

ICBSS

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A Perspective on Tourism in the BSEC Countries

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Abstract

Tourism as the world's largest industry and fastest growing economic segment experienced growth in spite of the harsh practicalities of recent crisis, thus trend is upward encouraging countries all over the world to contribute more resources to it. Black Sea Area with its historical heritage, diversity and exquisite flora and fauna has potential to benefit from the tourism industry. Throughout the decades by enforcing multilateral economic ties, BSEC has served as the platform under which various projects and declarations concentrating on the tourism was implemented. Necessity of sustainable development of tourism industry in the Black Sea area in order to achieve economic benefits for all is vivid and therefore gives motivation for higher level cooperation and importance of mutual consent between states. This policy brief touches upon benefits and challenges of tourism industry in the Black Sea region while underlining the significance of promotion of tourism in the area.

Keywords

Black Sea Area, tourism industry, sustainable economic development, Black Sea Economic Cooperation, economic benefits.

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A Perspective on Tourism in the BSEC Countries

By Ambassador David Kereselidze

Introduction

On the 26th of June 2012, the Organization of the Black Sea Economic Cooperation (BSEC) celebrated its 20th anniversary in Istanbul, where the Heads of States and Governments gathered to adopt the Summit Declaration. They summed up how the organization has been able to respond to the challenges within the region, and put forward new ideas on how to advance serious talks about further developing regional cooperation. According to the officials, economic, political and security instruments must be put in place in order for them to meet the challenges that the region faces. A crucial task for the next decade will be to achieve sustainable economic development, stability and security within the wider Black Sea region. In order to successfully carry out the above mentioned a revised set of priorities must be identified.

In the 1992 Istanbul Summit Declaration we read the following: "Taking into consideration that cooperation in the spheres of culture, tourism and youth policy creates better understanding among our peoples, and therefore contributes to a sense of solidarity we call upon the competent authorities of the Member States to develop innovative projects in these fields". Furthermore, the current Turkish chairmanship-in-office of the BSEC clearly outlines tourism as one of the priority areas of cooperation. Hence, the Black Sea region will only flourish if we achieve sustainable development of tourism in tandem with the projects that contribute to economic growth in the region.

The culture, geographical location, and history of the Black Sea region are key elements that naturally stimulate development in the field of tourism. However, given the positive economic effects of tourism, it has the potential to become the leading field of cooperation within the region. It is important to point out the pros and cons of tourism as well. While it may have a positive economic impact on the balance of payments, employment and gross income, and production, it may also have negative effects on environment.

The aim of this policy brief is to analyse these pros and cons and work out the most effective way of optimizing the maximum of our capacities, in order to achieve the most positive results for the benefit of all countries of the BSEC.

Studies have continuously claimed that tourism is both the world's largest industry and the fastest growing economic sector. It is often seen as the main instrument of regional development that stimulates new economic activities. Even now, notwithstanding the ongoing economic challenges and significant regional differences, global travel and tourism continues to grow. According to the International Labour Organization (ILO), international tourism is projected to experience significant growth over the coming decade, despite the negative effects of the global economic and financial crisis. Over the next ten years, experts are expecting an annual growth of 4% within the sphere of tourism.

Benefits of Tourism

From the end of the 20th century, tourism has been considered as one of the main engines for economic growth and development. At the Rio Earth Summit in 1992, policymakers identified tourism as one of the key sectors that could positively generate sustainable development. Today, tourism is one of the worlds largest and most diverse industries, accounting for up to 10% of global GDP (gross domestic product) and providing more than one third of total global service trade. Additionally, it accounts for up to 4.3% of the EU GDP (Verbeek and Mommaas, 2008). Many scholars and policymakers have unanimously recognized the significance of direct and indirect effects of the tourism industry on a country's economic growth, GDP, and employment, all of which are central to its economic development. International tourism in particular is of growing importance to numerous countries, due to its positive impact on their foreign exchange earnings and balance of payments. In order to clearly show the importance of strengthening the tourism industry, we must first examine the benefits it brings on an economic, socio-cultural and environmental level.

Creating Jobs and Wealth

There is widespread belief that the tourism industry boosts economic growth not only in developing but also developed countries. The casual relationship between international tourism and economic growth has long been of interest. However, empirical studies investigating such a link have so far been inconclusive. Results have differed dependent on the country, time of research and methodology (Lee and Chang, 2008). While some researchers have proved the tourism-led economic growth hypothesis, finding that the international tourist arrivals cause economic growth, (Gunduz and Hatemi-J, 2005, Balaguer and Cantavella-Jorda, 2002, Dritsakis, 2004), others have found bi-directional causality between international tourism and economic growth (Ongan and Demiroz, 2005), and some have supported the economic-led tourism expansion theory, arguing that economic growth leads tourism expansion, not vice versa (Oh, 2005). All in all, the general consensus is that by creating employment opportunities, increasing foreign exchange revenues and stimulating the growth of other industries, international tourism development is indeed influential in triggering overall economic growth (Lee and Chang, 2008).

The tourism industry has been the largest provider of employment all over the world. Jobs generated by this industry are not limited to direct service sectors, but are spread to further areas as well, namely, infrastructure, farming, manufacturing, telecommunications and retail (Vellas, 2011, WTO, 2010). Although the high number of part-time or part-year work is often seen as a negative knot within the industry, tourism proves to have other advantages. It creates job opportunities for the lesser advantaged in many societies, namely, women and young people, including students, parents and retirees (Blake et al., 2008, WTO, 2010).

Reducing Poverty

According to the World Tourism Organization, tourism has great potential to reduce poverty. For more than a decade, the Pro-poor Tourism Partnership has provided work and jobs in least developed countries and rural areas where local livelihoods are shockingly low. This illustrates the industry's contribution to poverty alleviation. (Goodwin and Robson, 2004). Nevertheless, there has been a lack of evidence to suggest a strong link between tourism

and poverty. Studies have shown that tourism affects all income groups, but that the lowest income groups benefit less than the higher income groups. In other words, economic and social impacts on the local communities depend on how much of the income generated by tourists really go to the host communities. In most cases, travelers' fees go to international companies, airlines, hotels and restaurants where locals are rarely employed for senior management positions, leaving local businessmen and workers lose out on benefits they deserve (Mirbabayev and Shagazatova, 2006, Blake et al., 2008) This disproportionate distribution of gains urges governments and national decision-makers to redesign distribution channels and show tourism's potential in helping relieve poverty.

