



Twenty-third session
Item 8

DEVELOPMENT OF INTERNATIONAL TRAVEL, ITS PRESENT
INCREASING VOLUME AND FUTURE PROSPECTS

Further communication from the Government of Italy

Since the issuance of document E/2933, the Secretary-General has received a communication from the Government of Italy transmitting additional information^{1/} in reply to the inquiry addressed by the Secretary-General to Governments of States Members of the United Nations and specialized agencies in implementation of Economic and Social Council resolution 563 (XIX) of 31 March 1955.

The text of the communication is set out below with the exception of data already contained in the previous reply^{1/} and of information concerning the collection of tourist statistics, the latter subject having been referred to the Statistical Commission for consideration.

I. GENERAL^{2/}

In anticipation of the development and spread of the phenomenon known as "tourism", which has assumed tremendous proportions in the economic, social and cultural spheres, and in view of the special importance it has always had for our country, especially as an auxiliary factor in the balance of payments, the Tourist Traffic Board has been constantly engaged ever since its establishment in September 1947 in fostering the development of tourism to the full.

^{1/} See document E/2933, pages 74 through 77.

^{2/} The titles of chapters I, II, III and IV correspond to the headings used in the "Summary of Comments of Governments concerning measures taken in response to Economic and Social Council Resolution 563 (XIX)", document E/2933, pages 6 through 10.

The action undertaken was immediately directed towards a gradual easing of the formalities and controls which hampered the free flow of tourists from abroad; reconstructing, modernizing and developing hotel accommodation; and reorganizing all the Central Board's branch agencies.

At the same time, the Board, has taken a definite stand in favour of the establishment and consolidation of major bodies organized on international lines.

It has also made a point of polarizing its own field of interest with the dual aim of promoting a system of permanent co-operation between as many national tourist bodies as possible and thus speedily and progressively eliminating the restrictions applied by most other countries to the detriment of tourist traffic to Italy.

Suffice it to mention the Board's support for the work of the International Union of Official Travel Organizations (IUOTO), which now comprises fifty-eight members and has been in consultative status with the United Nations since 1948, and the Tourism Committee of the Organisation for European Economic Cooperation (OEEC).

Meanwhile, everything has been done to strengthen the bonds of cordial collaboration with the many branches of public administration dealing with the various points on which liberalization measures in favour of tourist traffic are being and have been taken.

Activities in this field have had most encouraging results and have helped to give Italy first place among the countries of Europe, since as is well known, Italy has for some years now, had the largest number of foreign visitors.

II. TOURISM IN RELATION TO INTERNAL ECONOMY AND INTERNATIONAL TRADE

Italy holds first place among European countries as far as tourist traffic is concerned. The records for 1955 show the impressive figure of 10,786,000 foreign visitors, including tourists and persons on day excursions (40 per cent of the total number stayed less than twenty-four hours in the country), as compared with 1,590,000 in 1948.

As regards the amount of foreign currency brought in by foreign visitors, it should be noted that there is still a wide discrepancy in Italy, as in the great

majority of countries, between the official figures and economic estimates, which more closely reflect the advantages accruing to the nation in general from the influx of huge numbers of foreigners.

Taking only the former, it may be noted that:

- (1) foreign currency receipts by banks and other authorized receiving agencies amounted in 1955 to \$211.5 million, equivalent to over 132,000 million lire, or about 36 per cent more than the total figure for 1954;
- (2) those receipts alone represent the bulk of Italy's invisible imports and help to meet the deficit in the balance of trade to the tune of 24 per cent.

III. SURVEY OF TOURIST FACILITIES

An extensive network of coach lines has been established embracing the neighbouring countries in particular. At present, forty-two lines are in operation between Italy and Switzerland, twenty-four between Italy and Austria, and sixteen between Italy and France, while a further series of six lines is due to start operating between Italy and Yugoslavia.

Since 1946, the Tourist Traffic Board has promoted a whole series of legislative measures to provide in various ways for the reconstruction, repair, extension, improvement, construction and equipment of hotels and similar establishments and tourist institutions generally (spas, mountaineering huts etc.).

These measures have made it possible to grant loans to cover part of the anticipated cost of the projects at a specially low rate of interest, with repayment in twenty-five annual instalments. As a result, the hotel industry has been able to carry out works schemes at a total cost of about 35,000 million lire. The Southern Italy Fund (Cassa per il Mezzogiorno) set up in 1950 has also granted loans, again at low interest, for the construction (especially in less well-developed areas) of hotels, motels and other tourist establishments of a total value of more than 8,000 million lire.

