



Organisation of Eastern Caribbean States

# COMMON TOURISM POLICY

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Prepared by



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## 1. SUMMARY

### 1.1 Tourism – Critical to the People and Economies of the OECS

Tourism is of critical importance to the economies, livelihoods, and people of the Organisation of Eastern Caribbean States (OECS). It provides incomes, delivers foreign exchange and generates government revenue. It is a sector where the OECS has a comparative advantage, something which, unfortunately, no longer applies to the region's agricultural sector; nor does it apply to manufacturing. Nurturing the tourism industry is therefore fundamental to the economic and social future of the OECS.

### 1.2 Challenges for the Sector

Tourism in the OECS faces both opportunities and challenges. This Common Tourism Policy addresses primarily those challenges and opportunities that can best be addressed collaboratively at an OECS level. Others are best addressed at a wider Caribbean level or at a national level by respective OECS Member States.

### 1.3 Vision

The OECS envisages tourism as an industry that is viable, internationally competitive, resilient and sustainable via collaboration and synergies, while improving the quality of life of the citizens of the OECS region.

### 1.4 Objectives for the Policy

The principal aim of the OECS Economic Union is to improve the region's economic competitiveness. Tourism represents a significant proportion of the region's economic base - between a quarter and three quarters of the total GDP of respective Member States. Hence the importance of this Tourism Policy in seeking to increase collaboration across Member States in order to improve the competitiveness of the region's tourism sector and consequently to increase the value that each state derives from tourism.

The overarching objective of the Policy is to achieve balanced growth and development of the tourism sector in the OECS Economic Union Area via the progressive harmonisation of tourism policies. More immediate objectives are to:

- Achieve more than individual states can achieve on their own through synergy and collaboration between OECS Member States.
- Progress towards a sustainable and self-sufficient tourism economy.
- Contribute towards a wider understanding and awareness of the value of tourism amongst governments, officials and residents in Member States.

### 1.5 Policy Priorities

A key focus of this policy is the need to deliver economies of scale, share intelligence, and collaborate to achieve greater market impact in pursuit of the policy aim to improve the

region's competitiveness and enable it to compete more efficiently for tourism. The following have been identified as areas in which action is required to improve the region's tourism competitiveness:

- Investment and product development
- Community participation, sectoral linkages and joint procurement
- Human resource development
- Tourism awareness
- Research and statistics
- Access and transportation
- Regional facilitation
- Environmental and cultural sustainability
- Marketing communications
- Addressing crime that involves visitors

## **1.6 Action Plan**

The Policy has an action-orientation that is fundamental to its successful implementation. Responsibility for leading, implementing and supporting each action is assigned as appropriate to the OECS Secretariat, individual Member States and, where relevant, to other bodies.

Collaboration with other regional bodies, according to their roles and spheres of influence, is also critical to the successful implementation of the Policy. So too is a commitment by individual states to implement this Policy, in compliance with Article 9.8 of the Revised Treaty of Basseterre Establishing the OECS Economic Union, which asserts that decisions by the OECS Council of Ministers are binding on Member States, provided that it is within the sovereign competence of Member States to implement them.

## **1.7 Period of Validity and Monitoring**

The validity of this Common Tourism Policy is expected to cover five years from 2012-2017. However, it will need regular updating to take account of changes in the external environment and of developments within the OECS. This will need to take place on an annual basis in line with meetings of the Council of Ministers of Tourism. The Policy should be thoroughly reviewed and overhauled after five years.

## **1.8 Terms**

Reference to "OECS Member States" throughout this Common Tourism Policy refers to all parties to the Revised Treaty of Basseterre Establishing the Organisation of Eastern Caribbean States Economic Union, as outlined in Articles 3.1 and 3.2 of the said Treaty – both full and associate members of OECS (i.e. Anguilla, Antigua and Barbuda, British Virgin Islands, Dominica, Grenada, Montserrat, St. Kitts and Nevis, St. Lucia, St. Vincent and the Grenadines).

## 2. THE IMPORTANCE OF TOURISM IN THE OECS

### 2.1 A Critical Role

Tourism is a key part of the economy of every single OECS Member State. For some, it accounts for almost the whole economy. The sector is a substantial source of employment. It is also a major source of foreign exchange and has, since the 1990's, helped to offset a decline in agriculture and in agricultural exports.

Although there has been a fall in market share in recent years, this has - in some countries - been offset by increased average tourism expenditures. While tourism will continue to be subject to economic change in its main markets of Europe and North America, tourism-led growth continues to be a viable strategy for the OECS. It is the principal sector in which the region has a comparative advantage.

Tourism's importance is not always fully appreciated. National accounts only demonstrate the significance of hotels and restaurants, transport and other services as separate items. They do not show the significance of the sector as a whole; nor do they include the multiplier effect and impact on other sectors that are dependent on tourism for their survival. Providing a more complete picture of tourism's economic impact will require the preparation of Tourism Satellite Accounts (TSA) across the OECS. The preparation of TSAs is at an early stage across the Caribbean.

In the absence of Tourism Satellite Accounts, the estimates of the World Travel and Tourism Council, published annually, do give an indication of the significance of tourism as shown in Table 2.1. (The UK and the USA are shown as comparators.)

While tourism is a vital part of the economies of OECS, the region's share of overall international tourism is minute, at less than 0.2% of world tourism arrivals. Even with respect to overall Caribbean tourism, the OECS has a market share of no more than 7%. This market share has not increased over two decades (Table 2.2). The more OECS members can work together in implementing common policies and actions, the more effectively the challenge from competing destinations can be addressed.

TABLE 2.1: THE CONTRIBUTION OF TRAVEL AND TOURISM

Country	Direct contribution to GDP, 2011 (%)	Total contribution to GDP, 2011 (%)	Direct employment, 2011 (%)	Total employment, 2011 (%)	Exports, 2011 (%)
Anguilla	22.7	64.4	23.8	65.8	83.5
Antigua & Barbuda	17.8	74.2	18.0	69.0	74.4
BVI	21.1	57.9	24.8	65.6	43.8
Dominica	7.5	24.8	6.9	22.9	45.3
Grenada	7.3	24.2	6.8	22.4	66.7
St. Kitts & Nevis	7.8	28.2	7.7	26.7	44.3
St. Lucia	15.4	45.8	17.5	45.4	60.8
St. Vincent & The Grenadines	7.7	26.2	7.1	23.9	51.8
USA	2.6	8.8	3.9	10.5	8.5
UK	2.4	6.9	3.1	7.6	5.7

Source: World Travel and Tourism Council/Oxford Economics. Montserrat is not covered in the estimates.

TABLE 2.2: MARKET SHARE IN STAY-OVER ARRIVALS

	1990-95	2005-08	2009
<b><i>Share of Caribbean total</i></b>			
Anguilla	0.3%	0.4%	0.3%
Antigua and Barbuda	1.8%	1.3%	1.1%
Dominica	0.4%	0.4%	0.3%
Grenada	0.8%	0.6%	0.5%
St. Kitts	0.7%	0.7%	0.5%
St. Lucia	1.5%	1.6%	1.3%
St. Vincent and the Grenadines	0.4%	0.5%	0.3%
<b><i>Eastern Caribbean Currency Union</i></b>	<b>5.7%</b>	<b>5.1%</b>	<b>4.3%</b>
British Virgin Islands	1.3%	1.4%	1.4%
<b><i>Share of the World Total</i></b>			
<b><i>Eastern Caribbean Currency Union</i></b>	<b>0.14%</b>	<b>0.11%</b>	<b>0.14%</b>

Sources: International Monetary Fund, Caribbean Tourism Organisation, World Travel and Tourism Council

## 2.2 The Economic Union

The OECS is pursuing increased economic integration, with the ratification of the Revised Treaty of Basseterre and its attached Protocol in January 2011. Objectives cover:

- the creation of a single financial and economic space;
- economic and social progress and cohesion, which are balanced and sustainable;
- harmonious development of economic activities through inter-sectoral linkages within and between Protocol Member States;

- continuous economic growth and expansion through the optimal utilisation of domestic and Economic-Union-wide resources;
- fair distribution of benefits throughout the Protocol Member States;
- accelerated improvement in the standard of living and reduction of poverty;
- increased levels of economic and social stability; and
- economic growth, development and international competitiveness by the convergence and co-ordination of the economic policies of Protocol Member States.

The Economic Union transfers legislative competence to the OECS Authority from the national parliaments of the Member States in five agreed areas:

- The common market and customs union
- Civil aviation
- Maritime jurisdiction and boundaries
- Monetary policy
- Trade policy

The Member States agree under the Treaty to accord legislative competence to the OECS in relation to:

- Common commercial policy
- Environmental policy
- Immigration policy

All these objectives and activities relate to the tourism sector, through the importance of the sector in national economies and because of the linkages between tourism and other activities. Further, the Protocol provides for each Protocol Member State to work towards the progressive harmonisation of tourism policies. This Common Tourism Policy is a vital step in this endeavour and has as its ultimate objective the balanced growth and development of the tourism sector in the OECS Economic Union Area.

The Protocol provides for Member States to:

- establish a mechanism for joint tourism marketing and promotion; and
- establish modalities for greater community participation in the tourism product.

## 2.3 Competitiveness

### *Internal Factors*

The small island states that make up the OECS, with small local markets and very limited resources, face major challenges in terms of competitiveness limiting their ability to market their tourism assets. The most populous member state, St. Lucia, has less than 2 per cent of the population and some 2 per cent of the GDP of the most prominent Caribbean tourism destination, namely the Dominican Republic. (It receives some 7 per cent of the Dominican Republic's tourism arrivals.) Although the economic focus on tourism within the OECS has offset some of the limitations such as higher transportation costs and diseconomies of scale that come from being a small island economy, various analyses of competitiveness (such as by the World Travel and Tourism Council) have indicated that achieving greater economies of scale within the OECS is essential if enhanced competitiveness of tourism across Member States is to be achieved.

### *External Factors*

The external competitive environment has changed significantly over the last few years as more and more countries have recognised the benefits of tourism to their economies: new destinations are continually coming on stream, and traditional destinations are continually reinventing their products both to maintain their competitiveness and also to foster repeat visits.

Whereas in previous years the Caribbean might have been perceived as relatively unique and operating within a limited competitive field, the range of destinations offering the appeals most frequently associated with the Caribbean and with OECS states in particular - sunshine, beaches, and activities - have increased in both number and in the variety of activities on offer. They range from the Egyptian Red Sea to North Africa (particularly Morocco and Tunisia), East Africa, and Southern Africa in the European market; and Central and South America in the US and Canadian markets, all of which are competitive in terms of product appeal and experiences on offer, price, and accessibility. Even South East Asia, although more distant from its main markets in Europe, has moved firmly into the Caribbean's competitive set, with a massive boom in arrivals in recent years. Asia's diverse cultures, scenery, wildlife and cuisines, coupled with its reputation for some of the best customer service in the world, have increasingly overcome the disadvantage of a slightly longer flight time. And the growing number of "no-frills" airlines within Asia, as well as the existence of "no-frills flights" to Asia, is reducing travel costs.

Even more destinations are likely to come on stream as competitors - not least in the OECS's nearest source market, the USA, with the anticipated removal of the American embargo on travel to Cuba in the relatively near future.

This increasingly competitive environment points to an urgent need for OECS Member States to use every weapon at their disposal to compete against destinations that are frequently better-known, better-funded, and who generally have lower costs and greater economies of scale. Increasing product quality and service standards and maximising cost-efficiency are important weapons in improving competitiveness; but so too is the search for opportunities to achieve economies of scale, share intelligence, and reduce red tape wherever possible.

It is therefore important that OECS Member States seek every opportunity to work together wherever possible within the context of the Economic Union in order to improve the region's competitiveness in the face of this relentless and growing onslaught of impressive competitor destinations, most of which are highly focused, extremely committed to developing their tourism, and relatively well-resourced.

## 2.4 Characteristics in Common

Experience elsewhere in the world suggests that, for regional tourism co-operation to be effective, there needs to be a strong commonality amongst Member States, in terms of economic circumstances, destination characteristics, and source markets. In the case of the OECS, member countries have much in common. There is a striving to offer an increasingly distinctive product to attract discerning stay-over visitors with relatively high average daily spends. Most Member States have significant levels of cruise visitors with a desire to raise the average gross revenue per passenger. The OECS marine environment offers an exceptional yachting product, with world-class annual events and scope for further increasing revenues from this source. There is an opportunity for the further development of niche tourism, as illustrated in Table 2.3.

TABLE 2.3: ILLUSTRATIVE COMMON NICHE TOURISM CHARACTERISTICS

	Birding	Diving	Fishing	Golf	Health/ Wellness	MICE*	Soft adventure	Wedding/ Honey- moon
Anguilla	✓	✓	✓	✓	✓	✓	✓	✓
Antigua & Barbuda	✓	✓	✓	✓	✓	✓	✓	✓
BVI	✓	✓	✓	✓	✓	✓	✓	✓
Dominica	✓	✓	✓		✓		✓	✓
Grenada	✓	✓	✓	✓	✓	✓	✓	✓
Montserrat	✓	✓	✓			✓	✓	
St. Kitts	✓	✓	✓	✓	✓	✓	✓	✓
Nevis	✓	✓	✓	✓	✓	✓	✓	✓
St. Lucia	✓	✓	✓	✓	✓	✓	✓	✓
St. Vincent & the Grenadines	✓	✓	✓	✓	✓	✓	✓	✓

Source: Acorn Consulting Partnership/CTO/NTO's

[\*MICE = meetings, incentives, conventions and exhibitions]

These common features not only engender the ability to develop a Common Tourism Policy, but are also a pre-requisite for its effectiveness. The relative small scale of the OECS as compared to other regional groupings will facilitate the resolution of the issues and challenges that face the region, as outlined in Section 3.