Foreign Exchange

International tourism might also serve as a major source of foreign exchange earnings. Tourist spending, otherwise referred to as 'visitor exports', is an alternative form of exports which brings in hard currency. It can be used to finance imports of capital goods, as well as to produce the investment essential to generate growth in other economic areas (Vaugeois, 2000). In many countries the profits from international tourism are significant in alleviating current account deficits and negative balance of payments (Oh, 2005). International tourism is also critical in offsetting budget deficits via the tax revenues it generates. It thus comes as no surprise that international tourism has been recognized as an important contributor in recuperating world trade during the global economic recession in 2010 (Vellas, 2011).

Multi-Sector Development

Above all else, there has been more and more recognition of the indirect effects of tourism on economic growth. Tourism expansion increases demand for certain goods and services that are provided by other sectors of the economy, such as transportation, recreation facilities, farming, fishing, agri-food production, construction, education and training, energy and other tourism-related goods and services (Syriopoulos, 1995, Vellas, 2011, Vaugeois, 2000). When hotels need food, water and cleaning supplies for example, they acquire these essentials from the respective product and service suppliers (UNWTO, 2010). Similarly, the tourism sector generates a need for certain capital expenditure and public spending on the construction of roads, ports and airports. Hence, it produces economic benefits for numerous other local industries and creates new opportunities to strengthen infrastructure services (Vellas, 2011). Hence, the repeated emphasis of tourism's direct as well as indirect effects on economic growth. For instance, direct contribution of tourism in Turkey is estimated to be around 4.1 % to GDP in 2011, whereas its indirect contribution is 3 % (WTTC, 2011). Undoubtedly, the economic impacts of tourism revenues are maximized if the tourism sector provides these products and services from local suppliers.

From an ecological point of view, tourism is also more acceptable and preferable than any other industrial production as it is environmentally friendlier than most other industries. As stated by the UNWTO reports, the travel and tourism industry accounts for only 5% of all carbon emissions (UNWTO, 2008). Furthermore, the growth in ecotourism has shown that tourism may indeed provide an economic incentive for the restoration and conservation of natural habitats, as well as the maintenance of bio-diversity (WTO, 1980). The tourism industry is more likely to be committed to preserve the natural environment, local cultures and landscape, as they are all part of its attractive virtue. Hence, being able to promote their national culture, traditions, natural environment and built heritage, local people become

proud of their way of life and develop a direct and powerful motivation to protect these assets.

Other Benefits

Some other benefits that tourism brings are: the increase in human capital investment, social infrastructure, reduction of gender pay gap and the reinvigoration of peoples` interest in history and culture. Tourism is often a primary source for jobs, foreign exchange earnings, tax revenues, national income and simultaneously offers numerous cultural, social and environmental benefits. The industry is often perceived as a viable option for stable and sustainable growth. Especially in the case of developing countries, tourism becomes a very attractive tool for development, mainly due the low start-up costs it requires and its labor-intensive but low-cost industry. One important point is that almost every region possesses the basic features desirable for the establishment of tourism, be it natural resources and environment, architecture, landscape or built heritage. Hence, tourism may easily become an appropriate alternative economic activity for peripheral regions and less developed local communities where other development possibilities are scarce (Blomgrem and Surensen, 1998, Hjalager, 1998). Ergo, tourism possesses the potential to engender not only stable and sustainable economic growth, but also local development and regional equality.

Challenges and Risks

Environmental Risks

Although tourism has the intention to strengthen cross-regional ties, it may simultaneously cause grave environmental setbacks. Since the patchy infrastructure throughout the Wider Black Sea Area creates transportation problems, governments of the BSEC countries will need to adopt new strategies and create programs in order to overcome this obstacle. The BTK (Baku-Tbilisi-Kars) rail road project for example, is a serious attempt towards strengthening ties between Azerbaijan, Georgia and Turkey, as well as an already successful energy corridor through these countries to Europe (Lussac, 2008). While these types of strategies are crucial for the tourism industry to take a foot hold, hasty and unsafe constructions will have harsh, environmentally damaging consequences.

A poorly planned urban development strategy could massively deteriorate the natural environment and destroy local ecosystems. Especially in small town resorts, an increase in the number of visitors where water reserves are scarce in general could reduce the amount and quality of water. Tourism could impoverish and contaminate land as a result of increased human activity. By adding urban substances to the dirt, its chemical features eventually change and the soil itself becomes infertile. Uncontrolled city planning destroys natural habitats and contributes to the extinction of several species of fauna. Furthermore, a massive presence of visitors in natural zones, as well as growing sports activities like motorcycling and mountain-biking all severely affect local flora. Finally, uncontrolled urban development depredates fishing and contaminates the seas by spilling residual waters in the seas without suitable treatment (Verbeek and Mommaas, 2008).

Other environmental risks have to do with an increase in fossil fuel emissions. By definition, tourism does not exist without travel, the increase of which creates additional risks to climate change. The development of the tourism industry logically diversifies the means of transport and hence raises the number of cross-border mobility by land, sea and air. The latter intensifies the already fragile ecosystems within the wider Black Sea Area, increasing

the source of pollution within the region. As well as this, there is growing concern towards oil pollution throughout the region as well as the presence of active nuclear power plants in Russia and Armenia for example. The aforementioned are all threats to the environment, especially due to their low safety standards (Dimadama and Timotheou, 2010, Tatoglu et al., 2002).

