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OUTCOME OF THE HIGH-LEVEL MEETING ON TOURISM AND DEVELOPMENT IN THE LEAST DEVELOPED COUNTRIES

Gran Canaria, Spain, 26-29 March 2001

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I. THE CANARY ISLANDS DECLARATION ON TOURISM IN THE LEAST DEVELOPED COUNTRIES

Sustainable tourism as an engine of development in the LDCs

We, Ministers and Heads of delegations gathered in Gran Canaria (Spain) on 26-29 March 2001 for the High-level meeting on Tourism in the Least Developed Countries (LDCs), organized in the framework of preparations for the Third United Nations Conference on the Least Developed Countries,

Conscious of the serious socio-economic situation of the LDCs, many of which are increasingly marginalized from the global economy;

Aware of the valuable economic opportunities which international tourism has already brought to several LDCs; the catalytic impact tourism activities can have on the development process; and the contribution that tourism can make to the international dialogue between peoples and the promotion of peace;

Convinced that, for a large majority of LDCs, tourism development can be an avenue to increase participation in the global economy, alleviate poverty, and achieve socio-economic progress for all the people of these countries;

Noting:

- (a) The significant comparative advantages existing in most LDCs with regard to tourism development, and the insufficient appreciation of such advantages among decision makers in many LDCs and the international community;
- (b) The severity of handicaps which many LDCs suffer from in their efforts to promote tourism development, especially in the context of deficiencies in the necessary physical infrastructure, communications, and relevant skilled human resources;
- (c) The absence of comprehensive reference, in the previous two Programmes of Action for the LDCs (1981, 1990), to the importance of tourism as a potential engine of economic development in the LDCs, and the insufficient recognition of this importance in the draft Programme of Action for the LDCs to be considered by the Third Conference;

Seizing the unique opportunity offered by the Third United Nations Conference on the Least Developed Countries to bring to the attention of the international community the benefits

of tourism for the development of the LDCs, and the needs of these countries for external support in their efforts to develop tourism trade;

Mindful, however, of the diversity of situations, among the LDCs, in terms of geographical characteristics and natural endowments, which involves mixes of economic advantages and disadvantages and therefore the need for a differentiated approach to tourism development, among these countries;

- 1. Submit to the Third United Nations Conference on the Least Developed Countries a Plan of Action to support tourism development in the LDCs, based on the following four areas of action:
 - (a) Strengthening the capacities of LDC Governments to develop sustainable and competitive tourism;
 - (b) Developing entrepreneurial capacities and managerial skills to improve the competitiveness of tourism products and services;
 - (c) Promoting synergies between transport and tourism policies, with particular reference to air transport;
 - (d) Increasing national capacities to use relevant elements of the multilateral trade framework;
- 2. *Urge* the international community to give favourable consideration to the four areas of cooperation that constitute the Canary Islands Plan of Action for Tourism Development in the LDCs, and to extend the same favourable consideration to national and regional projects that may additionally be presented, in response to the problems recognized under the plan of action, by LDCs or relevant regional and international organizations, to the donor community;
- 3. Ask the Intergovernmental Preparatory Committee of the Third United Nations Conference on the Least Developed Countries at its third session (New-York, 2-6 April 2001) to insert in the draft Programme of Action for the Least Developed Countries for the 2001-2010 decade the following section as part of Commitment 4:

"Sustainable tourism

International tourism is one of the few economic sectors through which LDCs have managed to increase their participation in the global economy. It can be an engine of employment creation, poverty alleviation, reduction of gender inequality, and protection of the natural and cultural heritage. It contributes to reducing economic instability and vulnerability. These facts principally result from the existence, in most LDCs, of significant comparative advantages that

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are conducive to viable tourism specialization. Yet, tourism is not among priority sectors for socio-economic development in many LDCs.

Action by LDCs:

- (a) Promote a climate conducive to tourism, based on peace, stability and security;
- (b) Make tourism a priority sector in national development policies, and allow effective participation of national tourism authorities in the decision-making process;
- (c) Determine the most desirable tourism product specialization in order to guide potential investors in their decisions;
- (d) Promote domestic and foreign investment in the tourism industry and related sectors;
- (e) Take measures to facilitate local tourism operators' access to and participation in global information and distribution systems;
- (f) Formulate strategies to achieve the most beneficial air transport-tourism linkage;
- (g) Use the multilateral trade framework to translate tourism development objectives into trade policy measures under the General Agreement on Trade in Services of the World Trade Organization.

