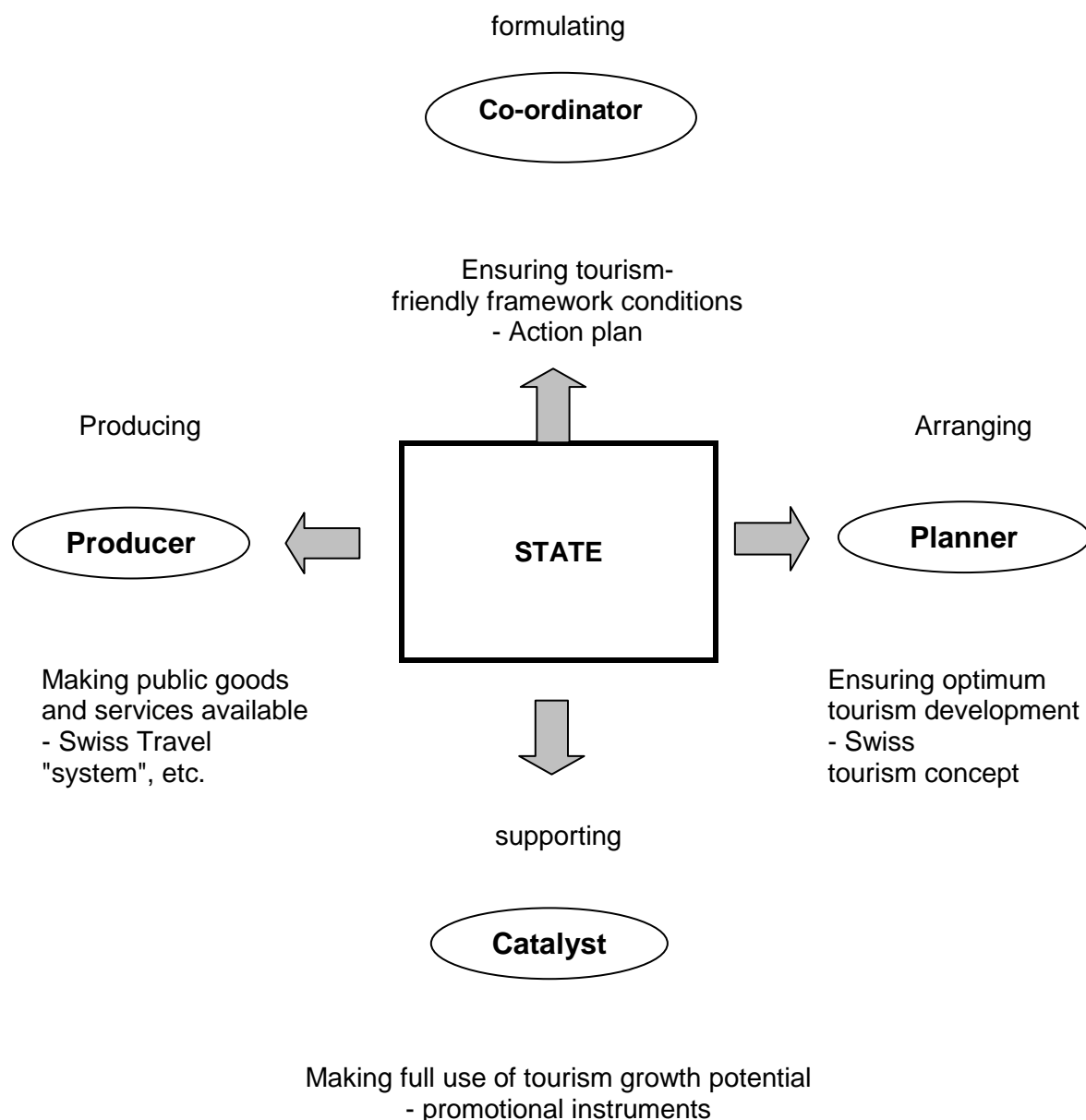
Business location policy

- Overcoming the disadvantage of imperfect destination competition
- Realising the tourism growth potential and cluster building