Sectoral risks

Developing tourism in developing regions often has negative impacts on sectors that both directly and indirectly affect the industry. Direct effects include uneducated service sectors which need particular attention if the industry is to develop affectively. It is quite common for tourism to create tensions within the host society, especially when the business is in its rudiments. In order to avoid facing these problems, governments in the Black Sea region must make sure that their local communities are ready to act as hosts, first and foremost by raising cross-cultural awareness within the society. As a result, local involvement, their response and initiative to contribute to the development of tourism is crucial. In short, tourism must be seen as a professionalized occupational area, preferably with an absence of genuine human interaction (Cohen, 1984).

Consequently, governments must ensure to build efficient human capital by creating a targeted knowledge base for the service sector. Employees in the sector must receive regular training and guidance in order to excel at their service skills and develop a so called emotional intelligence, which is crucial for generating an efficient business environment as well as achieving successful performance within the industry. Training service staff like tour operators for example, can already contribute to improving relationships between the local community and tourists. Not only can a well-trained staff member help to ensure a smooth running of the business, but they can also prepare visitors prior to travelling, using well-formulated guides, brochures and discussion boards. By explaining to travellers the basic cultural values and stereotypes typical to specific destinations, staff members, with a sense of emotional intelligence, can avoid a potential conflict of cultures (Cavelzani et al., 2003).

Furthermore, indirect effects include agricultural and food production sectors, which often experience negative changes as a result of a newly evolved tourism industry. With the intention to satisfy tourists' needs, local farmers are often urged to grow foreign crops, the planting and harvesting of which changes the consistency of land, often resulting into its infertility. The infertility of local land also comes from uncontrolled urban sprawl. Thus, poorly planned infrastructure can lead to the destruction of local landscapes and natural habitats for multiple species of flora and fauna. It could severely damage land fertility which may have a detrimental impact on local farming in general. Tourism may also have an impact on local customs and art. It has happened that internal communities have deliberately shortened their folk songs and dances, or even invented new ones to entertain the external public. While this happens out of a business minded attitude, tourism is nevertheless often regarded as a destroyer of customs and traditions (Cohen, 1984).

Societal and Regional Risks

Tourism is often seen as a way of modernizing which sometimes negatively affects cultural and moral values of local societies and regions. Through increased interaction between varieties of different backgrounds, a sense of community often deteriorates. Since tourism is a highly seasonal activity, it affects the traditional way of life in agricultural communities, as well as the daily division of time between work and leisure for employees within the industry. This in itself affects family traditions and values. When it comes to religious

traditions and practices, tourism has its effect on those as well. Being exposed to visitors from richer countries with different behavioural patterns and attitudes, local communities often have a tendency to imitate these foreign values. In religious and highly traditional societies, the younger generation often tends to rebel against what is “acceptable” by dressing in alternative ways, following more of an extravagant lifestyle, often displaying affection in public and so on. Arguably, the latter cannot exclusively be attributed to tourism, but it is important to underline that mass exposure to foreign cultural patterns does encourage these changes (Sharpley and Telfer, 2002).

It is impossible to develop a successful tourism sector without first achieving social readiness. However, in most young democracies problematic guest-host relations are almost unavoidable. Tourists who come from wealthier countries often tend to look down on the host communities resulting into the latter’s aggressive behaviour. Aside from the cultural difference, there is also a noticeable material gap between the two parties. When exposed with fine clothing, expensive gadgets and exotic jewellery, most locals tend to develop an admiration towards the tourists’ social manners and dressing style, as a result of which their behaviour starts resembling that of the visitors’. Now, as tourism expands, these changes start affecting local cultures and traditions. Furthermore, tourism bears a different meaning to the host, than it does to the guest. While visitors use this term in reference to leisure time and rest, most locals see it as a labour intensive activity, which creates a conflict of interests as a result (Tatoglu et al., 2002).

Consequently, with a growing number of tourists, native hospitality towards them changes to a so called “predatory orientation”. In other words, when the hosts try to extract as much gain as possible from each guest they encounter (Cohen, 1984). This attitude allows for the increase in tourist-oriented discrimination and petty crime, like pick-pocketing for example. As mass tourism develops further, visitors lose their individuality and slowly become part of an ethnic stereotype, Therefore inviting exploitative behaviour from the host community. Now, although the problem of staged or automated hospitality may never be resolved, professionalization may prevent hostile guest-host relationships and retain tourism as a source of foreign economic exchange (Sharpley and Telfer, 2002).

Although tourism is seen as one of the most effective mechanisms to alleviate poverty thresholds, the result is rarely positive. In most cases, the money made within the service sector only directly goes to international companies, airlines, and hotel and restaurant owners, who seldom employ local staff within a region or country. Ergo, local businessmen and service sector workers often receive less than appropriate salaries, while also working long-hour shifts (Cohen, 1984).

Safety Risks

International tourism is known to be resilient against factors such as wars, political instability and terrorism, since the tourists’ perceptions of risks related with safety and security are very influential in determining where they choose to visit (SILVA et al., 2010). In other words, tourists tend to stay away from the destinations that they consider being unsafe.

Most importantly, tourism has been perceived as a positive force reducing tension, hostilities and prejudice between countries (WTO, 1980). The International Institute for Peace through Tourism (IIPT) has been supporting tourism for years as a vehicle for promoting peace and stability (International Institute for Peace through Tourism, 2008). By understanding different cultures and heritages, tourism can contribute to world peace and cooperation. Nevertheless, though certain studies have confirmed that tourism contributes

to reconciling political relations, and transforming people's stereotypical and negative views on host societies, these effects are found to be limited (Cho, 2007, Milman et al., 1990).

However, the industry's potential to develop cross-cultural understanding and mutual acquaintance, to stimulate global consciousness for environmental protection and to foster cultural protection still stands and should not be underestimated (Higgins-Desbiolles, 2006). Yet, the extent to which tourism can deliver its capacity as a "social force" mainly depends on the policies and opportunities created by international organizations to enhance their transformative capacity and to maintain the support of local people within the industry.

