



# **CCO BRIEF ON TOURISM**

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The tourism industry has particular importance both for developed and developing countries. It has multiple links with other economic sectors and is associated with more than 185 supply-side economic activities, directly and indirectly.

In recent years, tourism has consistently demonstrated the ability to create employment, stimulate capital markets, attract foreign investments, and add value locally, nationally and regionally. For the past five years, tourism has grown faster than world trade. While world merchandise trade has recorded annual growth of 2-3 percent, the tourism sector has achieved 3.5-4.5 percent annual growth. The tourism industry accounted for 7 percent of total goods and services in 2017.<sup>1</sup>

### Recent Trends in International Tourism

The tourism industry has continued to grow with the increasing number of tourists. In 2018 tourist arrivals grew by 5.4 percent, reaching 1.4 billion. Seventy-two million more tourists traveled in 2018 compared with the previous year. The number is expected to grow by 3 percent annually and reach 1.8 billion by 2030.

International tourism receipts have also demonstrated an upward trend. Global international tourism receipts reached \$1.45 trillion in 2018, up from \$1.34 trillion in 2017.<sup>2</sup>

**Table 1. International Tourist Arrivals and Tourism Receipts**

	2000	2005	2010	2016	2017	2018
<b>Number of tourists (millions)</b>	674	809	953	1.235	1.322	1.401
<b>Annual change (percent)</b>	8.1	5.9	6.5	3.9	7	5.4
<b>Tourism receipts (billion dollars)</b>	495	701	961	1.220	1.332	1.451