### 3. ISSUES AND CHALLENGES FOR THE SECTOR

#### 3.1 External Challenges

Tourism in the OECS faces challenges on two fronts:

- **External** challenges, which are largely beyond the control of Member States.
- Challenges **within** the OECS region, which can be addressed at regional and/or national level.

The travel industry continues to undergo significant change, with changes in customer taste, product delivery, and communication methods, with increased emphasis on product quality and customer service. External challenges include:

- Economic and currency fluctuations in source markets
- Rising input prices, including in oil and food prices
- Distortion effects of government taxation and other regulations, such as the UK Air Passenger Duty
- Changes in product distribution and marketing via information technology
- Competition from other destinations

The Caribbean campaign against the UK Air Passenger Duty demonstrated that it is possible for challenges external to the region to be addressed on a case-by-case basis. This can be at either at OECS level or at a wider Caribbean level.

#### 3.2 Economies of Scale and Reduction of Bureaucracy

Reducing costs and increasing impact through economies of scale is one of the fundamental factors in improving competitiveness in any economic union. Although the total economy, market, and purchasing power of the combined OECS Member States are still relatively small in world terms, there are small steps that can be taken to reduce costs and increase impact on a collective basis. And, in a smaller union, even small savings and collective action can deliver benefits that are significant in relative terms, which would not be achievable by states working alone.

Achieving economies of scale is therefore a core theme of this policy. So too is the need to reduce unnecessary red tape, which inhibits initiative, enterprise, and business efficiency, and discourages potential investors. An Economic Union that understands these opportunities and constraints, and which recognises the international competitive context within which it sits, has the potential, as long as it has the will, to take significant steps towards improving competitiveness and increasing efficiency by removing such barriers and maximising opportunities for synergy between states.

### 3.3 OECS Regional Level

Tourism in all OECS countries operates at a relatively small-scale. This in turn leads to relatively small national marketing budgets when measured on an international scale, relatively high unit costs, and limited resources to address external challenges.

To achieve economies of scale there is scope for collaboration in the following areas, which have been identified as policy priorities:

- Investment and product development
- Community participation, sectoral linkages and joint procurement
- Human resource development
- Tourism awareness
- Research and statistics
- Access and transportation
- Regional facilitation
- Environmental and cultural sustainability
- Marketing communications
- Addressing crime that involves visitors

Issues and challenges relating to each priority are as follows:

#### 3.3.1 Investment and Product Development

Continual improvement in product quality and service standards is essential for the region to remain competitive. This means relating the tourism product to current and future market demands and seeking appropriate synergies through linkages between tourism and other

sectors. Understanding which actions can benefit from a regional approach, and which can best be addressed at national level, is important in addressing this priority.

### ***Investment***

Securing product investment is a substantial challenge in many parts of the world. This is particularly the case for vacation tourism, where the payback period can be relatively long for major capital investments such as hotels and resorts and where it is often difficult to secure a rate of return that is high enough to overcome the risk premium attached to such investments. The OECS working together to secure investment offers greater potential than individual countries acting entirely on their own.

Servicing of **initial generic investment enquiries** can be effectively carried out at the OECS level. This includes simplifying procedures for doing business by reducing red tape and providing a “one-stop shop” for investors to obtain basic information and advice on investment opportunities and regulations within the region, as a first step.

Harmonising **investment procedures** (e.g. the type of licences required, planning requirements, and other formalities) throughout the OECS, with an emphasis on achieving a highly competitive investment regime including minimising unnecessary and restrictive bureaucratic procedures, would send a positive message to potential investors about the region’s desire to attract investment.

The maintenance of existing hotels and resorts together with **re-investment** so as to ensure that competitiveness is maintained is essential to the future of OECS tourism. Once the physical quality of hotels declines, this can add to the pressure on rates on the part of foreign tour operators. A subsequent reduction in profitability can lead to a spiral of decline whereby a property no longer becomes competitive and its possible eventual closure with accompanying loss of jobs. This kind of outcome will be destructive to tourism in the OECS. Avoidance of this kind of outcome demands sufficient profitability to allow adequate investment in continued property maintenance and in regular refurbishment. Such regular refurbishment has been one of the ingredients of success in competing destinations such as Mauritius.

In cases where deterioration has already occurred, government support mechanisms such as tax incentives for refurbishment can be pursued. But avoiding the need for this through maintenance of a conducive business environment and adequate and well-targeted marketing is a less expensive and more effective approach. This is particularly important, as the damage that can be done to a destination’s reputation by poor quality hotels and resorts can last long after they have been upgraded.

Once specific investment opportunities have been identified, negotiation with potential investors is best undertaken at the national level. This is because the investment opportunity is usually location-specific, requiring local knowledge and expertise.

### ***Product Development***

Enhanced market impact can be achieved by compatible products being packaged together and marketed jointly on a regional basis. This can also generate economies of scale and thereby reduce marketing costs for each product owner. (See 3.3.9 *Marketing Communications*)

The development of **multi-destination products**, such as island hopping, is an initiative to be pursued at the regional level. Obstacles at the moment appear to be: airline scheduling and unreliability; the cost, time spent, and perceived difficulty/irritation of going through several border controls; and limited ferry services connecting islands. In addition, there are specific market segments such as diving, sailing, and events where there can be increased cooperation across the region. However, the main opportunity is likely to lie in joint marketing of compatible products rather than in a joint approach to physical product development (See 3.3.9 *Marketing Communications*).

OECS member countries lack formal tourism **quality systems** or accommodation classification systems. The benefits of such quality systems are to provide a level of quality assurance for visitors and to stimulate product and service quality improvement through the objective benchmarking of visitor facilities and service standards. The CTO has promoted the Hospitality Assured Certification programme, developed in the UK, with a pilot launched in 2010-11 under financial support from the European Union and the Organisation of American States. Hospitality Assured is a service quality standard that provides a framework for companies to review their own operation from a customer perspective to establish improvements that can be made to enhance the customer experience and strengthen business performance. The scheme does promote quality but it is not a quality-rating scheme (such as New Zealand's Qualmark) or an accommodation classification as practised in a large number of countries.

Given that no such quality certification scheme exists in the OECS, a regional tourism rating or classification scheme could help improve quality and enhance the visitor experience, if sufficient resources could be devoted to agreeing on common standards and criteria and to managing the scheme impartially and effectively.

The development of specific tourism products is generally best undertaken locally (e.g. at national level) because the physical development is usually location-specific and the owners,

investors, managers, and beneficiaries tend to be focused on the physical geographical area in which the product is located (e.g. marinas, hotels, attractions etc.).

### 3.3.2 Community Participation, Sectoral Linkages and Joint Procurement

#### *Community Participation*

Tourism must benefit communities – through the provision of sustainable employment and skills development. The more involved people are in the tourism industry, the more they will see the benefit to themselves. This is an important step in stimulating a positive attitude towards visitors amongst residents and in providing economic opportunities for otherwise marginalised communities. Direct involvement in the tourism sector can be encouraged via the development of micro and small businesses and enhanced community participation in tourism.

Socio-economic and environmental benefits can be generated for communities through community-based tourism (CBT) initiatives and the development of small and micro-businesses. However, CBT can only achieve its role in delivering sustainable development if an enabling policy environment is established.

This requires suitable and supportive institutional arrangements together with integrated sectoral policies, participatory approaches, instruments for planning and management, and affordable access to micro-finance. It also requires minimising constraints on the establishment of new businesses, particularly small ones that do not have the resources or experience to deal with a myriad of regulations.

#### *Sectoral Linkages*

Securing effective linkages between tourism and other economic sectors can be a substantial challenge in small markets where importing may be easier than obtaining locally produced goods on a regular basis. This challenge can be addressed via the sharing of **good practice** across the OECS, in order to illustrate the opportunities and to stimulate cross-sectoral cooperation in individual states. Identifying specific opportunities for tourism and non-tourism sectors (e.g. agriculture, food, drink, craft industries) to work together is typically best undertaken at national level given that these have to be pursued on a sustainable basis at a relatively local level.

### ***Joint Procurement***

Combining to procure goods and services can increase negotiating and purchasing power. Challenges in implementation arise because of limited uniformity in the nature of goods and services required by visitors and, consequently, few potential economies of scale as compared to other sectors where there is a small number of buyers and the demand for goods is more uniform (e.g. pharmaceuticals). The significant cost of distribution and transportation between islands also frustrates the potential for cost-efficiencies through joint procurement for most tourism requirements. Opportunities for jointly procuring tourism goods and services are therefore best explored at a national rather than regional level.

Nevertheless, industry leaders should be alert to the potential for joint procurement whether universally at a regional level or between certain states.

### **3.3.3 Human Resource Development**

Tourism is a labour intensive industry. Having the right management and customer service skills is critical. Synergy can be achieved at a regional level by developing common training and certification standards and, where appropriate and affordable, delivering training programmes in a regional centre or online.

Areas that could usefully be added to present hospitality and tourism curriculum and activities in the OECS include:

- Management training
- Upgrading of existing workers
- Customer handling skills such as foreign languages
- Environmental awareness and sustainability issues
- Events and attractions (including sports) management
- Crisis recovery/disaster management

A systematic approach across the OECS to improving the tourism sector workforce both at new entrant level and for the existing labour force is required. For example, various schemes to improve customer service have been implemented throughout the region but there has been a lack of consistency in driving up standards. Regional cooperation and coordination will facilitate quality and consistency in training schemes. Such an effort needs to take into account and be coordinated with CTO's and CHTA's tourism/hospitality training programmes and in collaboration with the CARICOM Regional Organisation for Standards and Quality (CROSQ).

This will be addressed by the proposed OECS Network of Excellence in Tourism and Hospitality Education.

Harmonising training and certification standards across OECS requires a substantial investment of human resources at a regional level. Practicality and cost-effectiveness dictate that OECS should dovetail its efforts to achieve harmonisation with the CARICOM Regional Organisation for Standards and Quality (CROSQ) Regional Technical Committee for Tourism, which aims to achieve harmonisation throughout CARICOM, together with support to the CaribCert programme of the CHTA. CaribCert standards have been established for 45 critical occupations in the tourism and hospitality industry.

Growth in the tourism industry is likely to have implications for host countries' infrastructure and services, not least in terms of the need to provide for a migrant labour force as well as the resident working population. This will require an understanding of anticipated labour market needs and implications for host countries in order to help them plan for the future in the context of the free movement of labour within the OECS. A study to identify these needs, based on reasonable projections, is required.

#### **3.3.4 Tourism Awareness**

Increasing tourism awareness amongst residents, so that they appreciate the value of tourism to their countries' economies and to their own individual livelihoods can underpin improvements in customer service, which lies at the root of a nation's competitiveness as a tourism destination. It can also encourage a positive attitude towards visitors by the host community, one which is not commercially influenced and is an important element of the visitor experience. It can stimulate an understanding amongst younger people of the prospects for work in the tourism industry. This can include education in schools – indeed, several Member States have carried out tourism awareness initiatives aimed at young people. Tourism can possibly become a school examination subject, rather than it only being available as a formal subject at tertiary level. There is scope for the promotion of best practice at the regional level and for working with the Caribbean Examinations Council in developing examinations that are relevant to tourism for inclusion in the school curriculum.

### 3.3.5 Research and Statistics

#### *Measuring the Economic Impact of Tourism*

Clear, evidence-based analysis of the impact of tourism as an economic driver is highly desirable. This is important in order to inform public policy decision-making, so that governments can invest proportionately in developing tourism within the context of national economic development policies. A desired result throughout the OECS is stronger evidence of the economic impact of tourism, so that a greater emphasis can be given to tourism in national budget preparation exercises and debates and thereby improving the prospect of adequate and sustainable funding for tourism development and marketing.

The significance of tourism to the OECS and its Member States cannot currently be demonstrated with statistical accuracy. Unlike output-defined industries, such as agriculture or manufacturing, tourism, as a primarily demand-defined industry, is not measured as a sector in its own right in National Accounts. The need for more precise measurement of tourism through **Tourism Satellite Accounts** is well recognised in the OECS, in order to provide policymakers with more reliable information on which to gauge the economic value-added of the sector. A TSA can provide accurate data on the contribution of tourism to the economy, on the level of value added - including the impact of tourism's multiplier effect on other components of the economy - and on the employment that comes from the sector, and thus can support the advocacy for government recognition of tourism as a key strategic sector for the OECS

In essence, the TSA captures distinct sections from the existing national accounts and restructures them separately to measure the total economic and employment impact of consumer expenditures, capital investment, government revenues and expenditure, foreign trade and business expenditure from tourism. The measurement of the total economic and employment impact incorporates the multiplier effect of successive rounds of tourism expenditure through the economy.

The United Nations World Tourism Organization (UNWTO) has designed a framework for the compilation of TSA's, "*Tourism Satellite Account: Recommended Methodological Framework 2008*". This seeks to build on the existing system of national accounts and construct an accurate and reliable TSA within that system. This is distinct from an approach that is based on estimations of the various demand and supply variables within the economy that may not apply in the relatively small economies of the OECS. To apply the UN framework within the OECS will require new surveys and data collection.

