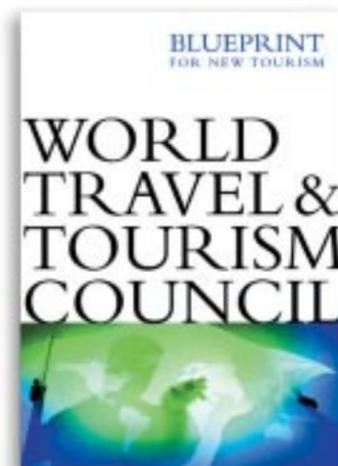


VIEWPOINT



A BLUEPRINT FOR 'NEW TOURISM'



WTTC AT WORLD TRAVEL MARKET

Monday, 10 November

10.00 – 10.30:

WTM/IPK Forecast Forum
Press Conference

Jean-Claude Baumgarten
President, WTTC

14.00 – 15.00:

WTTC Centre Stage
Panel Discussion

Preview Debate for
4th Global Travel &
Tourism Summit

Moderator:

Gwenan Edwards, BBC
News, Fast Track/Gate 24

Panellists include:

Akbar Al Baker
CEO, Qatar Airways

Jean-Claude Baumgarten
President, World Travel &
Tourism Council

Luis Correia da Silva
Secretary of State for
Tourism for Portugal

Peter Greenberg
Editor, CNBC

Lalit Suri

Chairman and Managing
Director, Bharat Hotels Ltd

Vince Wolfington
Chairman, Carey
International Inc

The Travel & Tourism industry is emerging from one of the longest and most challenging periods it has ever faced – at least in modern history. The combined impact of economic turbulence, political uncertainty, terrorism and, more recently, SARS has led to significant changes in consumer behaviour and Travel & Tourism demand.

In reaction to this fast-changing market and the increased uncertainties of the marketplace, business plans are becoming more short term and organizations are restructuring and re-inventing themselves in the full knowledge that only the fittest, leanest and most creative innovators will succeed. The resulting new wave of innovation in product development, service delivery and stakeholder engagement has already started to bring big benefits to customers and local communities in different parts of the world.

“While businesses have been adapting to emerging trends and learning to operate in a rapidly changing world, more and more governments have started to realize that Travel & Tourism growth cannot be left to chance,” Jean-Claude Baumgarten, President of the World Travel & Tourism Council (WTTC), told delegates at the Third Global Travel & Tourism Summit held in Vilamoura in May. “This emerging global consciousness represents a great opportunity for our industry, as well as for national, regional and local economies around the world.”

At the conclusion of the Vilamoura Summit, more than 500 of the world’s most influential business and political leaders called on WTTC to create a new vision and strategy for Travel & Tourism – one which would involve a coherent partnership between the public and private sectors, working together to turn future challenges into opportunities. The *Blueprint for New Tourism* is WTTC’s response to this historic call to action.

The *Blueprint* was launched at a prestigious event on 7 October 2003 in New York City, hosted by American Express – sponsors of the publication.

The launch attracted some of the most prominent personalities from the Travel & Tourism industry, including: Sir Ian Prosser, WTTC Chairman and Chairman, InterContinental Hotels Group PLC; Jonathan Linen, Vice Chairman, American Express Company; JW Marriott, Chairman & CEO, Marriott International; Jonathan Tisch, Chairman & CEO, Loews Hotels; and Vince Wolfington, Chairman, Carey International. Several members of the media also attended the event including the BBC, CNBC, The New York Times and The Wall Street Journal. Joining in the discussions about the *Blueprint for New Tourism* and the next steps in the implementation of the *Blueprint* planned by WTTC.

“Decision-makers the world over have recognized the importance of coherent partnerships between the public and private sectors to ensure competitive and sustainable Travel & Tourism growth,” Baumgarten noted at the launch. “WTTC has started work on the second part of the *Blueprint*, which will comprise examples of best practice from companies and organizations responding to the vision of New Tourism.”

The full report will be released at the fourth Global Travel & Tourism Summit, to be held in Doha, Qatar, from 1-3 May 2004.

“We are calling on all industry representatives, government officials, and local and national authorities to send us their case studies that could be included as examples of best practice,” added Baumgarten. More details for the submission of case studies can be found on the WTTC website: www.wttc.org.



