

Tourism: driving growth and development

Over the last fifty years, international tourism has grown to become one of the largest economic sectors in the world. Currently accounting for 5% of the world's GDP, one in twelve jobs and 30% of the world's services' exports, tourism is a leading contributor to global growth and development.

International arrivals in the world's Least Developed Countries (LDCs) increased by an average of 11 % a year between 1990 and 2009, and tourism is currently the first or second source of export earnings for nearly half of the LDCs.

As a major source of growth, employment and revenue, tourism is increasingly recognized as having a decisive role in fighting poverty and achieving the UN Millennium Development Goals (MDGs).

Through its direct and indirect impact, tourism creates millions of jobs, attracts significant foreign exchange, investment and know-how, stimulates the local economy – with a significant multiplier effect on many other sectors – and plays a decisive role in fighting poverty and fostering development.

Tourism, a transversal economic sector interacting with many other industries and services, can also contribute significantly towards the transformation to a Green Economy, “an economy that results in improved human well being and reduced inequalities over the long term, while not exposing future generations to significant environmental risks and ecological scarcities”.

Tourism: a priority for developing countries

Despite tourism's proven contribution to foreign exchange, job creation and socioeconomic development, low priority has so far been assigned to the sector in the cooperation for development agenda. This is all the more surprising given that tourism has been clearly identified by developing countries themselves as a priority for development.

A recent UNDP report, undertaken with the input of number of other UN agencies, sheds light on the relevance of tourism to LDCs. The analysis of 35 Diagnostic Trade Integration Studies (DTIS) – an assessment of the competitiveness of a country's economy and of the sectors that are engaged or have the potential to engage in international trade, identifies tourism as a priority sector for 90% of the LDCs.

Least Developed Countries (LDCs) according to the importance of the tourism sector in the balance of payments, 2000–2008	International tourism receipt (exports) over total exports of goods and services, 2008 (%)
Tourism remained or became the largest export sector	
Maldives	77
Samoa	70
Vanuatu	52
Eritrea	51
Comoros	44
Tuvalu	35
Gambia	33
Rwanda	30
Tanzania	26
Uganda	20
Nepal	20
Senegal	19
Tourism remained or became the 2nd or 3rd largest export sector	
SaoTome & Príncipe	35
Haiti	33
Liberia	25
Cambodia	25
Benin	19
Madagascar	15
Mali	12
Ethiopia	11
Yemen	9
Mozambique	6
Sudan	3
Tourism sector demonstrating progress	
Sierra Leone	10
Kiribati	6
Laos	5
Niger	5
Togo	4
Malawi	4
Lesotho	3
Zambia	3
Djibouti	2
Myanmar	1
Bangladesh	1
Bhutan	...
Burkina Faso	...
Mauritania	...
Without a significant tourism sector	
Guinea-Bissau	1
Burundi	1
Solomon Islands	1
Angola	0.4
Afghanistan	...
Central African Republic	...
Chad	...
Congo (Dem. Rep. of the)	...
Equatorial Guinea	...
Guinea	...
Somalia	...
Timor-Leste	...

Source: UNCTAD. Calculations based on data from UNCTAD's Division for Africa, Least Developed Countries and Special Programmes, the International Monetary Fund, and national sources (2011)

Delivering as One : the UN Steering Committee on Tourism for Development (SCTD)

The United Nations is committed to 'delivering as one' to ensure a more effective development assistance and to accelerate progress towards the MDGs. Against this background, on the initiative of UNWTO, nine UN agencies and programmes – ILO, ITC, UNCTAD, UNDP, UNESCO, UNIDO, WTO, UNEP– have come together to coordinate their tourism-related work under the UN Steering Committee on Tourism for Development (SCTD).

The SCTD builds on the strengths and expertise of its different members to support developing countries in the area of tourism for sustainable development. By joining forces, the nine UN entities aim to deliver a more coordinated, effective and efficient technical assistance and support developing countries' needs by boosting

“As Rio+20 approaches, UNWTO is coming together with UN sister agencies, industry leaders and civil society to ensure that tourism remains firmly on the journey towards global sustainable development, placing tourism at the heart of the transformation to a Green Economy”

Taleb Rifai, UNWTO Secretary-General

tourism's development potential for the poorest and most disadvantaged. The SCTD also aims to raise international awareness of tourism as an instrument for development and increase support for its mainstreaming in national and international development and poverty reduction strategies.

Assisting LDCs and developing countries

The SCTD provides specialized tourism assistance aimed to maximize tourism's capacity to support countries in reaching their development goals, while preserving their cultural and environmental assets. The Services Portfolio on Tourism for Development sets the services available to LDCs and developing countries. The Services Portfolio makes available to LDCs and developing countries over

50 types of services organized around four pillars: building good governance and sustainability in all its dimensions – social development, economic growth, cultural and environmental protection – promoting investment in the tourism economy, fostering the poverty reduction impact of tourism and encouraging human resources development.

SCTD Services Portfolio on Tourism for Development Areas of Intervention		
1.	Building good governance and sustainability in tourism development	UNWTO ILO ITC UNDP UNEP UNESCO UNIDO UNCTAD WTO
2.	Promoting investment in the tourism economy	
3.	Fostering the poverty reduction impact of tourism	
4.	Encouraging human resources development in tourism	

Download the Tourism Services Portfolio "Tourism for Development"

Supporting LDCs access to funding mechanisms

To facilitate the implementation of the tourism for development services, the SCTD has identified the Enhanced Integrated Framework (EIF) – an Aid for Trade mechanism for LDCs – as a key source of funding.

The EIF is a multilateral trade capacity development initiative that supports LDCs to become more active in the global trading system. The EIF is currently implemented in 46 LDCs and supported by a multi-donor trust fund with contributions from 22 donors. SCTD will work closely with national focal points to help identify the tourism

development priorities and formulate joint proposals and activities according to EIF principles and procedures.

To support the delivery of an integrated service for tourism, the SCTD will build on the strength of each agency and programme to identify and mobilise financial resources necessary to respond to developing countries needs. As an innovative institutional framework for Delivering as One for Tourism, the SCTD will also explore the possibility of creating a Multi Donors Trust Fund for tourism in the future.