



**Asia-Pacific  
Economic Cooperation**

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**2016/TWG49/002**

Agenda Item: 2

## **Summary Report - 48<sup>th</sup> Tourism Working Group Meeting**

Purpose: Consideration  
Submitted by: APEC Secretariat



**49<sup>th</sup> Tourism Working Group Meeting  
Kokopo, Papua New Guinea  
31 August – 1 September 2016**

**48th APEC TOURISM WORKING GROUP MEETING (TWG)  
25-26 May 2016, Lima, Peru**

**SUMMARY RECORD OF DISCUSSION**

Day 1

**OPENING CEREMONY AND SESSION**

**1. Welcoming, Opening remarks and Introductions**

- 1.1 The new Lead Shepherd of the Tourism Working Group (TWG), Ms. Jennifer Aguinaga of the United States, opened the 48<sup>th</sup> Tourism Working Group Meeting and gave her Welcome remarks.
- 1.2 The meeting was attended by Economies from Australia, Brunei Darussalam, Canada, Chile, China, Indonesia, Japan, Republic of Korea, Malaysia, Mexico, Papua New Guinea, Peru, the Philippines, Singapore, Chinese Taipei, Thailand, United States and Viet Nam. ABAC was present, as well as Guests from Macau, China (Macao Economic Services), International Air Transport Association (IATA) and World Travel and Tourism Council (WTTC). The APEC Secretariat and APEC Policy Support Unit were also present at the meeting.
- 1.3 The Lead Shepherd (LS) invited the TWG members for a round of introductions, including APEC Secretariat's new TWG Program Director (PD), Ms. Grace Cruz-Fabella.
- 1.4 The LS announced the need for TWG to select a new Deputy Lead Shepherd as the position is currently vacant.
- 1.5 On behalf of the 2016 APEC Host Economy, Peru, Ministry of Foreign Trade and Tourism (MINCETUR) official, Mrs. Mercedes Govea, gave her Welcome remarks to the TWG.
- 1.6 The TWG members were invited by the Host Economy, Peru, for the Group Photo.

**2. Adoption of the Agenda**

- 2.1 The LS proposed the adoption of the Draft Annotated Agenda for the 48<sup>th</sup> APEC Tourism Working Group (TWG48) Meeting that was circulated intercessionally.

*The TWG48 Annotated Agenda was adopted by the TWG.*

**3. Business Arrangements**

- 3.1 Host Economy, Peru, informed the APEC Tourism Working Group of the business arrangements for the meeting.

**4. Secretariat Report**

4.1 The TWG PD gave a highlight of the results of APEC TWG47 Meeting held in 27-28 August 2015 in Chiang Mai, Thailand, based on the draft summary record of discussion that was circulated intercessionally and endorsed in March 2016.

4.2 Australia requested the TWG members to consider and approve proposed edits on three paragraphs, namely para. 10.3, 15.1 and 17.

*After due consideration, TWG adopted a new version of the Summary Record of Discussion for the TWG47 Meeting.*

4.3 The TWG PD presented an update on APEC Project Management and current projects.

*The TWG took note of the Secretariat's Report.*

## **DISCUSSION ON STRATEGIC DIRECTION**

### **5. Travel Facilitation Initiative (TFI)**

5.1 As TWG representative to the Travel Facilitation Initiative (TFI), Australia gave a presentation on the latest on TFI activities and the results of the mid-term TFI assessment. The TWG members gave comments and took note of the Report.

5.2 The LS posed a question to the group on how TWG should take action relative to the TFI recommendations and the extent to which TWG should get involved.

*The APEC Secretariat was tasked to circulate the TFI recommendations to TWG, with a request for comments and/or endorsement by 17 June 2016.*

*Note: The TWG endorsed the TFI recommendations after two rounds, on 2 August 2016.*

### **6. Update on TWG Strategic Plan**

6.1 The LS opened the discussion on the TWG Strategic Plan, which was endorsed by the group in 2015. The LS highlighted the need to study the Plan's objectives and to add or remove specific objectives as deemed necessary to achieve the objectives of the TWG.

6.2 As a way forward, the LS called for TWG members to take a closer look at the specific activities in the Plan and to volunteer or decide on a member economy champion for each activity.

