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World Travel & Tourism Council

*Middle East - Mediterranean Travel & Tourism:
"A New Perspective"*

I am enclosing a copy of the World Travel & Tourism Council's (WTTC) report on Middle East-Mediterranean Travel & Tourism, released in conjunction with the recent Amman Economic Summit.

Travel & Tourism will be an important engine for economic regeneration in the Middle East-Mediterranean (MEM), generating foreign exchange, jobs and investment as well as social and environmental improvements.

Moreover, Travel & Tourism -- as an industry based on people-to-people contact and cultural interaction -- can help cement peace through international understanding.

WTTC/WEFA Group research estimates that MEM Travel & Tourism will stimulate:

- 8.7% of GDP
- 10.1% of employment -- 7.8 million jobs
- 8.5% of capital investment in the region in 1995.
- US\$ 78.7 billion of the region's gross output in 1995 -- forecast to grow at four times the world average rate over the next decade.

In our report, we identify a series of policy actions to encourage the growth of MEM Travel & Tourism and its contribution to wealth and jobs in the region.

Most important, governments should recognise Travel & Tourism as a strategic economic development and employment priority and factor this into mainstream policies for growth, trade, job creation and investment.

Yours sincerely,

Geoffrey H. Lipman
President



NEWS RELEASE

TRAVEL & TOURISM DELIVERING THE PEACE DIVIDEND IN THE MIDDLE EAST

Cairo, Egypt, Saturday 21 October, 1995: At the General Assembly of the World Tourism Organization, Geoffrey H Lipman, President of the World Travel & Tourism Council (WTTC), launched the WTTC report on Middle East-Mediterranean (MEM) Travel & Tourism. This document has been prepared for the Middle East/North Africa Economic Summit to be held in Amman at the end of the month.

Lipman said: "Travel & Tourism was identified as a key element of the Middle East peace process by last year's Casablanca Economic Summit. The industry creates foreign exchange, jobs and investment and it contributes to social and environmental improvements in the Middle East-Mediterranean. This will help fuel regional economic integration and peaceful development."

WTTC/WEFA Group research estimates that the Middle East-Mediterranean region will account for US\$ 78.7 billion of Travel & Tourism gross output in 1995, which is 2.3% of the world total. This output contribution is forecast to almost double to some 4% (US\$332 billion) by 2005 - increasing at almost four times the world average rate.

In the Middle East-Mediterranean, Travel & Tourism is expected to stimulate, both directly and indirectly, 8.7% of GDP, 10.1% of employment (7.8 million jobs), 8.5% of capital investment and 9.8% of indirect business taxes in 1995.

Lipman said: "It is important that governments in the region recognise Travel & Tourism as a strategic economic development and employment priority and factor this into mainstream policies for growth, trade, employment and investment."

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The WTTC report recommends that a regional mechanism be established for cooperation between the public and private sectors, to ensure effective regional coordination on issues of common concern - such as the environment, marketing and promotion - that cannot be dealt with at national level only or by existing sub-regional or sectoral fora.

Competitive and environmentally compatible markets should be pursued by the region's governments. Markets should be opened up by increasing the commitment to the General Agreement on Trade in Services (GATS), and by deregulating air transport and telecommunications.

"The environment is the core of the Travel & Tourism industry's product," commented Lipman. "A policy framework should be established for environmental sustainability and active encouragement given to public and private sector industry environment initiatives."

The report also calls on MEM governments to:-

- Develop National Satellite Accounts for Travel & Tourism to assess the industry's full economic impact along the lines of WTTC/WEFA research;
- Encourage product quality improvements in Travel & Tourism and enhance promotions and marketing for international competitiveness;
- Improve and expand infrastructure by increasing airport capacity and modernising air traffic control systems and structures;
- Simplify immigration controls and border clearance introducing Future Automated Screening for Travellers (FAST) systems where feasible;
- Tax intelligently for growth and exports;
- Invest in human resource development;
- Enhance safety and security.

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"The Middle East-Mediterranean region has enormous Travel & Tourism potential — especially if its wealth of attractions can be marketed as part of a seamless, quality package," concluded Lipman. "By making commitments now, governments of the region can ensure that the region's Travel & Tourism product becomes a serious competitor in the global marketplace, and makes a major contribution to the peace process and stability in the region."

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Editor's notes:

The World Travel & Tourism Council (WTTC) is a global coalition of 75 Chief Executive Officers from all sectors of the Travel & Tourism industry, including accommodation, catering, cruises, entertainment, recreation, transportation and travel-related services. Its goals are to convince governments of the strategic and economic importance of Travel & Tourism, to promote environmentally compatible development and to eliminate barriers to growth of the industry.

National Satellite Accounts are based on national accounting principles and measure the direct and indirect economic impact of travel-related activities contributing to Gross Domestic Product including personal consumption, capital investment, government expenditures and foreign trade.

Future Automated Screening for Travellers (FAST) -- is a WTTC-led partnership between the Travel & Tourism industry, immigration authorities and technology suppliers to make international travel easier by streamlining border clearance formalities, while enhancing security. FAST automates the immigration clearance process through the use of biometric technology to verify a traveller's identity. With the forecast doubling in the size of the Travel & Tourism industry over the next decade, governments must implement FAST technology in order to avoid gridlock at borders.

A copy of the *Middle East - Mediterranean Report* can be obtained from the WTTC London, UK, offices.

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