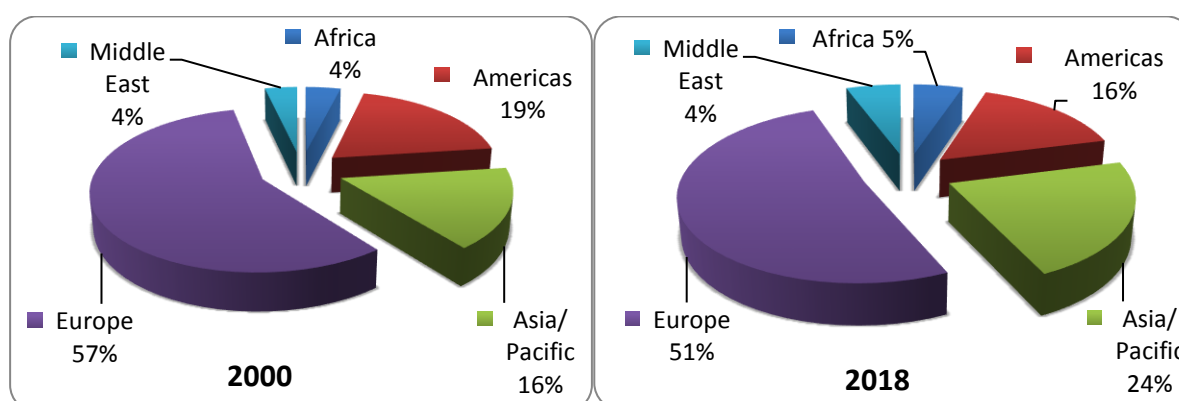
Source: UNWTO

### The Share of International Tourism by Region

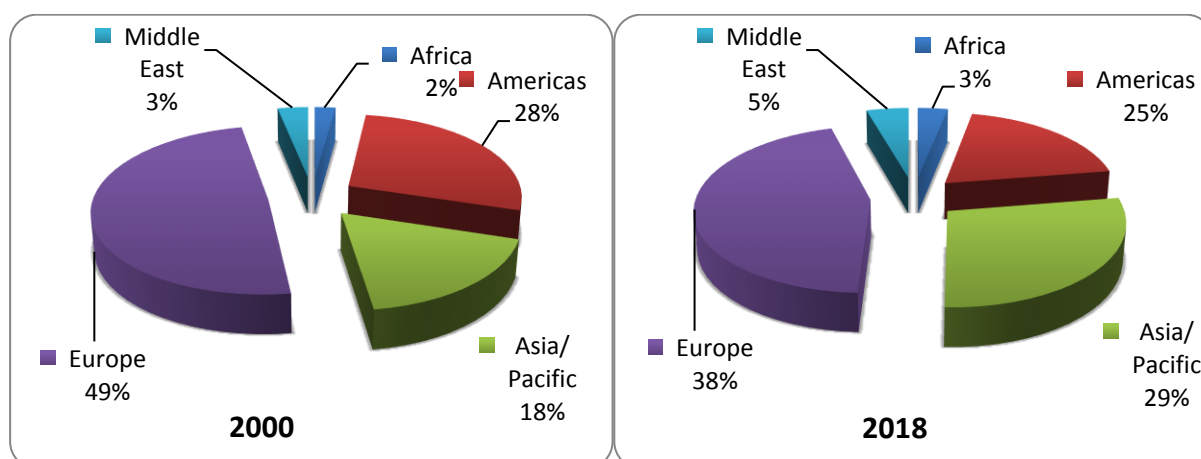
In recent decades, international tourism activity has demonstrated the continuing geographical spread and diversification of tourist destinations. New tourist-receiving markets have been emerging in the developing regions of Asia, the Pacific, the Middle East and Africa. This rapid expansion of new markets has increased competition in the tourism sector. As demonstrated in Figure 1 and 2, the share of traditional popular destination, such as the Americas and Europe, has been declining in favor of the Middle East, Africa and the Asia Pacific regions with regard to tourist arrivals as well as tourism receipts.

<sup>1</sup> UNWTO Tourism Highlights, 2019

<sup>2</sup> UNWTO Tourism Highlights, 2019

**Figure 1: Tourist Arrivals by Region (2000-2018)**

Source: UNWTO

**Figure 2: Tourism Receipts by Region (2000-2018)**

Source: UNWTO

### Tourism Sector in the OIC Member Countries

Tourism is also a crucial sector for the OIC in terms of income generation and its contribution to employment. As demonstrated in Table 2, according to the World Travel and Tourism Council (WTTC) Economic Impact Report 2019, the total contribution of Travel and Tourism to GDP in 2018 was \$589,3 billion (8,8 percent of GDP) in the OIC member states.. Moreover, according to this report, Travel and Tourism generated approximately 16.8 million jobs directly in 2017 (2.8 percent of total employment) and it is estimated to grow by 2.7 percent and reach 17.2 million in 2018. The total contribution of travel and tourism to employment in the OIC member states was 44.2 million jobs in 2017 (7.4 percent of total employment) and it is estimated to reach 59.4 million in 2029.

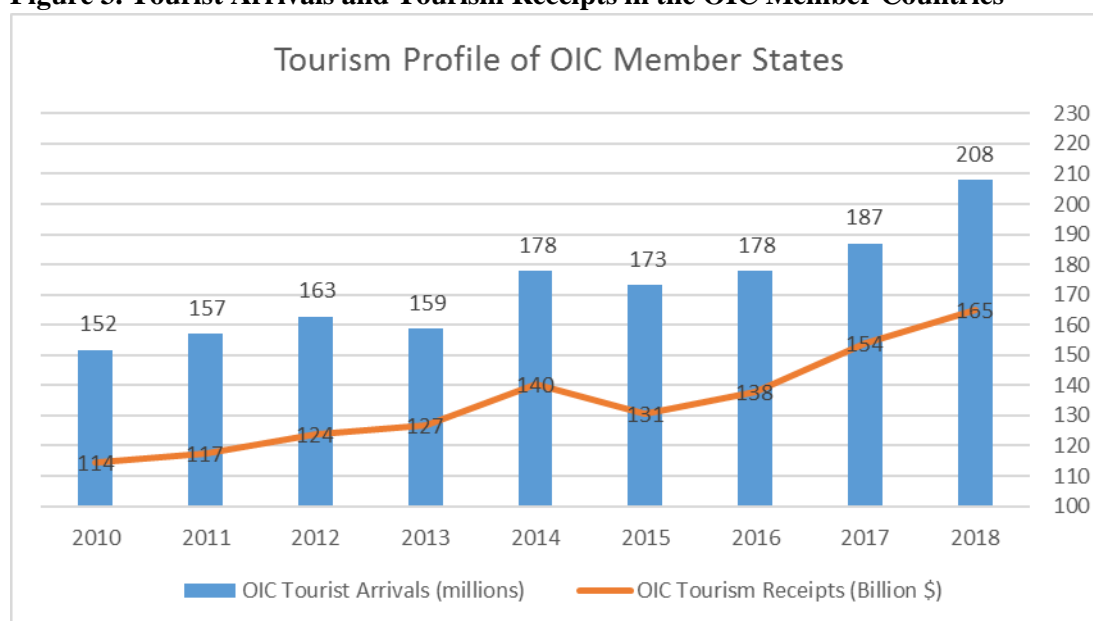
**Table 2: Economic Impact of Travel and Tourism in the OIC Member States**