*The TWG agreed to the proposed way forward and to consider the Plan intercessionally.*

### **7. State of APEC Tourism Report**

7.1 The first State of APEC Tourism Report was delivered to APEC leaders at the end of 2015.

- 7.2 The LS asked members if there is more information that the TWG can include especially if it will be similarly delivered to the APEC Leaders' Week this 2016. TWG Members were requested to provide their comments towards a submitted draft Report.
- 7.3 The WTTC mentioned in Catalyst for growth, TWG can emphasize safety and security issues, and integration of government, e.g. Tourism, Foreign Affairs, Homeland Security, and the private sector. WTTC offered to work on the language for this section.
- 7.4 The Philippines proposed to include progress of the projects initiated under the TWG in the Report. The WTTC supported the Philippines' recommendation, the importance of recognizing projects by TWG that are integrated with other APEC WGs, and the cross pollination of ideas.

*The TWG reiterated the commitment to have a small WG on the State of APEC Tourism Report. The Small Working Group on the State of APEC Tourism Report, namely, Australia, Malaysia, Mexico, Papua New Guinea, the Philippines, TWG LS, and WTTC, held a side meeting before lunch.*

## **8. Cross fora Collaboration**

### **8.1 The APEC Mainstreaming Ocean Related Issues Initiative (MOI) Coordination Terms of Reference**

- 8.1.1 The LS gave a PowerPoint Presentation for agenda item 8.1, where the TWG was represented by its former LS at the MOI Steering Committee (MOISC) meeting in Lima. The LS noted that if TWG gets involved in MOI, it will be under item3, which fits under the 2<sup>nd</sup> priority in the TWG Strategic Plan and is an opportunity to increase our cross-fora collaboration.
- 8.1.2 Indonesia will submit an additional Concept Note on MOI that would link tourism and inclusive growth, identify challenges in maritime and tourism sectors in APEC (among other priorities), and support TPTWG, MOISC and SCE work.
- 8.1.3 The US wanted clarification if this was more of a process question -- was MOI the best way for TWG to engage on this topic and will TWG even be represented in person at the MOI meetings since TWG does not meet at SOM cluster meetings?
- 8.1.4 WTTC noted that the success of the TFI was collaboration of many WGs around 1 issue. WTTC said it would raise TWG's stature to be in this MOI fora and TWG cannot ignore oceans and the tourism that's dependent upon it.
- 8.1.5 The Philippines attended the first MOISC meeting in 2015 and noted that MOI has a connection to the TWG Strategic Plan. TWG's continued involvement in MOI will raise profile of the TWG and give the group leverage to engage and participate in the decision making process on oceans-related issues. The question is who will represent TWG as economy coordinator -- can the group request attendance from the TWG representative of whichever economy is hosting the MOI meeting, or Indonesia as current chair of MOI?

*The LS asked for a volunteer economy for coordination with MOI.*

## **8.2 APEC Counter-Terrorism Working Group (CTWG) Concept Note on APEC Workshop on Strengthening Tourism Business Resilience against the impact of Terrorist Attack**

8.2.1 The APEC Secretariat gave a quick summary of this Counter-Terrorism CN. Australia noted that this CN is very important, especially on resilience and engagement in counter-terrorism response planning. The WTTC said it's a very timely and important project and offered assistance. WTTC suggested integration with security forces to demonstrate this cross-engagement, to provide technical background, national crisis management program (UNWTO toolkit, for example).

*The TWG took note of the CTWG Concept Note.*

## **8.3 HRDWG Concept Note**

8.3.1 The background of this CN was provided by Australia to the TWG.

8.3.2 During the discussions, Peru mentioned occupational standards, labor centers and facilitation of labor mobility as a special interest. Peru also highlighted interest in capacity building of youth, labor certification for occupations within the sector and for artisans, and providing tools to certify skills for better opportunities along the value chain. Peru noted cross-fora collaboration has to be mentioned in the Lima Declaration, where the TWG is willing and capable to have concrete action with the HRDWG.

8.3.3 The APEC Secretariat informed TWG that this CN did not receive funding from APEC due to its low score relative to other CNs.

