



CCO BRIEF ON TOURISM

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Tourism industry has become one of the most rapidly developing industries in the world. It has experienced continued expansion and diversification. It has become a critical sector in both advanced and developing economies for economic development, poverty alleviation, sustaining employment and improving a country's balance of payments. The tourism sector is an important driver of growth and prosperity and can play a leading role in reducing poverty particularly in developing countries and the Least Developed Countries (LDCs).

The growth of tourism sector has gained a momentum especially due to the developments in ~~the~~ transportation technology. Accordingly, tourist arrivals as well as tourism receipts have demonstrated an upward trend since 1950s. International tourist arrivals increased from 25.3 million in 1950 to 1,035 billion in 2012 and international tourism receipts increased from USD 2.1 billion in 1950 to USD 1,075 billion in 2012.¹

Recent Trends in International Tourism

Tourism sector has continued to increase in the world economy particularly in the last decade. As shown in Table 1, except for the year 2009 in which a decrease was recorded in both tourist arrivals and tourism receipts due to the Global Economic Crisis, the sector has maintain-ed its growth in the global economy. Within a few years, the sector has compensated the losses resulting from the crisis.

Table 1: International Tourism Arrivals and Tourism Receipts in the Last Decade

	2000	2005	2008	2009	2010	2011	2012	2013	2014*
Number of tourists (millions of people)	678	807	927	891	949	995	1,035	1,087	1,135
Annual change (%)	8.1	5.9	2.0	-3.9	6.5	4.9	4.0	5.0	4-4.5
Tourism receipts (USD billion)	475	679	941	853	927	1,030	1,075	-	-
Annual change (%)	-	7.3	6.3	-4.1	8.2	7.7	4.8	-	-

* Forecast

Source: World Tourism Organization

The Share of International Tourism by Regions

In recent decades, international tourism activity has demonstrated continuing geographical spread and diversification of tourist destinations. The share of traditional popular destinations such as the Americas and Europe in tourism sector has been declining in favor of the Middle East, Africa and the Asia Pacific Region.

In 2013, an additional 52 million international tourists traveled the world. As shown in Table 2, the Middle East Region has experienced a decline in international tourist arrivals in recent years due to the political developments in the region. In 2013, the Middle East Region

¹World Tourism Organization, http://www.unwto.org/facts/eng/pdf/historical/ITR_1950_2005.pdf
World Tourism Organization, Tourism Highlights, 2012 Edition

welcomed an additional 0.1 million international tourist arrivals compared to 2012. However, its share in the world in terms of international tourist arrivals declined from 5 % to 4.7 % in 2013.

Table 2: Shares of International Tourist Arrivals by Region (%)

Tourist Arrivals	2000	2010	2011	2012	2013
Europe	57.3	50.9	51.8	51.5	51.7
Asia and Pacific	16.2	21.5	21.9	22.5	22.7
Americas	18.9	15.8	15.6	15.7	15.5
Africa	3.8	5.2	4.9	5.1	5.1
Middle East	3.5	6.1	5.5	5.0	4.7
World	100	100	100	100	100

Source: World Tourism Organization, *Tourism Barometer Volume 12*, January 2014

International tourism receipts, in general, also have an increasing trend. As demonstrated in Table 3, global tourism receipts have shown a remarkable growth in the last decade. Tripling their tourism receipts in ten years, Asia Pacific, Africa and the Middle East have performed over the world averages. Europe and Americas also increased their tourism receipts. Despite the decrease in tourism receipts in the Middle East in 2011, this sector has shown a slight increase in 2012. According to the UNWTO, available data on international tourism receipts for the first nine months of the 2013 show that there is a positive trend in tourism receipts which confirms the tourist arrivals in 2013.²

Table 3: International Tourism Receipts by Region (billion \$)

Tourism Receipts	2000	2010	2011	2012
Europe	234.5	409.3	466.7	457.8
Asia and Pacific	86.7	255.3	298.6	323.9
Americas	132.8	180.7	197.9	212.6
Africa	10.8	30.4	32.7	33.6
Middle East	12.7	51.7	46.4	47
World	475	927	1,030	1,075

Source: World Tourism Organization, *Tourism Highlights*, 2013 Edition

Tourism Sector in the COMCEC Member Countries

International tourism activity has demonstrated a positive trend in terms of both tourist arrivals and tourism receipts in the COMCEC Member Countries in the last decade. As shown in Table 4, tourism sector in the Member Countries ~~had~~ recorded a remarkable progress between 2000 and 2010 in terms of tourist arrivals and tourism receipts. In addition, the share of the Member States in global tourism sector ~~has~~ increased. Between 2000 and 2010, the COMCEC Member Countries multiplied their tourist arrivals more than two times and their tourism receipts more than three times. Besides, their share in the international tourism receipts ~~has~~ almost doubled in the same period, which corresponded to 14 percent in 2010.