Other Risks

As mentioned above, safety is a primary priority for tourists, yet the expansion of international tourism itself may generate new security challenges. The issues of crime and health are particularly significant in considering the risks associated with traveling. Certain disadvantages that come with the growth of the tourism industry, and hence an increased inflow of foreigners, are growing crime rates, drug use and trafficking, and prostitution. Statistical research suggests that while these offences cannot be accredited to tourism per se, it nevertheless has a grave impact on the rising numbers. With an increased job market for women, tourism allows some to find employment in tourist-oriented prostitution. The latter not only creates conflict within families, but also affects local values and changes the traditional lifestyle (Cohen, 1984).

Another concern rests with the accelerated number of diseases or infections that may similarly be boosted by the increased flow of movement across borders. The spread of HIV/AIDS is more likely to occur, along with the resulting deaths, due to prostitution and human trafficking (Sharpley and Telfer, 2002). Crime and health risks are important factors not only because they can pose obstacles for the development of international tourism, but also because they themselves are likely to become products of the development of tourism. Consequently, they further generate a burden on the tourism industry as it incurs high costs for the maintenance and development of public security and health control (Lee and Chang, 2008).

The above listed challenges and risks are important points to consider for tourism to take a foot hold. Although setting up a fully functioning tourist industry is beyond the capacity of many developing countries, the BS states have the prospective to create a Black Sea neighborhood strategy. Through this type of cooperation, the main risks within the region can slowly be alleviated.

The Significance of the Promotion of International Tourism in the BS Area

Looking back to the developments took place in the Organisation of the Black Sea Economic Cooperation (BSEC) vis-à-vis tourism issues; the organisation was always focusing its attention to take advantage of the great potential in the field of tourism. As we already underlined it is a priority area of cooperation in which the Black Sea countries are engaged since the very establishment of the BSEC Organization, namely from 1994 when the Working Group (WG) on Cooperation in Tourism with the following terms of reference was established:

The Working Group on Cooperation in Tourism is assigned with the following tasks:

1. To seek ways and means of promoting sustainable development of tourism in the Participating States through the expansion and diversification of the tourist product;
2. To establish conditions suitable for tourist movement among the BSEC Participating States;
3. To promote cooperation among the Participating States by attracting tourists to the BSEC basin through combined tours;
4. To seek ways and means of attracting investment to the tourism sector both from within and outside the BSEC region;
5. To promote technical cooperation, including the organization of seminars, exchanging scholarships and know-how;
6. To promote cooperation among the Participating States in the fields of training, joint ventures, management, marketing and consultancy in tourism as well as the cooperation between the BSEC Participating States and third countries;
7. To plan joint action in securing the financial support of the international financial institutions for the realization of tourism projects undertaken within the framework of the BSEC;
8. To promote the development and protection of the natural, cultural and historical values in the BSEC area;
9. To encourage joint participation in specialized tourist fairs, exhibitions and other advertising activities.

Since 1994 up to date, twenty four WG meetings had been hold.

Besides this, three Ministerial gatherings were dedicated to the issues of the development in tourism sector.

The first Declaration of the Ministers of Tourism or Heads of Delegations of the BSEC Member States was approved in Tirana, Albania in 2002 (Annex1).

The Declaration stated:

- A. "The BSEC area has a great and very promising potential in Tourism;
- B. Tourism has a very significant and complex role to play in the economic, social and environmental fields of our countries;
- C. Tourism is the major growing contributor to jobs, wealth, investments and cultural understanding;
- D. Important progress has been achieved in tourism during the last decade by all BSEC Member States in general, and by some countries in particular;
- E. Tourism has proved to be and, with the long- term forecast study of WTO, is foreseen to be a leading industry in the world economy in general, and in the economy of our countries in particular,
- F. The development of tourism in the BSEC area will actively contribute to the alleviation of poverty by capacity building especially in the local communities of many BSEC Member States.
- G. The necessary precondition for the development of tourism cooperation across the BSEC region is stability and security that can be achieved only by means of just and lasting settlement of disputes and conflicts on the basis of norms and principals of international law."¹

¹ From the Declaration of the Ministers of Tourism or Heads of Delegations of the BSEC Member States - Tirana, Albania 2002

In the years ahead other Declarations were approved, namely:

- RHODES DECLARATION OF THE MINISTERS OF TOURISM OF THE MEMBER STATES OF THE ORGANIZATION OF THE BLACK SEA ECONOMIC COOPERATION -Rhodes, Greece, 31 March 2005 (**Annex2**);
- DECLARATION OF THE MINISTERS IN CHARGE OF TOURISM OF THE MEMBER STATES OF THE ORGANIZATION OF THE BLACK SEA ECONOMIC COOPERATION - Athens, GREECE 15 November 2010 (**Annex3**).

And finally, the Russian Federation as the country-coordinator, during its term-in-office (from 1 January 2011 – 31 December 2012) launched an Action Plan of the BSEC Working Group on cooperation in tourism (**Annex4**).

Some of World and Black Sea Statistics

International tourist arrivals grew by 4% in 2012 to reach 1.035 billion, according to the latest UNWTO World Tourism Barometer. Emerging economies (+4.1%) regained the lead over advanced economies (+3.6%), with Asia and the Pacific showing the strongest results. Growth is expected to continue in 2013 only slightly below the 2012 level (+3% to +4%) and in line with UNWTO long term forecast.

With an additional 39 million international tourists, up from 996 million in 2011, international tourist arrivals surpassed 1 billion (1.035 billion) for the first time in history in 2012. Demand held well throughout the year, with a stronger than expected fourth quarter.

By region, Asia and the Pacific (+7%) was the best performer, while by sub-region South-East Asia, North Africa (both at +9%) **and Central and Eastern Europe (+8%)** topped the ranking.

“2012 saw continued economic volatility around the globe, particularly in the Eurozone. Yet international tourism managed to stay on course” said UNWTO Secretary-General, Taleb Rifai. “The sector has shown its capacity to adjust to the changing market conditions and, although at a slightly more modest rate, is expected to continue expanding in 2013. Tourism is thus one of the pillars that should be supported by governments around the world as part of the solution to stimulating economic growth,” he added.