Source: *Tourism - seco*

DIAGRAM 2

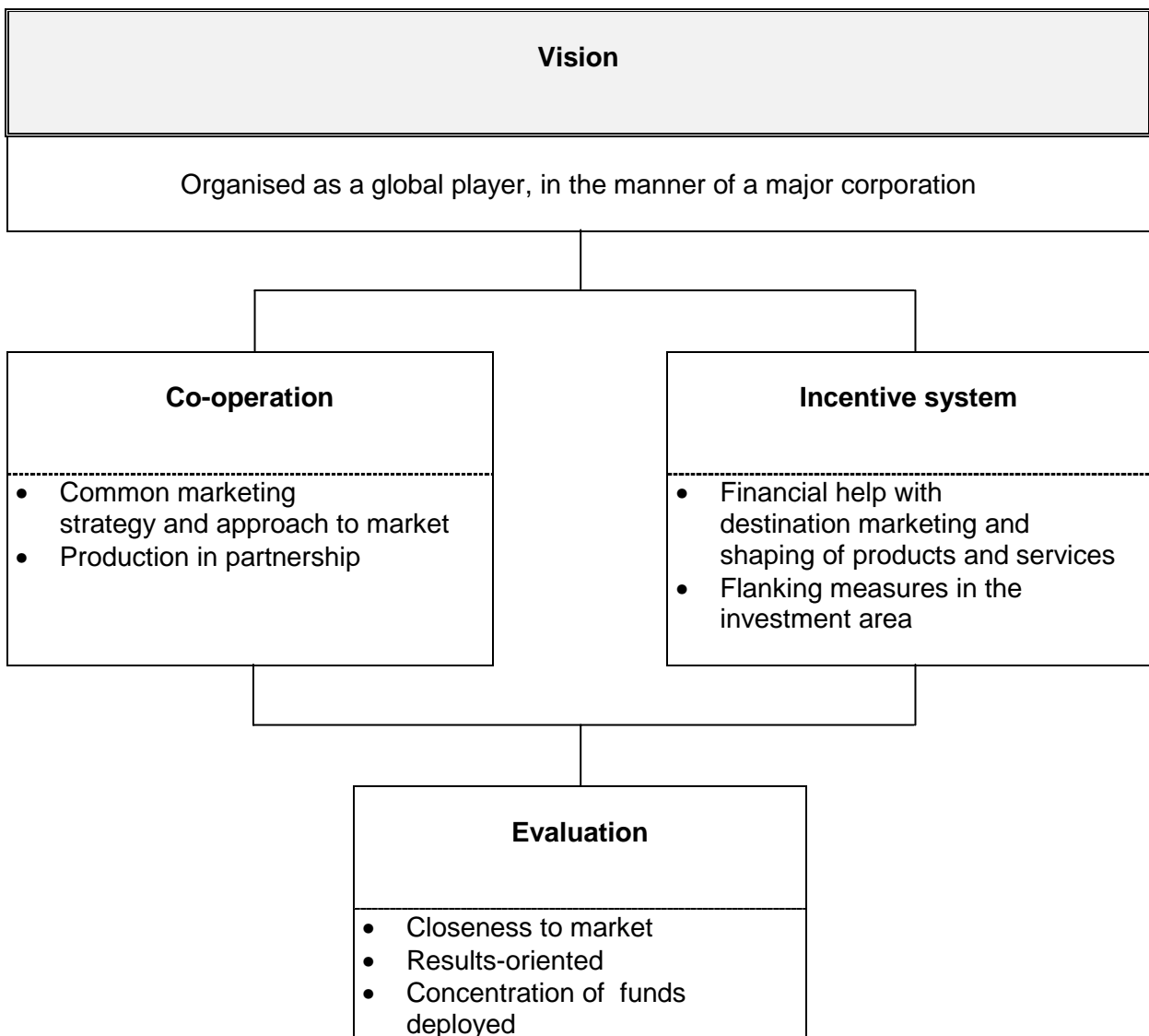
Tourism policy as cross-sectional task
- indirect influence on tourism development



Source: *Tourism - seco*

DIAGRAM 3

Tourism promotion in Switzerland
- competitive advantages through co-operation



Source: *Tourism - seco*

DIAGRAM 4

Tourism expenditures - a modest requirement over a limited period

Federal government: 0.1 % of budget
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Basic programme

