

 **TOURISM**



CCO BRIEF ON TOURISM

COMCEC COORDINATION OFFICE
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1. Introduction

Tourism is an important market economy mechanism for the redistribution of wealth between rich and poor regions and nations. Tourism brings together people of different cultures and creates trust between the various actors. It also leads to the development of common or shared preferences, modes of behavior, institutions and norms. In short, tourism accelerates the process of global economic integration. As an industry, tourism is not limited to a few geographical sites, but is geographically widespread within many countries (OECD,2008)¹. Tourism contributes to the national economy by increasing foreign exchange income and providing employment. Tourism not only brings countries or people together, but also increases interaction between people. With this interaction, it enables to integrate international cultural and social communication.

In the post COVID period, international tourism continued to show strong signs of recovery. According to the latest UNWTO World Tourism Barometer, International tourist arrivals reached 80% of pre-pandemic levels in the first quarter of 2023 (-20% compared to the same quarter of 2019) boosted by strong results in Europe and the Middle East, compared to a 66% recovery level for the year 2022 overall. International tourism grew 86% in first quarter 2023 compared to the same period last year, showing continued strength at the start of the year. An estimated 235 million tourists travelled internationally in the first three months, more than double those in the same period of 2022.

The Middle East saw the strongest performance (+15%) and is the first world region to recover pre-pandemic numbers in a full quarter. Europe reached 90% of pre-pandemic levels in first quarter 2023, supported by robust intra-regional demand. Africa and the Americas reached about 85% of 2019 levels in the first three months of 2023, while arrivals in Asia and the Pacific climbed to 54% of pre-pandemic levels.

International tourism receipts grew back to hit the USD1 trillion mark in 2022, growing 50% in real terms compared to 2021, driven by the important rebound in international travel. International visitor spending reached 64% of pre-pandemic levels (-36% compared to 2019, measured in real terms). By regions, Europe enjoyed the best results in 2022 with nearly USD 550 billion in tourism receipts (EUR 520 billion), or 87% of pre-pandemic levels. Africa recovered 75% of its pre-pandemic receipts, the Middle East 70% and the Americas 68%. Due to prolonged border shutdowns, Asian destinations earned about 28%.

However, tourism's recovery also faces some challenges. According to the UNWTO, the economic situation remains the main factor weighing on the effective recovery of international tourism in 2023, with high inflation and rising oil prices translating into higher transport and accommodations costs. As a result, tourists are expected to increasingly seek value for money and travel closer to home.

¹ **Tourism in OECD Countries 2008, Trends and Policies, OECD**

Tourism is an important driver of economies of countries helping the development of countries, as well as creating job opportunities in the services sector. One of the keys to absolute success in the tourism sector is entrepreneurship as it has many benefits to the societies ranging from creating jobs, increasing GDP, enhancing innovation to social and psychological wellbeing. In addition to its generic benefits, entrepreneurship in tourism as an export industry usually generates more foreign exchange and as a human intensive sector creates more employment. Entrepreneurship can also be used as an alternative when job opportunities are limited. Tourism is an applied industry and success of the entrepreneur is critical as it also encourages others too.

Entrepreneurial activities will also create a competition that would force suppliers to improve service quality, professionalism and standards, when the service quality improves suppliers would be able to charge higher prices. Entrepreneurship would also enhance the variety of the products, services and activities. Diversity of tourism activities, innovativeness, value added to local quality of life, destination development, local culture, creative industries and needs of the target market gets affected in when supporting entrepreneurs and ventures. The diversity of activities might also extend the motivation of tourist to stay more which would increase average night of stay and thus the per tourist spending.

Besides its economic benefits, entrepreneurship also lets people realize their full potential, creating better match for available human resources. Hence contribute to psychological and social wellbeing. The entrepreneurs should be encouraged to accumulate knowledge, experience, and receive certification in tourism industry. This process helps to sustain and improve tourism development in countries.

2. COMCEC Tourism Cooperation

COMCEC attaches utmost importance to enhance the cooperation in tourism domain among the OIC Member Countries. Taking into account the emerging area in tourism sector, COMCEC Tourism Working Group devoted its last two consecutive meetings to elaborate on the theme of Promoting Entrepreneurship for Tourism Industry Competitiveness in tourism.

