

20th session of the UNWTO General Assembly

THE UNWTO TECHNICAL COOPERATION

Victoria Falls, August 24th 2013

speech by Frédéric PIERRET

UNWTO Executive Director

Honourable Ministers,

Dear Heads of delegations,

Distinguished delegates

Dear friends,

With worldwide receipts doubling every 10 years, tourism has become a strategic sector for a wide range of countries:

- emerging countries seeking to diversify their economies and ensure the development of regions undergoing reconversion
- developing countries for which tourism can offset the lack of raw materials and low manufacturing activity
- economically advanced countries for which tourism can be a growth driver in the face of de-industrialization

The challenge now for destinations and operators is to capture a share of the one billion international tourists and roughly 5 billion domestic tourists, which will grow at about 4% per year over the coming 20 years. The challenge is also to capture a share of the 250 million jobs and more than 1000 billion dollars in revenues generated by tourism today.

And all of that requires expertise and technics.

In this context, approaches for the development of destinations are undergoing profound changes that we can try to summarize in four major trends:

1st major trend: the diversification of actors

Tourism development has for a long time relied on:

- either national public policies
- or initiatives in the hotel industry, which has refined its offerings over the years and, to some extent, airlines.

These two pillars remain very powerful, but they are no longer the only ones.

- On the part of public authorities, the national level retains a major role: definition of the national strategy and its legal and fiscal framework, territorial accessibility, investment conditions and financing, national urban planning regulations, international promotion, consumer protection...

Today, in a growing number of countries, provinces/regions (states in federal countries) have become aware of their roles in multiple aspects of tourism development: regional strategy, transport, promotion/marketing, product development, urban planning, business support...

- On the side of private initiative, many sectors have joined the hotel industry: rail and road transport as well as multiple tourism activity operators such as theme parks, managers of ski resorts, marinas, cultural sites, city centre shops, duty free shops, spas, casinos...

2nd major trend: the increasing complexity of products and tourism sites.

While the first major tourism boom, in the 60s to the 80s in Europe, was based on a few simple economic models (hotel + beach, hotel + ski lifts, hotel + museum + city tour...), that era is now largely outdated because the tourism products of today and tomorrow are based on a more sophisticated combination of economic actors, investors, managers, know-how and experience. A casino can no longer be successful if it is not connected to shows, hotel services and multiple leisure activities; a self-contained resort risks failure if it does not offer a wide range of activities, optimum accessibility, suitable architectural design, and extremely sophisticated marketing and communication techniques. A tourism destination no longer has any chance of standing out from a crowded field with more diversified offerings than ever if it does not manage its products, its image, its promotion and marketing in a highly professional manner. We indeed can consider that today it exist more than 200 hundreds types of activities.

3rd major trend: the growing diversity of the customer base.

Firstly, geographic diversification: With tourist arrivals (international + domestic) set to equal the world's population in less than five years (they represented 4% in 1950!), the customer base continues to diversify. The number of tourism destinations is still increasing. As an example, the top 10 destinations in the world attracted 88% of international tourists in 1950, 60% in 1980 and only 44% in 2012.

Diversification is also going on regarding the generating market side: the share of the top ten generating markets in the global tourism expenditures declined from 67% in 1990 to 46% today.

In other words, the day before yesterday, a small number of countries travelled to a small number of countries.

Yesterday, a small number of countries travelled to a big number of countries.

Today, a big number of countries travel to a big number of countries, and this trend will continue.

Also, cultural and socio-professional diversification: tourism is no longer reserved for the upper classes and now includes ever broader segments of the population of almost every country. Thus, for example, there has been a vigorous development of domestic tourism in the countries where it was virtually non-existent less than twenty years ago specially under the impulsion of the middle classes of emerging countries.

4th major trend: technical needs are becoming more and more specialized

It is no longer possible for a local destination to hire one consultant to define its sustainable tourism development policy. In the matter of sustainability, going beyond traditional approaches, what is needed today are highly specialized techniques that are very different from each other (saving energy, water and raw materials, renewable energy, recycling of waste and materials, architectural integration, landscape protection, involvement of local communities...).

