

 **TOURISM**



# **CCO BRIEF ON TOURISM**

**COMCEC COORDINATION OFFICE**  
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## CCO BRIEF ON TOURISM

Tourism has become an important global economic activity especially after World War II. Today, with a 4–5% growth rate, tourism volume by itself meets 8% of global products and 10% of employment (UNWTO, 2020). In addition, tourism affects economic activities in more than 135 sectors with its high multiplier effect, contributes to the balance of payments by creating a foreign currency input, and triggers many leading industries, such as transportation, trade, construction, health, and finance. Apart from its economic contributions, tourism has many social, cultural, and political benefits. Despite being an important global economic sector, tourism is very vulnerable to crises from any country or region of the world

Tourism sector, by its very nature, has been affected most severely by the pandemic. In fact, it is considered one of the hardest hit sectors by the Covid nineteen outbreak. The pandemic has had affected on global tourism and how this affects everything from jobs and economies to wildlife conservation and the protection of cultural heritage is seen worldwide.

Previous literature indicates that diseases prior to the COVID-19 pandemic have regionally reduced tourism volume. The best examples of such cases are SARS, which affected the Far East in 2003, and MERS, which spread in the Middle East and the Arabian Peninsula in 2012. Similar to the SARS and MERS outbreaks, COVID-19 started as a regional epidemic in China in late December 2019. However, the virus spread rapidly all over the world, where the center of the outbreak first moved first to Europe, then the United States.

Epidemic diseases experienced in the past have especially affected the regions of occurrence but with less global impact compared with COVID-19. The most important difference that distinguishes COVID-19 from other epidemic diseases is its rapid and effective spread.

Tourism has been one of the first and most affected sectors amid Covid-19. International travels were brought to a standstill due to quarantine measures, and individuals were forced to delay or cancel their travel plans.

According to the latest data from UNWTO, international tourist arrivals (overnight visitors) plunged by 74% in 2020 over the previous year due to widespread travel restrictions and a massive drop in demand. The collapse in international travel represents an estimated loss of USD 1.3 trillion in export revenues - more than 11 times the loss recorded during the 2009 global economic crisis. This also means that tourism volume will probably return to 1990 levels. The continued uncertainty associated with the pandemic coupled with the emergence of several waves lead to different scenarios that are likely to shape the future of the tourism and travel industry.

Tourism is also a crucial sector for the OIC in terms of income generation and its contribution to employment. Prior to the pandemic, the OIC countries' share of the worldwide international tourist arrivals was 10.7% representing 12.4% of the global tourism receipts (SESRIC).

The tourism and hospitality industries of the OIC member countries have been facing various crises most of various natural disasters (floods, cyclones, tsunamis, earthquakes etc) and epidemics (Ebola, Sars, H1N1, Covid-19 etc.). Before Covid-19 however these impacts were relatively short-term. With Covid-19, the OIC region experienced a sharp decline (71%) in the

number of arrivals during 2020. OIC-MENA experienced a 61% decrease in arrivals, whereas tourist arrivals to OIC-Asia and OIC Sub-Saharan Africa decreased by 75%. Concerning receipts OIC experiences a 65% decrease in receipts with OIC-ASIA and OIC-MENA losing 74% and 72% of their receipts, while OIC-Subsaharan Africa experiences a 57% decline in tourism receipts in 2020.

Several scenarios were introduced by UNWTO for Covid-19. The first scenario (recovery by mid- 2023) oversaw a decline of 58%, the second scenario (recovery by the end of 2023) predicted a 70% decrease and the final scenario (recovery by 2024) forecast a 78% decrease in 2020. Based on actual data, 2020 volume will end up somewhere between the 2nd and the 3rd scenarios.

### **COMCEC Tourism Cooperation**

COMCEC attaches utmost importance to develop the cooperation in tourism domain among the member countries. Taking into account the emerging area of Tourism that is mitigation strategies after COVID-19.

### **Mitigation Strategies for Tourism After Covid-19**

Since the 36<sup>th</sup> Session of the COMCEC, The 16th Meeting of the COMCEC Tourism Working Group (TWG) was held on May 25th, 2021 in a virtual-only format, with the theme of “Mitigation Strategies for Tourism After Covid-19”.

A research report with the same theme is being prepared for two consecutive COMCEC TWG meetings (16th and 17th). While the first draft version of the report will be submitted to the 16th TWG meeting, the final version of the report will be submitted to the 17th TWG meeting, to be held on the September 2021. The main objective of the study is to establish a conceptual foundation for better understanding of the current and future implications of the COVID-19 on tourism in the OIC Member Countries and come up with sound mitigation strategies and policies to tackle the challenges arisen so far. The expected outcome of this study will be a comprehensive, but concise overview of implications of the COVID-19 on tourism in the OIC Member Countries, highlighting crucial issues and challenges, which OIC countries face during and after COVID-19, and major recommendations outlining how these issues can be addressed by the various players. The study is also expected to draw attention to current and future implications of the COVID-19 on tourism as well as to trigger a serious debate around the issues identified and how better to address them.