² UNWTO, *TourismBarometer Volume 12*, January 2014.

However, tourist arrivals and tourism receipts in the COMCEC ~~R~~region were in decline in 2011, mainly because of the political turmoil in the MENA ~~R~~region.

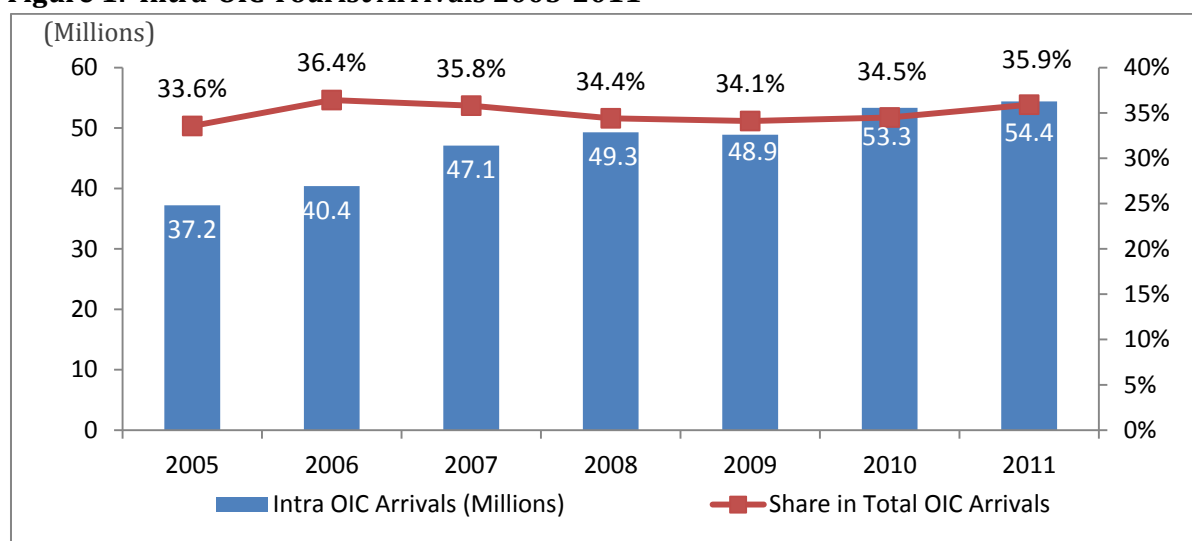
Table 4: Tourist Arrivals and Tourism Receipts in the COMCEC Member Countries

Tourism in the COMCEC Region	2000	2005	2009	2010	2011
COMCEC Tourist Arrivals (million)	67	111	144	155	152
Share in World Arrivals (%)	10	14	16	16	15
COMCEC Tourism Receipts (billion)	37	80	120	133	121
Share in World Receipts (%)	8	12	14	14	12