Linda Conlin, Assistant Secretary for Trade Development, US Department of Commerce, Jean-Claude Baumgarten, President, WTTC, Sir Ian Prosser, Chairman, InterContinental Hotels Group PLC, Jonathan Linen, Vice Chairman, American Express Company at the Launch of the *Blueprint*, 7 October 2003

Excerpt from the *Blueprint for New Tourism*

The *Blueprint* sets out a vision and three guiding principles:

“Travel & Tourism as a partnership, delivering consistent results that match the needs of economies, local and regional authorities and local communities, with those of business, based on:

- 1 Governments recognizing Travel & Tourism as a top priority
- 2 Business balancing economics with people, culture and environment
- 3 A shared pursuit of long-term growth and prosperity.”

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THIRD GLOBAL TRAVEL & TOURISM SUMMIT BUILDING NEW TOURISM

The Third Global Travel & Tourism Summit took place in Vilamoura, Portugal from 15-17 May 2003. The event was the most well-attended and successful Summit that WTTC has ever held, attracting 500 delegates from all sectors of the global Travel & Tourism industry.



Dr Michael Frenzel, Chairman, TUI AG, Jean-Claude Baumgarten, President, WTTC, Peter Yesawich, Managing Partner, Yesawich, Pepperdine, Brown & Russell, and Doug Baker, Deputy Assistant Secretary for Service Industries, Tourism and Finance, US Department of Commerce, participate in 'The Big Picture' opening session

More than 70 Members of the Council participated in the Summit, many of them taking an active role in the event. These included Sir Ian Prosser, Ken Chenault, Edouard Etedgui, Michael Frenzel, J W Marriott, Barry Sternlicht and the founder of WTTC, James D Robinson III.

The three-day programme was packed with interesting presentations that generated animated discussions and heated debates between prominent leaders of the industry, senior government officials and the international media. High-level speakers included the Prime Minister of Portugal, José Manuel Durão Barroso, the astronaut Neil Armstrong – the first man to walk on the moon – and the former US Assistant Secretary of State, James Rubin.

Over 100 representatives of the international media attended the Summit, which was covered daily by the BBC's World Business Report, featuring interviews with WTTC Members as well as other speakers and delegates. Other media/news agencies covering the event included ABC, Associated Press, Bloomberg, El País, The Financial Times, Le Monde and Reuters.

Discussions focused heavily on the short- to medium-term outlook for the industry and on ways in which the industry can build a road to recovery, leading to the sustainable growth of Travel & Tourism in the longer term. Plenary and panel sessions helped to explore ways in which the public and private sectors can strengthen partnerships and work together with other individuals and organizations, including the global media, which can impact the future of our industry.



J W Marriott Jr, Chairman, Marriott International Inc delivering his keynote closing speech



Dr Michael Frenzel, Chairman, TUI AG, Barry Sternlicht, Chairman and CEO, Starwood Hotels and Resorts Worldwide Inc, and James Hogan, President and Chief Executive, Gulf Air, engage in discussion on the CEO's panel

At the conclusion of the Summit, a Declaration was signed by:

- His Excellency Carlos Tavares, Minister of Economy, Portugal
- James D Robinson III, Chairman Emeritus WTTC and General Partner, RRE Ventures
- Sir Ian Prosser, WTTC Chairman and Chairman, InterContinental Hotels Group PLC, and
- André Jordan, Host of the Summit, WTTC Vice Chairman and Chairman, Lusotur SA

The Declaration culminated in a commitment to develop the *Blueprint for New Tourism*. The text of the Declaration follows on the next page:

VILAMOURA DECLARATION 2003

Over 450 business and political leaders from the world of Travel & Tourism are attending the Third Global Travel & Tourism Summit in Vilamoura, Algarve, Portugal, from 15-17 May 2003. Two previous summits, held in the same location, resulted in the Vilamoura Declarations of 1997 and 2000.

Delegates at the 2003 Summit recognize that:

- We live in an increasingly uncertain world which requires flexibility, understanding and tolerance in the way in which we plan the future of our industry; and that
- Travel & Tourism is one of the world's foremost economic activities, generating more jobs and benefiting more people than most other industries throughout all levels of local, national and regional economies; and that
- Travel & Tourism creates jobs and opportunities in rural as well as urban areas in regions with few alternative viable industries – jobs for the young and for both sexes, and for the low-skilled; and opportunities for entrepreneurs and small and medium-sized enterprises; and that
- Developed sustainably, Travel & Tourism can contribute towards environmental, cultural and social improvement; and that
- Travel & Tourism is an international language, helping people to communicate irrespective of their social, cultural, religious and political backgrounds; and therefore

Delegates urge business and political leaders to:

- Work together to devise and implement policies that unleash Travel & Tourism's potential to be an economic and social force for good; and to
- Involve all stakeholders to make Travel & Tourism work for everyone, bringing prosperity to people in local host communities, enriching the experiences of those that visit them, and strengthening the economies of destinations and outbound markets; and to
- Ensure that all Travel & Tourism contributes to environmental, social and cultural preservation and enrichment; and

Delegates encourage and support:

- The enshrinement of these principles within the *Blueprint for New Tourism*, to be coordinated by the World Travel & Tourism Council following this Summit.

