

ASSOCIATION OF CARIBBEAN STATES

24TH MEETING OF THE SPECIAL COMMITTEE ON SUSTAINABLE TOURISM (SCST-24) AND 2ND PREPARATORY MEETING OF THE 3RD MEETING OF MINISTERS OF TOURISM OF THE GREATER CARIBBEAN (TMM-3) Port of Spain, Trinidad and Tobago, July 16-17, 2013

BRIEFING DOCUMENT ON THE MEETING OF MINISTERS OF TOURISM OF THE GREATER CARIBBEAN - CONSIDERATIONS FOR THE CONVENING OF TMM-3

1. INTRODUCTION

The ACS Tourism Ministerial Meeting (TMM) is considered a political platform for Ministers of Tourism of the different Greater Caribbean sub-regions to coordinate efforts and address common challenges in Tourism, one of the most important economic sectors of our region. The opportunity is also taken to provide Ministers with updated and practical information that would assist in the development of tourism policies in a sustainable manner.

The theme of the Ministerial and corresponding sub-topics are selected to facilitate the formulation of policies where needed and development of intervening strategies that can be addressed through co-operation. As such, international and regional partner organisations are invited to share their initiatives and considerations of contemporary and complex issues affecting the development of tourism, such as visitor safety and security, Air accessibility, the global financial situation and climate change. The purpose in this regard, being the facilitation of multi-lateral dialogue aimed at strengthening cooperation mechanisms in the area of Tourism development.

Following the mandate given by the 4th Summit of ACS' Heads of States and Government held in Panama in July 2005 two TMMs have been held: TMM-1 in Havana Cuba in October 2006 and TMM-2 in Barranquilla, Colombia, in April 2009. This document will present an over-view of the historical evolution of the TMM, provide information on the intervening logic and lastly present considerations for the convening of the Third meeting of Ministers of Tourism of the Greater Caribbean (TMM-3).

2. BACKGROUND

At the 4th Summit of the ACS Heads of States and Government concluded on July 29th, 2005 in Panama City, Heads of State and/or Government once again acknowledged the importance of tourism for Caribbean countries, as well as the need to exchange national experiences in the area of public policies that could serve as a point of reference for the formulation of regional guidelines to ensure the sustainability of this economic activity.

As mandated in the Panama Declaration Article 22b; the ACS Special Committee on Sustainable Tourism (SCST) was assigned the task of organising this exchange through the convening of a High Level Meeting of Tourism Officials of the Greater Caribbean:

We have decided that the Ministers or the highest tourism authorities of ACS Members, in the framework of the Special Committee on Sustainable Tourism and in conjunction with the specialised organisations in the Greater Caribbean, should convene a meeting during the first half of 2006, during which experiences would be exchanged and proposals and alternatives regarding public tourism policies would be examined, especially those associated with cruise ships, so that the possibilities of this type of tourism providing a greater contribution to the sustainable development of the sector in countries within the zone can be evaluated.

Consequently, the SCST at its 15th Meeting held in Fort-de-France, Martinique on November 30th, 2005, agreed to convene the First Meeting of Ministers of Tourism of the Greater Caribbean (TMM-1) in the first half of 2006. In February 2006, the Government of Cuba offered to host TMM-1 in Havana on May 8th, as part of the activities of the 25th Cuba International Tourism Fair. However, after consultation with institutional stakeholders and consideration of diverse reasons, including among others the overlapping of this Meeting with previous commitments of some of the fundamental regional partners, the meeting was postponed and finally held on October 19th, 2006.

The decisions and recommendations of this meeting of high level tourism authorities were captured in the Declaration of Havana on Tourism in the Greater Caribbean (DHAV). The ACS Ministerial Council signed Agreement N° 11/07 institutionalising the DHAV.