With this financial aid, plus the vast contributions made by private enterprise, the hotel industry has been able not only to overcome the serious situation in which it was placed as a result of war-time damage, destruction and

requisitioning but also to develop in the direction both of numbers and of amenities, as shown by the following figures:

	<u>May 1949</u>	<u>March 1956</u>
Number of hotels etc.	20,063	26,438
Number of rooms	215,702	321,382
Number of beds	365,128	545,744
Number of baths	34,381	68,296

These figures are all the more significant considering that no less than 4,662 hotels and similar establishments, with 115,372 rooms and 173,000 beds, were destroyed or damaged as a result of war and requisitioning.

Lastly, under a law passed in 1955, a permanent "revolving fund" was set up to provide twenty-five year loans for new hotel projects and the reconstruction, extension and adaptation of property for use as hotels, as well as ten-year loans for the modernization, acquisition or renewal of equipment.

IV. SIMPLIFICATION OF ENTRY AND EXIT FORMALITIES AND DEVELOPMENT OF INTERNATIONAL TRAVEL ARRANGEMENTS

With regard to the possibility of granting facilities to foreign tourists to encourage the development of international tourist traffic, it may be pointed out that foreign tourists already enjoy very liberal facilities in Italy as regards both official recognition of vehicle permits and acceptance of driving licences.

Foreign cars from any country, provided they are intended for private use, are allowed on the road in Italy without any other papers than those issued by the competent authorities of the country of origin, while foreign drivers can drive either foreign cars or Italian private cars on the strength of their own national driving licence.

As far as public transport services are concerned, Italy acceded at the time to the Geneva Convention on "Freedom of the Road" whereby tourist trips are permitted without any authorization being necessary. In addition, agreements to facilitate international passenger transport have been concluded with France, Switzerland, Austria, Germany, the Netherlands and Yugoslavia. Ample facilities are granted for "shuttle" services, which are especially important for such northerly countries as Germany, Austria and the Netherlands. All the applications so far made for services of this kind have been granted.

There has also been a steady increase in the number of empty vehicles entering Italy to pick up parties of tourists, especially from across the Atlantic, who arrive in Europe by air and sea and continue their journey on the Continent by road.

(a) Customs facilities for foreign tourists

In 1949 and 1950, on the Tourism Committee's proposal, the Council of OEEC adopted two important decisions whereby member countries undertook to interpret uniformly certain provisions on customs facilities for tourists set forth in the Draft International Customs Convention on Touring put into application in accordance with an Agreement signed in Geneva on 16 June 1949 under the auspices of the United Nations Economic Commission for Europe.

The first of these decisions dealt with special facilities for tourists from overseas and the second with similar facilities to be granted on a less ample scale for intra-European tourist traffic.

Italy was the first to apply the decisions, with effect from 30 August 1949 and 25 June 1950 respectively.

In May 1954, a Conference convened by the United Nations Economic and Social Council was held in New York at which two Conventions and a Protocol relating to facilities for the importation of tourist publicity documents and material were drawn up and signed. One of the Conventions deals specifically with the question of customs facilities for touring.

Later, on 28 January 1955, the OEEC Council adopted a new decision bringing the facilities already granted to tourists from member countries into line with those set forth in the above-mentioned United Nations Convention, by extending them likewise, to tourists from any country.

By another decision of the same date, the OEEC Council extended the special facilities for tourists from overseas by increasing from \$400 to \$500 the value of travel souvenirs which may be exported duty-free and permitting (for tourists from member countries only) both duty-free export and transit without temporary importation papers of travel souvenirs to a total value of not more than \$100 (the United Nations Convention allows \$100 worth for export and \$50 worth for import in transit).

Whereas the various agreements concluded at different times under OEEC auspices make it a condition for granting facilities to export travel souvenirs that the tourist must carry them in his hand-luggage or accompanying luggage, Italy has since 1953 allowed local purchases to be sent abroad without export permits or currency formalities, under provisions adopted independently, provided the value of each consignment does not exceed 100,000 lire in the case of tourists from overseas or 50,000 lire in other cases.

Furthermore, in compliance with a proposal by the Tourist Traffic Board, the Italian Postal and Customs Administration has been running a special service since December 1954 (so far in Rome only) which simultaneously accepts for mailing and inspects for customs purposes gift-parcels addressed to consignees abroad.

With regard to the simplification of customs control, mention has already been made of the relaxation of the regulations by the Italian customs officers. Reference should be made in this connexion to a wise and far-sighted directive issued in September 1949 by the Minister of Finance who declared, inter alia, in a circular on the subject: "Except where an attempt to defraud is suspected, moderation and tolerance should always be the rule, on the principle that the loss of customs duties on any article escaping detection may well be offset by the substantial benefit which the national economy will receive from the increased flow of tourists".