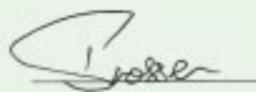
Signed on behalf of Delegates at the Third Global Travel & Tourism Summit by:



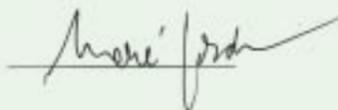
His Excellency Carlos Tavares
Minister of Economy, Portugal



James D Robinson III
General Partner in RRE Ventures
Chairman Emeritus of WTTC



Sir Ian Prosser
Chairman of InterContinental Hotels Group PLC
Chairman of WTTC



André Jordan
Chairman, Lusotur SA
Host of the Summit



André Jordan, Chairman, Lusotur SA, Carlos Tavares, Minister of Economy, Portugal, and Sir Ian Prosser, Chairman, InterContinental Hotels Group PLC, sign the Third Vilamoura Declaration

“For the World Economic Forum, it is Davos. For the travel industry, it is Vilamoura. Since 1997, members of the World Travel & Tourism Council (WTTC) have gathered here every three years to discuss the state of the industry and share thoughts about how to move their collective businesses forward”

Travel Weekly, 26 May 2003

“In Asia, we have a great deal of intra-regional travellers who are set to venture further afield in the very near future. Because the populations of India and China are so huge, a modest percentage growth in international travel could have a significant impact on the rest of the world – and if managed correctly, will become our bread and butter business for the next decade or two.”

Peter de Jong,
President & CEO, PATA,
Emerging Economies Panel

FOURTH GLOBAL TRAVEL & TOURISM SUMMIT

The Fourth Global Travel & Tourism Summit will be held in Doha, Qatar, from 1-3 May 2004. To be hosted by WTTC Member, Qatar Airways, this major event in the annual tourism calendar will bring together industry leaders, innovators, investors, policy-makers and the global media to discuss 'New Frontiers for Travel & Tourism'.

For further information and registration, please visit www.globaltravel&tourism.org

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WTTC COUNTRY

CHINA: A WORLD TOURISM POWER?

According to research recently published by the World Travel & Tourism Council (WTTC) in the latest of its Country Report series, China has the potential to become one of the world's great tourism economies – in terms of inbound, outbound and domestic travel. This follows the opening of its markets to the outside world and its entry into mainstream economic and political circles, such as the World Trade Organization.

The vision for China's Travel & Tourism is extremely bold and, although historical experience has clearly demonstrated the Chinese Government's ability to deliver on its promises, the scope and depth of effort necessary for the country to build a world-class tourism economy are staggering.

Nevertheless, in line with the predictions of business leaders and industry analysts – who have long been heralding China as the next major source of Travel & Tourism development – its actual performance over the past few years has already shown that even optimistic scenarios can sometimes prove too conservative.

Although it is unusual to criticize success stories, there appears to be one main problem for China's Travel & Tourism – and that is its extraordinary success. The scale and pace of its development and future potential growth put government structures, agencies and officials in a unique, difficult and tenuous position of trying to keep up with events and fast-paced development that they have previously managed to control under a different set of circumstances. The current climate of China's Travel & Tourism also illustrates the nature of market-economy transition, and how China's official tourism structure needs to adapt to the changing requirements and needs of the market, its suppliers and consumers.

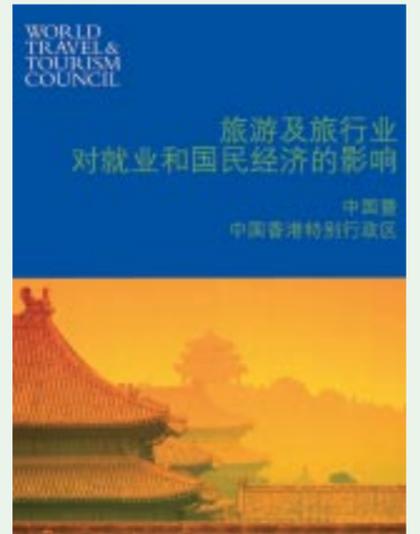
What the WTTC and Oxford Economic Forecasting (OEF) research makes clear is that, despite its success to date – except

during the SARS and immediate post-SARS periods – the industry requires a new vision of openness, collaboration and cooperation between the public and private sectors. This will ensure that China's Travel & Tourism moves to the next level of development and sophistication, on track to becoming a world tourism power.