Acknowledging the relevance of this Greater Caribbean Tourism forum, the TMM-1 "agreed to analyse the proposal to institutionalise the ACS Tourism Ministerial Meeting on a biennial basis". Having TMM-1 been held in 2006, the SCST proceed to request ACS States and Associate Members their expression of interest to host the 2nd Tourism Ministerial Meeting (TMM-2) in 2008. However, countries were not forthcoming in offering to host this meeting in 2008. It was at the 14th Ordinary Meeting of the ACS Ministerial Council in January 2009 that the Republic of Colombia officially presented its offer to host TMM-2 in April 2009, offer that was accepted by through the signing of Agreement N° 08/09.

TMM-2 was therefore held in Barranquilla on April 24th, 2009. With the participation of delegations from eight Member States (four at the Minister level) and two Associate Members, two Funding Observers (CTO and ECLAC), as well as experts from two regional specialised agencies (IICA, CDERA) and from the University of Oxford, the meeting agreed to a series of recommendations compiled in the Declaration of Barranquilla on Sustainable Tourism in the Greater Caribbean (DBAQ). The Meeting proposed to consider changing the periodicity of the TMM's from biannual, as agreed at TMM-1 to annual, however, concern was expressed on the number of regional and international events held every year requesting the presence of Ministers of Tourism and therefore caution was recommended on selecting the dates for the proposed annual ACS TMM.

3. INTERVENING LOGIC

OBJECTIVE

The objective of the Tourism Ministerial Meeting is to exchange views, consolidate common actions that would yield benefits for the diverse composition of the ACS membership and propose alternatives to increase the contribution of the tourism industry to the sustainable development of the Greater Caribbean countries.

SCOPE

Ministers of Tourism of the different Greater Caribbean and high-level tourism officials are invited to exchange views on strategic alliances in the area of tourism as it relates to the regional economy, transport, the environment, as well as regional initiatives on product diversification and community involvement in order to ensure the sustainability of this important source of foreign revenue for the Greater Caribbean.

Additionally, international and regional partner organizations are also invited to share their initiatives and considerations of contemporary and complex issues that affect the development of tourism, such as food security, the global financial situation as well as climate change.

Bearing in mind the interdependence of many of the issues related to the regional tourism industry, in preparing the agenda for the TMM, the ACS Special Committee and Directorate for Sustainable Tourism work in close collaboration with the ACS Directorates of Trade, Transport and Disaster Risk Reduction and their respective Special Committees.

PROCESS

If a country is interested in hosting the TMM, it so communicates in writing to the Secretariat. The Secretariat in its turn would then inform the ACS membership of the offer. The hosting of an ACS Meeting outside of the ACS Headquarters is governed by Ministerial Agreement N^o 05/03. This agreement stipulates the conditions and arrangements to which the Host Country is committing as well as the responsibilities of the Secretariat. This agreement is attached as Annex I.

THE ACS PERSPECTIVE

In November 2009, in response to the ACS financial situation, the 21st Meeting of the Special Committee on Budget and Administration recommended the reduction of expenses for TMM. The following year at the 15th Meeting of the ACS Ministerial Council for its consideration in January 2010, the Ministerial Council through Agreement N^o 10/10 institutionalised the DBAQ and urged the DST "to convene the Meeting of Ministers of Tourism of the Greater Caribbean for the 2010-2011 biennium, with rationalization efforts to hold it at the headquarters of the Association preferably".

These considerations were addressed at the Twenty-second Meeting of the Special Committee on Sustainable Tourism (SCST-22), where it was agreed that next meeting of Ministers (TMM-3) would be held in the 2012-2013 biennium and be included in the Sustainable Tourism Programme budget of the ACS.

TMMs have proven to fulfil their objectives in providing a platform for intra-regional exchange at the highest political level and the formulation of common positions on issues affecting the sustainable development of tourism in the Greater Caribbean. The two Declarations emanating from these meetings have provided strategic guidance to the work of the SCST and the DST for the implementation of the ACS Sustainable Tourism Work Programme. Initiatives such as the establishment of an Association of Caribbean Cruise Destinations (ACCD), the support to regional tourism and climate change projects such as CARIBSAVE, the coordinated efforts of ACS Directorates for Sustainable Tourism and Transport on air and maritime transport and for Trade on Food Security, are some of the immediate results of the TMMs in only two stages.

