



Tourism Working Group
Issue Note



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1. BACKGROUND

Tourism plays a key role in the global economy, contributing significantly to Gross Domestic Product (GDP) and job creation. According to data from the World Travel and Tourism Council (WTTC), the sector accounted for 7.6% of world GDP in 2022, employing almost 296 million people.

The sector is also an important source of foreign exchange for many countries, boosting exports and economic growth. Tourism spending on lodging, food, transportation, entertainment and shopping contributes to the development of several sectors, from hospitality and food to retail and transportation services. Tourism has witnessed extraordinary growth. The number of people who traveled abroad went from just 25 million in 1950 to 1.5 billion in 2019. In 2022, international visitor spending totaled US\$1.13 trillion according to WTTC.

Tourism can have a significant impact on a country's economy. According to data from the International Monetary Fund (IMF), among the G20 countries in particular, the hospitality and travel sectors represent on average 10% of employment and 9.5% of GDP, with the share of GDP reaching 14% or more in Italy, Mexico and Spain (pre-pandemic data).

In addition, the sector is an important source of jobs (direct and indirect) for local communities in tourist destinations, especially in rural or coastal areas, contributing to the reduction of income inequality between the regions of a country. The growth of tourism also boosts entrepreneurship and the development of small and medium-sized enterprises, in addition to employing a significant portion of women workers (54% of the workforce according to data from the World Tourism Organization - UNWTO). Tourism can also help promote and preserve local culture, traditions and heritage.

The COVID-19 pandemic, however, had the greatest impact in the history of the sector, causing devastation on both the number of jobs and the contribution of tourism to global GDP. According to the UNWTO, international travel plunged 72% in 2020, marking the worst year on record, with a decrease of 1.1 billion international tourists worldwide.

In this context, countries have adopted numerous measures aimed at safeguarding the sector, preserving jobs and resuming activities. According to data from the World Tourism Organization Barometer (05/2023), the number of international arrivals reached 80% of the pre-pandemic level in the first four months of 2023, with an estimate of 235 million international trips.



According to WTTC estimates, tourism activity is expected to reach pre-pandemic levels in 2023, with a recovery of more than 95% of financial handling capacity. The institution's Economic Impact Survey forecasts that the sector moves US\$9.5 trillion in the economies of countries, representing 9.2% of world GDP, as well as creating 24 million jobs in the world.

2. TOURISM BACKGROUND IN THE G20

Due to the important economic role of tourism in generating employment and income, the topic has been consolidated as a permanent theme on the G20 agenda in recent years. The first Tourism Ministerial Meeting was held in 2010, convened by the South African government, when it was known as T20. In the same year, under the South Korean presidency, the second meeting was also held to discuss the sector's contribution to economic growth and job creation, recognizing the economic importance of the tourism industry.

According to the G20 Tourism and Sustainable Development Goals platform (<https://tourism4sdgs.org/g20india/>) developed by UNWTO, G20 countries accounted for 74% of global international arrivals and 73% of exports linked to the sector in 2022.

It is also important to mention that, based on estimates from the International Labor Organization (ILO), tourism-related sectors grew faster than other economic segments. In 2018, while there was an 8% growth in the number of jobs in the G20 economies, the hotel and food tourism sectors increased by 30%, with emphasis on the strong female presence, which totaled 52% of posts that year.

The importance of tourism has been highlighted by G20 leaders. In 2012, the Los Cabos Declaration emphasized the role of tourism as a means for job creation and economic development and growth. In 2019, the Osaka Declaration stated: *“Tourism accounts for a significant part of world GDP and is expected to remain an important driver of global economic growth. We will work to maximize the sector's contribution to quality job creation and entrepreneurship, especially for women and youth and in the creative industry; resilience and economic recovery; the preservation of natural resources through sustainable tourism planning and management; and the achievement of inclusive and sustainable development.”*

After a decade of efforts in favor of tourism, in 2020, under the Saudi Arabia presidency, the Ministers of Tourism approved the Terms of Reference for the creation of the G20 Tourism Working Group, which aims to address priority issues for the sector to promote even stronger, more sustainable and balanced growth. In addition, the terms establish that the Group must put in place principles for tourism policy with a view to



fostering employment, qualifying the workforce, promoting sustainable and inclusive practices and encouraging innovation in the sector.

Since then, the Group has made strong progress in fulfilling its mandate through the approval of directives and guiding principles for tourism policy. In 2020, ministers approved the Guidelines for Action on Safe and Seamless Travel and the G20 Guidelines for Inclusive Community Development Through Tourism. The following year, they approved the Principles for the Transition to a Green Travel and Tourism Economy and the Guidelines for the Future of Tourism. In 2022 they endorsed the G20 Bali Guidelines for Strengthening Communities and MSMEs as Tourism Transformation Agents – a People Centered Recovery. Finally, in 2023, the Goa Roadmap for Tourism as a Vehicle for Achieving the SDGs was approved.