In Hong Kong, the primary post-SARS focus is tactical, focused on the creation and development of a leading Asian aviation transport hub and on restarting the destination's lifecycle by broadening and deepening its tourism product base. Both are vital to spreading tourism growth beyond the Chinese market and assuring Hong Kong's position within Asia's Travel & Tourism.

Travel & Tourism offers enormous potential as a catalyst for future economic and social development across the whole of China and Hong Kong. Measures already undertaken by government augur well for the sustainable development of Travel & Tourism – achieving a healthy balance between business imperatives, the protection of cultural heritage and environment, and the well-being of local communities. Additional measures recommended in the report set the stage to help ensure the larger rewards that Travel & Tourism can bring.

The report can be found at:
www.wttc.org/publications/pdf/China-Hong%20Kong.pdf



Zhu Qing Rui, Director General, Industry Management Department, China National Tourism Administration, LJ Jia, Vice President and Country Manager, American Express International Inc and Jean-Claude Baumgarten shake hands after the Beijing Launch of the China Report

CROATIA: BACK ON THE WORLD'S TOURISM STAGE

Croatia's recent Travel & Tourism growth confirms that it is well on track to recapture the demand levels it enjoyed prior to the outbreak of war in 1990, although yield will take more time to recover. Major political and economic reforms, which have promoted stability and open markets, have contributed to stimulating growth in the short term. Croatia now needs to adopt a cohesive strategy for sustainable development, to ensure it attracts the right kind of tourism in future with benefits for all stakeholders.

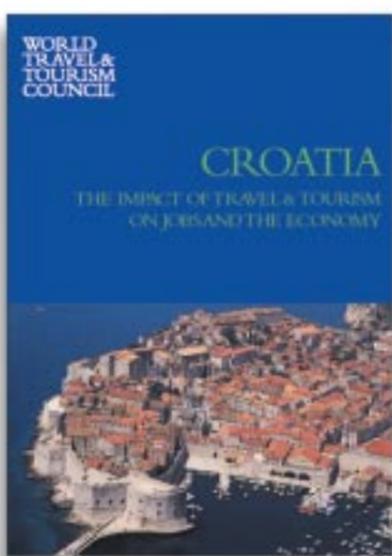
These are some of the conclusions of the research conducted early in 2003 by WTTC and its research partner OEF, in collaboration with Croatia's Ministry of Tourism and the Croatian Bureau of Statistics.

The report, which presents the first Tourism Satellite Accounting research for Croatia – released in March 2003 – clearly shows the importance of tourism, which currently represents more than 22 per cent of Croatia's total GDP, as well as its growth potential. This share is expected to increase by more than nine percentage points to 32 per cent by 2013. Similarly, Travel & Tourism in Croatia today accounts for 27 per cent of total employment, and this is forecast to rise to 34 per cent by 2013.

The industry's primary role as a generator of wealth and employment across all parts of the country is unparalleled by any other sector. It also acts as a catalyst for growth in other areas such as retailing and construction, which would suffer if demand for Travel & Tourism were reduced. The report suggests that this significant contribution should not be underestimated, and neither should the industry's potential for growth be taken for granted.

Among the key challenges that continue to limit Travel & Tourism's full potential for growth in Croatia – particularly in terms of yield – the report cites the enhancement of product and service quality, as well as the development of much needed infrastructure and human capital.

WTTC believes that Croatia's Travel & Tourism could do even better than the baseline forecasts suggest, as long as certain factors are assured – a favourable government fiscal policy, a climate that is conducive to business offering incentives for investment, sustained and effective marketing and promotion, and policies that respect the environment and local cultures. WTTC stands ready to support the adoption and implementation of these policies.



REPORTS:

THE ALGARVE: MORE THAN JUST SUN AND BEACH

The Algarve region in southern Portugal could be one of Europe's most sought-after tourism destinations. In addition to its spectacular natural environment, including first-class beaches, it boasts a rich variety of attractions to suit many different tourist tastes and budgets – including a fascinating historical and cultural heritage and warm and friendly people. Yet its enormous Travel & Tourism potential is far from being realized – and, in fact, much of it has not even been properly tapped.