*The TWG took note of the HRDWG Concept Note.*

## **PREPARATIONS FOR TMM9**

### **9. TMM Logistics and Business Arrangements**

#### Schedule for APEC Tourism Ministers/Heads of Delegation for May 27- 29, 2016

9.1 The TWG was briefed by the Peru's MINCETUR on the changes to the general program of the TMM9. All the events was scheduled to be held at the LCC with an earlier start and earlier end time. Transportation will be provided very early on Saturday, May 28<sup>th</sup>, for the Lima Convention Centre (LCC). The TMM9 meeting was expected to finish by 12:50pm on May 29<sup>th</sup>. A Press Conference will be held immediately after the meeting, followed by a Farewell Lunch for delegates as a closing event.

#### Business Arrangements for the 9<sup>th</sup> APEC Tourism Ministerial Meeting in Lima, Peru

9.2 Peru's MINCETUR briefed TWG regarding Press Conference arrangements, information on Liaison Officers (LOs), and the APEC Family photo, with Ministers/HODs requested to

wear the special Peruvian attire and hat. A reminder was made to economies to inform the APEC Secretariat on any last-minute requests for document reproduction.

## **10. TMM Agenda**

10.1 Peru gave a Presentation on the 9<sup>th</sup> Tourism Ministerial Meeting Agenda, focusing on choice of topics and agenda items for lead discussion and encouraged the TWG members to propose joint projects/statements.

10.2 TWG member economies confirmed their Ministers/HoDs' interest in the economy-led agenda items, as follows:

- Agenda Item 1 - Air Connectivity, proposed speakers: Thailand and Australia,
- Agenda Item 2 - Travel Facilitation, proposed speaker: USA (Russia and other economies involved in the study); WTTC to comment on outcome of WTTC Global Summit 2016,
- Agenda Item 3 - Promoting Labor skills, proposed speaker: Australia,
- Agenda Item - 4 Linkages between Tourism and Sustainable and Inclusive Development, proposed speakers: Papua New Guinea, Korea, the Philippines and the APEC PSU,
- Partnership with Private sector, proposed speakers: Peru, UNWTO and WTTC.

10.3 Peru provided guidance on speaking times for each agenda item.

*The TWG took note of the TMM9 Agenda.*

## **11. Lima Declaration**

11.1 The Host Economy, Peru, briefed the TWG on the proposed draft Lima Declaration and invited the TWG48 Meeting to provide final comments and suggestions.

*The TWG concluded the drafting session on the Lima Declaration with a consensus on the text.*

## Day 2

### **BUSINESS ARRANGEMENTS**

The TWG48 meeting resumed with Peru's announcements on the Business Arrangements for the day's meeting, including closing cocktails at the 5<sup>th</sup> floor, and arrangements for the incoming Ministers and HODs for the 9<sup>th</sup> Tourism Ministerial Meeting (TMM9).

The LS acknowledged the TWG's receipt of both the tracked and clean versions of the Lima Declaration as endorsed by the group the previous day.

The LS announced a change in the Meeting Agenda to include the presentation by Indonesia of its Concept Note (CN) for Project session 2/2016 as the new Agenda Item no. 18.

*The TWG approved the change in the Meeting Agenda.*

## **TWG PROJECTS**

### **12. TWG 01 2014A: “Develop Air Connectivity in the APEC Region”**

- 12.1 Thailand gave Opening Remarks on its TWG 01 2014A Project.
- 12.2 IATA gave a PPT presentation to brief TWG members of the project. IATA mentioned that aircraft technology affects/limits air connectivity of APEC cities. For example, Boeing has to consider the existing infrastructure requirement when designing their new plane.
- 12.3 The LS encouraged TWG to consider how to build on this study and possibly collaborate with TPTWG. It was suggested that TWG-Malaysia may wish to attend the TPTWG meeting in Malaysia in September.
- 12.4 The Philippines noted this project as good starting point to collaborate with TPTWG regarding air connectivity and sought clarification on some aspects of the IATA study such as its recommendations. The Philippines has created a route development program under its Dept. of Tourism and might be able to invite IATA to present to Transportation officials and local airlines.
- 12.5 Indonesia commented on some possible issues such as protectionism and air traffic agreements, openness of each APEC economy. IATA explained that these issues were handled by the Air Services Subgroup of TPTWG, and the situation seems to be getting better.
- 12.6 The WTTC noted that the study is useful but discouraging especially regarding connectivity between South America and Asia. WTTC noted that new airplane technology is interesting but the question is if airports will be able to accommodate those new airplanes.