In SFr million

Monitoring of market and research	} annual	0.4
Statistics		1.5
International organisations		0.4

Programme for limited period

Destination marketing	2000 – 2004	190.0
Innovation & co-operation	1997 – 2001	18.0
Hotel credits & guarantees*	1987 – 1994	240.0
Special rate on VAT **	1999 – 2003	140.0

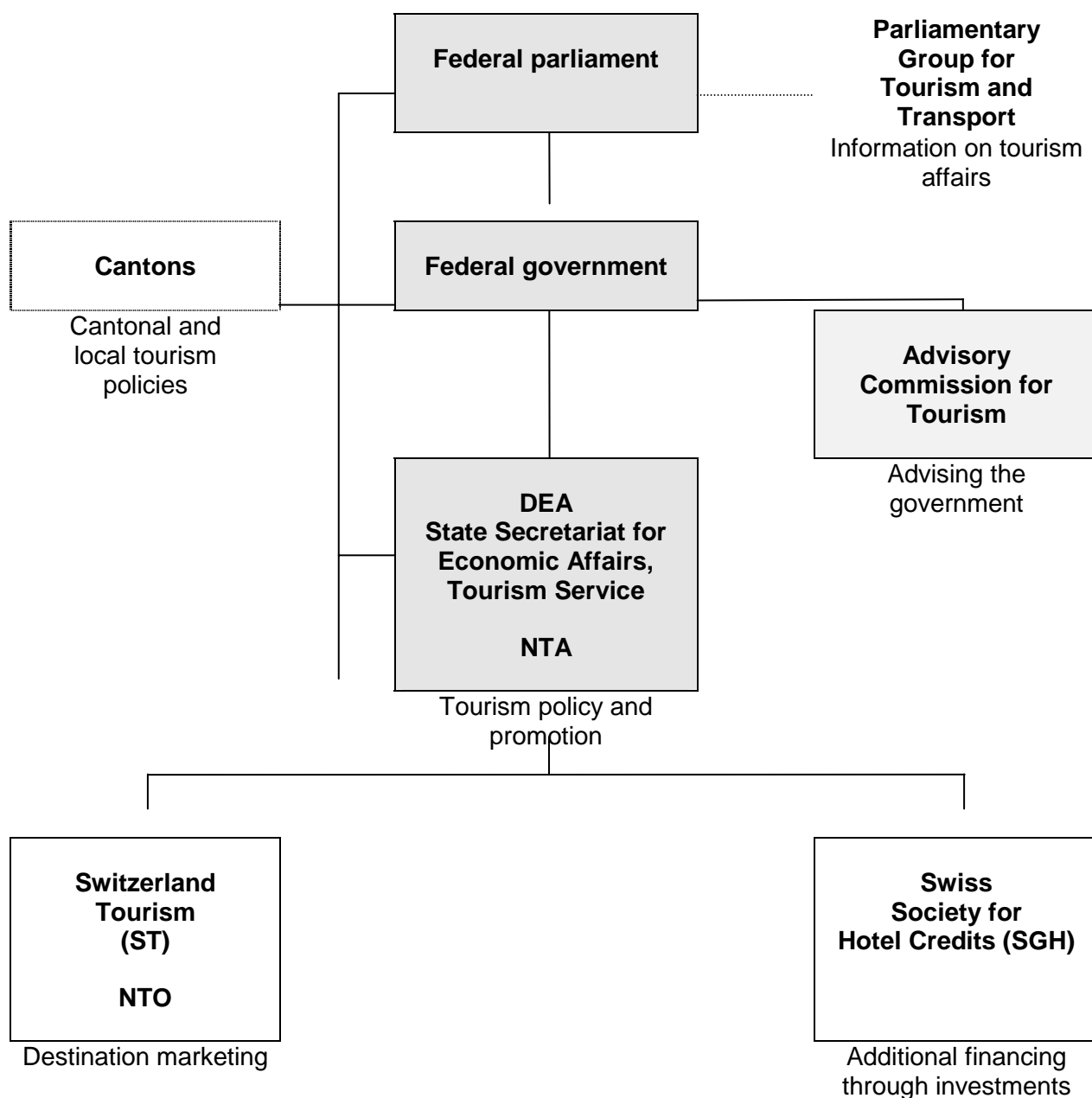
* Credit and guarantee limits

** Tax concession

Source: *Tourism - seco*

DIAGRAM 5

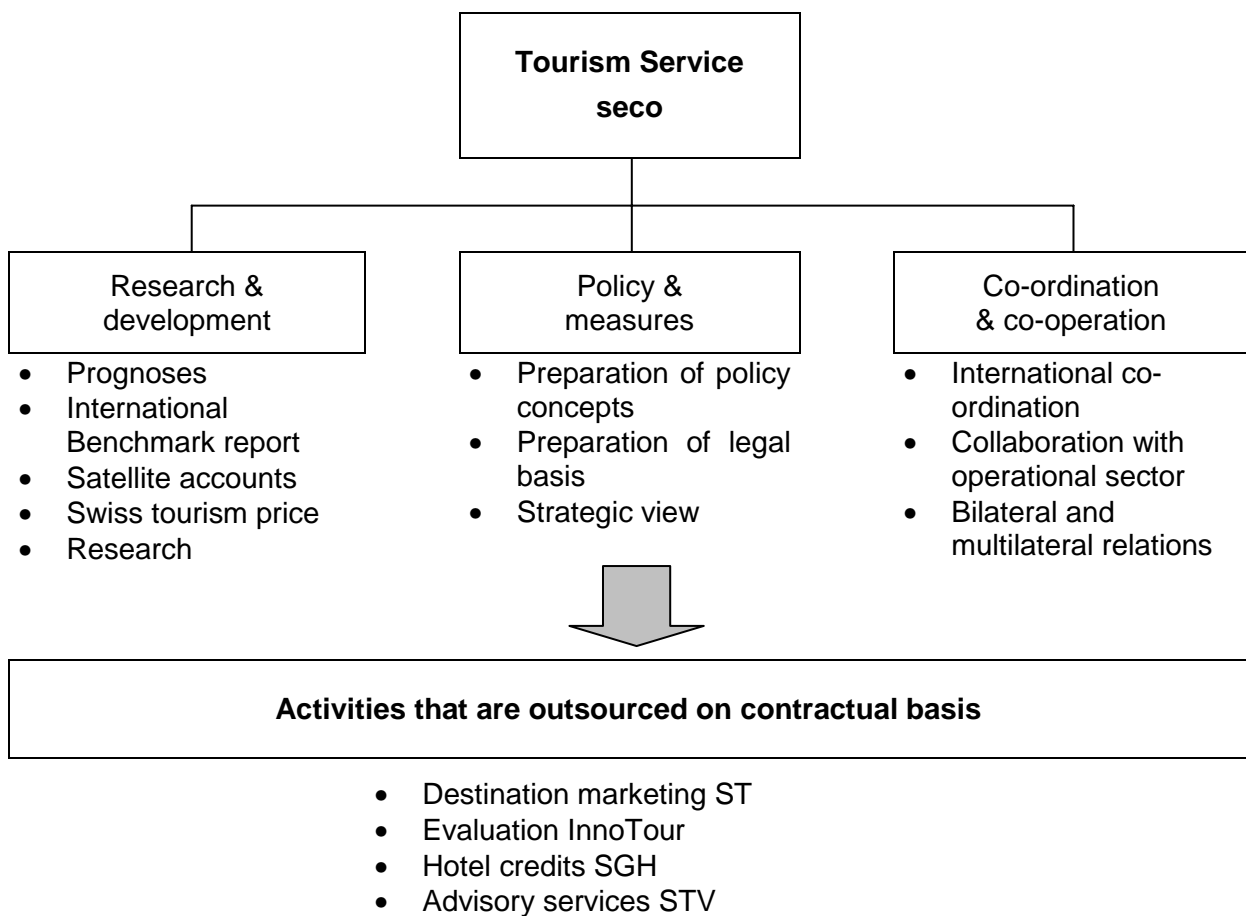
The federal authorities and federal public law corporations in the field of tourism
- **a highly specialised and effective network**