While support and development of best practice for Tourism Satellite Accounts can be undertaken at CTO and OECS levels, including the application of the United Nations model for the region, TSA standards can be established at regional level with the OECS Secretariat working with the ECCB and the CTO to this end. Nonetheless the collection of the data required to produce a TSA has to be done at national level, with the collaboration of relevant national agencies being essential.

### ***Research for Marketing Purposes***

Understanding potential visitors, their profile, travel motivation, behaviour and preferences, is essential to enable marketing campaigns to be targeted on the best prospects with the most appropriate messages. It is also essential to guide product development and inform training needs.

In addition to specific market research surveys that might be undertaken by individual Member States, regional collaboration can be helpful in the following areas:

- Electronic collection and sharing of **immigration/entry card** (ED) data. This needs to be revised to elicit useful marketing information. It presupposes universal application of the standardised ED card throughout the OECS.
- Development of a standard **visitor survey template**, which would both save costs and enable data to be gathered on a comparable basis throughout the OECS.
- Regular **regional studies** on critical sectors, such as yachting.

### **3.3.6 Access and Transportation**

Transportation issues fall into four categories:

1. **External air access**, particularly from Europe and North America
2. **Regional air network**
3. **Cruising**
4. **Ferry services**

### ***Air Transport***

Internationally there has been an increased trend towards liberalisation in bi-lateral air agreements between countries and in the development of regional air transport agreements. The European Union has established a single air transport market within its borders and has

established liberalised arrangements with neighbouring countries. The EU has negotiated liberal common air services agreements with Canada and with the United States and is seeking to negotiate further such agreements. The ASEAN Multilateral Agreement on Air Services and the ASEAN Multilateral Agreement on the Full Liberalisation of Air Freight Services are multilateral air transport agreements among the 10-member Association of Southeast Asian Nations, also directed at establishing a single aviation market.

The regional agreement applying within the OECS is the 1996 CARICOM Multilateral Air Services Agreement (MASA). While this provides for CARICOM air carriers to exercise fifth freedom traffic rights between points in two Member States, there are limiting clauses to the Agreement.

Given that there is no long-haul airline based in the OECS, there are effectively relatively liberal bi-lateral arrangements in place for air services with countries outside the Caribbean. These are accompanied by a variety of financial support arrangements to foreign airlines to secure air service.

The 2007 San Juan Accord on Regional Air Transport Sector pledged the liberalisation of the air transport sector and the intensification of efforts towards the creation of a single regional air space within sub-regional groupings such as CARICOM. This initiative has not been followed up. Yet the CTO in reviewing the region's air transport system in 2007 stated "The region must begin to see itself as a single market, a single economic space, a single tourism destination and a single air space if it is to realise its true potential". (*"A proposed policy regime for ensuring the sustainability of the Caribbean's air transport services sector", August 2007*).

### ***Cruising***

The OECS can potentially achieve greater benefits for its population via a collective approach to managing cruise tourism. The industry, for its part, adopts such an approach via the Florida-Caribbean Cruise Association. The broader the collective approach in terms of participating countries within the region, the greater the potential for success in negotiating more advantageous rules, regulations and tariffs for Caribbean cruising. This can be addressed by the OECS Secretariat and individual states as well as at a wider Caribbean level. Critical to the success of such an effort will be the steadfast commitment by individual countries to adhere to any agreements reached.

The aim must be to enhance the economic benefits gained from cruising. This will encompass raised cruise visitor and crew expenditure within the OECS, higher levels of local

provisioning and the greater employment of OECS nationals on the part of cruise lines and associated activities.

### ***Ferry Services***

There is a wish for a more regular and reliable **ferry** service between a number of islands, with an expanded service and integrated timetabling linking with flights to enable people to travel easily and efficiently between islands. Shipping studies undertaken in 2009 and in 2010 illustrated the challenges that apply for such operations. These pointed to the possibility of fast ferry operations in the southern OECS, with the apparent emphasis on travel by OECS residents rather than visitors from outside the region. The suggestion is for a focus on point-to-point services. To be viable, ferries will either have to run on a commercial basis, or with commitment to a continuing public service subsidy from governments at both ends of the route to cover any gap between income and operating costs.

### **3.3.7 Regional Facilitation**

The free movement of people within the region is an important element underpinning the OECS Economic Union. Its implementation will reduce queues at hub airports and accelerate clearance of customs and immigration by regional residents and thereby also speed the processing of visitors entering the region from outside.

The **harmonisation of customs and immigration procedures** would enable easier movement of visitors within the region, through consistent procedures for visitor arrivals. Examples include the granting of a uniform maximum length of stay and full clearance procedures being undertaken just once at the port of arrival in the region, with easier and quicker clearance procedures at all subsequent borders within the region. In the European Union the single market has enabled the introduction of distinctive baggage tags that allow all passengers, irrespective of their nationality, to be exempt from customs checks for travel within the Union. This in itself facilitates intra-regional travel.

**Yachting visitors** represent a lucrative market for the OECS with opportunities for the further development of related business services, skills development and employment. The opportunity to sail between different islands is an inherent part of the region's appeal to yachting visitors. However, clearance procedures and customs regulations vary from country to country. This is onerous and can cause visitors to spend a considerable proportion of their holiday time on clearance procedures. This both reduces the appeal of the OECS as a yachting destination and acts as a significant impediment to intra-regional travel by yachting visitors.

The harmonisation of procedures for yachting visitors will substantially enhance the appeal of the region. The principle of undergoing full clearance procedures on initial arrival in the region, with a simpler approach for subsequent border crossings, should be applied to facilitate passage throughout the islands and improve the competitive appeal of the region as a yachting destination. While streamlining and expediting customs clearance of visiting yachts is a major issue, data on yacht visits will still need to be captured efficiently and effectively for each destination for monitoring and marketing purposes. Region-wide implementation of the **eSeaClear™** advance passenger information system (APIS) will be a significant step towards addressing this obstacle.

Inefficient **transit procedures** for both international and regional travellers need to be addressed at certain chokepoints such as Antigua. The possibility of international passengers missing flight connections to other islands as a result of the time taken to clear customs for a country they do not even wish to visit, because of inefficient international transfer procedures, acts as a disincentive to visit the OECS countries that lack direct airline access from outside the region.

An inability to **interline bags** through from the visitor's home country to his/her destination sometimes can result in a spoilt holiday, whereby visitors are not reunited with their bags until 2-3 days later amounting to 20-30% of a 10-day holiday. The negative publicity thus generated for the region back in the visitor's home country - and consequent threat to tourism in off-line islands - can be significant.

Developing efficient transit procedures and airline interline agreements is therefore required, so that transit passengers do not have to clear immigration and customs along with passengers entering the country - as is the norm in most international airports world-wide.

### 3.3.8 Environmental and Cultural Sustainability

#### *The Natural Environment*

The need for a high standard in **environmental conservation** is particularly acute in the Eastern Caribbean, with its fragile island eco-systems. The ocean, in terms of beaches and as a cruising/yachting area is perhaps the region's greatest visitor tourism asset. If this marine asset is not looked after properly and perceived by visitors to be both "clean" and well cared for, there is a risk that visitors will seek destinations in other parts of the world. The same is true for the land-based natural environment, with a high level of biodiversity within the OECS and a significant natural tourism product in terms of flora, fauna and landscape.

Member states affirmed their commitment to sustainable development with the adoption in 2001 of the St. George's Declaration of Principles for Environmental Sustainability in the OECS. The commitment was re-affirmed in 2006 with the adoption of the revised Declaration of Principles. The Declaration recognises the challenge faced within the OECS in developing effective systems for managing solid and liquid waste and properly disposing of chemicals and other hazardous materials. The need for fuller and more creative use of the potential for reuse and recycling is also recognised.

The OECS has pursued, with donor assistance, a series of projects directed towards environmental conservation including the Protecting the Eastern Caribbean Region's Biodiversity (PERB) Project that ran from 2008 to 2010 and the OECS Protected Areas and Associated Livelihoods project (OPAAL) which ran from 2005 to 2011. In 2011 a Climate Change project was launched, to address issues related to coastal zone management and freshwater resources management. The five-year project focuses on building resilience to the impacts of climate change primarily in the Tourism and Agriculture sectors.

The crucial value of the ocean to the region's tourism calls for the development of enforcement methods to manage coastal waste and run-off and to combat **marine pollution** by land-based activities such as tourism and agriculture and by vessels (yachts, cruise ships and other commercial and pleasure vessels). Measures will need to take account of practicalities and assess environmental risk in relation to the differential impact of small and large vessels, non-biodegradable and biodegradable waste, and the relative environmental impact of issues such as discharging black water inshore and at sea.

### ***Cultural Heritage***

Apart from festivals and carnivals, the cultural product in the Eastern Caribbean appears to be significantly under-appreciated as a source of interest for visitors. It is therefore under-promoted as a tourism resource. The region has a fascinating blend of cultural history, which could add another dimension to the region's tourism arsenal. If interpreted and presented imaginatively, this might expand the region's appeal to a wider audience, who might never have considered the region as anything other than a one-dimensional beach or cruising holiday.

While only a small number of indigenous people remain in the Eastern Caribbean, remnants of their culture in the form of artefacts and an understanding of their way of life are increasingly coming to light. Perhaps the most visible and potentially revenue-generating evidence of the region's more recent history lies in the forts and urban architecture associated with the region's colonial and military history. And the painful history of slavery and subsequent achievements of contemporary citizens provide both insight and inspiration to those who

might be interested in the story of the Eastern Caribbean beyond the beaches. All of these could be better interpreted and presented to visitors to the benefit of the region.

### 3.3.9 Marketing Communications

International marketing is expensive. Seeking areas in which regional collaboration can reduce costs to individual states while still remaining market-relevant is therefore worthwhile.

The main areas in which greater synergy between OECS Member States could be achieved include:

- A regional marketing plan, focused on tactical activities that make market sense to collaborate on.
- A joint regional stand at major trade fairs, such as the World Travel Market (WTM) in London and the International Tourismus Bourse (ITB) in Berlin.
- Joint marketing activities to target niche markets (e.g. sailing, diving), such as the type of effective inter-island cooperation that already takes place at dive shows such as DEMA in the USA.

Digital technology, and social media in particular, has enabled smaller destinations such as OECS Member States to penetrate potential markets cost-effectively that were previously unaffordable to reach. However, this is a fast-moving environment that requires constant monitoring in order to maintain an updated awareness of the opportunities. This could be addressed cost-effectively at regional level by running a regional educational programme on the role of social media and how to maximise its opportunities.

### 3.3.10 Crime Involving Visitors

Crime against tourists generally attracts disproportionate media coverage in both the destination and, more significantly particularly if it involves violence, in the visitor's home country. Apart from the impact on the victim, this can have a much greater impact on the destination than is warranted by the actual level of risk to visitors. The combination of media interest, which results in disproportionate coverage, and the consequent effect on the destination's reputation, can significantly damage tourism for at least a season. If measures are not seen to be in place and vigorously enforced against such threats, the damage may continue for several years. Once gained, negative impressions are notoriously hard to change. When it comes to personal safety, there is generally a considerable time lag between the popular memory of a country's image and its new reality, even after it has taken significant steps to address the problem.

This underlines the importance of effective crime prevention and justice in the region. Visitors who have been victims of crime are seldom willing to return as witnesses to give evidence. This can result in cases being dismissed and justice neither being done nor being seen to be done. At its worst this can encourage the belief that crime against tourists carries significantly less risk to the criminal than crime against residents, which could result in visitors being targeted even more with a consequent increase in crime against tourists and cumulative damage to the destination's reputation.

This needs to be addressed, ideally at a regional level with local responsibility for implementation, so that crime against visitors does not go unpunished or become more prevalent as a result.

Greater awareness amongst residents of the contribution tourism makes to everyone's livelihoods is also desirable in order to encourage a positive attitude by communities both towards visitors and to the development of tourism. This in turn can create an atmosphere in which crime against visitors is seen as damaging the community directly, thereby reducing community tolerance of crime against visitors. *(See 3.3.4 Tourism Awareness.)*

### 3.4 Commitment

In addressing the challenges that face tourism in the OECS, commitment to implementation is vital: commitment to removing barriers and exploiting significant opportunities; commitment that from time to time permits longer-term regional interests to supersede short-term national ones, for the overall gain and long-term benefit to be greater for all. Without this, the OECS risks being an Economic Union in name only as far as it relates to tourism, the region's largest economic contributor, is concerned. Existing regional institutions such as the Eastern Caribbean Currency Union and the Eastern Caribbean dollar are significant pillars of the Economic Union, which set an example of regional leadership for Member States to follow in respect of tourism.

### 3.5 Synergy with Other Regional Bodies

There is a considerable number of other regional bodies and organisations whose activities will impinge in some way on the application of this Common Tourism Policy. These include the Caribbean Tourism Organisation (CTO), the Caribbean Hotel and Tourism Association (CHTA) and the Caribbean Marine Association (CMA).

CTO has a range of programmes and initiatives, which address a range of issues such as human resource development, research/statistics and the introduction of TSA's through seminars, meetings and on-line webinars. As with other relevant regional bodies, there will need to be synergy with these organisations, with the avoidance of unnecessary overlap and duplication of effort.

## 4. POLICY OBJECTIVES AND FOCUS

### 4.1 The Goal and the Vision

#### Goals

The overall aim is to enhance the benefits of tourism to countries and communities in terms of their livelihood and quality of life. This means improving the region's competitiveness as a tourism destination, both collectively and as individual destinations and, specifically, contributing to the Treaty's goals of:

- Accelerating an improvement in the standard of living and reduction of poverty.
- Achieving economic and social progress and cohesion, which are balanced and sustainable.
- Increasing levels of economic and social stability.
- Promoting economic growth, development and international competitiveness by the convergence and coordination of the economic policies of Protocol Member States.