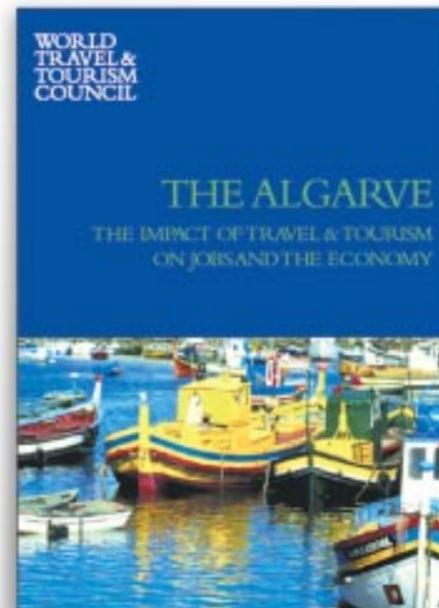
The results of WTTC's second commissioned research project this year – conducted with the collaboration of the Região de Turismo do Algarve/Turismo do Algarve and the Observatório do Turismo, Universidade do Algarve – show that the Algarve is already highly dependent on Travel & Tourism, which currently represents two-thirds of total GDP. Similarly, Travel & Tourism in the Algarve today accounts for 60 per cent of total employment.

Despite these seemingly impressive figures, the baseline forecasts from WTTC and OEF for the next ten years are very modest. Of particular concern is the fact that visitor exports are

set to rise by an average of little more than 2 per cent per annum. Capital investment in Travel & Tourism – by government and private investors – is projected to increase its current share by less than 1 per cent to 21 per cent of total capital investment. While significant in comparison with capital investment in less tourism-intensive countries and regions, this share is very modest when viewed in the context of Travel & Tourism's contribution to GDP and employment.

But all is not doom and gloom. If the key public and private sector stakeholders in the Algarve's Travel & Tourism collectively pool their efforts and work aggressively to lobby government – at regional and national levels – they can constructively influence the revision of land-use, strategic and master plans that will affect the industry.

The greatest challenge the Algarve faces is to provide a more favourable environment for the development of new business and a return on investment that will attract new ventures. This in turn will stimulate the growth of Travel & Tourism demand, which is vital for the region's economy and the well-being of its people.

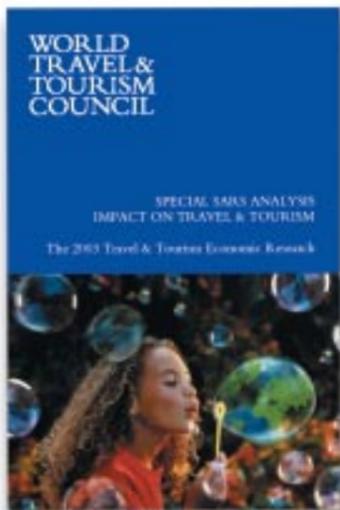


What the Media say:

“Severe acute respiratory syndrome will take a multibillion-dollar bite out of the tourism industry this year in four of Asia's most afflicted regions, [...] according to an economic impact study released on Thursday by the World Travel & Tourism Council.”

Wall Street Journal, 16 May 2003

SPECIAL SARS ANALYSIS



In May 2003 WTTC released a special report on the economic impact of SARS on the Travel & Tourism industry in China, Hong Kong, Singapore and Vietnam. This report quantified the SARS impact in these countries using WTTC's 2003 Tourism Satellite Accounting research produced with OEF.

WTTC/OEF estimates showed that the impact was expected to be massive for the

four countries for which the World Health Organization had declared travel advisories. WTTC/OEF estimates for 2003 suggested that:

- In Vietnam, 15 per cent of industry GDP and 62,000 industry jobs would be lost
- In Singapore, 43 per cent of industry GDP and 17,500 industry jobs would be lost
- In Hong Kong, 41 per cent of industry GDP would be lost, as well as 27,000 industry jobs, representing 38 per cent of total industry jobs in Hong Kong
- In China, 25 per cent of industry GDP would be lost and a total of 2.8 million industry jobs, or one-fifth of total industry employment.

The WTTC/OEF research was based on the assumption that the SARS crisis would have significantly impacted Travel & Tourism demand from March 2003, and that this impact would

last six months for China, four months for Hong Kong and Singapore, and three months for Vietnam, with residual impacts through the end of 2004. The most significant impact in each destination was expected to be felt in visitor exports from the loss of inbound traffic, while other impacts were likely to stem from the decline in personal and business travel by residents and local companies, as well as the postponement of certain capital investment.