Mindful of the global financial crisis that affects ACS Member States and Associate Members as well as of the busy tourism regional agenda, the availability of Ministers of Tourism to attend regional and international meetings is becoming more limited. It is important in this environment of limited time and scarce resources to prepare agendas that would address the most relevant issues affecting the regional tourism sector, with a view towards developing comprehensive follow-up programs and strategies, while also providing an opportunity to share best-practices and learn from each other's experiences. It is also very important to ensure that ACS Member States and Associate Members take ownership of the recommendations emanated from these high level meetings so as to ensure that they become part of their own national agendas.

4. CONSIDERATIONS FOR THE CONVENING OF TMM-3

The convening of the TMM-3 is set to take place approximately six years after the first Meeting of Ministers (TMM-1) and just over 10 years following the Convention Establishing the Sustainable Tourism Zone of the Caribbean (STZC), which was signed at the 3rd Summit of ACS Heads of States and/or Governments in Margarita Island, Venezuela in 2001. The ACS Sustainable Tourism Work Programme was conceptualised to create a portfolio of projects that would form the basis for the establishment of the Caribbean as a **Sustainable Tourism Zone**. There is thus a mutually reinforcing and symbiotic relationship that is further reinforced by the mandates generated from such fora as the Meetings of Ministers. In this regard, as it relates to a proposed theme and agenda for the TMM-3 which would shape the development of follow-up projects and activities, a review of current trends and issues affecting the regional tourism industry is noteworthy.

Analysis of the state of the regional tourism industry and the factors affecting the tourism sector reveals several significant and important changes. These include the residual effects of the global economic crisis; the influence of technology on the global value chain, consumer buying practices, market accessibility and information channels; an increase in competition as non-traditional tourism destinations are turning to tourism; structural shifts in source markets as primary markets diminish and new markets evolve; and the effects of recent travel, visa and immigration policies such as the UK's Air passenger duty tax, new passport regulations introduced by the US and the new free movement policy adopted by the EU which has made travel to and between EU countries more convenient and accessible.

One of the most impactful changes however has been the shift in consumer demand and motivation factors. The industry is undergoing rapid transformation as nature, heritage and

recreational destinations become more important, with the effect that conventional tourism is forced to meet tougher requirements in order to attract the more discerning and socially conscious 21st century consumer. This presents a challenge to governments and private enterprises to develop new approaches to the tourism market as travelers demand more environmentally and socially responsible travel and vacation options. A positive effect of this paradigm shift has been the emergence of a new concept of tourism, the 'experiential' or niche tourism market that incorporates equal parts of natural and cultural resources and community involvement.

A niche tourism market is a specific market segment, usually with a well-defined product, that can be tailored to meet the interests of the customer. Examples for the Caribbean include golf, bird/whale watching and diving. It should be noted that **"niche" does not necessarily mean "small"** – niche markets can generate large numbers of revenues and tourists. Niche markets are good for diversifying the product, minimizing the effects of seasonality and reducing pressure on "honey pot" areas by distributing tourists to lesser-visited sites and attractions (CTO.org). Niche market tourists most often tend to be higher spenders than the average tourist. Additionally, they are more likely to remain at the destination for more than one night ensuring that tourist spending is spread more widely throughout the country, impacting various segments of the local community and micro, small and medium tourism enterprises, thereby providing greater benefits.

According to the United Nations World Tourism Organisation (UNWTO), niche market tourism is the fastest growing segment of the tourism industry and includes specialised segments such as adventure tourism, eco-tourism, cultural tourism, agro-tourism, educational travel, voluntourism and community-based /pro-poor tourism, among others. A unique and integral aspect of niche market tourism is "the experience". This places emphasis on the authentic experiences destinations can offer in the area of local culture, learning, closeness to nature, wellness and adventure (UNWTO.org). Experiential tourism has become the current term that encompasses a variety of tourism and traveler categories, where activities are environmentally sensitive, respect the culture of the host area and incorporates active participation, involvement and/or immersion for experience or learning.