Source: Word Bank Data

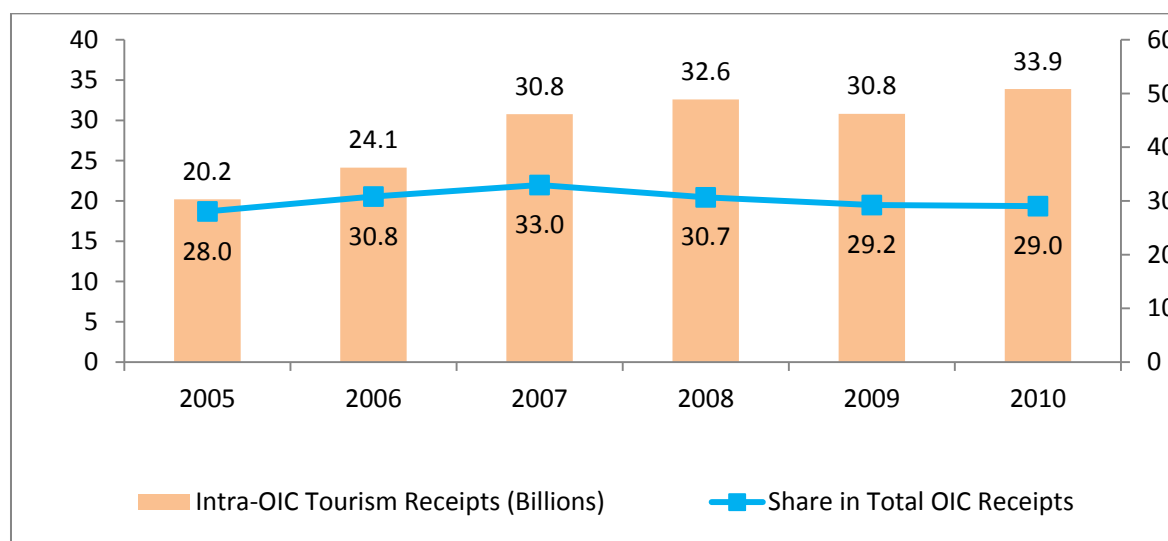
In terms of intra-COMCEC tourist arrivals and tourism receipts, the COMCEC Member countries have witnessed an upward trend. As shown in Figure 1, intra-COMCEC tourist arrivals increased from 37.2 million in 2005 to 54.4 million in 2011. In 2011, tourist arrivals accounted for 35.9% of the total tourists arrivals in the COMCEC region. Although intra-OIC tourist arrivals ~~have~~ increased from 2005 to 2011, the share of intra-OIC tourist arrivals in total OIC international tourist arrivals ~~have~~ slightly changed in the same period, as shown in the Figure 1.

Figure 1: Intra-OIC Tourist Arrivals 2005-2011



Source: SESRIC, 2013

Regarding the intra-COMCEC tourism receipts demonstrated in Figure 2, there ~~had been~~ was a considerable increase from 2005 to 2010. Intra-OIC tourism receipts ~~went increased~~ up from US\$ 20.2 billion in 2005 to US\$ 33.9 billion in 2010.

Figure 2: Intra-OIC Tourism Receipts (2005-2010)

Source: SESRIC, 2013

According to a recent study of World Economic Forum, entitled “Travel and Tourism (T&T) Competitiveness Index 2013³”, there are only 4 COMCEC Member Countries in the first 50 countries on the index. As shown in Annex 1, the United Arab Emirates has the highest rank (28), and is followed by Malaysia (34), Qatar (41) and Turkey (46). In the next 50 countries of the T&T Competitiveness Index, there are 15 COMCEC Member Countries while in the last 40 countries of the Index there are 21 COMCEC Member Countries. The comparison of the COMCEC Member Countries in terms of the sub-indexes (i.e. T&T regulatory framework; T&T business environment and infrastructure; and T&T human, cultural, and natural resources) reveals that while the United Arab Emirates is very strong in T&T business environment and infrastructure, Malaysia and Turkey have strength on T&T human, cultural, and natural resources. This study has also shown the necessity of increasing tourism competitiveness in the COMCEC Region.

Main Challenges in the Tourism Sector in the COMCEC Region

The share of the COMCEC Member Countries in the global tourism sector is behind its potential. There are many challenges faced by the Member Countries for developing their tourism sector and making it internationally competitive.

First of all, in many Member Countries, tourism related infrastructure such as transportation and communications networks or accommodation facilities are insufficient and below international standards. In addition, there are serious deficiencies in terms of qualified human resources.

³It is published by World Economic Forum and covers 140 economies in the world. 40 out of 140 economies are the COMCEC Members. This study analyses tourism sector in the countries in terms of regulatory framework, business environment and infrastructure and human, cultural and natural resources.

Moreover, bureaucratic and lengthy visa procedures restrain the movement of people across the Member Countries. Weak public institutions and cumbersome bureaucratic process hinder tourism investments.

Since the tourism sector is mainly driven by the public sector, the potential of relevant stakeholders such as private sector and local communities remains underutilized in the COMCEC Region. Furthermore, deficiencies in tourism product diversification and lack of effective marketing strategies impede raising awareness of the existing tourism destinations of the COMCEC Region.