UNWTO forecasts international tourist arrivals to increase by 3% to 4% in 2013, much in line with its long term forecast for 2030: +3.8% a year on average between 2010 and 2020. This outlook is confirmed by the UNWTO Confidence Index. Compiled among over 300 experts worldwide, the Index shows that prospects for 2013 are similar to the evaluation of last year (124 points for 2013 against 122 for 2012).

By region, prospects for 2013 are stronger for Asia and the Pacific (+5% to +6%), followed by Africa (+4% to +6%), the Americas (+3% to +4%), **Europe (+2% to +3%)** and the Middle East (0% to +5%).

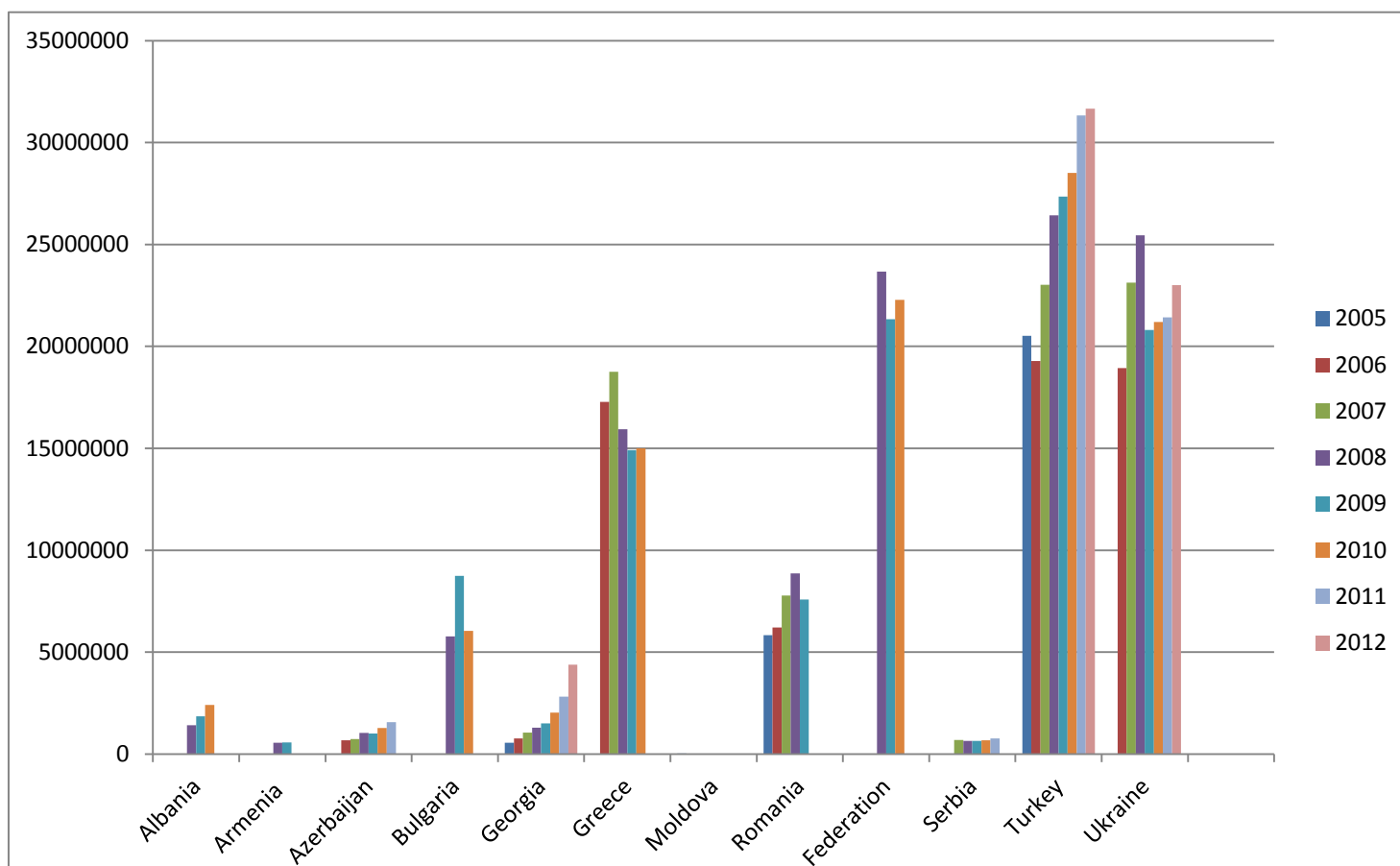
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In 2012, growth was stronger in emerging economies (+4.1%) as compared to advanced economies (+3.6%), a trend which has marked the sector for many years now.

International tourist arrivals to **Europe**, the most visited region in the world, were up by 3%; a very positive result in view of the economic situation, and following a strong 2011 (+6%). Total arrivals reached 535 million, 17 million more than in 2011. By sub-region, Central and Eastern Europe destinations (+8%) experienced the best results, followed by Western Europe (+3%). Destinations in Southern Mediterranean Europe (+2%) consolidated their excellent performance of 2011 and returned in 2012 to their normal growth rates.

An international tourist arrival to the Black Sea Countries follows the same tendencies:

	2005	2006	2007	2008	2009	2010	2011	2012
Albania				1,420,000.00	1,856,000.00	2,417,000.00		
Armenia				558,000.00	575,000.00	-		
Azerbaijan	-	681,800.00	731,700.00	1,043,000.00	1,005,000.00	1,280,000.00	1,562,000.00	
Bulgaria				5,780,000.00	8,739,000.00	6,047,000.00		
Georgia	559,753.00	763,231.00	1,051,749.00	1,290,000.00	1,500,000.00	2,033,000.00	2,822,363.00	4,389,250.00
Greece		17,283,000.00	18,755,000.00	15,939,000.00	14,915,000.00	15,007,000.00		
Moldova	25,073.00	14,239.00	14,722.00	8,710.00	9,189.00	8,956.00	10,788.00	-
Romania	5,839,000.00	6,216,000.00	7,772,000.00	8,862,000.00	7,575,000.00	-		
Russian Federation				23,676,000.00	21,339,000.00	22,281,000.00		
Serbia			696,000.00	646,000.00	645,000.00	683,000.00	765,000.00	
Turkey	20,522,621.00	19,275,948.00	23,017,000.00	26,431,000.00	27,350,000.00	28,511,000.00	31,324,500.00	31,655,200.00
Ukraine	-	18,935,800.00	23,123,000.00	25,449,000.00	20,798,000.00	21,203,000.00	21,416,000.00	23,013,000.00



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The other statistical data shows what the tourism sector in BS countries brings to the overall economy of each member state, bringing the significant income to GDP and creating jobs (see table below).