At the launch of the SARS reports in May at the Vilamoura Summit, Jean-Claude Baumgarten, President of the WTTC told delegates: “Our industry faces an enormous challenge in rebuilding these huge losses to the industry and the economies of these countries.

“We call on the public and private sectors in these countries, and serving these countries, to join forces and help restore visitor confidence and traffic at the earliest possible moment,” Baumgarten added.



Richard Miller presenting WTTC figures on the impact of SARS at press conference in Vilamoura

“Desperate times call for desperate measures [...] Even before SARS hit, the World Travel & Tourism Council (WTTC) was predicting a paltry 1 per cent growth in global tourism for 2003 [...] But even as the bad news continues, tourism's perfect storm is beginning to cleanse the landscape, encouraging cooperation and change in an industry that desperately needs it.”

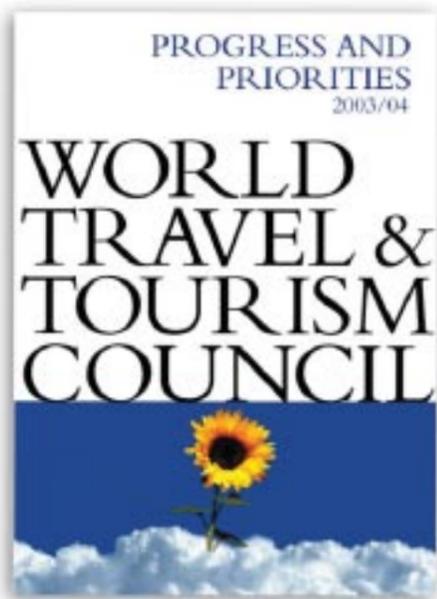
Newsweek, 26 May 2003

“Richard Miller, WTTC vice president for economics, told a news conference that executives gathered at Vilamoura, on Portugal's southern coast, were ‘cautiously optimistic’ that the industry was starting to recover from a downturn stemming from terrorism fears, the Iraq war and the world economic slowdown.”

Reuters.com 15 May 2003

OTHER PUBLICATIONS

Most WTTC publications, as well as the results of its research, are available free of charge and can be downloaded from the WTTC website at www.wttc.org. Hard copies of past publications are also available for distribution. Please contact enquiries@wttc.org for further details. New reports published this year, in addition to those already mentioned elsewhere in this issue of Viewpoint, include:



PROGRESS & PRIORITIES

WTTC's annual report highlights the Council's progress during 2003 and its priorities for the year ahead. The report also presents highlights of WTTC's economic research, including its special 'best' and 'worse' case war scenarios and the potential impact of the Iraq war on Travel & Tourism worldwide.

WTTC'S ANNUAL MACROECONOMIC RESEARCH

WTTC's 2003 Tourism Satellite Account (TSA) research, conducted by Oxford Economic Forecasting, includes simulated TSAs for more than 160 countries. The individual country, regional and world reports were launched in March 2003 and can be downloaded from the Council's website at www.wttc.org.

INDIA 'RETREATS' HIGHLIGHT IMPEDIMENTS TO GROWTH

Once again, the WTTC India 'Retreat' has proved to be a successful medium for flagging the major barriers to India's tourism growth. This year, retreats have been held in Goa (February) and Srinagar, Kashmir (September). Both events were an enormous success, bringing together senior Members of India's Parliament and Government, as well as leaders from the local tourism industry and key media from the region.

"From one day to the next, everything changed. People who relied on Travel & Tourism suddenly had no income, and handicrafts that were sold in abundance from Jammu & Kashmir had to be exported to Goa. Nobody had realized the extent to which we had relied on Travel & Tourism."

Omar Abdullah,
President of the National Congress



Retreat participants at the Grand Palace InterContinental, Srinagar

"While we are delighted to have seen a marked improvement in the Government of India's approach to tourism," said Yogesh Chandra, Secretary General of the WTTC India Initiative, speaking after the Srinagar Retreat, "we still need to overcome certain major hurdles in order to compete effectively with neighbouring destinations."

Among the issues of primary concern cited by Chandra, the most important are high state and service taxes, poor infrastructure, an antiquated visa system, an insufficient budget for tourism development and air access problems.

"We are currently working on a White Paper for Civil Aviation that will be presented to the Ministry at the end of this month," added Jean-Claude Baumgarten, WTTC President. "In this paper we will be making specific recommendations as well as putting forward the views of the private sector."

The Srinagar Retreat was a pertinent location for bringing home the economic importance of Travel & Tourism. The State of Jammu & Kashmir, formerly one of India's most popular tourism destinations, has suffered a huge loss in earnings since violence broke out in 1947 despite a resurgence of the industry in the 70s.