It should also be noted that, in 2023, the best practices online platform was created to monitor the progress of tourism's contribution to meeting the Sustainable Development Goals. In addition, that same year, countries were consulted on ways to make the Working Group's approach more action-oriented, on which occasion the shared desire to promote greater exchange of international best practices, to advance the issue of qualification and to follow up on the actions proposed within the G20 was identified.

Finally, it should be mentioned that in 2023, under the Indian presidency, the Ministers of Tourism stressed the importance of continuing to work in the sector to meet the Sustainable Development Goals and build a sustainable and inclusive future. They also supported the five priorities then established: 1) green tourism; 2) digitalization and innovation; 3) training; 4) tourism and small and medium-sized enterprises; and 5) destination management.

Ahead of the G20 Leaders' Summit on 9-10 September 2023, UNWTO worked in partnership with the Indian Ministry of Tourism to create the G20 Tourism and Sustainable Development Goals platform (<https://tourism4sdgs.org/g20india/>). Halfway between the 2015 launch of the 2030 Agenda and the deadline for its delivery, this tool will help drive the sector's contribution to accelerating progress towards the fulfillment of the 17 SDGs.

3. PRIORITIES AND DELIVERABLES

In 2024, the Brazilian Presidency of the G20 will continue the mandate of the G20 Tourism Working Group, according to the approved terms of reference, as well as advance the agenda agreed between Ministers in previous presidencies. All work will be



carried out in line with the priorities and guidelines of Brazil's presidency at the G20, under the motto “Building a Just World and a Sustainable Planet”.

In view of the history of this Working Group and the guidelines of the Brazilian presidency at the G20, the priority topics to be discussed in 2024 are:

1) Tourism and sustainable development (Sustainable Tourism)

Sustainable development, in its three pillars, has been continuously guided by the G20 agenda, which has led to the endorsement by Ministers of several actions in favor of a more sustainable tourism agenda. In 2019, the *“Declaration: Advancing Tourism's Contribution to the Sustainable Development Goals (SDGs)”* was approved, which emphasizes the economic importance of the tourism sector and sets the joint commitment of the countries to advance in the Statistical Framework for the Measurement of Sustainable Tourism. In 2023, under the Indian presidency, the *“Goa Roadmap for Tourism as a Vehicle for Achieving the Sustainable Development Goals”* reinforced the need for destination management to take into account the creation of a favorable ecosystem for the sustainable development of tourism in its three dimensions: economic, social and environmental.

According to UNWTO, sustainably developing tourism in a destination means: “fully considering current and future economic, social and environmental impacts, meeting the needs of visitors, industry, the environment and local communities”. It is noted, therefore, that sustainable tourism products are developed in harmony with the environment and with local communities and cultures so that they become permanent beneficiaries and no longer spectators of the entire development process.

Another fundamental point is the guarantee of a good experience, one which brings satisfaction to the tourist, which facilitates their involvement with the sustainability of the region or tourism product. Expanding this awareness among tourists is the responsibility of managers and others involved in the activity.

Delivery 1a: Prepare a report on the implementation of measures adopted by the countries of documents previously approved within the scope of the G20 Tourism WG.

A questionnaire released by the Indian presidency identified a strong demand from the G20 countries to have access to a follow-up mechanism for the actions undertaken within the scope of the G20 Working Group. In this sense, the Tourism WG will have as one of its goals to analyze the measures adopted since the G20 Tourism WG's creation and seek to take stock of what was effectively implemented, to the extent of the available information.



Delivery 1b: Endorsement of the Statistical Framework for Measuring the Sustainability of Tourism (SF-MST).

The Statistical Framework was prepared by UNWTO, <https://www.unwto.org/tourism-statistics/statistical-framework-for-measuring-the-sustainability-of-tourism>, with input from States and several partner institutions, in order to propose tools to statistically measure the economic, environmental and social dimensions of sustainable tourism. The objective is for the SF-MST to be used by countries to subsidize the formulation and implementation of their public policies in the area of tourism. The Statistical Framework will be forwarded in 2024 for evaluation by the UN Statistical Commission, in order to become the third major document on the subject, together with the International Recommendations for Tourism Statistics and the Tourism Satellite Account, both approved by the Statistical Commission in 2008.

The support of the Tourism WG to the SF-MST will give greater political weight and visibility to the theme within the scope of the United Nations. It is also an opportunity to encourage G20 countries to lead efforts to use the framework domestically, especially given the weight of these nations in international tourism (74% of international arrivals and 73% of exports linked to the sector).

Delivery 1c: Follow a survey of best national practices and their availability on the Virtual Platform on the Progress of the Sustainable Development Goals.

With regard to the virtual platform, <https://tourism4sdgs.org/learn/>, it is important to highlight the potential that the dissemination of international best practices has to stimulate technical cooperation between G20 countries. Based on the identification of best practices, countries will be able to seek partners for the implementation of bilateral, trilateral or international technical cooperation actions to benefit their policies in favor of sustainable development, in order to qualify and train managers and professionals in the sector in their countries.

