Regional TSA Implementation Workshop

Barbados

7 – 9 February 2007

Theme 1

The current revision process of the two Tourism Statistics Standards

• The 1993 Recommendations on Tourism Statistics

• The 2000 TSA Recommended Methodological Framework

The context of the UNWTO initiatives for the forthcoming years:
the Iguazu findings and evaluation

1. Ensuring the legitimacy (CSO) and credibility (NTA) of the TSA exercise
2. Protecting the TSA brand: assessing the conformity of the TSA exercises with the TSA:RMF
3. Guaranteeing its continuity: not a one shot exercise
4. The TSA as a work in progress
5. Promoting a strategic alliance between NTAs and CSOs
6. Bringing economic analysis to the forefront
7. Fostering the use of the TSA for the formulation of policies and strategies
8. Defining a new leadership for NTAs
9. Sharing knowledge and experience (on TSA compilation and use)
10. Defining a far-reaching program of technical assistance

Brief history: the founding years

1. Council of the League of Nations in 1937 recommends a definition of "*international tourist*".

2. International Union of Official Travel Organisations in 1950 in Dublin slightly amends this definition.

3. The UN Conference on International Travel and Tourism in 1963 in Rome recommends definitions for "*visitor*", "*tourist*" and "*excursionist*". They are endorsed by the United Nations Statistics Commission (UNSC) in 1968.

4. The UNSC in 1978 produces the "*Provisional Guidelines on Statistics of International Tourism*".

5. During the 1980s, initiation of a process of revision of tourism definitions and classifications, following a widespread general increased awareness of the importance of tourism and its links with other economic activities.

6. UNWTO, at the International Conference on Travel and Tourism Statistics in 1991 in Ottawa, proposes a set of statistical definitions related to domestic and international tourism. These are approved by the UNSC and published in 1994 as "*Recommendations on Tourism Statistics*". (These are known as "REC93".) They represent the first international standard which provides a basic foundation for all national system of tourism statistics (STS).

Acceleration of the process

7. **The OECD Tourism Committee in 1992 starts the development of a set of Tourism Economic Accounts (TEA), a forerunner to the Tourism Satellite Account (TSA).**

8. Work is undertaken within various international agencies on setting up an international standard for the TSA:

    •   The OECD presents its first draft to its member states in 1997

    •   The UNWTO works on a proposal to be applied worlwide that is presented at the Enzo Paci World Conference on the Measurement of the Economic Impact of Tourism in Nice in 1999.

9. On this basis, an UNWTO-OECD-Eurostat intersecretariat is set up and elaborates the "*Tourism Satellite Account (TSA): Recommended Methodological Framework*" which is endorsed by UNSC in 2000. (These are known as "RECS '00".)

10. **UNWTO in 2004 becomes a specialised agency of the United Nations and acquires responsibility for the development and implementation of tourism statistics' standards.**

Why revisions today?

- The structural link of the TSA with the definitions and concepts of UN 1993 SNA and with IMF BPM5 had already required some adjustments to the tourism statistics standards in REC93: i.e. scope of tourism consumption. These had not been introduced in the STS standard.

- Wide implementation of TSA and TSA standards worldwide. (67 countries in 2005). Identification of areas where clarifications, harmonization and reviews are needed to both the STS and the TSA standards.

- Updating and Revision of International statistical standards, to which tourism statistics are related - such as the 1993 SNA, BPM5, international classifications (CPC, ISIC, ISCO, etc.) and the Manual on Statistics on International Trade in Service. Opportunity and pressure for the simultaneous revision of the STS and TSA standards.

- New topics have grown in importance that need to be addressed – such as: tourism-related employment, investment, measurement of government's involvement in tourism, impact on the environment, measurement of tourism at sub-national levels, etc.

The updating process: characteristics

- **Coordinated with other international organizations and should be terminated by March 2008 as is the case of the other international statistical standards**

    - In 2004, at the request of the UNSC, Creation of the Interagency Coordination Group on Tourism Statistics, comprising UNWTO, UNSD,OECD, Eurostat, IMF, ILO and WTO . Identification of issues where coordination is required to find mutually accepted solutions in the updating processes in order to close conceptual gaps.

- **Development of an ample process of countries consultations**

    - Various other meetings and forums, particularly the UNWTO Committee on Statistics and the Macroeconomic Analysis of Tourism and other conferences on tourism statistics (Vancouver, Iguazu), have identified areas where improvements for both standards are needed.

    - In 2006, the issues discussed at the IAG on TS are further elaborated and presented fro discussion on the UNWTO website under the form of an electronic forum.

    - In July 2006, an International Workshop on Tourism Statistics is organized jointly with UNSD in order to discuss countries experiences and collect opinions on the proposals.