#### The Vision

The OECS vision for tourism is:

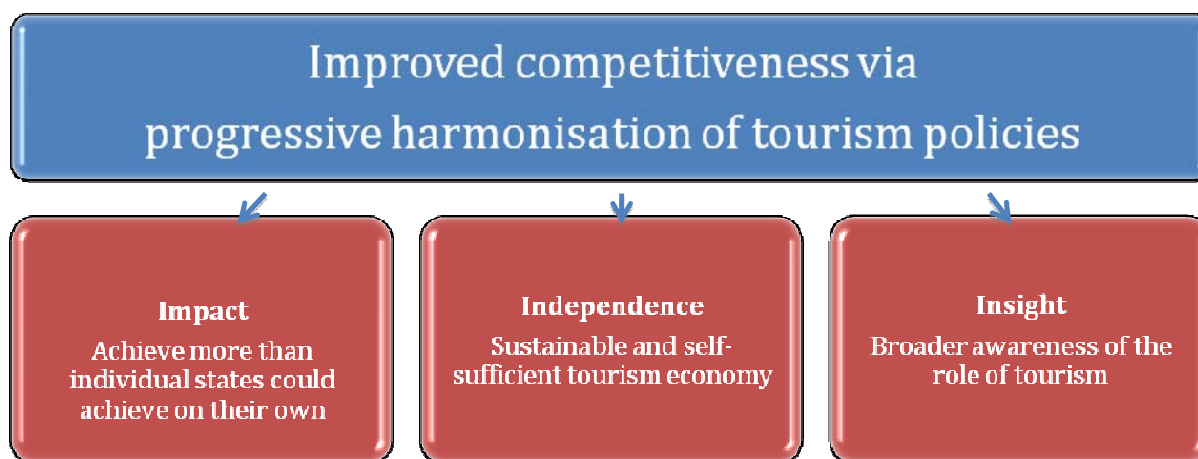
*The OECS region develops a tourism industry that is viable, internationally competitive, resilient and sustainable via collaboration and synergies whilst improving the quality of life of its citizens.*

## 4.2 Policy Objectives

In pursuit of this vision, this Common Tourism Policy for OECS Member States aims to:

- Deliver synergy throughout OECS Member States, by adding value for all Member States and thereby achieving more than individual states could achieve on their own.
- Optimise available resources efficiently.
- Assist in achieving the ultimate goal of attracting and satisfying visitors who will provide benefits to local communities by contributing towards their livelihood and quality of life.
- Inspire realistic actions to develop tourism throughout OECS Member States – within realisable resources.
- Provide a sustainable way forward for OECS Member States, which encourages self-sufficiency and stimulates activities aimed at growing tourism that are not dependent on donor funding.
- Create a sound framework for long-term tourism development within which the region's private sector can invest and do business with confidence and certainty as to regional policy aims.
- Contribute towards a wider understanding and awareness of the value of tourism amongst residents in OECS Member States.
- Improve the overall competitiveness of the region's tourism economy on the world stage.

### Summary of Core Policy Objectives



### 4.3 Policy Focus

The Focus of the Policy is on issues where the OECS Secretariat and Member States can best work together to achieve benefits for member countries from tourism in terms of increased income, foreign exchange, and higher government revenues. Running through the policy is an emphasis on the need to:

- Achieve **economies of scale** that will lead to reduced unit costs/lower costs to individual states and deliver greater market impact.
- Share **intelligence** and examples of **good practice** to improve skills and reduce the cost of doing so.
- **Harmonise standards and practices** that will facilitate travel and make the region and its tourism experiences more accessible to visitors.

Policy actions to address these areas of focus are identified in Chapters 5 and 6.

## 5. POLICY PRIORITIES and ACTIONS

### 5.1 Overview

Policy priorities have been developed in consultation with Member States.

Improving the region's competitiveness in the tourism sector requires a sustained commitment by all states to pursue these agreed policy priorities, in order to achieve economies of scale, share intelligence and good practice, and harmonise standards and practices for the benefit of all Member States.

Actions are identified under each policy priority, with indicative timescales, to guide implementation.

### 5.2 Policy Priorities

Policy priorities are as follows:

- Investment and product development
- Human resource development
- Tourism awareness
- Research and statistics
- Access and transportation
- Regional facilitation
- Environmental and cultural sustainability
- Marketing communications
- Addressing crime involving visitors

Actions to implement each policy priority are as follows:

### Priority #1: Investment and Product Development

#### *Investment*

Continuing investment in tourism products and infrastructure is important to maintain standards and to develop new products, which will enable OECS destinations to compete internationally. OECS will support regional initiatives by the Caribbean Association of Investment Promotion Agencies (CAIPA) to attract investment interest and encourage individual states to assist in this process as follows.

**Investment procedures** (e.g. licensing requirements, planning and legal issues etc.) should be harmonised throughout the OECS in order to reduce complexity and increase access for investors.

A **regional investors' guide** should be prepared as an initial step to facilitate tourism investment. This should provide a summary of each state's investment policy and priorities and other useful investment information, and contacts for tourism in the OECS. The guide can be made available on the web, possibly in collaboration with the Foreign Investment Advisory Service of the International Finance Corporation. It could be promoted through investment road shows in key locations and/or promotions at events such as the annual New York University Hospitality Industry Investment Conference and the Caribbean Hotel and Tourism Investment Conference. A useful tool would be projections of possible returns on investment for a small number of sample projects to illustrate the benefits of investing in the region.

**Action 1.1** The OECS Secretariat will facilitate the **harmonisation of investment procedures** throughout the OECS.

**Action 1.2** The OECS Secretariat will coordinate the development of an **investors' guide** that illustrates the investment opportunities, policies and procedures in the OECS. This should be prepared as an initial step in regional investment promotion, summarising key elements of each state's national policy, defining priority investment areas for each Member State, and providing key contacts in each state.

**Action 1.3:** The OECS Secretariat will work with Member States and CAIPA in **sourcing potential investment leads**, in achieving international market penetration at an entry level, and in creating awareness of investment opportunities in OECS states.

**Action 1.4:** The OECS Secretariat will initiate a **review of tourism investment and re-investment policies and procedures** within Member States. This review will encompass relevant procedures for the establishment and operation of tourism businesses. Via the review the OECS will seek to support Member States to ensure the region is as effective as possible in both securing new investment in the tourism sector and that the profitability of hotels and resorts is sufficient to facilitate continued refurbishment – with such incentives and support as may be necessary.

### ***Product Development***

Development of certain multi-destination products can be facilitated by the single market Economic Union– such as island hopping, for example. However, there are significant obstacles to inter-island travel at the moment, including: airline scheduling and unreliability; risk of baggage delays (i.e. bags not being sent on the same connecting flight as the passenger); the cost, time spent and perceived difficulty/irritation of going through several border controls; inadequate transit facilities at international airports; and limited ferry services connecting islands.

Actions to address these issues are recommended under *Priority #6 Regional Facilitation: Border Control - Immigration and Customs*.

Otherwise, for the most part, physical product development is best addressed at a national level. This is because physical product development tends to be location-specific. Even when products are sold jointly, the market tends to buy products that have been developed independently in individual islands and packaged together by tour operators. Therefore, the main opportunity in terms of product synergy lies in joint **marketing** of similar products rather than in a joint approach to **physical product development** - except for **yachting**, which requires substantial improvements in customs and immigration procedures to enable a regional product that inspires market confidence to be developed.

Customs and immigration are most likely to be addressed through **legislative change** at an Economic Union level (See *Priority #6 Regional Facilitation: Border Control - Immigration and Customs*). However, certain **niches** are worth exploring with a view to cooperation across the region, whereby an expensive or highly skilled resource can be shared by a few neighbouring states (e.g. diving – decompression chamber; sailing – yacht repairs etc.).

Visitors are increasingly seeking both quality and reassurance on quality, particularly in the area of accommodation, which represents a significant percentage of their holiday expenditure and can make the difference between a good and a bad holiday experience. A bad experience

can reflect poorly on the destination as a whole. While social media sites such as TripAdvisor offer some insight into the quality of accommodation, they are necessarily selective and subjective. A regional quality assurance system, which is both comprehensive and objective, would be a significant step towards addressing this visitor need. And, as has been evidenced elsewhere (e.g. Scotland, New Zealand), it would also contribute towards improving the quality of accommodation by providing clear standards for accommodation operators to aspire to, thereby contributing to improving the region's competitiveness

OECS will assist where regional intervention or coordination might be appropriate, in the following areas:

**Action 1.5:** OECS will assist in addressing obstacles and encourage conditions to be created, which enable the development of **island-hopping programmes** and facilitate **inter-island travel** (See *Priority #7 Regional Facilitation: Border Control - Immigration and Customs*).

**Action 1.6:** OECS will work with individual states to explore opportunities for a joint approach to the development of **key niche products and events** amongst countries with a common interest in particular niche products, where there is both market demand and commercial logic (e.g. yachting, diving and events).

**Action 1.7:** The OECS Secretariat will assess the feasibility of developing a **common tourism quality scheme** (which may be a tourism classification system) for accommodation across the OECS and report accordingly. This should include a harmonised quality grading or classification system, with common standards and requirements for health and safety issues. In so far as this is practicable, this will dovetail with the CTO Hospitality Assured Programme and can be implemented in collaboration with the CARICOM Regional Organisation for Standards and Quality (CROSQ).

## **Priority #2: Community Participation, Sectoral Linkages and Joint Procurement**

### ***Community Participation***

Broadening direct involvement in the tourism sector can be achieved via the development of micro and small businesses and enhanced community participation in tourism.

Community-based tourism (CBT) – and the development of small and micro-business – has the potential to provide socio-economic and environmental benefits for a range of stakeholders, inside and outside local communities. However, CBT can only achieve its role in delivering sustainable development if an enabling policy environment is established.

This requires suitable and supportive institutional arrangements together with integrated sectoral policies, participatory approaches and instruments for planning and management. It requires minimising constraints on the establishment of new businesses, particularly small ones that do not have the resources or experience to deal with a myriad of regulation. It also involves the development and promotion of high quality, commercially viable, community-based products; community/private partnerships; funding mechanisms and fiscal incentives; and the use, management and development of common property resources for community benefit. Funding mechanisms should embrace the provision of micro finance, which should be pursued in relation to the tourism sector.

**Action: 2.1:** The OECS Secretariat will initiate a **review of regulatory and support mechanisms that apply to micro and small tourism businesses** in Member States, and of the environment for community-based tourism. This will draw on past experience and examples of best practice within Member States and be aimed at the progressive harmonisation of policy and regulation throughout the OECS to ensure that local communities are in the best possible position to benefit socially and economically from the further development of the tourism sector. This is linked to the review of tourism investment and re-investment policies and procedures identified in Action 1.3.

### ***Sectoral Linkages***

Several different sectors contribute towards the visitor's experience of a destination. Identifying and developing opportunities for synergy between sectors, which may initially be perceived to be unrelated to each other, can increase efficiency and improve the visitor experience. Strengthening linkages between tourism and other sectors of the economy creates both income and employment. It can also further residents' awareness of the contribution that tourism makes to their livelihood. Enhancing linkages between agriculture and tourism offers potential, but requires consistent quality supplies at competitive pricing. There are opportunities in other areas, but all these require dedicated and consistent effort. Such efforts mostly have to be embedded at national level; but there is considerable potential for the **sharing of experience and best practice** across the region.

The World Bank, in its 2008 report on increasing linkages between tourism and other economic sectors in the OECS, identified opportunities that exist to increase linkages between tourism and other economic sectors. However, it also warned that interventions need to be carefully planned, given apparent fatigue with traditional methods of donor assistance. The Bank concluded that "interventions need to be carefully designed with key stakeholders, including the private sector, and implemented with first rate consultants". While circumstances may well be different in each case, there is an opportunity for lesson learning at the regional level.

The OECS, working with the United Nations Food and Agricultural Organization (FAO), has pursued the establishment of common standards through the introduction of an OECS Quality Seal for agricultural goods and services that are sold to customers in the tourism sector. Opportunities should continue to be explored at local and national levels to improve linkages between tourism and other relevant sectors (e.g. food, drink, agriculture and crafts). Improved linkages can both increase market opportunities for non-tourism suppliers through tourism outlets, particularly at local community level, and help develop skills.

The areas of greatest opportunity for activity at OECS level are:

- Implementation of **common product quality standards** to enable agricultural producers to satisfy the demands of hotels, restaurants and other suppliers of food to visitors.
- Sharing **good practice** in terms of establishing linkages and understanding the tourism supply chain.

**Action 2.2:** OECS will encourage individual states to explore opportunities for improving linkages between tourism and other relevant sectors (e.g. food, drink, agriculture and crafts), through mechanisms such as the implementation of the **Quality Seal and common product quality standards** – to inspire confidence amongst potential purchasers serving the tourism sector, such as hotels and restaurants.

**Action 2.3:** OECS will seek to promote cross-sectoral linkages by identifying and disseminating examples to Member States of **cross-sectoral good practice** between tourism and other sectors.

### ***Joint Procurement***

Opportunities for joint procurement should be sought, where practical and viable, between individual states who might share a common interest and demand for similar products. However, this is generally not seen as a viable activity on a regional basis across the tourism sector. This is because there are a large number of buyers across the sector and a limited uniformity in the nature of goods and services required by visitors and, consequently, few potential economies of scale, which are obtainable in other sectors where the number of buyers is small and the demand for goods is more uniform (e.g. pharmaceuticals). The significant cost of distribution and transportation between islands also frustrates the potential for cost-efficiencies through joint procurement for most tourism requirements. Opportunities for jointly procuring tourism goods and services are therefore best explored at a national rather than regional level, as identified below.