*The TWG took note of the progress of the project and will consider next steps, including possible future collaboration with the TPTWG.*

### **13. TWG 02 2014A: “Developing Smart Traveller Programmes to Facilitate International Travel in the APEC Region”.**

- 13.1 The Project Overseer from Russia was not present to report on the outcomes of the TWG 02 2014A Project. The LS provided a summary instead and informed the TWG that the Project began in March 2015, the Final Report was endorsed by TWG on 5 February 2016 and the Report was published and uploaded on the APEC Publication Database in February 2016.

*The TWG took note of the LS’s summary for TWG 02 2014A.*

#### **14. TWG 01 2015: “Developing Traveler-Friendly Airports to Improve the Passenger Experience in the APEC Region”.**

- 14.1 The LS, on behalf of the United States, gave a brief summary of the results of the TWG 01 2015 workshop that was held on 24 May 2016. The LS informed that four out of the five airports in the study were represented at the workshop. The LS conveyed the overall objectives of the project, activities in selection of pilot airports for the study and sharing of best practices, deliverables and next steps.
- 14.2 Indonesia noted the importance of having traveler-friendly airports.
- 14.3 Papua New Guinea conveyed appreciation for the workshop and support for experts of APEC travel-eligible economies to be brought in to get feedback through the case studies.

*The TWG noted the progress of the TWG 01 2015 project.*

#### **15. TWG 02 2015: “Developing the tourism workforce of the future through labour and skills development, certification and mobility in the APEC region”**

- 15.1 Australia gave a presentation on the objectives, key dates, survey and progress of the TWG 02 2015 project.
- 15.2 Malaysia noted that the labor force in the tourism industry is very crucial – it is also an important issue in ASEAN – with the MRAs to address the issue of labor and certification, perception of low wages and working hours discourage potential employees in this industry.
- 15.3 The Philippines noted that this project is very important and runs parallel to what UNWTO, PATA and WTTC are doing in giving importance to human capital development, including competition demands from other industries – answering how we give value to human capital development.
- 15.4 Australia mentioned a new study on career perceptions are coming out for students and parents.
- 15.5 Papua New Guinea said it looked forward to the analyses of the skills shortage, also looking at event management in tourism sector in support for APEC host year, and the project’s alignment with HRDWG. The TWG noted that this project has received joint endorsement with the HRDWG.
- 15.6 Peru noted that Australia’s study will be useful for the revised project to be developed by Peru.
- 15.7 Indonesia suggested a similar research in Indonesia on its tourism labor force.
- 15.8 WTTC underscored how Human Capital Development study leaders in industry are worried about this issue, on challenges to fill the gaps, possible shortfall in jobs and reduction of global travel and tourism GDP. The challenge is to change perceptions, and encourage ways into getting tourism into the school system as a career path and give it recognition in the economic wellbeing in communities. There should be a non-traditional approach in making tourism look like a serious industry.



*The TWG noted the progress of the TWG 02 2015 project.*

#### **16. TWG Program for Sustainable and Inclusive Tourism**

- 16.1 The APEC Policy Support Unit briefed the TWG on PSU study on Tourism and Inclusive Growth, with a focus on determinants of tourism arrivals (push factors, pull factors), main findings, pro-poor tourism and MSMEs, and policy implications.
- 16.2 Australia noted PSU's study and will share the statistics with colleagues in immigration.
- 16.3 Papua New Guinea noted that it was in the process of looking at visa fees and visa costs.
- 16.4 Peru noted that the data shown highlights importance of travel facilitation and air connectivity.
- 16.5 Korea noted that the PSU's data is very useful to help tourism policies.
- 16.6 The Philippines noted that this study furthers the discussion in last year's TWG meetings and it is important to see how much other APEC subfora work relates to tourism.
- 16.7 Malaysia noted that it was a very good study for economies to consider visa facilitation affecting positive tourism arrivals.
- 16.8 The LS highlighted PSU's observation on the need for more data sharing among economies. The LS noted that TWG can create some sort of uniform presentation that would help us with this aspect.