(b) Facilities for tourist traffic by road

As is well known, special studies have been made at the international level, especially by ECE and OEEC, with a view to simplifying frontier formalities as far as possible for motor vehicles so as to cope with the vast increase in tourist traffic by road in many countries.

The ordinary temporary importation papers for motor vehicles (carnet de passages en douane and triptych) and the diptych used for a number of years in tourist traffic between France and Italy, have latterly been supplemented by the triptych valid for a single journey (red triptych). This is much cheaper than the ordinary one; it can be obtained without restriction even by non-members of automobile clubs or touring clubs, and it can be used for travel in any of the countries which have agreed to its adoption.

Other facilities, even more noteworthy, are under consideration, including the possible introduction of "car passports".

Italy is keenly interested in this work. Since 1951 it has applied a system of selling special petrol coupons (obtainable even outside Italy in certain circumstances) to foreign tourists and Italians resident abroad for the purchase of petrol at greatly reduced prices for a maximum of two journeys a year totalling not more than ninety days in all, reckoning an average supply of not more than 30 litres a day. A similar concession is granted for motorcycles of over 125 cc and under 125 cc at the rate of 10 and 5 litres a day respectively.

(c) Relaxation of currency regulations

Equally vigorous action has been taken to bring about the gradual relaxation of the system of currency allowances for foreign travel.

Immediately after the establishment of OEEC's Tourism Committee (May 1949), Italy energetically advocated the need to recognize touring as a "priority need" second only to "essential needs". Each member country was urged to make available for tourist travel currency of which it had most, and at the same time to set a definite allowance per person per year for travel in the rest of the member countries, the amount to be not less than the minimum necessary for an ordinary foreign tour.

Side by side with the freeing of trade between the OEEC countries, and again thanks to the efforts of the Tourism Committee, a series of important steps were taken towards liberalizing tourist arrangements.

These ranged from a decision by the OEEC Council calling upon member countries to approach tourist arrangements in a liberal spirit, to the most recent and striking advances made possible largely by the establishment of the European Payments Union.

Practically all the Western European countries now grant at least an annual currency allowance for tourist travel which in many cases exceeds the minimum laid down by the OEEC Council (the equivalent of US \$200), with no limit as to the number of persons entitled to the allowance or as to the total amount of currency allowed annually for tourist travel abroad.

The present situation gives ground for anticipating the final and complete lifting of controls on currency for tourist travel in the not far distant future.

A notable step in that direction was taken by Italy when, as is well known, it decided in June 1956 to grant a substantial allowance in foreign currencies to all nationals requesting it, and at the same time established a free market for foreign currencies.

Actually, the tourist travel allowance has been more than doubled, from the equivalent per person per year of 130,000 lire (\$208) to 300,000 lire (\$480), to be used for one or more trips, no distinction being made between adults and minors. (The United Kingdom allows the equivalent of £100 (\$280) a year, and France the equivalent of a total of 70,000 francs (\$200), for two trips a year.)

In the case of travel to a whole series of countries, including members of the European Payments Union, if it can be shown that such travel is necessary for reasons of business, study or health, the annual allowance may be increased to the equivalent of 500,000 lire, or nearly four times the previous maximum.

For group travel, an allowance of 50,000 lire per person is granted with no limit on the number of trips and no deduction from the annual maximum of 300,000 lire.

Lastly, Italians are permitted to export up to 30,000 lire in national currency per trip. This may also be spent abroad, whereas in other countries, it is stipulated that exportable national currency may be used only for meeting the initial expenses on returning home.

(d) Passports and frontier formalities

I. DOCUMENTS^{3/}

A. Passports

With regard to passports, the Tourist Traffic Board participates at meetings of the respective working group set up on its suggestion under the OEEC's Tourism Committee. The OEEC Council recently adopted many of this working group's proposals and embodied them in an appropriate recommendation having the following objectives: extension of the validity of individual passports to five years;

^{3/} The headings and numbers correspond to the text of the recommendations of the 1947 Meeting of Experts on Passports and Frontier Formalities reproduced in the Appendix to Annex I of document E/2933.

drastic reduction of passport fees to the mere coverage of stamp duties and overheads; study by countries which issue identity cards of the possibility of altering and standardizing their layout to conform to a model to be drawn up by the Tourism Committee, thus enabling them to be used for international travel; admission to the territory of all member countries (i.e., including also those which do not issue identity cards) of nationals of other member countries on presentation of an official document giving particulars of the holder's identity and nationality and entitlement to re-entry into the country of the issuing authority; the initiation or pursuit of negotiations for bilateral or multilateral agreements, as well as the unilateral adoption of administrative measures to permit the entry into the territory of each member country of tourists from the other member countries on the presentation of their identity cards; and restriction to a minimum of the formalities for checking tourists' identity papers at frontiers.