OIC	2018	2018 % of total
<b>Total contribution to GDP (\$ billion)<sup>2</sup></b>	589,3	8.8
<b>Total contribution to employment (thousand jobs)</b>	44,2	7.3

1-2018 constant prices and exchange rates; 2-2018 real growth adjusted for inflation (%)

Source: WTTC, *Economic Impact 2018 Report-COMCEC*

In recent years, international tourism activity in the OIC Member Countries has also been growing in terms of both tourist arrivals and tourism receipts. During the 2010-2018 period, as shown in Figure 3, both tourist arrivals and tourism receipts increased.

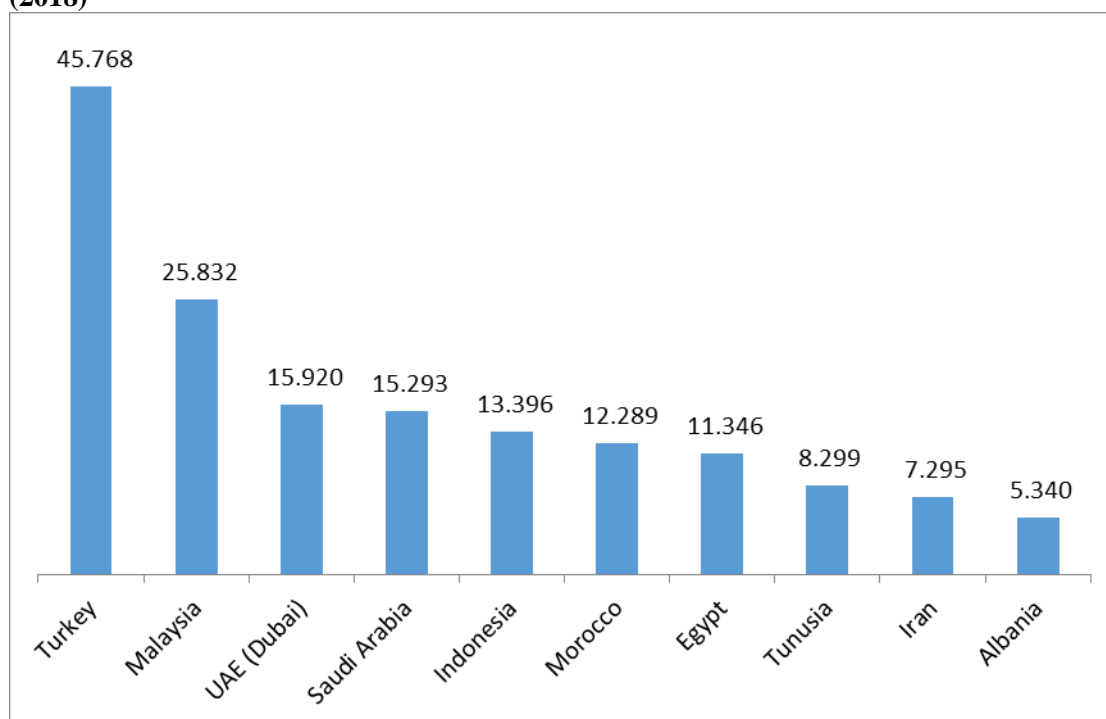
**Figure 3. Tourist Arrivals and Tourism Receipts in the OIC Member Countries**

Source: UNWTO and COMCEC *Tourism Outlook 2019*

According to Figure 3, the number of tourist arrivals in the Member Countries increased to 208 million in 2018, corresponding to a 14.8 percent share in the total international tourist arrivals worldwide. International tourism receipts amounted to \$165 billion in the same year, corresponding to a 11.4 percent share in the global total of tourism receipts.