*The TWG took note of the study by PSU. The members were invited to give comments towards the finalisation of the Report.*

#### **17. TWG Project Proposal for Session 1 2016: APEC Workshop on Volun-Tourism Best Practices: Promoting Inclusive Community-Based Sustainable Tourism Initiatives**

- 17.1 Papua New Guinea gave a presentation to the TWG on its Project Proposal for Session1.
- 17.2 Australia, Indonesia, Malaysia, the Philippines and the LS congratulated Papua New Guinea for getting the project proposal funded.
- 17.3 Malaysia suggested the addition of retirees in the volun-tourism program.
- 17.4 The TWG noted that this Project resonates with inclusive growth, new dimension on tourism product that can be covered by APEC economies.

*The TWG took note of the presentation by Papua New Guinea.*

#### **18. TWG Concept Note: APEC Strategy for Economic growth and Jobs in Maritime and Coastal Tourism**

- 18.1 Indonesia briefed the TWG about their Concept Note: APEC Strategy for Economic growth and Jobs in Maritime and Coastal Tourism, and requested TWG co-sponsorship and endorsement for Project Session 2/2016.
- 18.2 Singapore asks for clarification on what constitutes a maritime and coastal tourism.
- 18.3 Thailand and Malaysia volunteered to be co-sponsors.

*The TWG endorsed the Concept Note by Indonesia. The APEC Secretariat was tasked to assist Indonesia in the development and submission of the CN in time for Project Session 2/2016.*

After the topic of Projects, the TWG went back to discuss the latest draft Lima Declaration and reviewed the draft. The TWG reached consensus on the draft Declaration by 3:50pm.

## **INFORMATION SHARING**

### **19. Briefing by TWG Members on Tourism Development**

19.1 The LS invited member economies to present an informal statement on the current state of the travel and tourism industry in their respective economies.

19.2 Reports from all APEC economies present were delivered. The economies of Canada, Hong Kong China, and New Zealand were not present at the TWG48 Meeting.

*The TWG took note of the briefings on Tourism Development by the Members. All Member Reports have been uploaded at the APEC Meeting Document Database.*

Peru's Vice Minister for Foreign Trade and Tourism came to address the TWG and give Welcome remarks to the TWG members and guests.

### **20. Guest Reports**

20.1 The Guests were invited to present updates and deliver short presentations outlining the key issues and trends impacting tourism.

*The TWG took note of the reports by the Guests. All Guest Reports have been uploaded at the APEC Meeting Document Database.*

## **OTHER BUSINESS AND CLOSING SESSION**

### **21. Future Meeting/Activities**

20.1 As host for the 49<sup>th</sup> APEC TWG meeting, Papua New Guinea briefed members on preparations for TWG49 Meeting and presented a video. Indonesia thanked PNG on behalf of the TWG.

20.2 As host of the APEC 2017, Viet Nam gave a briefing on preparations for its host year, especially the 50<sup>th</sup> APEC TWG meeting and plans to host a High Level Tourism Meeting in June next year in Ha Long Bay.

20.3 The LS invited member economies to volunteer to host future TWG meetings.

*The TWG took note of the details provided by next hosts of its future meetings.*

## **22. Other business**

21.1 The LS noted two items under other business: (1) the selection of a new Deputy Lead Shepherd and (2) the issue of TWG Guests and non-member participation (NMP).

21.2 On the Nomination of a new TWG Deputy LS, Australia nominated Ms. Alcinda Trawen of Papua New Guinea for the position. The nomination was seconded by Thailand, the Philippines, the USA, Malaysia, Peru, and Viet Nam, and it was approved by consensus.

*Ms. Alcinda Trawen accepted the position of TWG Deputy Lead Shepherd.*

21.3 The PD was tasked to include the matter of Guests/NMP in the TWG49 agenda.

21.4 The Lima Declaration was formally endorsed by the TWG. The Secretariat was tasked to circulate the final copy of the Lima Declaration to the TWG.

*The PD circulated the final TWG-endorsed copy of the Lima Declaration to the Working Group.*

## **23. Document Classification**

The APEC Secretariat briefed the TWG on the Document Classification List. TWG members reviewed the classification and purpose of all the meeting documents.

*The TWG endorsed the Document Classification List.*

## **24. Closing Remarks**

The LS gave the Closing Remarks and thanked Peru for its warm hospitality and excellent arrangements. She thanked the TWG for its full support and cooperation. The LS formally concluded the TWG48 Meeting at 6:45pm on 26 May 2016.