2) Technical training

The second priority seeks to advance the discussions on qualification and training. It is important to remember that the sector is labor-intensive. According to WTTTC data, 1 in 11 jobs in 2022 worldwide were linked to the tourism sector. In addition, the ILO estimates that each job in the tourism sector generates approximately 1.5 indirect jobs, a sector that has a greater share of women and entrepreneurs.



Through qualification in tourism, the goal is to generate jobs, contribute to the reduction of regional social and economic inequalities, promote social inclusion by labor supply growth and better income distribution.

During the 8th G20 Tourism Ministerial Meeting, the study “*The Future of Work and Skills Development in Tourism – Policy Paper*”², prepared by the World Tourism Organization and released in 2019, was commissioned. The research indicates that there is a growing demand for the development of skills related to digital technologies, especially those linked to the environment, and that the quality of services is the most important element in the sector for the coming years. In addition, the private sector,

educational institutions, workers, students and public administration have mostly assessed that automation processes will not have a significant impact on the sector. It is expected that, in the coming years, skills related to innovation and creativity will be of greater importance for qualification in the sector.

Based on the best practices included in the <https://tourism4sdgs.org/learn/> platform, it is important to encourage cooperation between countries in order to promote the training of professionals and managers in the field of tourism. Thus, countries will be able to move forward in reducing asymmetries in the sector, increasing competitiveness and working together to meet the Sustainable Development Goals. The *Goa Roadmap for Tourism as a Vehicle for Achieving the SDGs*, approved in 2023, makes recommendations in the area of training and qualification related to the SDGs, such as strengthening strategies to support vulnerable groups, such as young people, women, indigenous people and people with disabilities.

In this context, stimulating the qualification of professionals through cooperation between countries and with the support of multilateral organizations such as the World Bank, WTTC, and the World Tourism Organization, among others, is one of the ways to enable training in the sector.

Delivery 2: Stimulate and account for technical cooperation between countries based on the best practices shared on the G20 virtual platform, aiming at promoting capacity building, either bilaterally, trilaterally and/or with the support of multilateral institutions (World Bank, UNWTO, etc.).

3) Strengthening Tourism as an engine of socioeconomic development.

The document “*The Future of Work and Skills Development in Tourism – Policy Paper*” showed the great international asymmetry in the tourism sector. Within the G20, while some countries represented only 0.5% of international revenues related to tourism, others reached 22% (2018 data). These asymmetries can be mitigated by



investing in international cooperation, strengthening multilateral institutions and expanding the financing of actions related to the sector, aiming to increase the competitiveness of countries and reduce inequalities.

Thus, proximity to the G20 finance track is important in order to provide guidance on the potential and positive impacts of tourism financing, especially through increased investment and the strengthening of multilateral institutions linked to the sector.

It is also necessary to expand and strengthen the financing of multilateral mechanisms with an impact on the tourism sector. Several multilateral institutions, such as UNWTO, the United Nations Development Programme (UNDP), the United Nations

Educational, Scientific and Cultural Organization (UNESCO) and the United Nations Conference on Trade and Development (UNCTAD), can support activities related to the development of the sector, from different perspectives, depending on their institutional objectives. Multilateral development banks should also increase the financing of projects in the tourism sector.

This can also contribute to strengthening the role of tourism as a catalyst for reducing inequalities – through, for example, the generation of direct and indirect jobs; income redistribution; the empowerment of women – whose workforce is the majority in the sector; and the revitalization of local communities, the promotion of which leads to the reduction of regional disparities.

Delivery 3: Prepare a report, to be delivered to the G20 finance track, on the need to increase the financing of tourism development projects through multilateral banks, as well as on the importance of strengthening the activities of multilateral organizations with a positive impact on the tourism sector.

4. TENTATIVE CALENDAR

Meeting	Date	City
1st Tourism Working Group Meeting	February 28 and 29	Videoconference
2nd Tourism Working Group Meeting	May 2 and 3	Brasília, DF

Santarém Food Fair ¹		
3rd Tourism Working Group Meeting Seminar on Tourism and Indigenous Peoples Visit to the Parintins Festival*	June 30 and July 1	Rio de Janeiro, RJ
4th Tourism Working Group Meeting Tourism Ministerial Meeting Seminar on Experiences of Tourism Cooperation in Multilateral and Regional Mechanisms for Strengthening Integration* ²	September 19-21	Belém, PA

¹ The Food Fair will bring a wide variety of traditional foods and cultural performances in Santarém.

² Opportunity for panelists to present experiences in tourism and joint promotion, as well as the effects on regional integration. Brazil could present the MERCOSUR experience, while Mexico the Pacific Alliance, Indonesia the ASEAN, among other experiences. In addition, it is expected to have a partnership with international organizations to present possibilities for working on tourism and the development of projects to benefit the sector.