As shown in Figure 4, the distribution of tourist arrivals among the OIC Member States has demonstrated that international tourism is concentrated in a few Member Countries. In terms of tourist arrivals, Turkey, Malaysia, United Arab Emirates (UAE), Saudi Arabia, , Indonesia,,Morocco, Egypt, Tunisia, Iran and Albania were the top 10 international tourist destinations in the OIC in 2017, hosting 160,89 million international arrivals.

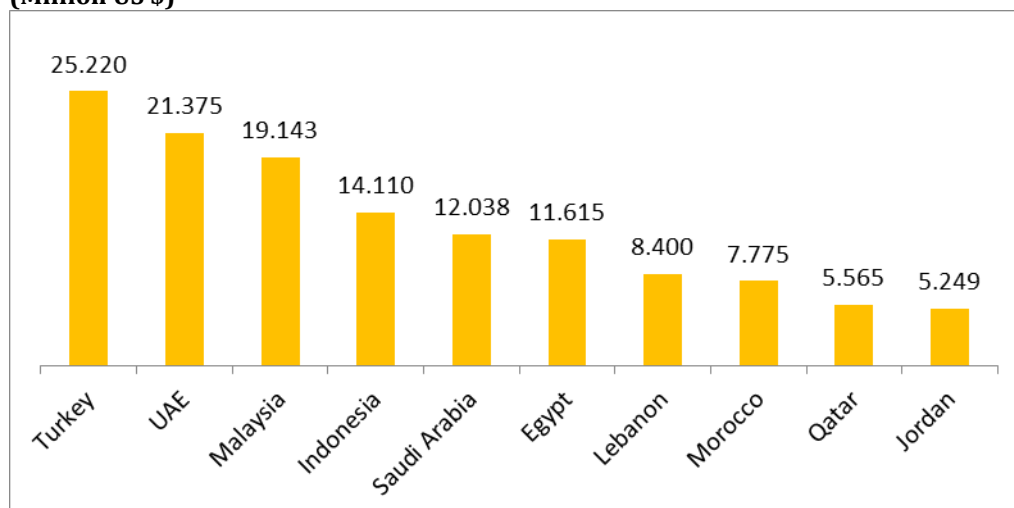
**Figure 4. Top 10 OIC Tourism Destinations in International Tourist Arrivals (Thousands) (2018)**



Source: UNWTO, Tourism Highlights & Republic of Turkey Ministry of Culture and Tourism  
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With regard to international tourism receipts, the top 10 Member Countries, as shown in Figure 5, earned US\$ 130 billion in 2018.

**Figure 5. Top 10 OIC Tourism Destinations in terms of International Tourism Receipts in 2018 (Million US \$)**



Source: UNWTO, Tourism Highlights 2019

## **Main Challenges faced by the Member Countries in Tourism Sector**

The tourism industry has not reached its full potential in the OIC Region and there are some major obstacles faced by the Member Countries. Transportation infrastructure in the member countries is not adequate. Moreover, hotels in the member countries do not sufficiently meet the demand of tourists. Furthermore, the tourism industry is vulnerable to internal and external shocks.

Since the tourism sector is mainly driven by the public sector in several member countries, the potential of the relevant stakeholders, such as private sector, remains underutilized. Deficiencies in tourism prevent diversification and lack of effective marketing strategies are also important challenges for the tourism industry in the OIC Region.

## **COMCEC Tourism Cooperation**

COMCEC attaches utmost importance to develop the cooperation in tourism domain among the member countries. Taking into account the emerging issue on destination governance including its planning, marketing and managing aspects and the need for having the necessary infrastructure in the member countries in order to meet the needs of tourists, the COMCEC has devoted three WG Meetings (11th, 12<sup>th</sup>, 13th and 14th) to this subject.

## **Sustainable Destination Management Strategies**

Since the 34<sup>th</sup> Session of the COMCEC, the 13<sup>th</sup> Meeting of the Tourism Working Group was held on February 5th, 2019 in Ankara, Turkey with the theme of “Sustainable Destination Management Strategies in the OIC Member Countries.” Tourism Working Group has discussed the main concepts related to sustainable destination management strategies and the overview of the subject in the world and the OIC.

