

POLICY RECOMMENDATIONS

17TH MEETING OF THE COMCEC TOURISM WORKING GROUP

The COMCEC Tourism Working Group (TWG) has successfully held its 17th Meeting on September 23rd, 2021 in Ankara, Turkey with the theme of “*Tourism Mitigation Strategies amid Covid-19 in OIC Countries.*” During the Meeting, Tourism Working Group, made deliberations on mitigation strategies. Accordingly, the participants has come up with some policy recommendations.

Policy Advice 1. Promoting the sustainability of tourism industry afloat through offering subsidized low-cost credits with governments’ guarantee, utilizing selective financial and fiscal tools including tax holidays and discounts, subsidies on such costs as rent, utilities, energy and water, and providing wage subsidies as well as social security contributions.

Covid-19 had an unprecedented, sudden and large impact on tourism industry. From the beginning of the pandemic, the priority was safety of people, afterwards governments realized the need for sustaining economy and helping businesses to survive. Because of border restrictions and lock-downs the industry came to a halt for an extended period of time at the beginning of high tourism season. Despite gradual reduction in mobility restrictions, most of the tourism organizations have had a trouble with their cash flow in the absence of adequate and consistent demand.

Research suggests that larger spending packages during the initial periods of the pandemic would result in larger positive impacts on the tourism industry in the years ahead. Hence these subventions can be considered as investments rather than strain on government finances without any return. Naturally, however, the effectiveness, targets and type of the subventions should be given due regard without causing an unfair competition.

Policy Advice 2. Facilitating short term demand through encouraging domestic travel, offering holiday credits and vouchers, extending bank holidays and tax discounts on domestic tourism services, and promoting advance public purchase of airline tickets, meetings, events and lodging services to support tourism industry.

With the growing number of vaccinations and safety measures, governments are able to plan the re-opening of tourism industry. The priority now is to start gradual opening and commence tourism operations before the season is over. Domestic market can be considered as the first step towards the recovery and usually the first segment to return to Covid-19 levels as confirmed by OIC tourism experts. Many countries have already organized various campaigns to encourage domestic travel and are offering holiday vouchers for travel within the country, extending bank holidays, offering cheap holiday credits, applying reduced tax rates for consumption of tourism services, providing taxable holiday expenditures, and favorable holiday packages to encourage the locals to travel.

Facilitating and encouraging *domestic tourists* in times of economic downturn and during the immediate aftermath of an event that disrupts normal tourism operations can also be an important tool for filling the void left by international tourists. Targeting domestic tourists would be very instrumental amid crisis since they are more likely to be fully aware of the real

situation in the country than the outsiders. Literature also confirms a destination is more resilient and competitive if there is a sufficient domestic demand.

Policy Advice 3. 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.

Governments have key roles in ensuring the confidences of tourists and the safety as well as attractiveness of the destination. Information provision, border restrictions, sanitation processes, safe tourism certification, hygiene procedures, monitoring and auditing are not only important activities for preventing the spread of the virus, but also be supported and used in branding and repositioning OIC countries as safe tourism destinations. In this respect, marketing communications, public diplomacy and relations are important tools to create a safe image and build trust.

Designing marketing campaigns focusing on re-positioning of destinations, enhancing diplomacy and organizing FAM Trips for diplomatic missions, tour operators, journalists, introducing travel insurance and assurance systems, vaccination priorities for tourism staff, and creating travel bubbles between countries can be cited as successful measures taken. Sectoral health protocols in tourism, and launching communication campaigns to support the safety image and recovery are therefore some of the effective strategies and policies.

Policy Advice 4. 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) to trace and contaminate the virus and to coordinate cross-border testing and isolation, collecting and utilizing real-time contact information to manage effective travel restrictions and facilitating digitalization and automation to minimize human contact.

