



Madrid, 23 March 2005

## Report on the INDUSTRY LEADERSHIP FORUM

ICC Berlin, 10 March 2005

The second meeting of the WTO Emergency Task Force for tsunami recovery was held at ICC the International Congress and Conference Centre of Messe Berlin, on 10 March.

At this meeting presided by WTO Secretary-General Francesco Frangialli, Ms. Sasithara Pichaichannarong, Director General for Tourism Development of Thailand presented a Global Report updating the situation at the regions affected by the tsunami.

Ministers and other government representatives and sponsor institutions reported there on the human and physical effects of the natural disaster that struck their countries, its influence on the different areas of activity, and on what had been done so far to remedy the human and the material losses and their efforts to regain the levels of tourism quality previously attained in the geographic areas affected by the tsunami.

The above-mentioned meeting was followed by an Industry Leaders Forum organized by the Business Council of the World Tourism Organization at the same place. It was presided by Dr. Ralf Corsten in the presence of WTO Secretary-General Francesco Frangialli, and was attended by 77 participants: industry members, experts, ministers and high-ranking officials from 32 nations, showing, in the words of the WTO Secretary General, that the tourism industry and the governments of the world were setting aside competition in order to come together to tackle the disaster and solve the problems derived from it.

The contributions made during the debate at both meetings may be summarized as follows:

- 1 More tourism produces more revenues and more jobs. It implies that **the recuperation** of all the business is essential and **microcredit** policies might prove very effective for the reconstitution of the tourism supply structure as a whole. Sometimes a loan of €500 makes it possible to buy tables and chairs to reopen a tourism business. It is sometimes difficult for governments to reach small businesses and microcredits might be an ideal solution. Local microcredit committees for finances may guide people to start up small businesses and guide them in their first steps. WTO proposes to further develop the **microcredit system** in the relevant areas, to speed up business recovery.

There is a need for the establishment of a one-stop shop within each of the affected countries for the tourism SMEs in order to have easier access to channel funds for the revival of their lost tourism business. Not only is there a need to set up procedures for channelling the funds, but there is also a need to involve more NGOs and communities at the grass-roots level in the process of funds distribution.

2. Intensive media coverage of the tsunami disaster worldwide was proportionate to the high number of casualties not only among domestic tourists but also among a wide array of all nationalities. In general what potential tourists need mostly now is **reassurance**. Media and public-private cooperation is now needed to reassure the customers that the affected destinations have recovered not only their previous health and sanitation levels, but also the level of services and that the local populations are prepared to deal with tourism again. Tourists may experience a sense of guilt at using scarce local resources when travelling to places where people suffer, and thus reassurance is needed.

There is a continued need for various activities of communication campaigns in order to reassure the consumers and the trade at the generating end that the majority of the hotel facilities are back to normal and ready for operation in the four affected countries and that the best way to support the tsunami-affected countries is to return to these countries as tourists and “holiday with your heart”.

3. An **early warning system** is requested to provide tranquillity to the customers. Public-private cooperation is the most efficient way to get best results for this project. There is a need for the rapid establishment of a long-term early warning system in the tourism sector involving all stakeholders of the tourism industry. This institutional improvement would provide more conducive conditions to the general environment for tourist security and safety.

4. In order to attain the necessary reassurance results, an effective **communication** policy is needed, also to neutralize the social or religious prejudices that may deter some people from travelling to places that suffered human loss.

5. The meeting is encouraged by the ongoing activities that have been carried out by major players of the industry such as ACCOR and TUI in their corporate support to the recovery efforts, with particular reference to re-employment and re-training.

The staff from the affected areas should be offered the possibility to improve their professional skills. The international hotel chains that have their own capacity-building programs could help by granting priority in their training plans to the staff members from the areas affected by the tsunami, as proposed by the IHRA. Member States and international tourism associations and federations, as well as the WTO Business Council and Affiliate Members, are also invited to implement the participation of tourism staff from tsunami-affected areas in **capacity building programs** on tourism, providing the necessary entry and exit facilities from the country if needed, as well as their mobility.

6. Price policies may **stimulate travel trends** to recovery but should be complemented with the organization of public events, congresses, or international meetings to raise general awareness of the fact that the destination has recovered and is once again ready for tourism. Other technical solutions may need government intervention to provide “a safety net” for air operations to the area, ensuring that charter flights attain a

level of profitability and a fluent frequency of air transport is available since the first stage to recover the previous levels of tourism arrivals.

7. Reconstruction should follow the criterion of **sustainability** taking into account not only humanitarian aspects but also environmental ones like coastal erosion, fresh water quality, and re-plantation of autochthonous flora when possible.

8. The Forum appeals once again to the international community for its continued support to the tsunami-affected countries and requests the national governments, industry leaders and institutions concerned to make their **contributions to the full implementation of the Phuket Action Plan** which is being coordinated by the Secretariat of the World Tourism Organization.