Action by development partners:

- (a) Strengthen measures to encourage investment in the tourism industry and entreprise development in the wider tourism economy, in particular, through increased access to financial facilities and the development of human resources;
- (b) Provide assistance to enhance the economic efficiency, competitiveness and sustainability of tourism operations, in particular, through access to and participation in global distribution systems, and use of appropriate technology;
- (c) Assist in the formulation and implementation of policies and strategies to promote synergy between transport and tourism, with particular reference to air transport;
- (d) Provide financial and technical assistance to the strengthening of national capacities to effectively participate and negotiate in the relevant segments of the multilateral trade framework."

- 4. *Entrust* the Chairman of this High-level Meeting and the head of the Spanish delegation with the presentation of the outcome of the meeting at the Third United Nations Conference on the Least Developed Countries, in the framework of its thematic session on international trade in goods and services;
- 5. Request the United Nations Conference on Trade and Development and the World Tourism Organization to facilitate and support the acceptance, by the international donor community, of the Canary Islands Plan of Action for Tourism Development in the Least Developed Countries;
- 6. Express our sincere gratitude to the Government of Spain, in particular, the Spanish Agency for International Cooperation (AECI), for their financial, organizational and substantive support to the Meeting, and to the regional government of the Canary Islands, in particular its Transport and Tourism Council, for facilitating and hosting this high-level event, and for their warm hospitality.

Gran Canaria, 29 March 2001

II. CANARY ISLANDS PLAN OF ACTION FOR TOURISM DEVELOPMENT IN THE LDCs

Area of action one

Strengthening of capacities of LDC Governments to develop sustainable and competitive tourism

Portfolio of project proposal

| ISSUES TO BE ADDRESSED | ACTIVITIES |
|--|---|
| Support to the implementation of master plans for the development of sustainable tourism in LDCs | Definition of national sustainable tourism strategies in the LDCs. Mobilizing foreign investment funds. Setting up investment fund warranties for investors. Development and maintenance of tourism infrastructure. Management of the territory, landscape, cultural heritage, environment and biodiversity. Implementation of training programmes to upgrade skills at all levels and segments of the tourism sector. Regulatory framework for tourism. Policy framework for tourism, including incentives and other supporting mechanisms to promote national and foreign investment. Integration of local communities. Preservation of natural systems (land and marine) and sustainable management of natural resources and emissions (water, energy, food supply). Promotion of a proper national image of LDCs' tourism destinations among potential visitors and investors. Managing the impact of crisis. Development and implementation of the satellite account for tourism as a means of |

managing leakages.

- 14. Strengthening linkages of tourism with other sectors, including agriculture and manufacturing, to reduce the "leakages" gradually.
- 15. Establishment of information systems and an information network among LDCs.
- 16. Establishment of an observatory of tourism for LDCs to monitor the progress and the impact in the global sustainable development in each country.

Support to the tourism professional sector in LDCs in terms of competitiveness, profitability, technological advancement and qualification of skills

- 1. Plan of action to incorporate tourism professionals in the market in competitive conditions.
- 2. Reducing transaction costs.
- 3. Special programmes to support the micro, small and medium enterprises in the tourism sector of LDCs.
- 4. Creation of training centres for professionals of tourism.

Support to LDC tourism destinations and the professional sector in terms of quality tourism products, standards and assurance

- 1. Preparation of national guidelines and manuals to implement quality criteria in tourism development by destinations, activities, products and services.
- 2. Definition, design and establishment of quality levels for LDCs' tourism products.
- 3. Training buildup programmes to capacities of tourism officials and professionals to apply the quality approach to tourism development with a view to benchmarking capabilities and communication with quality assurance bodies.

Area of action two

Developing entrepreneurial capacities and managerial skills to improve the competitiveness of tourism products and services

Portfolio of project proposal

| ISSUES TO BE ADDRESSED | ACTIONS TO BE UNDERTAKEN |
|---|---|
| Insufficient definition of the most desirable product specialization, considering the evolving comparative advantages and competitive position of the LDCs in the global tourism market | 1. Research to identify the most desirable product specialization in the light of the countries' assets: analysis of evolving comparative advantages and competitiveness in a regional and international perspective. |
| Insufficient investment in the tourism industry | 1. Support the formulation and implementation of national policies to encourage foreign investment in tourism in the light of findings on the most desirable product specialization (incentives, promotion abroad, etc.). |
| | 2. Support the formulation and implementation of national policies to encourage domestic investment in the tourism industry (training and assistance in project analysis and preparation). |
| Insufficient entrepreneurship in the sectors expected to supply vital goods and services to the tourism industry | Support to the formulation of policies to encourage enterprise development in the sectors most directly linked with the tourism industry (e.g.: food and land transport sectors). |
| Insufficient access to funds for local tourism projects | Develop a proposal to create an international (or several regional) venture capital fund(s) for tourism projects in the |

