



# CCO BRIEF ON TOURISM

COMCEC COORDINATION OFFICE

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Tourism has become an important global economic activity especially after World War II. Today, with a 7,6% growth rate (WTTC, 2022), tourism volume by itself meets 8% of global products and 10% of employment (UNWTO, 2020). Many economies around the world succeed in large part because to tourism. The tourism industry provides employment opportunities and contributes to cultural interaction. Many tourists around the world, travel in order to their medical treatments, to study, to learn a language, to work or to attend seminars, meetings or concerts. Thus, tourism does not only provide entertainment opportunities, but it also contributes to many other vital industries.

Tourism had also become established as a key pillar of not just economic growth but of social opportunity. Guided by UNWTO, tourism had grown to be an essential pillar of sustainable development, recognized for its unique ability to generate opportunity for all and help provide solutions to some of the biggest problems. However, tourism sector was globally hit hard by the COVID-19 pandemic. Almost overnight, international travel came to a near-complete standstill, grounding tourists and cutting off the lifeline the sector offers to developing nations as well as to communities, businesses and workers everywhere (UNWTO).

Furthermore, COVID-19 impacted different countries in different ways and in varying degrees. The ability of countries to respond to and recover from this unprecedented crisis also varied significantly. This could be due to differences in infrastructure, human resources, economic capacity or political factors. According to the latest UNWTO data, more than 900 million tourists travelled internationally in 2022 – double the number recorded in 2021 though still 63% of pre-pandemic levels.

Every global region recorded notable increases in international tourist numbers. Europe, the world's largest destination region, recorded 585 million arrivals in 2022 to reach nearly 80% of pre-pandemic levels (-21% over 2019). Africa and the Americas both recovered about 65% of their pre-pandemic visitors, while Asia and the Pacific reached only 23%, due to stronger pandemic-related restrictions, which have started to be removed only in recent months. Average receipts per arrival are estimated to reach US\$1,500 in 2021, up from US\$1,300 in 2020. This is due to large pent-up savings and longer lengths of stay, as well as higher transport and accommodation prices.

The year 2022 saw a strong rebound in tourism spending, resulting in the recovery of pre-pandemic levels in income across many destinations. According to UNWTO, global tourism is on track to return to pre-pandemic levels by the end of year. By investing in people and projects that make a difference, countries can deliver on the sector's potential to drive growth and opportunity for all.

Based on UNWTO's forward-looking scenarios for 2023, international tourist arrivals could reach 80% to 95% of pre-pandemic levels this year, with Europe and the Middle East expected to reach those levels. However, important risks remain ahead, especially economic and geopolitical, depending on the extent of the economic slowdown, the ongoing recovery of travel

in Asia and the Pacific and the evolution of the Russian offensive in Ukraine, among other factors.

The Middle East is one of the fastest-growing tourism regions of the world. Tourism is helping countries diversify their economies, creating jobs and supporting businesses at every stage of the value chain. The sector is also a leading driver of equality and opportunity across the Middle East. It is a leading employer of women, of youth and a pillar of sustainable development, including for rural communities and indigenous populations. 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).

Like in many countries around the globe, the tourism sector in the OIC countries was hit by the pandemic severely. The devastating impacts of the pandemic (such as the confidence erosion in international travel and the strict containment measures put in place, like curfews, lockdowns, border closures, and cancellation of international flights) resulted in significant losses in terms of both tourist arrivals and tourism receipts. In 2020, with the outbreak of the pandemic, due to a significant reduction in tourist arrivals and tourism receipts, the average contribution of tourism to employment in the OIC countries declined from 7.5% in 2019 to 6.2% in 2020, corresponding to an estimated loss of 8.6 million jobs. In a similar vein, the contribution of travel and tourism activities to GDP in the OIC group decreased from 8.1% in 2019 to 4.3% in 2020 (SESRIC,2022)

As in many countries around the globe, the tourism sector in the OIC countries was affected negatively by the pandemic. Estimations show that the OIC countries hosted 70.4 million international tourists in 2020 instead of a baseline projection of 277.8 million. In addition, the pandemic prevented the OIC countries from generating potential USD 233.3 billion tourism receipts, and the prevailing conditions only allowed them to collect tourism revenues of USD 77.8 billion in 2020. This means a potential loss of USD 155.5 billion in tourism receipts in the OIC group due to the containment measures and wide range of restrictions imposed by the countries all around the world. In 2021, based on the provisional data of the UNWTO, the average tourist arrivals in the OIC group contracted by 78.7% and the receipts went down by 62.9% over 2019. (SESRIC, 2022)