According to the research report prepared for this meeting, in recent years, tourism has accounted for the largest movement of people across the globe. But this comes at a cost: with an estimated 1.5 billion people travelling the world every year, their consumption of natural resources, especially energy and water, is placing severe demands on the resources. It is forecasted that without further interventions to ensure sustainability, tourism growth will lead to an increase of 111% in energy consumption, 105% in greenhouse gas emissions, 150% in water consumption, and 252% in solid waste disposal by 2050. With targeted efforts in the energy and water efficiency areas, emissions mitigation and solid waste management, this scenario could be reversed with a reduction of 18% in water consumption, 44% in energy supply and demand, and 52% in carbon dioxide emissions. If not properly planned, Tourism growth can have negative impacts on a destination’s natural assets, environment, and local communities.

Lack of awareness, prioritization of short term monetary gain over environmental and social issues, insufficient coordination among stakeholders, and inadequate incorporation into wider policies are among the main challenges for ensuring sustainability in tourism. Sustainable tourism needs to consider the ecological, economic, and social sustainability of the destination. Sustainable tourism efforts should aim to safeguard the natural and cultural heritage of a destination as well as to ensure the well-being of local communities and the

satisfaction of tourists. This requires efficient destination management, continuous monitoring, and the cooperation of tourism stakeholders.

The 13th Meeting of Tourism Working Group has come up with the following policy recommendations:

- Improving community participation fair representation by offering human resources training, capacity building and certification programs, enhancing local value chain, integrating local production into procurement and minimize leakages, encouraging local entrepreneurship in tourism, conducting media campaigns as well as raising tourist awareness about tourism sustainability.
- Identifying KPIs for sustainable tourism development based on international standards and climate change agreement to monitor each country's performance against a set of pre-determined indicators and to encourage remedial actions when targets are not met.
- Identifying current and potential tangible and intangible tourism resources by taking into consideration destinations carrying capacity, and their long term protection and survival while avoiding over tourism.
- The required mechanisms (e.g. voluntary contribution, tourist tax, environmental fees) might be introduced to fund the sustainability activities that aim to protect, preserve the local quality of life and minimize the costs associated with tourism.
- Ensuring effective destination planning and marketing in such a way that the supply and demand meet at the optimum level and diversified.

The reports and presentations submitted to the Working Group are available on the COMCEC web page. (<http://www.comcec.org/en/11th-meeting-of-the-comcec-tourism-working-group/>)

### **Developing Multi-destination tourism corridors**

The OIC member countries share common natural and cultural resources, which would be basis for the development of multi-national tourism corridors and brands. The OIC's various natural and cultural tourist products are located across multinational regions that require a holistic approach to manage the tourism product, marketing the destination, creating shared brands, products and improving the visitors' experiences. Creating various potential multi-national tourism corridors in OIC and integrating these into tourism planning and development policies of individual countries would result in joint development, marketing and management of these multi-national destinations and would be helpful for the member countries to cooperate and create synergies in developing their tourism industries.

Considering the importance of the subject, COMCEC Tourism Working Group has devoted its 14th meeting of Tourism Working Group was held on October 31st, 2019 in Ankara to developing multi-destination tourism corridors.

According to the report, the presence of a solid infrastructure is one of the critical success factor for establishing corridors. Infrastructure development represents a challenging area for the OIC multi-destination tourism corridors (MDTCs), especially for countries facing financial constraints. It is important to note that efforts to improve connectivity are underway in some OIC regions, which can enhance mobility for tourists along MDTCs in these regions. Engaging local stakeholders and ensuring their support of the corridor is the key essential for the success of MDTCs. Successful planning and establishment of MDTCs involves extensive research with the aid of experts from historical, cultural and practical perspectives to formulate the corridor's theme and assess its potential tourism assets. Funding is a major challenge for MDTCs in general, with global MDTCs trying to diversify funding sources, both external and internal, to ensure the sustainability of MDTCs.

Within the framework of the above-mentioned research report, field visits were conducted to Silk Roads Tourism Corridors (Azerbaijan, Uzbekistan, Kyrgyz Republic and Kazakhstan) as the OIC Member Countries' practices and Danube Tourism Corridors (Germany, Austria, Slovakia, Hungary, Croatia, Serbia, Bulgaria, Romania, Ukraine, and Moldova) as non-OIC examples. On the other hand, desk based studies were fulfilled for Holy Family Tourism Corridors (Egypt, Jordan, and Palestine) as the OIC Member Countries' practices and the Greater Mekong Subregion Tourism Corridors (Cambodia, Laos, Myanmar, Thailand, Vietnam, and parts of the People's Republic of China) as non-OIC examples.

