



5th UNWTO/PATA Forum on
Tourism Trends and Outlook in Asia Pacific

26-28 October, 2011, Guilin, China

*Opening Remarks by Frederic Pierret,
UNWTO Executive Director
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Your excellency Madam. Du Yili, Vice Chairperson of
China National Tourism Administration,
Your excellency Mr. Li Zhigang, Mayor of Guilin,
Your excellency Mr. Joao Manuel Costa Antunes,
Vice Chairman of PATA,
Dear Prof. Kaye Chon, Dean of Hong Kong
Polytechnic University,
Dear Mr. Chen Jianjun, Director General of Guangxi
Tourism Administration,
Distinguished Speakers and Participants,

Ladies and Gentlemen,

Zao Shang Hao!

First of all, on behalf the World Tourism Organization, and its Secretary-General Dr. Taleb Rifai, I would like to extend my warmest welcome to each one of you to be here with us in Guilin. I am equally excited to be able to join you for this annual academic celebration which started in 2007. Sincerely, I want to extend the appreciation to the China National Tourism Administration for the continuous support to the Forum. My thanks also go to PATA and the Hong Kong Polytechnic University for their wonderful inputs to this Forum. My special thanks go to the People's Municipal Government of Guilin for being the wonderful host of this significant event for the 5th time!

There is no doubt that Guilin is one of the most renowned and picturesque Chinese destination for all tourists. Ever since I set my feet to Guilin, I've been impressed by the beauty of its nature, the richness of its cultural resources, and especially by the warmth of its people. It is a privilege for me to exchange the latest tourism trends and development in Asia and the Pacific with the top

scholars, representatives of the Tourism Industry both from public and private sectors from the region in this beautiful city.

As you are aware of, China continues to play an ever increasing important role in world tourism as it continues to develop as a source market as well as a world destination. The indispensable role China has been playing since the 2009 Global Financial Crisis is a clear indication of its position as a global power in tourism. In 2010, China received 56 million international tourists. It is the third highest number in terms of international arrivals. In the same year, China also ranked fourth in the world for international tourism receipts, generating US\$ 46 billion. I am pleased to note that in the first 2 quarters of 2011, the tourism development in China keeps increasing as we expected.

There is no doubt that in the tourism landscape of China, Guilin is, and will be playing an important role in the development of tourism.

Innovation and diversification in tourism have been essential not only to the long-term development of global tourism but also for the winning of competitive advantage for private sectors.

As you probably know, the UNWTO published less than two weeks ago its long-term forecasts out to 2030. This study will be presented to you at the start of this afternoon.

What do we find out?

Basically, that the Asia-Pacific region, which currently receives 204 million international tourists, will receive 355 million in 2020 (that is, an additional 151 million) and 535 million in 2030, or an extra 331 million. It is, together with Africa, the region that will experience the strongest growth with average annual growth of 4.9%, and its share of the world market will go from 22% to 30%. These figures already provide an initial idea of the challenges that await you and of the opportunities that are opening up for the most enterprising actors.

Furthermore, the data we have leads us to think that, for the Asia-Pacific region, the main challenges will revolve around certain issues that, in the final analysis, are quite simple:

Even if, up until now, the development of tourism in the region has been driven by the powerful locomotive consisting of integrated resorts, and even if this model will endure, particularly in coastal areas, tomorrow's tourism will also rely on:

1. More diversified products, which will require the creation of more novel and dynamic experimental products;
2. More sustainable products that are more compliant with the standards of the green economy, because we are in the process of moving from sustainability out of conviction to sustainability as a market demand, and I believe that this phenomenon will only accelerate;
3. This will also mean products that avoid conventional mass consumption based strategies;
4. Products that are more customized.

If it does not develop these four kinds of products, the Asia-Pacific market, which we know depends on regional and domestic customers and will be even more reliant on them in the future, would run the risk of generalized price competition which would

shrink margins and thus lower the capacity for investment and renovation.

As for the types of tourism, we can quite clearly see four possible avenues for success through:

1. Continuing the development of beach tourism;
2. The development of rural tourism, basically for domestic markets, as well as of cultural tourism, particularly heritage tourism in urban areas;
3. Medical tourism, which we know is about to boom, and is a segment where this region has many strengths; and
4. Business tourism (MICE), which has great prospects for growth here.

In order to do this, the Asia-Pacific region must address five major challenges:

1. Investing substantially in new tourism accommodation capacity: it will be necessary to accommodate the 331 million additional tourists per year expected within less than 20 years;
2. Considerably developing transport capacity, in terms of both air transport, with the creation of airports and increased supply of seats, as well

as mass transit systems (trains, buses, roads and even taxis);

3. Increasing the capacity and specialization of training systems for tourism occupations, especially in hospitality and the travel agency sector;
4. Boosting the creation of products by encouraging the diversification of producers at the local level, whether they be local tourism offices or private operators; and
5. Developing promotion, at both the national and regional levels, especially through the development of public-private partnerships.

Yesterday's session provided us a great opportunity to exchange views and perspectives on innovation and diversification, new product development for emerging markets, and the utilization of technology to promote destination and enhance businesses. Therefore, I encourage you all to take full advantage of today's plenary session of this forum to generate quality discussion on tourism trends and outlook, especially in Tourism Innovation and Diversification, and I believe that we can all leave this forum with fresh ideas and valuable insight.

Xie Xie!