Promoting Entrepreneurship for Tourism Industry Competitiveness in Tourism

Since the 38th Session of the COMCEC, the 20th Meeting of the COMCEC Tourism Working Group (TWG) was held virtually on May 12, 2023 and the 21st Meeting was held on October 16-17, 2023 in Ankara, Türkiye respectively, with the theme of “Promoting Entrepreneurship for Tourism Competitiveness in the OIC Countries”.

A research report with the same theme has been prepared for two consecutive COMCEC TWG meetings (20th and 21st). While the first draft of the report along with a case country study was submitted to the 20th TWG meeting, the final version of the report was submitted to the 21st TWG meeting. The main objective of the study was to establish a conceptual foundation for better understanding of the current and future implications entrepreneurship for tourism competitiveness on tourism in the OIC Member Countries and to come up with sound entrepreneurship strategies and policies to tackle the challenges arisen so far.

The first draft of the report revealed important findings in terms of entrepreneurship for tourism competitiveness for tourism sector in the world as well as in the OIC Member Countries. It

provided a conceptual framework about entrepreneurship on the tourism sector in the world as well as in the OIC region, and the global on the tourism. In light of the discussion during the meeting and with the active contribution of the member countries, the draft version of the report was improved.

The final version of the report has highlighted the major challenges faced by the OIC member countries with entrepreneurship and included sound, specific, and practical policy recommendations for promoting entrepreneurship for tourism competitiveness in the OIC member countries.

The 21st Meeting of Tourism Working Group has come up with the following policy recommendations:

- Encouraging transformation from informal economy in tourism industry to certified tourism products and services through designing regulations aiming to improve the entrepreneurial status and protect entrepreneurs.
- Developing/Improving sound public and private incentive mechanisms for facilitating tourism entrepreneurship, innovation, and job creation in tourism and hospitality industry.
- Promoting investments in niche tourism areas (i.e. cultural and heritage tourism, religious tourism, adventure tourism, gastronomy and eco tourism) and maintaining their sustainability through encouraging local entrepreneurship
- Raising awareness of entrepreneurs on tourism assets, facilities and attractions and their potential.
- Investing in Destination Promotion and Marketing (i.e. digital content, branding) by utilizing digital contents (i.e. social media, bloggers) on tourism attractions for enabling entrepreneurs to market their services toward potential tourists.
- Developing entrepreneurial training(especially for first time entrepreneurs) and certification programs aiming to enhance human capital

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

3. 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 counties 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 has implemented the project titled “Enhancing the Capacity of Tour and Travel Personnel for Adapting to Changing Trends in Tourism Sector”. This project aimed at developing 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 were organized to achieve these purposes.

The other project called “Accommodation Establishments Quality Improvement Program in Tourism Sector in 3 OIC Member Countries (Mali-Burkina Faso-Guinea)” has been implemented by Mali with the partnership of the selected Member Countries. With this project, it was aimed to increase 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 were organized.

COMCEC COVID Response

The COMCEC COVID Response (CCR) Program aimed at alleviating the negative impacts of the pandemic on Member Country economies. Under the 2nd Call for Project Proposals of CCR, the project, titled “Preparation of COVID-19 Hygiene Protocol and Training of Employees within the Tourism, Leisure and Hospitality Sector”, was implemented by Sierra Leone. The purpose of this project was to prepare the Covid-19 hygiene protocol handbook for safe tourism operations and to train staff/employees in tourism and hospitality establishments on the prepared protocol.

4. Other Ongoing Activities

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

- The Eighth Meeting of the OIC Coordination Committee on Tourism was held on May 3rd, 2023 in Baku/Azerbaijan. The Meeting reviewed the Resolution of the 11th Islamic Conference of Tourism Ministers (ICTM) and other tourism related OIC Resolutions and Programs and proposed a Matrix for the Implementation of said documents. The Committee also agreed to hold the Ninth Coordination Committee Meeting in the Republic of Uzbekistan on the sidelines of the 12th ICTM in 2024.
- OIC/COMCEC Private Sector Tourism Forum provides a regular communication channel for the private sector representatives of the Member Countries. In this regard, Ministry of Culture and Tourism of the Republic of Türkiye, which serves as the Secretariat of the Forum, will organize virtually the 11th Meeting of the OIC/COMCEC Private Sector Tourism Forum on November 7, 2023, with the theme “The Prospects and Challenges of Climate-Friendly Tourism in the Era of Sustainability.”