COMCEC Tourism Cooperation

Tourism is defined by the COMCEC Strategy as one of its cooperation areas. The Strategic Objective defined by the COMCEC Strategy is “Developing a sustainable and competitive tourism sector in the COMCEC Region.” With a view to achieving this objective, the Strategy envisages five output areas, namely regulatory framework; training and capacity building programs; private sector involvement; community based tourism programs and marketing strategies.

Within the framework of the operationalization of the COMCEC Strategy, the Tourism Working Group was established. It has convened three times till now.

The 1st Meeting of the COMCEC Tourism Working Group was held on April 25th, 2013 in Ankara, Turkey with the theme of “A New Trend in Sustainable Tourism Development: Community Based Tourism (CBT) in the COMCEC Region.” The Meeting was attended by the representatives from 15 Member States, which had~~ve~~ already notified their focal points for the Tourism Working Group and from the relevant OIC institutions. An analytical study on the theme of the Meeting and the COMCEC Tourism Outlook were prepared to enrich the discussions during the Meeting. The tourism experts of the Member Countries had the chance ~~to of~~-elaborate~~ing~~ the CBT practices thoroughly and shared their experiences, achievements and challenges in implementing the CBT Programs in their respective countries. The Meeting highlighted the importance of Community Based Tourism in the COMCEC ~~R~~region as a crucial instrument for poverty alleviation as well as cultural interaction. The Proceedings of the 1st Meeting of the Tourism Working Group was published on the COMCEC Website (www.comcec.org).

The 2nd Meeting of the Tourism Working Group was held on October 3rd, 2013 in Ankara with the theme of “Tourism Product Development and Marketing Strategies in the COMCEC Region.” The Meeting was attended by the representatives of 11 Member States, which had~~ve~~ notified their focal points for the Tourism Working Group and representatives of the COMCEC Coordination Office, SESRIC and Islamic Center for Development of Trade (ICDT) and some private sector representatives. The COMCEC Tourism Outlook and an analytical study namely “Tourism Product Development and Marketing Strategies” ~~were have been~~-prepared and submitted to the Meeting. The representatives of the Member States ~~have~~ shared their experiences, achievements and challenges in tourism product development and marketing strategies in their respective countries as well as explored~~d~~ cooperation potential

among ~~each one~~ another. The Meeting highlighted that tourism product development and marketing requires effective collaboration among different stakeholders. It was stressed that because of its competitive nature, effective marketing requires utilization of the full range of tools available including, among others, PR activities, e-marketing, social media, etc. Some recommendations ~~have been~~ were made for enhancing cooperation among the COMCEC Member Countries in the field of product development and marketing. These are, among others, introducing award programmes, conducting joint exhibitions, developing joint tourism products, organizing exchange programs for experts and developing joint data base for tourism products among the Member Countries. The Proceedings of the above-mentioned Meeting, which reflect the outcomes of the Meeting, was published on the COMCEC Website. The analytical studies prepared specifically for the Meeting and presentations made during the Session are also available on the COMCEC Website. (www.comcec.org).

The 3rd Meeting of the COMCEC Tourism Working Group was held on March 4th, 2014 in Ankara, Turkey with the theme of “Enabling Tourism Investment Climate in the COMCEC Region.” The Meeting was attended by the representatives of 14 Member States, which have notified their focal points for the Tourism Working Group and representatives of SESRIC, Islamic Center for Development of Trade (ICDT), International Finance Corporation (IFC) and representatives from private sector. The Representatives of the Member States have shared their experiences, achievements and challenges regarding tourism investments in their respective countries. Moreover, the Studies entitled “Enabling Tourism Investment Climate: Challenges and Prospects for Tourism Investments in the COMCEC Region” commissioned by the COMCEC Coordination Office and the “COMCEC Tourism Outlook 2014” prepared by the COMCEC Coordination Office were the main inputs for enriching the discussions during the Meeting. The presentations and deliberations made during the meeting highlighted that governments play a crucial role ~~for~~ in creating an enabling investment climate for tourism investors. It was stressed that creating an enabling tourism investment climate requires utilization of the full range of tools and strategies including, among others, provision of clear, updated information and prompt responses to investor inquiries, updated investment promotion websites, effective coordination among relevant stakeholders, providing infrastructure (including road networks, electricity, etc.), allocation of land for specific tourism projects, effective incentive packages, easy procedures and financial support for the local tourism SMEs as well as foreign entrepreneurs and utilization of alternative investment financing options such as crowdfunding.