The Niche Tourism Market requires and expects a well-managed destination that pursues sustainable development and practises environmental responsibility as well as protecting its heritage and cultural resources. This presents both opportunities and challenges for the countries of the region. In terms of opportunities niche market tourism aligns to the practice of Sustainable Tourism therefore a well developed and managed product will have significant cross-sectoral potential for accomplishing strategic objectives related to economic growth, social empowerment, biodiversity conservation, and natural resources management, and can also be a powerful tool for addressing other important cross-cutting agendas such as gender equity, global health, and local governance. Several countries in the Greater Caribbean have been successful at attempts to diversify their products to meet these new market conditions, and as such have developed some of the more popular niches. The challenge however, is that the level of product development and sophistication varies according to capacity, and as a result the full potential remains largely untapped.

There is therefore need to facilitate knowledge and capacity-building so that the countries of the Greater Caribbean are better able to attract these new markets while also maintaining so as

not to undervalue the tradition of sun, sea and sand tourism which is always in demand due the regions favorable climate, and provides a relatively stable supply of consumers due age and income demographics and proximity to major source markets.

At the apex of this juncture it is proposed that the TMM-3 explore the theme of "**Enhancing the Global Competitiveness of the Regional Tourism Industry through the Sustainable Development of Niche Markets.**" The region's nature, cultural heritage and soft adventure tourism resources are globally competitive. The recommendation therefore is that each destination focuses on developing its unique assets as a means of strengthening comparative advantages to create local distinctiveness in the face of globalisation. It is proposed that the meeting analyse regional and international case studies and best practices as it relates to tourism planning, policy developments and the institutional framework for monitoring and evaluation, to inform the development of strategic interventions to more effectively manage and grow regional niches.

The success and sustainability of Niche Market Tourism in the Region, requires constant monitoring of impacts. Proper marketing and positioning as well as commitment to ensure a meaningful 'experience' and so maintain a high level of tourist satisfaction, is also necessary and will assist in raising awareness of national and regional sustainability issues while also promoting sustainable tourism practices amongst visitors (UNWTO.org). Therefore strong political leadership is essential to ensure wide participation and consensus building. The benefit being that properly developed and managed niche tourism segments can enhance countries abilities to become more attractive to target markets, while also increasing their competitiveness as locations to live, visit, work and invest in.

The following thematic outline is presented as a possible framework for the meeting.

Theme: Enhancing the Global Competitiveness of the Regional Tourism Industry through the Sustainable Development of Niche Markets

Case studies and presentations by Country representatives, regional and international experts for knowledge enhancing and to deliver capacity-building tools and strategies on:

- A. Diversification/Product Development
- B. Promotion as it relates to Branding and Positioning
- C. Development of Multi-Destination Tourism and Intra-regional markets.

Exploration of management and tactical strategies for the development and strengthening of the following Regional Niche Tourism Markets:

1. Nature-Based Tourism

- a. Adventure Tourism (Hiking, Diving, Sailing, fly fishing, Snorkeling)
- b. Eco-Tourism (Bird watching, whale watching and Turtle nesting)
- c. Agro-Tourism

2. Culture and Heritage Tourism

- a. Culinary Tourism

- b. Community-based Tourism (Home Stays)

3. Health and Wellness Tourism

- a. Medical Tourism and Tourism Medicines
- b. Yoga, Spas and Health and Wellness Retreats

4. Events Tourism (Mass appeal)

- a. Carnivals
- b. Sports Tourism

It is recommended that as part of the preparatory process a **Survey** is developed to explore the incidences and stages of development of these market niches in the ACS Member and Associate Member countries. The survey is intended to inform the development of the Agenda, drafting of the Meeting's Declaration as well as formulation of the Plan-of-Action for follow-up activities and will include the following:

- Information on why the particular niche was selected and is important.
- The current status such as the level of growth and maturity.
- Information on challenges and mitigation strategies.
- Provides examples of best practices.
- Provides details of economic generation and contribution to Tourism/National GDP.
- Recommends avenues for strengthening such as investment potential, and opportunities for supply chain integration etc.