**Action 2.4:** Individual states should **explore the potential for joint procurement** of key goods (e.g. agricultural produce) amongst each other, where they might share a mutual interest and where there may be sufficient economies of scale to be achieved in doing so.

### **Priority #3: Human Resource Development**

Tourism is a labour-intensive, service industry, in which success depends on appropriately skilled and experienced people working in the industry who can effectively understand, communicate with, and provide for the needs of, visitors – from **marketing to customer service and product development**. Good **leadership and management** are also essential. This requires the development of a wide range of skills, which can be achieved through a mix of formal training, gaining first-hand work experience, and learning from the experience of others. This can be an expensive process, involving the cost of both training and travel. Consequently, OECS will develop programmes targeting areas of greatest need within the OECS and seek cost-effective ways to work with established training courses and initiatives developed by other regional organisations, and share good practice amongst members.

Each OECS Member State has a dedicated tourism training institution, but with identified gaps in the courses that are being offered. This has led to the concept of a pan-OECS network of excellence for tourism and education. An integrated system involving hospitality training institutions in each Member State has received Ministerial approval.

Linked to this, a study of labour market requirements and the implications for host countries' infrastructure and services is needed to plan for the future. This should take into account the impact and needs of migrant labour that may be required to service a growing tourism industry.

**Action 3.1:** OECS will develop the **integrated system of hospitality training institutions** with identified specialisations in each OECS Member State, particularly in areas where gaps have been identified, such as leadership/management, customer service and key foreign languages, environmental awareness and sustainability issues and the upgrading of existing skills. The main hub of the OECS Centre of Excellence will be in Antigua and Barbuda. The critical mass of nine training institutions acting in harmony will create a virtual institution capable of generating research findings to feed into tourism policy dialogue and sector innovation.

**Action 3.2:** The **OECS Network of Excellence in Tourism and Hospitality Education (NETHE)** will develop a common curriculum, standards and assessment with equal but differentiated responsibilities for maintaining the network and achieving its aims. These

responsibilities will include the development and sharing of specific areas of expertise to address the gaps in the training that is available across the OECS.

**Action 3.3:** OECS will support **regional benchmarking initiatives** aimed at improving the visitor experience, such as the CTO Total Visitor Satisfaction programme.

**Action 3.4:** OECS will undertake a study into future **labour market requirements** and the implications for local infrastructure and services in the region in light of labour mobility under the Economic Union and the social needs of a migrant labour force.

#### Priority #4: Tourism Awareness

Increasing tourism awareness among residents, so that they fully appreciate the value of tourism to their countries' economies and to their own individual livelihoods, is important in encouraging a positive attitude towards tourists amongst host populations and in engendering an appreciation of the significance of government spend in supporting the sector.

There is concern across the OECS in relation to the need for sustainable funding to undertake necessary product development and achieve adequate market penetration. Sustainable funding is important to develop essential tourism infrastructure and skills and to market the destination, thereby creating a basis for the destination and the tourism industry to compete effectively for visitors. The level of investment in tourism development and marketing reflects a state's commitment to tourism. This should be based on government's understanding of the contribution made by tourism to national economic and social development priorities.

Regional initiatives, in terms of developing a tourism awareness campaign, can provide a basis for addressing these concerns. The OECS Secretariat will develop a tourism awareness programme to this end. OECS Member States should participate in the development of this programme and, when it is rolled out, customise it where necessary and apply it in each Member State with participation from the private sector.

Specifically, two areas of activity that can contribute towards achieving a more sustainable funding base, albeit primarily through national level activity within the context of regional initiatives, are:

- Increasing **tourism awareness** amongst residents so that they fully appreciate the value of tourism. A more widespread awareness of tourism as an economic driver should contribute towards a more positive attitude towards tourism and visitors by residents.

- Undertaking robust **measurement of tourism impact**, in order to demonstrate the economic impact of tourism and provide incontrovertible evidence of tourism's impact to national governments. (See action proposed under *Priority #5: Research and Statistics*)

**Action 4.1:** OECS will develop a **tourism awareness campaign** and encourage its implementation in each Member State, in order to encourage residents' active support of the tourism industry and a positive approach to visitors. Individual states should embed this in their own activities and apply it as appropriate for their local environment.

**Action 4.2:** OECS will work with CTO, ECCB and Member State governments on the development and adoption of the **UNWTO TSA model** as a basis for tourism impact measurement by individual states in the OECS region, in order to demonstrate the economic impact of tourism to governments, officials and citizens (See also *Priority #4: Research and Statistics*)

### Priority #5: Research and Statistics

Robust data on tourism is important for two main reasons:

- **Evidence of economic impact:** to demonstrate the value of tourism to governments, officials, investors, and residents.
- **Data for marketing purposes:** to maximise the impact of destination marketing activities and to aid future planning.

A clearer, evidence-based demonstration to **government ministers and officials** of the impact of tourism as an economic driver is highly desirable in order to provide policymakers with valuable information on which to make public financing and investment decisions.

### *Measuring the Economic Impact of Tourism*

There is a clear need to obtain more comprehensive data to track the impact of visitor expenditure throughout national economies, and in particular its multiplier effect. The UNWTO **Tourism Satellite Account (TSA)** model is a very appropriate model for collecting such data and analysing the economic impact of tourism. The OECS Secretariat should work closely with the CTO in their efforts to develop a TSA model for the Caribbean. The ECCB will play a key role in supporting this endeavour, but data collection and analysis will essentially be undertaken by nation states.

The economic impact of all visitor arrivals, including **yachting visitors** needs to be monitored and updated regularly

### ***Research for Marketing Purposes***

The collection of robust data on visitor profile and travel purpose is important in helping countries to improve their marketing focus and inform product development needs. Basic information is collected from a mixture of entry cards/immigration forms, with more detailed data obtained through occasional individual country surveys. These need to be continued and improved. The standardised **entry card/immigration form** used throughout most of the region is helpful in collecting visitor information and data for marketing purposes, although some information, such as street address, can be replaced by other more useful questions, such as postal codes.

However, this card is not used consistently by all OECS Member States. A more concerted effort is needed by all OECS Member States to use this entry card/immigration form exclusively in order to enable the collection of comparable statistics throughout the OECS region.

**Information categories** on the entry card/immigration form should also be reviewed to identify the best compromise between what data is required for security purposes, what information would be useful for marketing purposes, and the length of the form from a visitor tolerance perspective. The form needs to be as simple and as easy to complete as possible.

A **visitor survey template** should be produced that can be shared, but also customised as necessary, by all OECS countries.

**Action 5.1:** OECS will work with the ECCB and Member States on the development and adoption of the **UNWTO TSA model** as a basis for tourism impact measurement by individual states in the OECS region, in order to demonstrate the economic impact of tourism to governments, officials and citizens (See also *Action 3.2*)

**Action 5.2:** OECS will work with interested parties to assess the **economic impact of yachting visitors** to the region. This will involve an update of work previously undertaken by the Economic Commission for Latin America and the Caribbean (ECLAC) and further regular review of this market segment (e.g. c. every 5 years).

**Action 5.3:** OECS will develop a **revised standard entry card/immigration form** with Member States to elicit more useful marketing information and ensure its universal usage throughout the region. This will involve reviewing current and desired information categories

to identify the best compromise between what data is required for security purposes, what information would be useful for marketing purposes, and the length of the form from a visitor tolerance perspective. This information should be reviewed for relevance every few years, as visitor trends evolve in source markets.

**Action 5.4:** OECS will develop, with Member States, a **common survey template** to assess visitor satisfaction. This can be shared among, and customised as desired by, Member States.

#### **Priority #6: Access and Transportation**

As islands, international access by air and sea is critical to the very survival of OECS countries. Securing regular, sustainable access on a regular basis at affordable rates is therefore fundamental to the islands' tourism economies. Ensuring this requires leadership from OECS and collaboration with a range of organisations such as CTO and CARICOM, as well as commitment by individual states to work together.

#### ***External Air Access, particularly from Europe and North America***

The modest size of OECS destinations means that the region has a limited number of existing and potentially viable international air routes. This indicates the value of a hub-and-spoke airline distribution network, whereby international passengers arrive in one of these hubs and connect to off-line "spoke" islands through a regional airline service. Consequently, the viability and the marketing approach of these international hub airports are of significant interest to all OECS Member States. OECS countries therefore need to work together to attract international airlines to fly into the region. This requires an openness and cooperative approach between Member States in the face of considerable competition from other destinations for a limited number of potential aircraft movements.

**Action 6.1:** OECS Member States will work together to **attract international airlines**, through a joint approach, which should involve sharing market intelligence and transparency on marketing support and incentives.

### ***Regional Air Network***

Just as external access into the OECS region is critical to the islands' tourism economy, so too is a viable regional air services network. Sustaining a regional network within the OECS is likely to depend more on ensuring the viability of existing services than on introducing competition into an already economically fragile environment where market demand struggles to meet the cost of operation on some routes. Sustaining a viable regional network requires a focus on labour productivity and operational efficiency to minimise costs and maximise commercial opportunities.

Aircraft scheduling is largely a function of commercial opportunity, unless a clear public service obligation is imposed on the regional airline (i.e. LIAT) to serve economically unprofitable routes more frequently or at times more conducive to connections to/from smaller destinations. Studies undertaken by the CTO and by the World Bank have pointed to the benefit of consideration of **public service obligations** within a liberalised air transport regime. This would require substantial investment by governments (particularly in smaller states) to persuade the airline to skew its schedules in favour of such less viable or profitable routes.

The total **price of inter-island airfares** can act as a disincentive for visitors to visit more than one island. Frequently a relatively high proportion of the 'fare' is actually composed of taxation, with the fare itself being relatively competitive. This is a matter for individual governments to address within the context of their fiscal and economic development policies. Nonetheless, opportunities for re-introducing a regional air pass or variable yield-sensitive airfares should be explored. The aim should be to increase profitable business by filling otherwise empty seats at periods of lower demand, rather than subsidising popular services.

**Action 6.2:** OECS will support CTO and CARICOM in the implementation of the **San Juan Accord** in order to:

- Accelerate the revision of the CARICOM Multilateral Air Services Agreement and related **liberalisation of air transport**, as proposed in the 2007 San Juan Accord.
- Intensify efforts towards the creation of a **single regional air space** within CARICOM, or, as a minimum, within the OECS.
- Encourage the **simplification of air transport operations** by embracing new technologies as proposed by the International Air Transport Association, to contribute towards greater efficiency, improved customer service and cost savings. These include interlining of passengers and baggage, Common Use Self-service Solution (CUSS) and Bar-Coded Boarding Passes.

### *Cruising*

**Collective negotiation of head taxes** with cruise lines should ideally replace independent negotiations by each country. A new pan-Caribbean body (e.g. *Caribbean Cruise Commission*) has been suggested to do this. The concept is, ultimately, to have one central Caribbean cruise agency that would set the rules and regulations and negotiate tariffs for cruising in the Caribbean.

There is a considerable amount of scepticism, in light of past history, as to whether collective negotiation with airlines and cruise companies can be successful, and whether all countries could afford to hold a regionally agreed line in the face of a possible loss of business, if cruise companies threatened to pull out. Nevertheless, an attempt should be made to agree a collective approach across OECS within the context of the wider Caribbean initiative, in the interest of gaining more revenue from cruise visitors in the region. Steadfast commitment by individual states to a collective approach and to the resultant agreement will be essential for this to be effective.

**Action 6.3:** OECS will work within the wider Caribbean initiative on a collective basis to negotiate the most **advantageous conditions** for the region, such as higher levels of local provisioning and the greater employment of OECS nationals on the part of cruise lines and associated activities.

### *Ferry Services*

The **integration** of a strategy for air services into a wider strategy that allows marine transport services, including, where feasible, fast ferry services to complement air transport services, is desirable. The market potential varies from island to island according to population size and distance. This indicates that opportunities are best explored on a bilateral basis between individual states. Ferry services, if they are to be developed, must either be at the risk of a commercial operator or provided under financial support via a public service obligation.

**Action 6.4:** Explore opportunities for developing **inter-island ferry services** on a bilateral basis between states.

**Priority #7: Regional Facilitation**

When the visitor is faced with a range of different regulations, procedures and tariffs relating to travel throughout a region such as OECS, this can be confusing and, consequently, it can act as a disincentive to travel within the region. While the market for multiple island packages might not be large (except for yachting visitors), it is unlikely to grow in these circumstances. More significantly, in a region highly dependent on foreign tour operator packages, this can discourage their packaging of the region, particularly if competitor destinations are simpler to package. Harmonised regulations – and, ideally, tariffs – can ease this process and thereby improve the region's competitiveness.

***Border Control - Immigration and Customs***

The principle of the **free movement** of people within the region is an important element underpinning the OECS Economic Union. Enabling the free movement of people within the region is perhaps the single greatest change required to improve the region's economic competitiveness. Harmonising systems and reducing cumbersome procedures associated with customs and immigration formalities, while retaining measures required for security and data collection, is the biggest step that could be taken to facilitate this free movement.

This will make residents' travel easier and speed up the processing of visitors entering the region, particularly at major international arrival airports, which have become chokepoints. It will encourage intra-regional travel – both by regional residents and international visitors. The success of procedures put in place for the Cricket World Cup indicates the feasibility of facilitating the movement of people into and within the region, where the will exists to do so.