Source: *Tourism - seco*

DIAGRAM 6

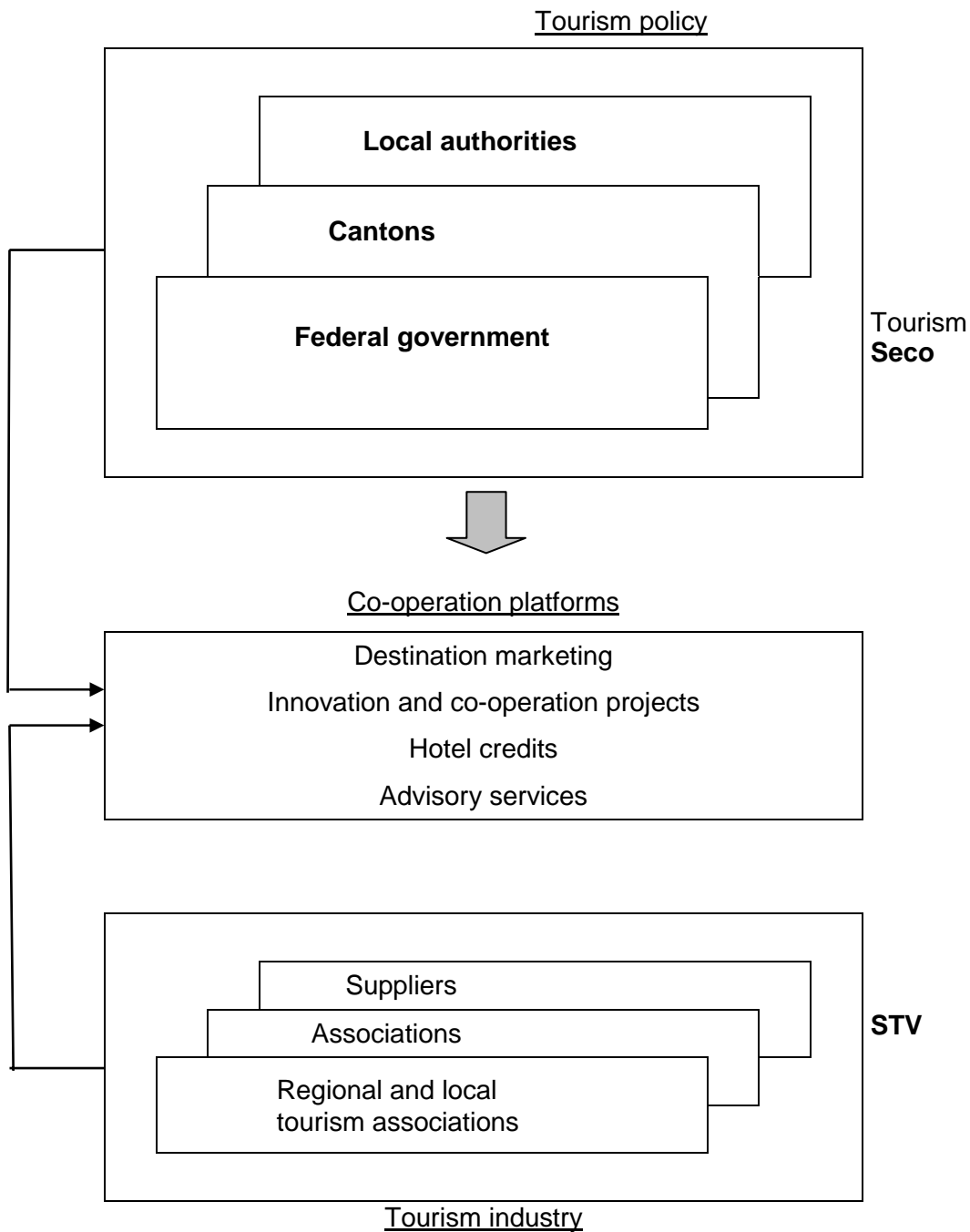
The National Tourism Administration
- a lean strategic unit that relies on outsourcing



Source: *Tourism - seco*

DIAGRAM 7

The "private-public partnership" in the area of tourism
- one of Switzerland's competitive advantages



STV = Swiss Tourism Association
Source: *Tourism - seco*