Omar Abdullah, President of the National Congress and keynote speaker at the Srinagar Retreat, explained that: "From one day to the next, everything changed. People who relied on Travel & Tourism suddenly had no income, and handicrafts that were sold in abundance from Jammu & Kashmir had to be exported to Goa. Nobody had realized the extent to which we had relied on Travel & Tourism."



Mufti Mohammad Sayeed, Chief Minister, Government of Jammu and Kashmir, and Lalit Suri, Chairman and Managing Director, Bharat Hotels Ltd, arrive at the Retreat for the day's discussions

The two days of discussions culminated in the decision that the WTTC India Initiative would make Jammu & Kashmir its fourth Partner State. The decision reflects a commitment from WTTC to help unlock the state's Travel & Tourism potential. Initially, the challenge is to change the perception of Jammu & Kashmir as a dangerous holiday destination. A Declaration, stating a commitment to work together, was signed by Jean-Claude Baumgarten and Mufti Mohammad Sayeed, Chief Minister of Jammu & Kashmir.

The next Retreat of the WTTC India Initiative will be held in Calcutta from 13-15 February 2004.

WTTC'S NEW-LOOK COMPETITIVENESS MONITOR

Now in its fourth year, the WTTC Competitiveness Monitor has been updated and enhanced with the support of the Christel DeHaan Tourism and Travel Research Institute at the University of Nottingham. WTTC unveiled the new Monitor at the Tourism Competitiveness Modelling Conference in Pathos, Cyprus, in October.

The new individual country reports and comparative tables provide the world's only representation of the extent to which over 160 countries offer a competitive framework for the development of Travel & Tourism.

Indices featured in the Monitor include price competitiveness, human tourism – which measures the achievement of human development in terms of tourism activity – infrastructure, the environment, technology, human resources, openness and social development.

The new Monitor can be viewed on WTTC's website, www.wttc.org, by following the Competitiveness Monitor link.

COUNTERING THREATS TO SAFETY AND SECURITY

In April 2003 the World Travel & Tourism Council (WTTC) launched a Security Action Plan, together with leading security experts Objective Team. The underlying principle for the Plan, encouraged by WTTC's Membership, was to identify certain key steps to be taken by the industry and governments in a concerted effort to limit the damage wrought by terrorism – and, ultimately, to contribute to defeating it.

“The Action Plan will help Travel & Tourism in two main ways,” said Jean-Claude Baumgarten, WTTC President, at the launch of the Plan in London. “It contains initiatives to counter the threat of terrorism, and its implementation will put minds at ease.”

“The resilience of the travelling public should not be underestimated,” Baumgarten added. “Experience shows that,

once an immediate threat has lifted, people's enthusiasm to travel rapidly returns.”

The Travel & Tourism industry is uniquely placed to help remove the causes of global terrorism, Baumgarten told governments and industry representatives attending the launch.

“It is one of the conduits by which prosperity can flow from wealthier to poorer communities,” he said, “helping to address the imbalance between the 'haves' and the 'have nots'. The more misunderstanding, intolerance and disparity of income can be reduced, the less rationale there will be for the terrorist.” The Executive Summary outlines the key principles and recommendations set out in the WTTC Security Action Plan, which is available from the WTTC website www.wttc.org.

“The Action Plan contains initiatives to counter the threat of terrorism, and its implementation will put minds at ease.”

Jean-Claude Baumgarten,
WTTC President

WTTC advocates a twin-track approach to the adoption and application of this action plan:

- Promoting, to all sectors of the Travel & Tourism industry and to governments, a coherent strategy of high-level messages and associated operating measures, designed to alleviate vulnerability; and
- Convincing the general public and industry employees of the reality that Travel & Tourism must co-exist with the risk of terrorism – provided that risk is mitigated.

The Plan stresses that there is no room for commercial rivalry. Security is a strictly non-competitive issue and requires stakeholders to work together, sharing crucial information freely with each other.

The four cornerstones of WTTC's Security Action Plan are:

1. Coordinate all policy, actions and communications

This will help to engender a spirit of cooperation, as well as integrating security into all policy and operational areas.

In addition, a new approach to travel advisories must be developed as a matter of urgency. The present situation in which 'blanket' threat levels are applied to whole regions of the globe is not only harmful to the Travel & Tourism industry. It is also highly counter-productive for the longer-term campaign to project a positive image in affected areas – and may encourage terrorists to believe their actions are having the impact they desire.