The First Draft Report reveals important findings in terms of mitigation strategies for tourism sector in the world as well as in the member countries. The First Draft Report provides a conceptual framework on the impact of the COVID-19 on the tourism sector in the world as well as in the OIC region, and the global trends and successful implementations for the containment of the adverse impacts of the COVID-19 pandemic on the tourism. In light of the discussion during the meeting and with the active contribution of the member countries, the draft report will be improved. The final version of the report is expected to highlight the major challenges faced by the OIC member countries with mitigation strategies against COVID-19

and include sound, specific, and practical policy recommendations for developing/improving mitigation strategies for tourism during and after COVID-19 in the OIC member countries.

The final version of the research report was submitted to the 17th Meeting of the Working Group which will be held on September 23rd, 2021.

According to the research report prepared for this meeting, The widespread of the virus has created a global panic leading to global shutdown of travel, businesses and leisure activities. Following the outbreak of Covid-19, travel restrictions and the lockdown orders have turned many tourism destinations into ghost towns while also causing major harm to small and medium-sized tourism businesses resulting in sudden growth in unemployment rates all over the world. In fact, international travel has experienced a sharp decline starting from April (-97%), May (-96%) and June 2020 (-91%). In total global tourism arrivals experienced a 73% decline in 2020. There also exist several scenarios predicting recovery by mid-2023 and others expecting recovery by 2024. Under the worst scenario, it is estimated that more than 197 million people worldwide may become unemployed in the tourism industry, which comprises approximately 10.3 % of the global GDP. The most affected sector of tourism is Meetings and Events (-67%), Travel Agencies and Tour Operators (-55%), Accommodation (-50%), Air travel (-47%), and Food & Beverage (-40%).

The 17th Meeting of Tourism Working Group has come up with the following policy recommendations:

- Promoting the sustainability of tourism industry afloat through offering subsidized low-cost credits with governments' guarantee
- Facilitating short term demand through encouraging domestic travel, offering holiday credits and vouchers, extending bank holidays and tax discounts on domestic tourism services
- Promoting destinations' safety image by introducing/enhancing hygiene standards and providing safe tourism protocols, improving marketing communications, public relations and international diplomacy in order to relax border restrictions and create safe travel corridors.
- Enhancing the resilience of tourism industry against crises through utilizing smart technologies, applications, big data and scenario planning to organize re-opening, making better use of Information and Communication Technologies (ICT)
- Developing effective strategies for turning crises into an opportunity, ensuring rapid recovery and addressing the structural problems in tourism industry through investing in tourists' experiences, service quality and destination competitiveness,
- Enhancing Intra-OIC collaboration in the areas of safety standards, shared certification and audit systems, universal application of testing and tracking, mutual data sharing and travel bubbles between the member countries

The reports and presentations submitted to the Working Group are available on the COMCEC web page. (<http://www.comcec.org/>)

## **COMCEC Financial Support Instruments**

### **COMCEC Project Funding**

COMCEC Project Funding (CPF) is the other important instrument of the Strategy. Projects financed under the CPF need to serve multilateral cooperation and must be designed in accordance with the objectives and the expected outcomes defined by the Strategy in its tourism section. Projects also play important roles in realization of the policy recommendations formulated by the member countries during the TWG meetings.

Under the 7th Call for Project Proposals, three projects were selected to be financed by the CCO in 2020. These projects, however, were not to be implemented due to delays arising from international travel restrictions imposed by the COVID 19 pandemic in 2020. Hence, all of the projects are expected to be finalized in 2021.

The first project, “Capacity Building of Destination Management Organizations (DMO) Stakeholders” is being implemented by Cameroon in partnership with Azerbaijan, Burkina Faso, Nigeria and Senegal. The project purpose is to enhance the capacity of DMO stakeholders by conducting a training program.

The second project titled “Community-Based Tourism through the Promotion of Heritage Sites” is being implemented by Uganda in partnership with Sudan, Mozambique and Nigeria. The objective of this project is to enhance the capacity of different stakeholders on community based tourism as well as new product development and encouraging local participation.

Lastly, Turkey is implementing the project titled “Revitalizing Mevlana's Travel Route” with two partner countries, Azerbaijan and Iran in 2021. This project aims at restoring Mevlana’s travel route involving two countries together with the project owner country.

Moreover, under the 8th Call for Project Proposals, a project was selected to be financed by the CCO in 2021. The project, “Capacity Building on Crisis Impact Assessment Method for Destination Recovery” is being implemented by Burkina Faso with the partnership of Mali, Cameroon, Côte d'Ivoire and Turkey. The project aims to improve tourism data collection, data analysis and share good practices in selected OIC countries based on the expertise of Turkey. Project activities are a study visit to Turkey for learning best practices and a training on developing evaluation method of crisis impact for tourism destination recovery.