In light of the findings of the research report, the following challenges were highlighted by the Working Group:

- Not enough research and data collection efforts
- Infrastructure development
- Assistance needed with formulating themes and identifying tourism resources to be included
- Monitoring performance lags behind global best practices
- Limited use of uniform branding and digital marketing or integrated marketing communication
- Insufficient funding sources

The Working Group has come up with the following policy recommendations:

- Planning corridors based on thorough SWOT analysis, infrastructure assessment, and social value analysis and identifying assets through expert-led research.
- Making use of public-private partnership models for the effective planning and management of Tourism Corridors and encouraging the participation of and collaboration with all relevant stakeholders.
- Identifying a comprehensive set of indicators, promoting harmonized tourism related data collection as well as analysis for monitoring the corridor performance effectively and feedback into the corridor strategy to create synergies.
- Improving branding and marketing of the tourism corridors in the OIC Region through among others, joint interactive marketing platforms and user-generated content (storytelling) in ICT platforms to create unique brands.



- Creating and Diversifying funding sources of tourism corridors with a view to ensure the sustainability of their management and marketing.

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Moreover, the 15th Meeting of the Tourism Working Group will be held on March 26<sup>th</sup>, 2020 in Ankara with the theme of “Developing medical tourism in the OIC Countries”.

Samely, the 16th Meeting Meeting of the Tourism Working Group will be held on October 29<sup>th</sup>, 2020 in Ankara with the theme of “Developing Thermal & Spa Tourism in the OIC Member Countries”. **COMCEC Project Funding in the Tourism Sector**

Through its Project Funding Mechanism, the CCO provides grants to the selected projects proposed by the relevant OIC institutions and the Member States that have already registered with the Tourism Working Group.

In 2018, four projects were supported in tourism cooperation area under the COMCEC Project Funding. The first project, implemented by the Ministry of Culture and Tourism of Burkina Faso, was titled “Strengthening the Resilience of Tourism Sector against Crises through Communication.” The purpose of this project was to minimize the impact of the crises and shorten the recovery process of the tourism sector by benefitting from communication. The training program was organized in Ouagadougou with the participation from Côte d'Ivoire and Niger. The training program began with the lecture on “Crisis in the Tourism Sector” in which the basics of the crisis and it’s linkage with the tourism sector were introduced and the types of crisis were discussed. In addition, several touristic heritage sites were visited within the project. The last day of the training focused on the development of the Crisis Communications Strategy. With the scope of this project, trainees acquired necessary knowledge on developing and using crisis communications strategy for the tourism sector during and after the crisis.

The second project was titled “Training on Crisis Communication in Tourism for Selected OIC Member Countries” and its aim was to enable five OIC Member States to have a more effective crisis management plan, to mitigate the impact of the crisis, to shorten the period of recovery. The Ministry of Tourism of Mali carried out this project which included a training program with the partnership of Burkina Faso, Mauritania, Niger, and Senegal. The training was mainly about understanding the impacts of crises on the tourism sector and how to mitigate them. With the participation of 25 participants, the five-day training program provided lectures on “Crisis in Tourism Sector”, “Crisis Management: Leadership and Teams” and “Crisis Communications – Applications and Methodologies”.

The third project, implemented by the Ministry of Culture and Tourism of Mozambique, was “Community-Based Tourism through The Promotion of Heritage Sites for Poverty Alleviation.” The project was designed to enable local communities to increase their tourism incomes by promoting World Heritage Sites and by enhancing their skills on making good quality products. This project consisted of a training program which targeted 32 trainees ranging from government officials to professionals, local communities that are stakeholders of this topic, and a workshop for discussion of recognition and understanding the community-

based tourism and for use of heritage sites as an instrument for poverty alleviation. The three-day training program focused on policy recommendations and roadmap for promoting community-based tourism in the OIC countries. In addition, a workshop was organized to enable participants to discuss and deepen their knowledge on the community-based tourism.