The continued impacts of Covid-19 and new variants have created an unpredictable environment with changing border restrictions, and quarantine measures. These disruptions had a large impact on tourism service providers. Big data analytics used for scenario planning might collect and mine different Covid-19 and travel data and offer different scenarios about the volume, source markets, revenues and their probability. Using big data, and artificial intelligence might also enhance early warning systems and effectiveness of recovery strategies. Therefore, the tourism industry and public stakeholders may design data collection, integration and analysis tools in order to improve their risk and crises management processes.

ICT can also be utilized to effectively isolate, contaminate and trace the spread of the virus. Adoption of rapid testing and tracking systems, coordinated cross-border testing and tracing will improve confidence among countries and better manage travel restrictions and quarantine measures. Integrating information collection, scenario planning, research and data analysis into risk management strategies will also facilitate decision making and forecasting. Creating touchless services and integration of ICT, robots and AI might also increase effectiveness of Covid-19 free travel bubbles.

Policy Advice 5. 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, diversifying into more crises resilient products and markets such as Islamic tourism, nature-based tourism (e.g. eco-tourism, river tourism, adventure tourism) empowering regional destination governance and strengthening collaboration between public and private sectors to enhance tourism's value chain, encouraging capacity building programs, subsidizing workforce, innovation and sustainable development.

Covid-19 created an opportunity for the industry that can be utilized to address long-standing structural problems (e.g. poor destination governance, poor service quality, low-skilled human resources, leakages from local economies, low per tourist spending etc.) and to enhance tourism industry's long-term competitiveness. Based on the transformations expected in tourism sector, the OIC member countries may adjust their strategies and prioritize products and markets according to the new normal. Previous research and empirical study based on OIC tourism experts confirmed nature based tourism and health tourism are more resilient and will be more popular. Focus should also be directed towards open-air activities, individual tours rather than mass package tours and activities. Besides domestic tourism Middle East & Gulf and CIS countries were also identified as more resilient markets, hence targeting these markets would also result in more effective return.

Policy Advice 6: 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.

At the OIC level, there is a need for designing a strategic path out of lock-down (museums, libraries, hotels, conventions, border restrictions, quarantines, vaccination passports, testing and tracing requirements) and make the OIC destinations' accessibility more predictable. Collaboration at OIC level would create various standards on safety, certification, mobility, testing, tracking, border restrictions and so on which would make international tourism within OIC more secure and predictable. Such collaboration would also create economies of scale for various expenses on testing and tracking than each country investing on its own certification, tracking, software, hardware, audit systems etc..

There is also a need to establish a Standard Semaphore within OIC based on international collaboration, standards and collective effort to contaminate the impacts of crises. This is particularly important in the case of epidemics where each country responds with a different border policy instead of a unified, predictable response. Establishing standards to create safe travel bubbles and to enhance restrictions-free travel between OIC countries, vaccine passports, shared rapid testing and online tracking systems, declaring common health, safety, cleanliness and hygiene standards and audit systems for safe tourism certification within OIC, agreeing on a general semaphore and rules for border closures within OIC would create a more credible and predictable environment for tourism industry within OIC and enhance safety image of OIC destinations.

Instruments to Realize the Policy Advices:

COMCEC Tourism Working Group: In its subsequent meetings, the Working Group may elaborate on the above-mentioned policy areas in a more detailed manner.

COMCEC Project Funding: Under the COMCEC Project Funding, the COMCEC Coordination Office calls for projects each year. With the COMCEC Project Funding, the Member Countries participating in the Working Groups can submit multilateral cooperation projects to be financed through grants by the COMCEC Coordination Office. For the above-mentioned policy areas, the Member Countries can utilize the COMCEC Project Funding and the COMCEC Coordination Office may finance the successful projects in this regard. These projects may include organizing seminars, training programs, study visits, exchange of experts, workshops and preparing analytical studies, needs assessments and training materials/documents.

OIC/COMCEC Private Sector Tourism Forum: In its future meetings, the OIC/COMCEC Private Sector Tourism Forum may elaborate on the above-mentioned policy areas and the sub-areas from the private sector perspective.