TRAVEL & TOURISM ECONOMIC IMPACT IN BSEC COUNTRIES 2011

	Direct contribution to GDP (in mln. euro)	Total of GDP (%)	Total contribution to GDP (in mln. euro)	Total of GDP (%)	Employment - Direct (jobs)	% of total employment	Employment - total (jobs)	% of total employment	Visitors export (in mln. euro)	% of total exports	investment (in mln. euro)	% of total investments	rate euro/local (2011)
ALBANIA	582.68	6.2	1,996.42	21.8	51,000.00	5.5	183,500.00	19.8	1,305.65	41.8	150.32	4.8	139.70
ARMENIA	157.04	2.1	606.10	8.0	20,000.00	1.8	78,500.00	7.1	323.19	19.9	61.58	2.6	516.42
AZERBAIJAN	783.29	1.8	2,930.18	6.7	70,500.00	1.6	266,500.00	6.1	735.93	2.5	154.26	2.0	1.03
BULGARIA	1,412.73	3.6	5,083.11	12.9	101,000.00	3.3	364,000.00	11.8	3,052.53	11.9	458.29	6.1	1.95
GEORGIA	736.1	7.1	2308.1	22.3	62925.00	3.8	197,306.70	11.9	685.7	29.3	96.3	9.0	2.35
GREECE	12,400.00	6.4	32,200.00	16.5	349,500.00	8.5	758,500.00	18.4	12,700.00	28.5	4,000.00	14.0	1.00
MOLDOVA	64.94	1.2	168.83	3.1	13,000.00	1.1	33,000.00	2.7	201.30	8.5	19.48	1.4	15.40
SERBIA	516.50	1.7	1,875.79	6.00	26,000.00	1.50	95,000.00	5.5	649.90	6.0	149.63	2.5	110.94
ROMANIA	1,758.79	1.4	5,733.21	4.5	184,500.00	2.2	435,000.00	5.1	1,393.33	2.9	2,147.10	7.3	4.38
RUSSIA	19,371.46	1.4	80,064.40	5.90	954,000.00	1.30	3,871,000.00	5.50	12,192.17	2.9	8,029.37	2.8	38.82
TURKEY	23,371.22	4.3	60,145.91	10.90	509,500.00	2.10	1,939,000.00	8.10	19,596.20	15.0	10,137.43	8.6	2.36
UKRAINE	2,332.06	2.0	8,731.02	7.40	351,500.00	1.70	1,338,000.00	6.60	4,010.01	6.0	521.40	2.3	10.55

WORLD TRAVEL & TOURISM COUNCIL: Travel and Tourism economic impact 2012

According to the individual country cases from the WTTC (World Travel and Tourism Council) the travel and tourism investment in almost all BS countries is expected to experience a long-term increase by 2022. Starting with Albania, travel and tourist investment was 4.8% of total investment in 2011 and is expected to grow to 5.0% by 2022. For Armenia, the 2011 indicators showed that investment through tourism was 2.6% of total investment, looking at a long-term growth through 2012-22 by which foreign investment is expected to count for 2.0% of its total investment. Azerbaijan is so far ranking 5th place out of 181 countries heading for long-term growth through 2012-22 with foreign investment growing from 2.0% to 2.9%, respectively. In Bulgaria, foreign investment measured 6.1% in 2011 and is expected to experience a noticeable fall in 2012, but will slowly rise again through 2012-22, eventually measuring 5.1% of its total investment. The Georgian tourism industry recorded a 5% growth in its share of economic output in 2011, followed by a 7% growth in 2012. "Georgia was

ranked as the world's third fastest growing tourist destination in 2011 with a 39% increase in international arrivals, according to a March report published by the World Tourism Barometer".

The tourism output is expected to rise some more in the coming years. Greece will experience a significant fall from 14.0% in 2012, but will rise again through the years 2012-2022, maintaining a 14.1% of its total investment per annum. In Moldova, although foreign investment numbers go from 1.4% in 2011 to 1.0% by 2022, the country is nevertheless expected to maintain slow but long-term growth, namely 0.8% per annum. Serbia's rise in foreign investment goes in a similar pace, standing at 2.5% in 2011 and steadily rising through 2012-2022, by which it is expected to show a 2.4% of its total investment. Romania's foreign investment is expected to grow from 7.3% in 2011 to 7.6% of its total investment by 2022. The Russian Federation is expected to experience a slow long-term growth from 2.8% in 2011, maintaining a 2.6% of its total investment through the given 10 years, until 2022. As for Turkey, its indicators are foreseen to increase from 8.6% to 9.0% by 2022. Lastly, Ukraine is likely to experience a noticeable fall from 2.3% in 2011, but will gradually rise again, reaching a 1.4% by 2022 (WTTC, 2012).

Conclusions

Although the Black Sea region has the natural advantage of creating a thriving tourism sector, there are plenty of barriers that could prevent the process from being successful. From the need to alleviate corruption, poverty and frozen conflicts, to improving infrastructure and promoting ecotourism, the region, first and foremost, needs regulation, a set of common standards and strategic oversight from the governmental sector. However, equally important is the role and support of local residents, without which the strategic and managerial priorities of tourism would be hard to navigate.

Through closer cooperation and a common platform between the BSEC member countries, tourism could be the only sector where all parties would benefit. However, specific actions must be taken by three central constituencies in the field, namely, host communities, host governments and foreign stakeholders.