**Harmonised customs and immigration procedures** will be developed to enable easier movement of visitors within the region. The aim will be to introduce and apply consistent procedures for visitor arrivals. Lessons can be drawn from other regions, such as the European Union, in easing travel across national borders via such simple measures as differentiated baggage tags and separate customs lanes for intra-regional travel. A more liberal entry visa policy is desirable with a reduction in the number of countries needing such visas for entry and/or the introduction of a single OECS visa along the lines of the Schengen visa in Europe with common visa requirements across all Member States.

This will apply to arrivals by **air and sea**. The principle of undergoing full clearance procedures on arrival in the region, with a simpler approach for subsequent border crossings

will be applied to facilitate intra-regional air travel and to facilitate passage throughout the islands and improve the competitive appeal of the region as a **yachting** destination.

**Implementing a common maritime space** and the Caribbean Advance Passenger Information System, **eSeaClear™**, developed by the Caribbean Customs Law Enforcement Council (CCLEC), will be an important a step towards this. **eSeaClear™** was developed to provide small vessel operators with a faster and more positive experience when clearing in and out of port. It gives vessel operators the ability to submit electronic notifications of arrival to participating customs offices. Given the significant proportion of a yacht visitor's holiday that can be taken up with customs and immigration formalities, particularly if he/she is visiting more than one country, addressing this impediment to competitiveness will be important. This system needs to be comprehensively applied throughout all OECS Member States and at all marine immigration and customs points. The majority of OECS countries have either introduced the system or intend to do so.

**Inefficient or inconsistently applied transit procedures** for both international and regional travellers represent a potential competitive disadvantage for the region and must be addressed at key international airports. Transit passengers bound for other regional (off-line) destinations must be able to clear immigration and customs separately from passengers entering the country - as is the norm in efficient international airports worldwide. The design of new facilities, particularly at major international arrival hubs, such as Antigua, should improve passenger transfer flows and every effort should be made to develop appropriate **interline** agreements to provide efficient onward travel for transfer passengers.

Implementation of these changes does not negate or belittle the need for effective **security** procedures or for collecting useful **visitor statistics** and qualitative data. These would still have to be built into measures to facilitate visitors' and residents' travel within the OECS.

Leadership on this issue will come from the OECS Authority. Individual states must also commit to supporting this by implementing the actions proposed below at national level.

**Action 7.1:** OECS will **harmonise customs and immigration procedures** throughout the region. Full clearance procedures should be undertaken just once at the initial port of arrival in the region, with easier and quicker clearance procedures at all subsequent borders within the region, subject to security and visitor data collection requirements. Similarly, accompanied baggage should be exempt from further customs checks within the OECS after the first point of clearance. A simplified and harmonised visa regime for all Member States will be pursued. The grant of a uniform maximum length of stay to each visitor category would engender visitor confidence and improve arrival statistics in that visitors are more likely to report accurately their anticipated actual length of stay on arrival forms. Equally procedures for the collection of departure tax should be harmonised throughout the OECS.

**Action 7.2:** OECS will simplify and harmonise marine customs and immigration procedures and facilitate the implementation of the **eSeaClear™** system in collaboration with the (Caribbean Customs Law Enforcement Council) CCLEC, in order to facilitate intra-regional travel by visiting yachts.

**Action 7.3:** OECS will establish and implement a **common maritime space** in the OECS, which enables the free movement of leisure vessels throughout the region.

**Action 7.4:** OECS will establish a protocol for the efficient handling of **transit passengers**, which must be implemented by major international airports and ports throughout the region.

#### **Priority #8: Environmental and Cultural Sustainability**

##### ***Environmental Conservation***

The OECS region's greatest tourism assets are its marine and territorial environment and the cultural heritage of its people. These need to be cared for, conserved and, ideally, enhanced, in order to ensure the islands maintain their appeal for future potential visitors, who will thereby contribute to people's livelihoods and to the maintenance of the islands' social fabric for many years to come. Sustainable environmental and social conservation principles are increasingly expected by visitors to destinations such as the Caribbean. Evidence of good practice in this area can enhance a destination's reputation; but a reputation for poor environmental management and an unconcerned approach to sustainable principles can quickly and deeply damage a destination's reputation for a long time.

The actions under the Common Tourism Policy reflect the conclusions of the OECS Protecting the Eastern Caribbean's Regional Biodiversity (PERB) Project.

**Action 8.1:** OECS will adapt the ***Convention on Biodiversity Guidelines on Biodiversity and Tourism Development*** for regional application. The Convention Guidelines on Biodiversity and Tourism Development are a comprehensive instrument developed within the framework of the international Convention on Biological Diversity to achieve more sustainable tourism development. They are conceived as a practical tool providing technical guidance to policy makers, decision makers and managers with responsibilities covering tourism and/or biodiversity, whether in national or local government, the private sector, indigenous and local communities, non- governmental organisations and other organisations, on ways of working together with key stakeholders involved in tourism and biodiversity. In adapting the Guidelines, the Secretariat will take account of other relevant guidelines and criteria including

the 2009 criteria of the *Global Sustainable Tourism Council* and the Guidelines of the *International Union for the Conservation of Nature* for the management of protected areas for tourism.

**Action 8.2:** OECS will develop a **legislative framework for environmental performance standards for tourism**. This may include draft model legislation that relates to tourism activity where there is a risk that the environment is threatened. In this context, consideration will be given to environmental guidelines for maritime activities and the licensing, registration and operation of marinas. These will draw on experience within the OECS, such as the British Virgin Islands Marine Awareness Guide produced to foster environmental responsibility and coral conservation particularly among yachting visitors.

**Action 8.3:** The OECS will develop **guidelines for Environmental Impact Assessment (EIA)** in relation to development for tourism purposes. These guidelines will aim to address the rights, duties and obligations of developers, planners and monitoring/enforcing bodies and be incorporated into the planning laws of Member States. In reviewing the EIA process, attention will be paid to addressing:

- The role of developers in the EIA process, particularly in relation to the preparation of EIA reports; and
- The development of monitoring mechanisms to ensure compliance with the conditions of development permits.

The “Guidelines for incorporating biodiversity-related issues into environmental impact assessment legislation and/or processes and in strategic environmental assessment” developed by the Convention on Biological Diversity will be considered as a part of the exercise. This Action is in response to challenges faced by Member States in the application of EIA’s to tourism development within the OECS as identified during the PERB project.

**Action 8.4:** The OECS Secretariat will develop regional **guidelines on environmental compliance and enforcement** for the tourism sector and for **sensitising visitors** in order to minimise their environmental impact including a code of conduct for use by Member States. Tourism stakeholders should be involved in the making of regulations and in developing agreements on how best to regulate. This will include enforcement methods to manage coastal waste and run-off from land-based activities including tourism and agriculture, and to combat marine pollution by vessels - and particularly by yachts, cruise ships and other commercial and pleasure vessels – which must be implemented by Member States.

**Action 8.5:** The OECS Secretariat will develop a **Green Tourism Programme** in collaboration with other appropriate regional bodies. The following will be considered for inclusion:

- *Development/Endorsement of Environmental Management Toolkits for the OECS.* The OECS Secretariat may develop or adopt best practice toolkits for the tourism industry to assist

in key operational areas, e.g. energy, water conservation, waste water, solid waste management etc.

- *Environment Training and Education for hotel staff and tourism officers* for example, in environmental management systems. Relevant consideration will be given to fostering incorporation of these environmental management approaches into hospitality and hotel management curricula at regional educational institutions.

**Action 8.6:** The principles of the **St. George's Declaration** (2001, reaffirmed 2006) will be pursued in relation to tourism (just as for other sectors) throughout the OECS in order to protect the region's natural assets that will, if managed properly, provide livelihoods for generations to come.

### ***Cultural Heritage Conservation and Promotion***

The **cultural product** in the Eastern Caribbean appears to be significantly under-appreciated as a source of interest for visitors. It is therefore under-promoted as a tourism resource. The region has a fascinating blend of cultural history, which could add another dimension to the region's tourism arsenal. If interpreted and presented imaginatively, this can expand the region's appeal to a wider audience, who might never have considered the region as anything other than a one-dimensional beach or cruising holiday.

While only a small number of indigenous people remain in the Eastern Caribbean, remnants of their culture in the form of artefacts and an understanding of their way of life are increasingly coming to light. Perhaps the most visible and potentially revenue-generating evidence of the region's more recent history lies in the forts and urban architecture associated with the region's colonial and military history. And the painful history of slavery and subsequent achievements of contemporary citizens provide both insight and inspiration to those who might be interested in the story of the Eastern Caribbean beyond the beaches. All of these can be better interpreted and presented to visitors to the benefit of the region.

This requires action in the following areas:

- Regional and national commitment to the **conservation, interpretation and promotion** of the region's cultural heritage.
- Sharing **good practice** on cultural heritage conservation, research, interpretation, signage, and promotion.

In seeking to conserve, interpret and promote the region's cultural heritage the OECS Secretariat will take account of other relevant guidelines and criteria including the Guiding Principles of the *UNESCO Convention on the Protection and Promotion of the Diversity of Cultural Expressions* (2005), which recognises the need for tolerance, social justice and mutual

respect in protecting and promoting cultural heritage, and the *UNESCO Convention on Safeguarding Intangible Cultural Heritage (2003)*.

**Action 8.7:** OECS will encourage commitment at regional and national levels to the **conservation, interpretation and promotion** of the region's cultural heritage. This should include **sharing good practice** on cultural heritage conservation, research interpretation, signage, and promotion.

### Priority #9: Marketing Communications

**Joint marketing** by OECS countries can deliver significant economies of scale. A joint OECS marketing strategy will be developed, which focuses on those areas that individual states either cannot undertake on their own or where joint action is more likely to deliver greater impact and better results. (e.g. a relatively easy and cost-efficient potential activity might be a joint stand at trade fairs, such as the International Tourismus Bourse in Berlin and World Travel Market in London). This already happens to a certain extent under the CTO umbrella. More can be made of this, specifically by organising an OECS sub-grouping within the Caribbean umbrella. Similarly some countries and private sector operators already cooperate effectively on such a basis where it serves their individual and joint interest (e.g. dive operators from several Caribbean countries work together at the DEMA show in the USA). Joint marketing is also undertaken by OECS countries in the Canadian market. These efforts should be extended, where appropriate for the market, in order to achieve greater market impact for OECS countries than is possible under the very limited marketing budgets available to any one member country.)

**Digital technology**, and social media in particular, offers smaller destinations such as OECS Member States an unprecedented opportunity to reach markets that were previously impenetrable on grounds of cost. This is a fast-moving environment that requires constant monitoring in order to maintain an updated awareness of the opportunities. OECS could reduce the cost to individual states of maintaining this awareness by running an educational programme on the role of social media and how to maximise its opportunities.

**Action 9.1:** OECS will develop a joint marketing strategy. This will identify areas in which **joint tactical marketing** efforts can deliver synergy for OECS Member States and include collaborative marketing e.g.

- A joint Eastern Caribbean section within the “Caribbean Village” at international trade fairs, such as the World Travel Market (WTM) in London and the International Tourismus Bourse (ITB) in Berlin.

- Joint marketing activities to target niche markets (e.g. sailing, diving), such as the type of effective inter-island cooperation that already takes place at dive shows such as DEMA in the USA.

**Action 9.2:** OECS will develop and run an educational programme on the role and opportunities presented by **digital technology, and social media** in particular, in order to help Member States understand and keep up to date with digital marketing techniques, and social media opportunities in particular.

### Priority #10: Addressing Crime that Involves Visitors

Crime against tourists often reflects disparities in income, a lack of employment opportunities and/or skills. To deter crime involving visitors a dual track of achieving a higher level of economic benefit from tourism across society can be linked with a system that seeks to ensure that crime against visitors does not go unresolved or unpunished. The thrust of this policy is aimed to enhance incomes from tourism with enhanced levels of training. When crime against tourists does arise, action needs to be taken to deter criminals and to minimise the risk of significant damage to the destination's reputation. Some have suggested "immediate justice", whereby crimes against visitors are dealt with immediately (e.g. within 24 hours), while the victim is still on the island and able to give evidence. This happens elsewhere in some countries, but there is a clear risk of encouraging resentment amongst citizens if visitors are accorded preferential treatment and better access to justice. A **universally fair and swift system of justice**, which deals with the anomaly of crime against visitors, needs to be put in place to protect the region's reputation, inspire visitor confidence, and maintain business from tourism. This should be harmonised throughout the OECS.

**Action 10.1:** OECS will work with Member States to develop a **system of justice**, as part of national and regional crime prevention policies, to ensure crime against visitors is resolved and does not go unpunished – in the interests of both the victim and the destination's reputation.

**Action 10.2:** OECS will work with Member States to **share intelligence** and work together to combat crime.

**Action 10.3: Safety and security codes and procedures** in relation to the tourism sector should be harmonised throughout the OECS (e.g. hurricane evacuation procedures, security at hotels and at visitor attractions, road safety, marine recreation etc.)

## 6. ACTION PLAN SUMMARY

### 6.1 Summary of Actions

The following tables summarise all actions identified to implement each policy measure.

Responsibility for leading /“owning” each action has been assigned; and organisations responsible for supporting the leaders and implementing each action have been similarly identified.

In this Action Plan, reference to OECS as the leader or supporter/implementer of action denotes the **OECS Secretariat**.