The last tourism project of 2018 was “Training Program on the Development and Promotion of Muslim Friendly Tourism in the COMCEC Member Countries” and implemented by the SESRIC. The aim of this project was increasing the capacity of the relevant government officials from Tourism Ministries/Departments of 13 selected OIC Countries via capacity building training program. The project was determined by giving a focus on destination and industry development. Within the context of the project, a training program and a study visit were organized. The study visit took place in Malatya, Turkey in order to explore the opportunity of being an Islamic tourism destination and identify the needs of industry development. The two-day training program together with a panel discussion focused on planning process, identifying tourism and product development areas, developing an investment plan and human resource development.

In 2019, five projects have been final-listed in the tourism cooperation area. The first project titled “Destination Management Organization: Conceptual Framework for Azerbaijan, Cameroon and Iran”, implemented by the State Tourism Agency of Azerbaijan, aims at identifying tourism resources, assessing their potential and developing a DMO(s) concept model for remote areas of Azerbaijan, Cameroon, and Iran. The project, designed in the light of the “Developing Destination Management Organizations” sectoral theme, consisted of preparing a research report on developing a DMO(s) concept model for Azerbaijan, Cameroon, and Iran by the help of information which gathered from conducting desk research and field visits to related countries.

The second project is “Training of Accommodation Providers in the OIC Member Countries on Muslim Friendly Tourism Standards and Quality Service Provision” which is designed in accordance with the “Developing MFT regulations for accommodation establishments” sectoral theme. The purpose of this project is to familiarize the accommodation service providers in the Gambia and in other OIC Members with the Muslim Friendly Tourism (MFT) and to make these countries capable of regulating their accommodation establishments in line with MFT standards. The project, which implemented by the Gambia Tourism Board, consisted of a study visit to Malaysia for learning best practices on the topic of MFT and a training program on the tools used in developing MFT standards for accommodation establishments and on enabling partner countries to apply these standards in their countries.

The third project titled “Developing Muslim-Friendly Tourism (MFT) in Guyana and Suriname” implemented by the Islamic Centre for Development of Trade (ICDT) with the partnership of Malaysia, Suriname and Turkey. The aim of this project was to raise awareness on MFT in Guyana and Suriname through training of public and private sector stakeholders. In this context, a training program on raising awareness on and developing MFT in Guyana and Suriname is planned to be implemented.

The fourth project is “Capacity Building on Destination Management Organizations of OIC Member Countries” which is also designed in accordance with the “Developing Destination Management Organizations” sectoral theme. The purpose of this project was equipping relevant actors in charge of the management and tourism promotion of eight West African countries with destination management skills by conducting a content-rich training program. The project, which implemented by the Ministry of Tourism of Mali, consisted of a capacity building training program on destination management organizations for relevant actors in the participatory countries.

The final project, designed by the Ministry of Culture and Tourism of Mozambique, is called “Improving Human Capacity on Muslim Friendly Tourism for Regulating Accommodation Establishments in the OIC Member Countries”. The project which aimed at enabling relevant participants to regulate the accommodation establishments in the light of MFT Guidelines, to establish a national level harmonization platform for halal products and hence increasing Member Countries' institutional capacities, consisted of a training program for the representatives of the public sector, tour operators, and travel agents on MFT Guidelines.

### Other Ongoing Activities

Other important activities carried out under tourism cooperation can be summarized as follows:

- The 10th Session of the Islamic Conference of Tourism Ministers (ICTM) was held on 5-7 February 2018 in Dhaka/Bangladesh. The ICTM approved the selection of Dhaka (Bangladesh) as the OIC City of Tourism for 2019, and Gabala (Azerbaijan) as the OIC City of Tourism for 2020. The session also welcomed the offer by the Republic of Azerbaijan host the 11th Session of the Islamic Conference of Tourism Ministers (ICTM) in 2020.
- The 7th Meeting of the OIC/COMCEC Private Sector Tourism Forum was held on 6 March 2018 in İstanbul, Turkey with the theme of “Prospects for the Development of Health Tourism in the OIC Member States”. The Forum emphasized the importance of raising awareness about health tourism within the Islamic World and beyond. The 8th Meeting of the OIC/COMCEC Private Sector Tourism Forum will be held in 2020 in İstanbul.

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