Studies have demonstrated that tourism must be subject to vigorous laws and regulations, especially in developing democracies, in order to alleviate the aforementioned obstacles.

National governments must enforce certain laws and create national tourism strategies. These must protect and safeguard the environment, land, property, and employment opportunities of communities most affected by tourism. Laws must be enforced through robust and prolific institutions both on a national and local level.

Along with the tangential regulations in place, governments must demonstrate constructive leadership and provide a strategic oversight of the planning of the tourism industry. By implementing a strategic oversight, host governments ensure to attract foreign investment, and build smart infrastructure both internally and between the BS countries. However, they must also be wary of the risks and challenges that come with developing a successful tourism industry, namely; environmental damage and changes in cultural/religious behaviour; tourist misbehaviour and host aggression; increase in crime rates, drug use and prostitution; an inflow of particular diseases and safety risks.

Smart infrastructure – Though the risks are there, smartly planned infrastructure could also be a key factor towards underpinning the economic, environmental and social benefits that

tourism brings. In other words, the development of infrastructure is *smart* when “the industry is able to manage visitor flows in ways that do not affect the natural or built heritage, nor counteract against local interests” (WTTO and IHRA, 1999).

Protecting the environment and preserving cultural values is a key to a successful tourism sector. BSEC governments must ensure to raise cross-cultural awareness and create opportunities for local communities to get involved. Through a platform of mutual respect for each other’s cultural significance, the BS region has the potential to create a thriving tourism industry and simultaneously advance their environmental sector.

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Tirana, Albania 2002

DECLARATION OF THE MINISTERS OF TOURISM OR HEADS OF DELEGATIONS OF THE BSEC MEMBER STATES

We, Ministers of Tourism or Heads of Delegations of the Republic of Albania, Republic of Azerbaijan, Republic of Bulgaria, Georgia, Hellenic Republic, Romania, Russian Federation, Republic of Turkey and Ukraine, gathered here in Tirana/Albania, having regarded to:

* The Istanbul Decennial Summit Declaration, held on 25 June 2002 in Istanbul; * The BSEC Economic Agenda for the Future: Towards a More Consolidated, Effective and Viable BSEC Partnership, adopted by the Council of Minister of Foreign Affairs in Moscow on 27 April 2001;

* The Declaration of the World Summit on Sustainable Development, held in Johannesburg on 25 August till 5 September 2002 and the initiative "Sustainable Tourism as a tool for Eliminating Poverty" presented by the Secretary General of the World Tourism Organisation in the above mentioned Summit;

* The other relevant documents, principles, guidelines and codes of ethics for sustainable tourism, such as those proposed by World Tourism Organisation (WTO), UNEP, UN Commission on Sustainable Development.

And bearing in mind that:

- H. The BSEC area has a great and very promising potential in Tourism;
- I. Tourism has a very significant and complex role to play in the economic, social and environmental fields of our countries;
- J. Tourism is the major growing contributor to jobs, wealth, investments and cultural understanding;
- K. Important progress has been achieved in tourism during the last decade by all BSEC Member States in general, and by some countries in particular;
- L. Tourism has proved to be and, with the long- term forecast study of WTO, is foreseen to be a leading industry in the world economy in general, and in the economy of our countries in particular,
- M. The development of tourism in the BSEC area will actively contribute to the alleviation of poverty by capacity building especially in the local communities of many BSEC Member States.
- N. The necessary precondition for the development of tourism cooperation across the BSEC region is stability and security that can be achieved only by means of just and lasting settlement of disputes and conflicts on the basis of norms and principals of international law.

Agreed on the following principles and actions for the enhancement of Tourism in our region:

1. Our main strategic marketing objective will be to position the BSEC area as a tourism destination to the world tourism 2 market and to stimulate and strengthen the image

- of our region as a unique and very attractive destination by organizing a search meeting to set the priorities of integrated destinations;
2. The development in the field of the tourism in the BSEC area, needs to embrace some major objectives such as promoting the neglected natural, cultural and heritage sites alongside with the improvement of the quality tourism facilities and services and the protection and sustainable development of the natural, cultural and heritage resources;
 3. The increase of investments in domestic and regional markets in the field of tourism is of vital importance and needs our commitment to further facilitate the legal and fiscal framework for the private and public investments in accordance with our internal legislation and without prejudice to our international obligations;
 4. We declare our commitment to support SMEs operating in the tourism sector, which often face a multitude of administrative and other barriers and create for them an enabling environment so they can start and develop their business in a sustainable manner;
 5. We recognize that access to credit is one of the most serious issues facing SMEs operating in the tourism sector. The search for financial support from domestic and international sources and in particular from BSTDB will be in the focus of our future work;
 6. We confirm our commitment for a closer cooperation in the future in the field of tourism, on a bilateral and multilateral basis. We estimate that the BSEC Project Implementation Mechanism launched recently will be the focus for our joint projects. The opportunity to take advantage from the Project Development Fund will have our future attention;
 7. We agree to exchange best practices of our regulatory mechanisms, experiences, successful projects in the field of 3 tourism, within the two-year Tourism Action Plan by means of communications through the PERMIS, Seminars and other special events with particular interest to the BSEC Member States;
 8. We commit ourselves to achieve sustainable development in all forms of tourism in the BSEC region, by paying attention to the sensitivity of our natural/heritage environment and the need to preserve biodiversity, culture, tradition and social life styles;
 9. We commit ourselves that the future formulation of national, regional and local policies and the development strategies will be compatible with the overall objectives of sustainable development. We encourage transparent planning of integrated destinations that will bring about a sustainable capacity building at the local level;
 10. We express our commitment to observe and insure that diversified tourism products be developed and managed in our countries in a sustainable manner, so they can bring a very important opportunity for local populations, for their cultures and for the conservation of environment for the future generations;
 11. The development and the promotion of education and training programs is an important mean to achieve quality and efficiency in tourism. To this end the cooperation between the BSEC PERMIS and Bogazici University WTO Education and Training Centre is important;
 12. Our engagement for a better cooperation on promotional strategies and programs carried out by the National Tourism Administrations, both in regional and domestic markets;
 13. We invite the Organization of the BSEC to take into account this Declaration in the process of implementing the BSEC Economic Agenda;
 14. We invite the BSEC WG on Cooperation in Tourism to review regularly, in the framework of the Tourism Action Plan, the implementation of this Declaration;