### 6.2 Definition of Timescales

Timescales have been attributed to each action. They range from short to medium and long-term. These denote the estimated time each action will take to complete. Completion means the successful implementation of each action. Timescales are defined as follows:

- **Short:** 1 year
- **Medium:** 1-2 years
- **Long:** 3-5 years

POLICY ACTIONS - SUMMARY	WHO ?		TIMESCALE
	LEAD	SUPPORT / IMPLEMENT	
<b>1. INVESTMENT and PRODUCT DEVELOPMENT</b>			
<b>Investment</b>			
<b>Action 1.1:</b> Harmonise investment procedures throughout the OECS	OECS	Individual states	Medium
<b>Action 1.2:</b> Develop an OECS Investors' Guide	OECS	Individual states/CAIPA	Medium
<b>Action 1.3:</b> Work with Member States and CAIPA to source potential investment leads, achieve international market penetration at an entry level, and create awareness of investment opportunities in OECS states	OECS	Individual states/OECS	Medium
<b>Action 1.4:</b> Review tourism investment and re-investment policies and procedures within Member States	OECS	Individual states	Medium
<b>Product Development</b>			
<b>Action 1.5:</b> Address obstacles and put conditions in place to enable the development of island-hopping programmes and facilitate inter-island travel (See <i>Actions 7.1 – 7.4</i> below)	OECS/ CCLEC	CARICOM	Long
<b>Action 1.6:</b> Explore opportunities for a joint approach to the development of key niche products and events amongst neighbouring countries/countries with a common interest in a particular niche product (e.g. diving, sailing, events)	Individual states	OECS	Short
<b>Action 1.7:</b> Assess the possible introduction of a common tourism quality scheme (which may be a tourism classification system) across the OECS.	OECS	Individual states	Long
<b>2. COMMUNITY PARTICIPATION, SECTORAL LINKAGES, JOINT PROCUREMENT</b>			
<b>Community Participation</b>			
<b>Action 2.1:</b> Review regulatory and support mechanisms that apply to micro and small businesses and reduce red tape	OECS	Individual states	Medium
<b>Sectoral Linkages</b>			
<b>Action 2.2:</b> Explore opportunities for improving linkages between tourism and other relevant sectors (e.g. food, drink, agriculture and crafts), through mechanisms such as the development of an OECS Quality Seal and common product quality standards	OECS	Individual states	Medium
<b>Action 2.3:</b> Promote sectoral linkages via sharing lessons and good practice	OECS	Individual states	Medium
<b>Joint Procurement</b>			
<b>Action 2.4:</b> Explore potential for joint procurement of key goods (e.g. agricultural produce and vehicles) amongst states with a mutual interest	Individual states	OECS	Medium-Long

POLICY ACTIONS – SUMMARY	WHO ?		TIMESCALE
3. HUMAN RESOURCE DEVELOPMENT	LEAD	SUPPORT / IMPLEMENT	
<b>Action 3.1:</b> Develop an integrated system of hospitality training institutions with identified specialisations in each Member State particularly in areas where gaps have been identified such as leadership/management, customer service and key foreign languages, environmental awareness and sustainability and existing workers	OECS	Individual states	Medium
<b>Action 3.2:</b> Development of a common curriculum, standards and assessment via the OECS Network of Excellence in Tourism and Hospitality Training	OECS	Individual states	Medium-Long
<b>Action 3.3:</b> Support regional benchmarking initiatives, such as CTO's Total Visitor Satisfaction Programme	OECS	CTO/Individual states	Medium
<b>Action 3.4:</b> Undertake a study into regional labour market requirements and implications for local infrastructure and services in light of labour mobility and migrant labour force	OECS	Individual states	Medium

POLICY ACTIONS - SUMMARY	WHO ?		TIMESCALE
	LEAD	SUPPORT / IMPLEMENT	
<b>4. TOURISM AWARENESS</b>			
<b>Action 4.1:</b> Develop a tourism awareness campaign and implement it locally in each OECS state, in order to encourage residents' active support of the tourism industry and a positive approach to visitors (See also <i>Action 6.1</i> above)	OECS	Individual states	Medium
<b>Action 4.2:</b> Work with, and support, ECCB and CTO adoption of UNWTO TSA model as a basis for tourism impact measurement by individual states in the OECS region, in order to demonstrate the impact of tourism on regional and national economies to governments (See also <i>Action 5.1</i> below)	OECS /ECCB/ CTO	Individual states	Medium

POLICY ACTIONS - SUMMARY	WHO ?		TIMESCALE
	LEAD	SUPPORT / IMPLEMENT	
<b>5. RESEARCH and STATISTICS</b>			
<b>Action 5.1:</b> Work with CTO and ECCB on the adoption of an adjusted UNWTO TSA model as a basis for tourism impact measurement by individual states in the OECS region (See also <i>Action 4.2</i> above)	ECCB/CTO	Individual states	Medium
<b>Action 5.2:</b> Update the current study on the economic impact of yachting visitors every 5 years	OECS	CMA	Long
<b>Action 5.3:</b> Review and improve entry card/immigration form data to elicit more useful marketing information (within the bounds of visitor tolerance), taking both security and visitor research/marketing requirements into account. Revise the card. The revised standard entry card/immigration form will be introduced throughout all OECS states.	OECS	Individual states	Short
<b>Action 5.4:</b> Develop a visitor survey template that can be shared, but also customised, by all OECS Member States	OECS	Individual states	Short

POLICY ACTIONS - SUMMARY		WHO ?	
6. ACCESS and TRANSPORTATION	LEAD	SUPPORT / IMPLEMENT	TIMESCALE
<b>External Air Access – esp. from Europe and North America</b>			
<b>Action 6.1:</b> Work together with Member States to attract international airlines, through a joint approach, incl. sharing market intelligence and transparency on marketing support and incentives	Individual states	OECS	Medium
<b>Regional Air Network</b>			
<b>Action 6.2:</b> Support moves to liberalise regional civil aviation regulations, as proposed in the 2007 San Juan Accord to: <ul style="list-style-type: none"> <li>Accelerate the revision of the CARICOM Multilateral Air Services Agreement and related liberalisation of air transport.</li> <li>Intensify efforts towards the creation of a single regional air space within the OECS.</li> <li>Encourage the simplification of air transport operations by embracing new technologies as proposed by the International Air Transport Association, to contribute towards greater efficiency, improved customer service and cost savings. These include passenger and baggage interlining, Common Use Self-service Solution (CUSS) and Bar-Coded Boarding Passes.</li> </ul>	CTO/CARICOM	OECS	Long
<b>Cruising</b>			
<b>Action 6.3:</b> Work within the wider Caribbean initiative on a collective basis to negotiate the most advantageous conditions for the region, in terms of regulations, standards, and tariffs such as head taxes	CTO	OECS	Medium-Long
<b>Ferries</b>			
<b>Action 6.4:</b> Explore opportunities for developing inter-island ferry services on a bilateral basis	Individual states	OECS	Long

POLICY ACTIONS - SUMMARY	WHO ?		
7. REGIONAL FACILITATION	LEAD	SUPPORT / IMPLEMENT	TIMESCALE
<b>Action 7.1:</b> Harmonise customs and immigration procedures throughout the OECS as a fundamental element of the Economic Union	OECS/CCLEC	Individual states	Long
<b>Action 7.2:</b> Simplify and standardise marine clearance procedures throughout OECS and implement the eSeaClear system for visiting yachts	OECS	Individual states	Medium
<b>Action 7.3:</b> Implement a common maritime space in the OECS	OECS	Individual states	Long
<b>Action 7.4:</b> Develop efficient procedures for transit passengers at international airport chokepoints	OECS	Individual states (those identified as chokepoints, such as Antigua	Medium

POLICY ACTIONS - SUMMARY	WHO ?		
8. ENVIRONMENTAL and CULTURAL SUSTAINABILITY	LEAD	SUPPORT / IMPLEMENT	TIMESCALE
<b>Environmental Conservation</b>			
<b>Action 8.1:</b> Adopt and adapt <i>Convention on Biodiversity</i> Guidelines on Biodiversity and Tourism Development for regional application	OECS	Individual states	Medium-Long
<b>Action 8.2:</b> Develop legislative framework for environmental performance standards for tourism	OECS	Individual states	Long
<b>Action 8.3:</b> Develop guidelines for environmental impact assessment (EIA) in relation to tourism	OECS	Individual states	Medium
<b>Action 8.4:</b> Develop guidelines for environmental compliance and enforcement for the tourism sector, incl. methods to address territorial waste & combat marine pollution by vessels (yachts, cruise ships & other commercial & pleasure vessels)	OECS	Individual states	Medium-Long
<b>Action 8.5:</b> Develop Green Tourism Programme, incl. environmental management toolkit for tourism and training	OECS	Individual states	Medium-Long
<b>Action 8.6:</b> Apply principles of the St. George's Declaration (2001, reaffirmed 2006) throughout the OECS in order to protect the region's natural assets	OECS	Individual states	Medium-Long
<b>Cultural Heritage Conservation and Promotion</b>			
<b>Action 8.7:</b> Develop a commitment at regional and national levels to the conservation, interpretation and promotion of the region's cultural heritage - incl. sharing good practice	OECS	Individual states	Medium

POLICY ACTIONS - SUMMARY		WHO ?		TIMESCALE
9. MARKETING COMMUNICATIONS		LEAD	SUPPORT / IMPLEMENT	
<b>Action 9.1:</b> Develop joint marketing strategy in which Member States can collaborate on tactical opportunities (e.g. Eastern Caribbean section within “Caribbean Village” at international trade fairs; niche market cooperation – diving, yachting etc.)		OECS	Individual states /CTO	Short
<b>Action 9.2:</b> Develop and run educational programme on digital technology & social media opportunities for Member States		OECS	CARICOM	Medium

POLICY ACTIONS - SUMMARY		WHO ?		TIMESCALE
10. CRIME PREVENTION		LEAD	SUPPORT / IMPLEMENT	
<b>Action 10.1:</b> Develop system of justice to ensure crime against visitors does not go unpunished – in the interests of both the victim and the destination’s reputation		OECS	Individual states	Medium-Long
<b>Action 10.2:</b> Share intelligence and work together to combat crime		Individual states	OECS	Medium-Long
<b>Action 10.3:</b> Harmonise safety and security codes and procedures in relation to the tourism sector (e.g. hotel security, marine recreation, road safety etc.)		OECS	Individual states	Medium-Long



## 7. IMPLEMENTATION

### 7.1 Organisational Responsibilities

#### Legitimacy

Having been endorsed by the OECS Council of Ministers, this Common Tourism Policy shall be implemented by the OECS Secretariat and individual Member States, as identified in the Action Plan above (Section 6), as required by Article 9 (Composition and Functions of the Council of Ministers) of the Treaty of Basseterre (1981, revised 2010).

Article 9 clearly defines the role of the OECS Council of Ministers in relation to the OECS Authority:

*Article 9.2 The Council of Ministers shall be responsible to the OECS Authority. It shall take appropriate action on any matters referred to it by the OECS Authority and shall have the power to make recommendations to the OECS Authority.*

*Article 9.3 The Council of Ministers shall have responsibility for -*

*(a) considering and reporting to the OECS Authority on recommendations of the OECS*

*Commission for the making of Acts of the Organisation;*

*(b) considering and enacting into Organisation law regulations and other implementing instruments to give effect to the Acts of the Organisation enacted by the OECS Authority.*

Article 9 also articulates the principle of subsidiarity, in which Member States are required to implement decisions by the Council of Ministers, subject to these decisions being within the sovereign competence of each Member State:

*Article 9.5 Regulations made by the Council of Ministers shall have the same binding force as the Acts of the Organisation which authorise them, provided that the question whether Regulations so made are so authorised shall be subject to judicial review.*

*Article 9.8 Decisions by the Council of Ministers under the preceding paragraphs shall be binding on all Member States and on all Organs of the Organisation other than the OECS Authority, and effect shall be given to any such decisions provided that it is within the sovereign competence of Member States to implement them.*

## **Responsibility**

The OECS Secretariat will lead in undertaking actions requiring regional leadership, as identified in the *Action Plan* above (Chapter 6).

Individual Member States will support and implement the actions identified in the *Action Plan* above (Chapter 6), as required by Article 9.8 (*Decisions by the Council of Ministers binding on all Member States*).

## **7.2 Co-ordination**

For this policy to be successfully implemented, effective and willing coordination is essential among key players at regional and Member State level. This includes bodies and organisations with direct responsibility for, and influence on, the outcomes identified in the *Action Plan* above (Chapter 6).

### **Coordination at OECS Level**

The OECS Secretariat will coordinate the actions identified in the *Action Plan* above (Chapter 6) as necessary with all appropriate bodies – at a Caribbean level (e.g. CTO, CARICOM, ECLAC, CAIPA, CHTA, CCLEC et al) - and with Member States.

### **Coordination at National Level**

Coordination between Member States will be essential to the successful implementation of this Policy and is therefore expected universally across all Member States in compliance with *Article 9.8* of the Treaty of Basseterre (1981, revised 2010).

Significant coordination will also be required between organisations within individual Member States in order to implement the actions identified as part of this policy (in the *Action Plan* above (Chapter 6)) - e.g. between tourism authorities and other government departments, such as customs, immigration, trade, transportation, finance, justice, education, agriculture and environment; and between tourism authorities, educational institutions, standards bodies, and relevant private sector interests.

## 8. MONITORING AND UPDATING THE POLICY

### 8.1 The External Market Place

Tourism is subject to enormous international competition. The industry is subject to frequent change, change that may represent a threat to the OECS but equally may provide new opportunities for the OECS.