### **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; entrepreneurship for tourism industry competitiveness.

## **Promoting Entrepreneurship for Tourism Industry Competitiveness in the OIC Countries**

Since the 38<sup>th</sup> Session of the COMCEC, the 20th Meeting of the COMCEC Tourism Working Group (TWG) was held on May 4th, 2022 in a virtual-only format, with the theme of “Promoting Entrepreneurship for Tourism Industry Competitiveness in the OIC Countries”

A research report with the same theme is being prepared for two consecutive COMCEC TWG meetings (20th and 21th). While the first draft version of the report was submitted to the 20th TWG meeting, the final version of the report will be submitted to the 21th TWG meeting to be held on the October 2023. The main objective of the study is to establish a conceptual foundation for better understanding of the current and future implications of entrepreneurship in tourism industry. The COMCEC Tourism Working Group in its 20th and 21st Meetings, will focus on tourism entrepreneurship and provide recommendations on the identification, development, facilitation and management of entrepreneurship for a more competitive and sustainable tourism industry within member countries.

In this research study, since the audience are from tourism policy-makers in member states’ governments, the focus will especially be on measures that can be taken by governments that affect identification, encouragement, capacity building of successful and sustainable local tourism entrepreneurship within OIC. “Promoting entrepreneurship for tourism industry competitiveness in the OIC Countries” as a research study will be prepared to elaborate on the strategies member countries can adopt in order to facilitate and sustain entrepreneurship for a more competitive and innovative tourism industry. The study is also expected to draw attention to current and future implications of the entrepreneurship for tourism industry competitiveness in tourism sector, the threats and opportunities for our countries, the future of tourism as a whole, various national and international tourism policies and tourism sector as a whole with a view to provide policy solutions.

The First Draft Report reveals important findings in terms of entrepreneurship for tourism sector in the world as well as in the member case country study. The First Draft Report provides a conceptual framework on the importance of the entrepreneurship for tourism industry competitiveness on the tourism sector in the world as well as in the OIC region. 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 entrepreneurship for tourism industry competitiveness and include sound, specific, and practical policy recommendations for developing/improving entrepreneurship for tourism industry competitiveness for tourism in the OIC member countries.

The final version of the research report will be submitted to the 21st Meeting of the Working Group which will be held on October, 2023.

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

## **The COMCEC Project Funding Mechanism**

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

Within the scope of 9th Call for Project Proposals, two projects were selected to be financed by the CCO in 2022. The selected projects completed in 2022 under the 9th Call are as follows;

The project, titled “A Two-Day Training on Human Resource Management in Tourism Sector” was implemented by Nigeria with the Gambia as the beneficiary country. The project aimed to enhance the human resource management capacity of the participants with a view to enhancing their productivity and effectiveness for sustainable tourism development in tourism sector. In this context, a training and local site visit for local places were organized.

The other project, titled “Risk Analysis and Crisis Planning and Management for Community Based Tourism”, was implemented by Uganda with Sudan, Nigeria and Mozambique as the beneficiary countries. The project purpose was to increase the capacity of stakeholders involved in community-based tourism in risk analysis and crisis planning and management. A training and local site visit were carried out within the framework of the project.

Furthermore, under the 10th Call for Project Proposals under the CPF, 2 projects have been selected to be implemented in 2023. These projects are as follows;

Uganda will implement the project titled “Enhancing the Capacity of Tour and Travel Personnel for Adapting to Changing Trends in Tourism Sector”. The main purpose of this project is to develop the skills of tour and travel personnel in the tourism sector in a way that takes into account the expectations, interests and wishes of the customers, and to enable them to have more dynamic, knowledgeable and competent. Within the framework of the project, a training, a seminar and local site visit will be organized for achieving these purpose.

The other project called “Accommodation Establishments Quality Improvement Program in Tourism Sector in 4 OIC Member Countries (Mali-Burkina Faso-Guinea, Niger)” will be implemented by Mali with the partnership of the selected Member Countries. With this project, it is aimed to increasing the level of quality and satisfaction in services of accommodation establishments, to implement the certification processes and to ensure efficiency in the audit/monitoring processes. In this respect, a study visit to Morocco in order for learning best practices, and a training program for the management officials employed in the accommodation facilities will be organized.

## **Other Ongoing Activities**

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

- The 8th Meeting of the Coordination Committee on Tourism was held on 3 May 2023 in Baku/Azerbaijan. The Coordination Committee approved the Matrix for the implementation of the relevant Resolution of the 11th ICTM.

- The 10th OIC/COMCEC Private Sector Tourism Forum was held on 10th November 2022, in virtual format under the auspices of the Ministry of Culture and Tourism of the Republic of Türkiye with the theme of “The Prospects and Challenges for Gastronomy Tourism in OIC Countries” 2022”. The Forum gathered around 100 esteemed public and private sector representatives from member countries and international organizations. At the Forum we had the opportunity to evaluate the current status of gastronomy tourism with a focus on OIC Region and address the challenges and opportunities in the member countries.

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