This phenomenon concerns the UNWTO technical cooperation. With regard to the areas of expertise that we seek, things become particularly complicated due to the fact that the era of good generalists has passed or is practically gone, and this because of a simple reason: the relevant know-how, expertise and experience have become incredibly diversified. Just a scant 20 years ago, at the start of our technical cooperation activities, it sufficed for us to engage a single consultant to help us design the tourism strategy of a country. This would be inconceivable today, when for the same type of project, in addition to a team leader, we are faced with the need to call on experts in a wide range of areas: marketing and branding, product development, infrastructure, economic model, statistics, design of training courses, etc.

I think it must be pointed out that the UNWTO's actions vis-à-vis its members, regardless of the form they take, conform to the values, characteristics and constraints inherent to our status as an intergovernmental organization on the

one hand, and as a specialized agency of the United Nations on the other. Whatever form our action takes, it must:

- Be neutral, that is to say, not predicated upon any political, religious or philosophical *a priori* assumptions;
- Be non-profit, this is to say that although we naturally have to fund our activities, we do not seek to maximize the financial profits we can derive from them; in this regard, for example, the studies that we conduct on behalf of our members aim to be self-sufficient, without requiring supplementary studies to be operational;
- Be based on the consideration of several points of view, meaning that it does not reflect only the point of view of one of our staff members or one of our consultants;
- Comply with the principles that we ourselves have forged throughout our history on major issues such as, for example, the Global Code of Ethics for Tourism, or more recently, our work on sustainable tourism or tourism's contribution to the elimination of poverty.

At this stage, allow me to make three observations:

- First, the types of expertise that we need are becoming increasingly specialized. As I was just saying: the time of the generalist has passed. Even within the same family of expertise, there is ever greater specialization. What commonalities are there between, for example, the museographic design and the queue management of a major museum, the setting up of tourism circuit in a medieval citadel, the installation of a hotel in a historical monument or the creation of a new music festival? All four nevertheless fall firmly within the field of cultural tourism, but the types of expertise they involve are fundamentally different.

In this regard, I do not believe that one can claim to be an expert in sustainable tourism or an expert in tourism transport. The levels of specialization today are such that one cannot lump together sustainability with regard to the hotel industry with sustainability in the management of the public spaces of a destination, or the improvement of the air connectivity of a national destination with the rationalization of a network of cycling paths of a municipality.

Concretely, the major areas in which UNWTO regularly requires external expertise *inter alia* include:

- planning and development
- marketing and promotion
- product development and diversification
- capacity building (education and training)
- quality and standards
- research and statistics
- infrastructure

- tourism legislation and regulation
- rural and community based tourism
- economic/financial analysis
- investments
- impact analysis (economic, social and environmental)
- institution- building and/or streamlining.

The application areas may be regional or sub-regional where the concerns and interests of a group of countries are common, national, and provincial and local levels.

- Second observation: areas of expertise increasingly “straddle” two or more fields: tourism and heritage, tourism and economic benefits, hotel management and sustainability are all topics that are, amongst others, increasingly in demand, which call for cross-disciplinary or complementary expertise.
- Third observation: we are turning more and more to expertise outside of tourism. Last year, for example, we were doing a milestone assessment of a large project we have been conducting for three years now with a government. After visiting several sites, we realized along with our colleagues, that we were facing a roadblock to the advancement of the project: a lack of local expertise in the restoration of historical monuments and traditional handicraft production. We therefore had to find a small team of highly specialized architects who are going to precisely document the techniques in question and design an on-site training programme. As you can see, this is far removed from the usual techniques of tourism.

Aside from kinds of expertise, their diversity and their availability, we are also faced with the challenge to select the appropriate consultants.

Indeed:

- A good consultant is a renowned, experienced and specialized expert, with solid training and an impeccable track record;
- A good consultant has a strong ability to adapt to highly diverse cultural environments; this requires, among other qualities, the ability to listen, a great deal of modesty and the ability to question his own methods. We are adamant on this point, and I think we can safely say that we are experts in our own right in detecting “copy-paste” work!

- A consultant must also have the interpersonal skills that make it possible to relate with the chief of a village, the boss of a travel agency, a junior civil servant or a minister.
- A consultant must have a practical outlook and must always be mindful of the realistic and pragmatic nature of his proposals. Pure researchers or pure academics—by this I mean those who are overly dogmatic—seldom make good consultants.
- A good consultant respects the terms of reference he has accepted as well as the timetable for the project and for his deliverables in particular.
- Need I add that a good consultant is honest and fulfils his obligations in good faith?

Let me conclude by expressing the hope that this meeting will lead to focus more on technical issues within UNWTO.

I thank you for your kind attention.