- **The process develops in various stages of coordination and consultations**

Where are we now?: the main deadlines

- **A first draft of the updated REC93 is on the UNWTO website for comments (IRTS rev 1)**

- **A first draft proposal of the expected changes in the TSA-RMF has already been approved by the IAC on TS.**

- **It will be reviewed by the UNWTO Committee on Statistics and the Macroeconomic Analysis of Tourism in March**

- **In June 2007, an Expert Group meeting in New York will be convened by UNSD and UNWTO to review the draft revised recommendations and endorse their submission to the UNSC.**

- **In early 2008, UNWTO Chief of Statistics and the Executive will review and approve the final drafts.**

- **In March 2008, the UNWTO and the UNSD will present the full final Standards to the United National Statistics Commission at its 39th. session for approval.**

- **At the same time, a series of 3 Manuals will be released directed towards compilers, researchers and decision-makers.**

Main issues

1. Clarification of the concept of trip and the different stages of a trip (visits)
2. Revision of the definition of visitor;
3. Clarification of the relationship between travelers and the travel item as defined in BoP and visitors;
4. Coordination with SNA, BoP, MSITS on different tourism issues
5. Revision of the scope of tourism consumption
6. Revision of the main classifications
7. Revisiting the scope of the TSA and its aggregates

1. Clarification of the concept of trip and the different stages of a trip (visits)

- The term trip refers to travel by a person from the moment he/she leaves his/her usual environment until he/she returns: it thus refers to a round-trip. A trip may be made up of various visits to different places. (IRTS para. 3.2)

- The term visit refers to the stay (overnight or same-day) in the places visited during a trip. The stay need not to be overnight to be a visit. (IRTS para. 3.4)

2. Revision of the definition of visitor

REC 93	IRTS rev 1
The term "visitor" describes any person traveling to a place other than that of his/her usual environment for less than 12 months and whose main purpose of trip is other than the exercise of an activity remunerated from within the place visited.	A visitor is an individual taking trips outside his/her usual environment for less than a year and for a purpose other than being employed in the place visited.

Additional issues:

- Transit passengers: cruise passengers and yachters

- Crews

3. Clarification of the relationship between travelers and the travel item as defined in BoP and visitors

- Presently, in BoP5, the "travel" item includes more than the expenditure (other than international passenger carriage) of those defined as travelers;
- A new definition (recognized as a tourism statistics issue):
  - International (inbound) travelers are defined as "non-residents visiting the country without the intention of establishing there their country of residence";
  - International (outbound) travelers are defined as "residents leaving the country without the intention of remaining more than a year abroad".
  - An exception: the case of students and long term patients, still viewed as members of their original household no matter how long or short their stay.
- Not all arriving non resident passengers are travelers;
- Visitors are a subset of travelers.

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4.   Coordination with SNA, BoP, MSITS

- Clarification of the differences and compatibility of the definitions of usual environment (Tourism Statistics), country of residence (National Accounts, BoP)and place of usual residence (within a country) (household statistics)

- Treatment of travel agencies (net valuation) and tour operators (unbundling)

- Treatment of timeshare, and other innovation in terms of vacation ownership

- Validation of the definition of the calculation of Tourism Value Added.

5. Revision of the scope of tourism consumption

- Use of the concept of acquisition vs. expenditure, payment, purchase or use; effect on measurement
- Inclusion of valuables
- Exclusion of acquisitions made after a trip
- Acquisitions of goods and services related to second homes classified:
    - as intermediate consumption of the production of imputed real estate services or
    - as gross fixed capital formation

- Revision of the scope of the TSA tables 1 to 3

6.   Revision of the main classifications:

- Induced by the
  - revision of other international standards
  - revision of international practices
- Characteristic and connected tourism goods and services
  - Inclusion of goods, in particular tourism single purpose consumer durables, souvenirs, handicrafts, etc.
  - New lists of categories to which they belong
  - Possibility of country specific characteristic products
- Characteristic activities
  - No longer "connected" activities
  - Retail trade activities related to characteristic goods
  - Possibility of country specific characteristic activities
- Forms of accommodation
  - Recognition of the impossibility of having a detailed international uniform classification
- Purposes of visit
  - New more detailed and more specific classification

7.   Revisiting the treatment of goods in the system

- Inclusion as tourism characteristic
- The retail trade of tourism characteristic goods is a tourism characteristic activity
- In the calculation of tourism value added, only the retail trade of goods acquired by visitors is considered, irrespective of whether the good has been domestically produced or imported.
- This induces formal changes in TSA tables

8. Revisiting the scope of the TSA and its aggregates

- The TSA does not pretend to measure the "impact" of tourism on an economy but it only provides the statistical basis for this impact to be estimated using other complementary instruments;

- Tourism Value Added is not a measurement of impact, only of the importance of tourism, in the same way as the value added of mining or manufacture.