The 4th Meeting of the COMCEC Tourism Working Group will be held on September 4th, 2014 with the theme of “Enhancing the Capacity of Tourism Workforce in the COMCEC Region for Improved Tourism Service Quality.”

The other important activities carried out under the COMCEC in the field of tourism sector are as follows:

- Till now, eight Ministerial Meetings have been held in the field of tourism. The 8th Session of the Islamic Conference of Tourism Ministers (ICTM) was held on 3-5 December 2013 in Banjul, Gambia. The meeting approved the mechanisms and criteria for the Selection of OIC City of Tourism as well as for the Award of OIC Seal

of Excellence for Handicrafts. The meeting also agreed on the members of the Coordination Committee for the implementation of the Framework on Tourism adopted by the 6th Meeting of the Tourism Ministers held in Damascus, Syrian Arab Republic, on June 29th- July 2nd 2008. The Meeting also welcomed the offer by the Government of the Republic of Niger to host the 9th Session of ICTM in 2015.

- With a view to providing a regular communication channel for the Private Sector Representatives of the Member States to share their experiences and knowledge, the OIC/COMCEC Private Sector Tourism Forum was established in December 2011. The Forum has convened two times till now. The 2nd Meeting of the OIC/COMCEC Private Sector Tourism Forum was held on 16-17 December 2013 in Istanbul with the theme of "Effective Marketing Strategies for Promoting Tourism Destinations in the COMCEC Region." The Meeting was attended by the public and private sector representatives from 18 Member States as well as representatives of the COMCEC Coordination Office, OIC General Secretariat, SESRIC and Islamic Center for Development of Trade (ICDT). The Forum highlighted that effective marketing requires utilization of [the](#) full range of tools available including social media and e-marketing. It also stressed the need for training and exchange programs, B2B Meetings and workshops for the private sector representatives. On the sideline of the Forum, the private sector representatives of the Member Countries had the opportunity to conduct B2B Meetings with their counterparts.
- The 4th Conference on Health Tourism was held on 26-27 November 2013 in Mashhad, Islamic Republic of Iran.

ANNEX 1: T&T Competitiveness Index 2013 for COMCEC Region⁴

The T&T Competitiveness Index 2013			
ECONOMY	RANK	SCORE	CHANGE SINCE 2011
United Arab Emirates	28	4,86	2
Malaysia	34	4,70	1
Qatar	41	4,49	1
Turkey	46	4,44	4
Bahrain	55	4,30	-15
Oman	57	4,29	4
Jordan	60	4,18	4
Saudi Arabia	62	4,17	0
Lebanon	69	4,04	1
Indonesia	70	4,03	4
Morocco	71	4,03	7
Brunei Darussalam	72	4,01	-5
Albania	77	3,97	-6
Azerbaijan	78	3,97	5
Egypt	85	3,88	-10
Kazakhstan	88	3,82	5
Gambia, The	92	3,73	0
Iran, Islamic Rep.	98	3,64	16
Suriname	100	3,63	n/a
Kuwait	101	3,61	-6
Guyana	103	3,60	-5
Senegal	107	3,49	-3
Kyrgyz Republic	111	3,45	-4
Tajikistan	114	3,41	4
Uganda	116	3,39	-1
Cameroon	121	3,27	5
Pakistan	122	3,25	3
Bangladesh	123	3,24	6
Mozambique	125	3,17	3
Côte d'Ivoire	126	3,15	5
Nigeria	127	3,14	3
Burkina Faso	128	3,12	4
Mali	129	3,11	4
Benin	130	3,09	-10
Algeria	132	3,07	-19
Yemen	133	2,96	n/a
Mauritania	134	2,91	2
Guinea	136	2,88	n/a
Sierra Leone	137	2,87	n/a
Chad	139	2,61	0

Source: World Economic Forum, *The Travel & Tourism Competitiveness Report 2013*

⁴ COMCEC Tourism Outlook 2014.