The present position is that several groups of countries have already replaced the passport by the identity card, with or without a laissez-passer.

To facilitate group travel, Italy has proposed to the other OEEC member countries that group passports should be standardized.

In accepting the proposal, the above-mentioned working group recommended the general adoption of the uniform type of group passport proposed in the case of for young people only, by the signatories to the Brussels Treaty (Belgium, France, Luxembourg, the Netherlands and the United Kingdom).

B. Visas

(ii) One of the first steps taken was to try gradually to abolish consular visas on passports of nationals of as many countries as possible, where the visit did not exceed as a rule three months.

Thanks to the perseverance of the Ministry of Foreign Affairs and the Ministry of the Interior, bilateral agreements abolishing these formalities have so far been successfully concluded with twenty countries, including all the OEEC members except Portugal, which has for some time been officially considering the conclusion of a similar agreement. In addition, the visa formality has been unilaterally abolished in favour of three other countries - the United States, Canada and Australia.

As far as the United States is concerned, Italy abolished consular visas as long ago as 1 November 1948.

Although the abolition of visas means that the corresponding fee is no longer charged, Italy has striven to keep well to the fore in this respect also, in the conviction that the increasing volume of tourist traffic yields dividends for the individual national economies which amply offset the loss incurred.

(vii) It should also be noted that passport visas are issued free for visits to Italy lasting more than three months in the case of tourists not requiring visas for visits of less than three months.

Of the many other measures taken, mention should be made of the following: since 1947, reduction from five to two in the number of forms to be completed for obtaining consular visas in cases where the latter are still required (xiii); authorization to consulates to grant visas direct on their own initiative without having to obtain the prior consent of the Central Administration, as formerly (ix).

II. FRONTIER FORMALITIES

(a) Of the many other measures taken, mention should be made of the following: re-establishment of the inspection system for passport control; conducting of frontier controls while the train is in motion so as to reduce halts to a minimum in the case of international trains; customs examination on the train for registered luggage sent separately by foreign tourists; introduction by the main Italian ocean-going lines of the system of checking passports on board; relaxing of customs controls and adoption of a friendly courteous attitude towards foreigners; undertaking of works projects for the efficient equipment of the main frontier passes, etc.

V. SPECIAL MEASURES TO PROMOTE THE DEVELOPMENT OF OFF-SEASON TOURING

One highly important initiative which has already produced striking results is the joint tourism promotion campaign carried out in the United States of America by eighteen Western European countries, which have been joined during the past year or two by Finland, Yugoslavia and Spain.

The idea of this enterprising joint effort, by which Europe is presented to the American public as a homogeneous unit from the tourist standpoint, was originated and first carried into effect in 1949 by the European Travel Commission set up the year before by IUOTO at Italy's instigation.

The campaign seeks, through up-to-date publicity methods, to increase the number of North American tourists to the European Continent to the maximum and to distribute the flow more evenly, especially by publicizing the advantages of so-called "off-season" travel.

Since 1950, the OEEC Tourism Committee has been responsible for determining the annual amount in dollars going into the joint fund for conducting the campaign proper (the figure has been US \$250,000 for the past few years), while the European Travel Commission has assumed the role of technical agency responsible for submitting the annual programme to the Committee and carrying it into effect in the United States.

Italy, along with the United Kingdom and France, makes a very large contribution (\$45,000 a year) to the joint appropriation.

Meanwhile, in furtherance of the campaign's main objective of developing "off-season" travel, Italy four years ago started a special programme on its own account in the United States - the "Italian Tourist Economy Plan".

Under this scheme, the following facilities are granted to tourists from the United States, whether of American or other nationality:

- (a) reduction of 20 per cent on ordinary or fixed itinerary tickets, and 10 per cent on unrestricted travel tickets issued by the State Railways and purchased with dollars in the United States;
- (b) reduction of 10 per cent against advance payment in dollars, on the rates for demi-pension or full pension at hotels belonging to the Plan.

In addition, tourists are given a special identification card entitling them to a 10 per cent reduction in Italy on bills at restaurants and night clubs featured on a list attached to the card, and a 20 per cent reduction in fares on the main motorcoach lines, private railways, suburban tramways, mountain railways, funiculars and lake services similarly listed.

The Tourist Traffic Board is also considering extending these facilities to visitors from other countries.