The Policy can be impacted by, for example:

- Changes in customer tastes including in the nature of the tourism product that is being sought
- Economic and currency fluctuations and changes in market demand
- The external economic environment, including the implications of fuel cost changes
- Product developments and service enhancements in competing destinations
- Taxation regimes applied in originating countries
- Developments in the structure of the travel industry itself
- Technological changes, which affect marketing communications channels

The OECS Secretariat will work alongside other agencies, notably the CTO and the CHTA, to keep abreast of such changes and to assess their impact on the Common Policy.

### 8.2 Monitoring Change within the OECS

Monitoring change within the OECS will revolve around the Policy Measures and areas identified for action. Regular liaison will be needed in specific areas such as in collaborative efforts in marketing and communications and in facilitation. A challenge is posed by the multiple agencies involved, particularly in relation to facilitation. The onus must be on national government Ministries responsible for tourism to work with their national counterpart bodies in these areas and to keep the OECS Secretariat informed on a regular basis of developments at a national level that impact upon the Policy.

### 8.3 Policy Updating

The Common Tourism Policy will need regular updating to take account of external change and of developments within the OECS. This will need to take place on an annual basis in line with meetings of the OECS Council of Tourism Ministers. The Policy should be thoroughly reviewed and overhauled after five years.

## APPENDIX 1: LESSONS IN GOOD PRACTICE

In this Appendix lessons are drawn from experience outside the OECS in relation to best practice. These lessons have been drawn on in framing the Common Tourism Policy.

Other regional tourism organisations outside the Caribbean that offer indicators of good practice are shown in Table A.1.1. These indicators come both from achievements and from challenges that organisations elsewhere have encountered in seeking to build regional tourism.

**TABLE A.1.1: ORGANISATIONS OFFERING INDICATORS OF BEST PRACTICE**

ORGANISATION	MEMBERS	CHARACTERISTICS
Indian Ocean Commission	5	Focused on advocacy in international fora; the preservation and enhancement of the environment and natural resources; human development.
Central American Tourism Council (CCT)/Central American Tourism Integration Secretariat (SITCA)	7 and 1 affiliate	Subsidiary tourism agency falling under the Central American Integration System (SICA)
Association of South East Asian Nations (ASEAN)	10	ASEAN Secretariat; ASEAN Tourism Association is a separate but associated public/private sector body
South Pacific Tourism Organisation (SPTO)	13	Tourism technical agency under the South Pacific Forum (equivalent body to the OECS Secretariat)
Regional Tourism Organisation of Southern Africa (RETOSA)	15	Tourism technical agency tasked to focus on tourism marketing, falling under the South African Development Community
Asia Pacific Economic Cooperation (APEC)	21	Tourism Working Group falling under the APEC Secretariat
European Union (EU)	27	Tourism Unit within the European Commission; Tourism secretariat for the European Parliament
European Travel Commission (ETC)	35	Association of European National Tourism Organisations

Note: Membership refers to the number of nation states for each organisation

A general lesson across all regional tourism organisations, though, is that their experience strongly suggests that a relatively small number of activities that are perceived to be of benefit by the members of the organisation is much to be preferred to a broad spread of objectives and activities that are then done badly, or not at all.

The research undertaken points to the specific conclusions given below.

### **1. Driving the Tourism Agenda**

Regional tourism programmes need to be devised with the involvement of as broad a cross-section of stakeholders as possible, covering both the public and private sectors. A contrasting approach is the first phase of the South Pacific Regional Tourism Programme. This was to a

significant degree designed by a firm of consultants in collaboration with the donor-funding agency. It was implemented by consultants, rather than by nationals drawn from the region. While the programme components may have been worthy, there was a lack of commitment on the part of stakeholders, particularly those in the private sector.

The preparation of the OECS Common Tourism Policy has been with public and private sector participation from all Member States.

## **2. Importance of Common Interest**

The OECS benefits from common characteristics in terms of its product offer. To a large extent, each Member State is targeting broadly the same geographic originating markets and similar market segments. This facilitates joint activity including in tourism marketing and promotion. A contrast is the Regional Tourism Organisation of Southern Africa. This regional body has tourism marketing as a primary task. However, the secretariat has struggled with successful implementation, largely as a result of the disparity in terms of product offer among its Member States. These vary from a focus on business tourism, to a focus on wildlife safari products, to small island state beach tourism. While there have been attempts to marry these different interests, these have largely failed. This in turn has prevented RETOSA from achieving economies of scale, with a loss of interest among private stakeholders in particular, since the organisation is not considered to provide any significant benefit in terms of increased business.

## **3. Priorities and Continuity of Funding**

Greatest success tends to have been achieved where there is a clear priority of implementable actions and where these actions have secured funding for the full implementation period. A serious risk has proved to be loss of donor funding leading in turn to a loss of momentum and, in turn, a loss of reputation. The Indian Ocean Commission (IOC) was the beneficiary of EU funding for a regional tourism programme from 1997 to 2002. This was implemented by consultants and once the funding was over the whole tourism effort of the IOC completely lost momentum. While there was an intention to establish an IOC tourism organisation that brought together the public and private sectors at a regional level, this didn't happen and the tourism activities of the IOC have largely come to an end. There are other instances where the ending of donor funding has resulted in a hiatus in terms of activities leading to a loss of organisational reputation.

In designing the Common Tourism Policy there has been a conscious effort to determine priorities and it is to be hoped that sustainable funding for the Secretariat's tourism activities can be secured via donor funding and/or higher revenues resulting from the growth of the tourism sector in Member States.

#### **4. Clarity of Purpose**

The Tourism Working Group of APEC has proved adept at producing research reports. However, there has been little coherence to the overall effort. This has now been recognised in a recent independent assessment. This need for an implementation-oriented strategy has been recognised by the Association of South East Asian States (ASEAN), who, for their Tourism Strategic Plan 2011-2015, have placed emphasis on implementation within the context of the available resources. Actions and activities “have been carefully chosen in light of their probability of success and obtaining the necessary resources to implement them”.

The intended actions under the Common Tourism Policy are placed in an overall strategic context.

#### **5. Strong Public/Private Sector relationships**

All tourism organisations where there is an objective of achieving some form of economic integration are invariably government-led. Given the significance of the private sector in the tourism sector, issues of the relationship with the private sector almost inevitably arise. Experience elsewhere suggests that this is best resolved where the public sector body has a co-operative relationship with an equivalent regional private sector body. An example is the ASEAN Tourism Association, able to interface with the ASEAN Secretariat on tourism issues. In the South Pacific, while private sector members have been admitted to full membership of the SPTO, the relationship is somewhat unequal since governments contribute the majority of membership dues.

In the case of the OECS, the Caribbean Hotel and Tourism Association provides a conduit for linkages with the private sector, as do individual hotel and tourism associations in each Member State.

#### **6. Sharing of good practice**

One of the areas where regional tourism organisations have been effective is in sharing good practice. The various publications produced by APEC is one example of this, as is the Environmental Guide for Small Hotels produced by the SPTO.

Sharing of best practice is one of the themes underlying the Common Tourism Policy.

### **7. Shared Market Research**

Sharing market research is one area where regional tourism organisations have achieved economies of scale. The European Travel Commission has proved effective in this, with a series of market studies on traditional and emerging markets. The Regional Tourism Organisation of Southern Africa has similarly carried out market research of the US market for Southern Africa with donor support from the Commonwealth Secretariat. The SPTO has researched the US dive market for the South Pacific, linked with joint participation at the DEMA (Diving Equipment & Marketing Association) show in the USA.

The sharing of market research is envisaged under the Common Tourism Policy.

### **8. Regional Tourism Statistics/Tourism Satellite Accounts**

The production of regional tourism statistics is fairly common amongst regional tourism organisations. This has gone on to provide technical expertise to Member States on the collection of tourism statistics (including via common immigration cards) and on establishing the economic impact of tourism. The latter has now extended, to a lesser degree, to the production of Tourism Satellite Accounts (TSAs). In Europe, Eurostat, the statistical arm of the European Commission, has been seeking to establish common standards for TSAs across the EU.

A common standard for TSAs within the OECS is envisaged under the Common Tourism Policy.

### **9. Joint Promotion**

An effective form of cost sharing has been joint promotions, including participation at trade shows and at special events, such as birding events where specialist knowledge of birding is required for effective participation. The value of this has recently been recognised in the South Pacific. During a long period of EU funding there was a South Pacific Village at major trade shows (as was also the case for the Caribbean, again under EU funding). Once this ended countries were either not represented at all, or only under their own banner. In 2011 several smaller countries in the South Pacific have recognised the value – and economies of scale – to be achieved by joint promotion and come together via a self-funded South Pacific village, initially at ITB Berlin.

Central America is promoted in Europe via a joint marketing organisation based in Madrid with the support of the Government of Spain. RETOSA has sought to promote community-based tourism enterprises within its region via a pilot market access training programme and

the publication of a directory of community-based tourism enterprises, though with limited apparent benefits.

Under the Common Tourism Policy achieving economies of scale via joint marketing and promotion is provided for.

### **10. Travel Facilitation**

Easing travel within a region is a common aim amongst regional tourism organisations. This can be via the abolition of visa requirements, the introduction of a single visa for a region and/or the removal of customs controls. This has been implemented to its largest extent within the EU, via the abolition of customs controls across all 27 Member States and free movement without a passport within 25 states that are a party to the Schengen agreement (which now includes three non EU Member States). These initiatives have been accompanied by harmonisation of visas where required for non-EU/EFTA nationals.

Four Central American states, El Salvador, Guatemala, Honduras and Nicaragua have established a similar arrangement, with passport-free travel within the four countries together with a harmonised visa regime for foreign nationals. The introduction of a single visa is being attempted in East and Southern Africa. In ASEAN two-week visa free travel within the region was introduced in 2006 for nationals of Member States to encourage intra-regional tourism following the SARS crisis. All these moves, where implemented, have encouraged travel within their respective regions.

Facilitation of travel within the OECS is foreseen under the Common Tourism Policy, following the introduction of free movement within the OECS for nationals as of 1 August 2011.

### **11. A Common Approach to Air Transport**

The single European market extends to a common aviation area within the EU, with no restrictions on routes, capacity or pricing – any EU airline is free to operate on any route it chooses at any price it decides within the Union, subject to common safety standards. This single European sky has both transformed air travel and tourism within the EU, with destinations that were never previously featured now receiving very substantial visitor flows arriving by air. Similar approaches have been attempted elsewhere; a common aviation area exists between Australia and New Zealand for example. In the South Pacific there is a degree of co-operation via the Association of South Pacific Airlines, but in Africa the Yamoussoukro Declaration of 1998 that sought to achieve collaborative benefits appears to have floundered as a result of a lack of political will and concern to protect national carriers.

A study on the economic impact of air service liberalisation in 2006 carried out by InterVistas found that traffic growth subsequent to liberalisation of air services agreements between countries typically averaged between 12 per cent and 35 per cent, significantly greater than during years preceding liberalisation. In a number of situations, growth exceeded 50 per cent, and in some cases reached almost 100 per cent of the pre-liberalisation rates.

Under the Common Tourism Policy enhancement of the common approach to air transport is envisaged.

### **12. Dealing with the Unexpected**

Probably the greatest effort in crisis management at regional level has been on the part of the Pacific Travel Association (PATA) as a direct result of the SARS crisis. It has encompassed training in crisis management within the region and the production of manuals on how to manage crises to best effect. In effect the effort has encompassed both lesson learning and training. Crisis management is identified as a potential area for human resource development under the Common Tourism Policy.

## APPENDIX 2: GLOSSARY

APEC	Asia Pacific Economic Cooperation
ASEAN	Association of South East Asian Nations
BVI	British Virgin Islands
CAIPA	Caribbean Association of Investment Promotion Agencies
CARICOM	Caribbean Community
CHTA	Caribbean Hotel and Tourism Association
CCLEC	Caribbean Customs Law Enforcement Council
CCT	Central America Tourism Council
CMA	Caribbean Marine Association
COMSEC	Commonwealth Secretariat
CROSQ	CARICOM Regional Organisation for Standards and Quality
CSME	Caribbean Single Market and Economy
CTO	Caribbean Tourism Organisation
CTP	Common Tourism Policy
CUSS	Common Use Self-service Solution
DEMA	Diving Equipment and Marketing Association
ECCB	Eastern Caribbean Central Bank
ECLAC	Economic Commission for Latin America & The Caribbean
ETC	European Travel Commission
EU	European Union
GDP	Gross Domestic Product
FAO	Food and Agricultural Organization (UN)
HRD	Human Resource Development
IOC	Indian Ocean Commission
ITB	International Tourismus Bourse (annual trade fair in Berlin)
LIAT	Leeward Islands Air Transport
MASA	CARICOM Multilateral Air Services Agreement
NETHE	Network of Excellence in Tourism and Hospitality Education
NTO	(OECS) National Tourism Organisation
OECS	Organisation of Eastern Caribbean States
PATA	Pacific Asia Travel Association
OPAAL	OECS Protected Areas and Associated Livelihoods
PERB	Protecting the Eastern Caribbean's Regional Biodiversity Project
RETOSA	Regional Tourism Organisation for Southern Africa
SARS	Severe acute respiratory syndrome
SITCA	Central American Tourism Intelligence Secretariat
SPTO	South Pacific Tourism Organisation
TSA	Tourism Satellite Account
UK	United Kingdom
UNWTO	United Nations World Tourism Organisation
USA	United States of America

WTM

World Travel Market (London)