### **COMCEC COVID Response**

With a view to address the existing and potential ramifications of the COVID Pandemic, the CCO has decided to initiate COMCEC COVID Response (CCR) program for the benefit of member country public institutions. The CCR is mainly about alleviating the negative impacts of the pandemic on member country economies with a particular focus on agriculture, trade and tourism sectors in the pilot phase. The program is based on financing certain types of projects, which would focus on needs assessment, sharing expertise, providing direct grants to final beneficiaries.

The 1st Call for Project Proposals under the COMCEC COVID Response, four projects were selected to be financed by the CCO in 2021. The selected projects are as follows;

Azerbaijan's project, titled "Supporting the Accommodation Business in Implementing Hygiene Standards" aims at improving the hygiene and safety measures in accommodation units in order to eliminate the negative effects of the COVID-19 pandemic. In the project, it is planned to purchase dispenser along with dispenser stand for ensuring safety of tourists as well as tourism staff in hotels and accommodation units.

The project titled "Rejuvenation of Small Businesses Affected by COVID – 19 : A Case on Tour Operators in Bangladesh" is being implemented by Bangladesh. The purpose of this project is to assess the needs of the tour operators and other small enterprises and recommend effective and sustainable path to rehabilitate the affected establishments. Within the scope of the project, a needs assessment report which focus on mitigating the effects of COVID-19 and actions to be taken for the new normal is being created.

Burkina Faso's "Developing of Health Protocols for Tourism Industries to Fight against COVID-19" project targets developing health protocols in the purpose of ensuring the safety of tourists and employees in the tourist sector in the scope of COVID-19 pandemic. The project activity consist of visiting expert to Turkey for providing to tourism industries specific health protocol in order to fight against the pandemic.

Suriname's project on "COVID-19 Awareness & Resilience Training for Tourism and Hospitality Businesses" aims at raising awareness of customer and workers in tourism sector in order to ensure safety of all parties in the sector. Within the project, a three day on-site training was conducted in order to share knowledge and equip participants with technical and practical insights about a range of actions which will prepare businesses for COVID-19 impacts and adjustments.

### **COMCEC Al-Quds Program**

Furthermore, considering the current situation and special conditions in Palestine, especially in Al-Quds Al-Sharif, and the resolutions of the recent Extraordinary Islamic Summits on Al-Quds, the CCO has initiated the Al-Quds Program, which focuses on destination development and management as well as community based tourism in Al-Quds. Implemented in collaboration with the Ministry of National Economy of Palestine, the program consists of several projects to be carried out between 2020 and 2022. The first two were finalized by the end of 2020.

Under the first project titled "*Analyzing the Tourism Infrastructure and Developing a Tourism Destination Road Map for Al-Quds*", the CCO conducted a research study for analyzing the tourism infrastructure and developing a tourism destination roadmap for Al Quds. Within the framework of this research study, the current situation of the tourism infrastructure in Al-Quds (hotels, restaurants, transportation, human resources, guides, tour operators, etc.) was assessed, the most urgent areas that need investment was determined as well as the cultural assets and facilities that could be included in the tourism offering of Al-Quds was analysed. The project also contains assessment of the number and capacity of tourism facilities and workers in Al-

Quds, the need for training of sector professionals and craftsmen. The Project ultimately provided a SWOT analysis and mission, vision and objective for a tourism destination and communication strategy for Al-Quds.

The second project, titled “*Supporting Institutional Capacity of Al-Quds Tourism and Heritage Council*” aims at improving the institutionalization and sustainable financing mechanism of the Al-Quds Tourism and Heritage Council (ATHC) to be a well-functioning destination management organization for Al-Quds. The project provided a conceptual study for determining ATHC personnel training needs, developing training modules and deliver training programs, recommending a DMO organizational structure, HR needs and sustainable self-funding opportunities. Within this scope, after making the training needs assessment for ATHC staff regarding competencies and qualifications required, an online training program was organized for the ATHC personnel in i) destination management and competitiveness, ii) tourism and cultural heritage planning and iii) tourism product development strategies.

As a continuation of the program, six projects with were selected for financing by the CCO to be implemented by the Ministry of National Economy of Palestine in 2021. The activities of the projects consist of, among others, exhibitions, art production, trainings, capacity building, procurement of machinery/equipment/service, online platform development, renovations, research, audio-visual material production etc. Titles of the projects are as follows;

Project Owner	Project Title
The Ministry of National Economy of Palestine	The Artists’ Identity Path: Tracing Heritage in Al-Quds
	Jerusalemites” Because We Are the Place and Time - “Maqdisiyyoon” Li’anana Al Zaman Wal Makan
	Enjoy the Hidden Jewels of Al Quds
	Old City Bakeries: Food Tourism and Heritage
	Al-Quds: Secrets and Narratives to Unfold
	Promoting Palestinian Heritage in Al-Quds

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