| | LDCs. 2. Formulate and implement options for special credit lines for tourism projects in commercial banks, development banks, or suppliers of micro-credit. |
|---|---|
| Insufficient awareness or understanding of the benefits expected from tourism development | Develop practical tools to increase awareness, among target groups, of the benefits of tourism for national development: . publications . sensitization events (including schools). |

Area of action three

Promomoting synergies between transport and tourism policies, with particular reference to air transports

Portfolio of project proposal area of action three

| ISSUES TO BE ADDRESSED | ACTIVITIES |
|---|---|
| Air access to LDCs | Strategy to achieve policy coherence of air transport and tourism. |
| Beneficial linkages between ATS and tourism | Regional and subregional hubs in terms of air transport link with tourism in LDCs. Support to open skies policies among LDCs and within regional agreements. |
| Safety and security requirements in air transport | Evaluation of equipment needs and mobilization of finance. Evaluation of training needs. Creation of regional LDC training centres for safety and security for air transport. |
| Access to CRS and GDCs | Evaluation of problems and barriers facing LDCs in regard to CRS and GDS. Better use of equipment of GDS and adequate training for tourism operators of LDCs. |

Area of action four

Increasing national capacities to negotiate and use relevant elements of the multilateral trade framework and integration and cooperation schemes

Portfolio of project proposals

| ISSUES TO BE ADDRESSED | ACTIVITIES |
|--|--|
| Sensitize tourism stakeholders on the WTO and GATS, and other relevant international | National and regional workshops. |
| trade agreements and their treatment of tourism services. | Training of trainers in the tourism industry and support for them in providing in-country teaching programmes on GATS and tourism. |
| | Develop and teach curriculum on multilateral trade agreements within national and regional tourism training institutes. |
| | Awareness building advice by UNCTAD, the World Trade Organization and the World Tourism Organization. |
| Exchange of experiences among tourism | Papers on country experiences. |
| industry representatives on their use of the GATS and other international trade agreements affecting tourism services. | Regional and interregional workshops. |
| Strengthen the analytical and technical preparedness of tourism stakeholders in | Technical papers on negotiation objectives. |
| identifying their interests and translating them into trade negotiation objectives. | National workshops on trade negotiation objectives. |
| | National, regional and/or interregional workshops on state of play in the GATS negotiations. |
| Strengthen the link between tourism | National and regional workshops involving |
| stakeholders on the one hand, and trade | tourism industry representatives and Geneva- |
| negotiators and national government officials on the other hand regarding | based trade negotiators. |
| negotiations and use of GATS in respect of | Sensitization tours of tourism representatives |
| tourism. | to Geneva to participate in GATS and tourism |
| | services negotiations. |
| Assist LDCs in the process of acceding to | Analytical papers on tourism services. |

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| the WTO/OMC in preparing commitments | |
|--|--|
| on tourism services which promote their | National workshops. |
| development objectives. | - |
| | Advice from UNCTAD, the World Trade |
| | Organization and the World Tourism |
| | Organization. |
| Integrate tourism policies and plans into | Analytical studies on policies. |
| national development policies and plans, | 1 |
| and into national trade negotiation | National workshops. |
| objectives and machinery. | • |
| | National tourism policies, plans and |
| | legislations. |
| Facilitation of the movement of tourism | Study on the impact of the liberalization of the |
| professionals among LDC | Movement of professionals of tourism among |
| | LDC. |
| | |
| | Formulation of regional agreements. |
| Facilitation of the movements of tourists in | Comparative study and recommendations on |
| the framework of regional agreements and | most suitable conditions to facilitate the |
| cooperation schemes. | movement of tourists including visas. |
| Measures to promote ethical standards in | Prepare an annex to implement the |
| tourism destinations of LDCs. | OMT/WTO Global Code of Ethics for |
| | Tourism in LDCs. |
| | |
| | Exchange of experiences among LDCs on the |
| | implementation of the Global Code of Ethics |
| | for Tourism. |
| Tourism promotion taking advantage of | Programme of action for joint promotion of |
| regional agreements | tourism destinations of LDCs (international |
| | fairs, websites, internet). |