2. Secure operating environments

The public sector must be encouraged to provide clear direction on the nature of a potential threat and the security measures required to defeat it. Governments should also ensure that comprehensive security plans are developed and implemented to help protect the public and all industry employees.

Security equipment and IT – such as that used for biometric identification – must be deployed and used as part of an integrated plan.

3. Deny terrorists freedom of action

Denying freedom of action to the terrorist is closely linked to the process of addressing the underlying grievances – whether justified or not – within local communities. Governments should attach long-term priority to tackling such issues where Travel & Tourism is a factor.

4. Access and work with the best intelligence

The Travel & Tourism industry must exploit to the full its in-built capacity for the collection of 'human intelligence' – information from staff and others on the ground.

Industry leaders, especially security managers, must establish close consultative links with government agencies so that relevant intelligence can be disseminated in the timeliest manner possible.



Jonathan Tisch, Chairman and CEO, Loews Hotels, Michael Bloomberg, Mayor of New York and Sir Ian Prosser, Chairman, InterContinental Hotels Group, PLC at the TBR/WTTC Lunch on 7 October



John M. Noel, David Gilmour with the host Robert Burns at the reception on 7 October



Gala Dinner at the San Francisco Convent, Faro



James D Robinson III, Dionisio Pestana, Mrs Americo Amorim and André Jordan at the Gala Dinner



Ian and Linda Swain, Dr Richard Kelley and Sir Ian and Lady Hilary Prosser at the closing Beach Party in Vilamoura

WTTC EVENTS, NOVEMBER 2002 - OCTOBER 2003

2002

November WTTC Cocktail Reception during World Travel Market, London, UK

2003

February Second Global Summit on Peace through Tourism, Geneva, Switzerland
WTTC India Initiative Goa Retreat, Goa, India

March WTTC/CIBC World Markets Cocktail Reception at the International Hotel Investment Forum, Berlin, Germany

April WTTC/CHA Dinner at the Seventh Annual Caribbean Hotel & Tourism Investment Conference, Hamilton, Bermuda

May WTTC Committee Meetings, AGM & Third Global Travel & Tourism Summit, Vilamoura, Portugal

September WTTC India Initiative Srinagar Retreat, Srinagar, India

October WTTC Committee Meetings, New York, USA

Joint WTTC/Travel Business Roundtable luncheon, New York, USA

Launch of the WTTC *Blueprint for New Tourism*, New York, USA

Private Members' Reception at Bob Burns's house, New York, USA

KEY SOCIAL EVENTS OF 2002-03

Over the past 12 months, WTTC Members have gathered together for a number of informal networking events where they have had the opportunity to interact with each other, as well as with government officials and invited guests.

During World Travel Market in November 2002, WTTC held its annual cocktail reception, hosted by the Travel Corporation. The Council also joined with WTTC Member CIBC World Markets to host a cocktail reception for Members on the occasion of the International Hotel Investment Forum in Berlin in March.

WTTC marked the signing of a strategic alliance with the Caribbean Hotel Association (CHA) with a dinner during the Caribbean Hotel & Tourism Investment Conference in Bermuda in April.

SECOND GLOBAL SUMMIT ON PEACE THROUGH TOURISM

WTTC worked in partnership with the International Institute for Peace through Tourism to organize the Second Global Summit in Geneva in February 2003. WTTC Members joined ministers of tourism, academics and representatives of the industry to discuss the economic fallout of war, the link between poverty and peace, and the contribution both travel companies and individuals working in the industry can make to help achieve international understanding and cooperation.

EVENTS OF 7 OCTOBER 2003

WTTC held its Committee meetings in New York on 7 October, marking a significant moment in WTTC's history – the launch of the *Blueprint for New Tourism* (see page 1).

The Blueprint's launch was accompanied by prestigious social events. On the same day the Council held its traditional joint lunch with its US partner, the Travel Business Roundtable, at which the guest speaker was Michael Bloomberg, Mayor of New York.

While in New York, Members also had the opportunity of meeting for an informal private reception at the home of WTTC's former Chairman, Bob Burns.

UPCOMING WTTC EVENTS

2003

10–12 November World Travel Market, London, UK
- Centre stage session
- preview debate for Fourth Global Travel & Tourism Summit
- WTTC Cocktail reception

2004

13–15 February WTTC India Initiative Calcutta Retreat, Calcutta, India

30 April WTTC Committee Meetings, Doha, Qatar

1–2 May WTTC AGM and Fourth Global Travel & Tourism Summit, Doha Qatar

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