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15. We forward this Declaration to the BSEC Council of Ministers of Foreign Affairs and to the Governments of the BSEC Member States;
16. We agree to meet whenever appropriate, to consider the matters related to tourism cooperation in the BSEC area. The date and the venue of such meetings will be decided in cooperation with BSEC PERMIS;
17. We express our gratitude to the host country for the excellent arrangements provided to all the delegations of the BSEC Member States and other Bodies and for its important contribution to the success of this Meeting. Adopted in Tirana, on 27 September 2002.

ANNEX 2

Rhodes, Greece, 31 March 2005

RHODOS DECLARATION OF THE MINISTERS OF TOURISM OF THE MEMBER STATES OF THE ORGANIZATION OF THE BLACK SEA ECONOMIC COOPERATION

We, the Ministers in charge of Tourism or Heads of the Tourism Administrations/Delegations of the Member States of the Organization of the Black Sea Economic Cooperation: the Republic of Albania, the Republic of Armenia, the Republic of Azerbaijan, the Republic of Bulgaria, Georgia, the Hellenic Republic, the Republic of Moldova, Romania, the Russian Federation, Serbia and Montenegro, the Republic of Turkey and Ukraine,

Acknowledging the potential role of tourism as a vehicle for development, a platform for peace and stability in the world contributing to mutual understanding, goodwill and close relations among people,

Recognizing the importance of tourism in promoting economic and social development and its role as an effective tool for poverty alleviation,

Recognizing the ultimate role of tourism in protecting and enhancing the natural and cultural heritage leading towards sustainable development,

Reaffirming our strong will to further develop and strengthen the cooperation among our countries in the field of tourism,

Recognizing the importance and significance of visa simplification procedures which could also contribute to the promotion of tourism in the Black Sea region with a view to possible discussion of the issue by relevant authorities of BSEC Member States.

Considering the efforts taken on a permanent basis by the BSEC Member States in the development of cooperation in the field of tourism in the BSEC area, Being aware of the initiatives taken recently by the European Commission in the field of tourism regarding measures for the future of European tourism as well as the basic orientations for the sustainability of European tourism, which have culminated in the inclusion of tourism in the new Constitutional Treaty of the European Union,

Conscious of the upgrading of the image and the status of tourism worldwide as a result of the transformation of the World Tourism Organization into a Specialized Agency of the United Nations,

Taking stock of the provisions of the Declaration of the Ministers of Tourism and Heads of Delegations of the BSEC Member States adopted in Tirana, on 27 September 2002,

Convinced that the achievement of our common aims and goals can only be realized through the implementation of specific programs and measures,

Declare that our cooperation will be guided by the basic principles of sustainable development and will be based on the following principles and actions for the development of tourism in the BSEC area:

1. We reiterate our commitment that our main strategic marketing objective will be to position the BSEC area as a tourism destination to the world tourism market and to stimulate and strengthen the image of our region as a unique and very attractive destination.
2. To this end, special forms of tourism that are common to all BSEC countries, such as cultural tourism, religious tourism, curative tourism, sea tourism, MICE tourism, mountain and winter sports tourism, rural tourism and eco-tourism, etc. should be developed and promoted in distant markets, considering in particular the possibility of developing complementary actions in key international tourist exhibitions and fairs, recalling, among others, the relevant experience at the International Tourist Fair "Philoxenia 2003", in Thessaloniki.
3. Special attention should be given to our multilateral cooperation and the exchange of good practices and legislation in the field of maritime tourism, including cruises, yachting, etc. Special attention should also be given to the development of cruises as a vehicle for the enhancement of tourism in the BSEC area ensuring its competitiveness respecting international agreements and regulations.
4. Particular emphasis should also be attributed to the establishment of tourist cultural itineraries in the BSEC area based on preserving the heritage of our countries, as far as culture, history, mythology, architecture, faith, gastronomy, common traditions, etc. are concerned.
In this respect, particular lessons can be drawn from the exchange of experiences, networking and the development of special interest itineraries as, among others, from the "Silk Road" project initiated by the WTO, the "Argonauts Expedition" initiated by Greece, the regional "Wine Roads" initiated by various BSEC Member States, as well as other projects initiated by the BSEC Member States.
5. The private tourist sector of our countries has a crucial role to play in offering and promoting joint multi-destination packages spanning as many BSEC Member States as possible on the basis of special characteristics and interests.
6. Sports and tourism, in particular, are closely interconnected and major or mega events like the Olympic Games in Athens in 2004 can expand the visibility of the area to international tourism and can create conditions of cultural exchange, social and economic development.
7. Our main priority will be to ensure the development of tourism within a broader strategy of sustainable development. Key element in achieving sustainable development in the BSEC area should be the establishment of high quality standards for tourist accommodations and services. The emphasis on quality in tourism is also enhancing the competitiveness of our tourist product in the international markets. To this end, we agree to exchange best practices on sustainable development projects.
8. To support private investments in the sector of tourism in the BSEC area, through improvement of the existing national legal and fiscal frameworks, learning from each other. In this respect, the investment potential of tourism in the BSEC area could be presented in a specially organized international forum.
9. Since the SMEs form the backbone of our tourist industry, the search for financial support from domestic and international sources and in particular from the Black Sea Trade and Development Bank (BSTDB) will be in the focus of our future work.

10. Networking of research institutes and observatories on tourism in the Black Sea area would be a very useful tool for defining the guidelines for enhancing the sustainable competitiveness of the BSEC tourism industry.
11. Local communities and other stakeholders should be involved in all tourism development activities at an early stage to maximize the social and economic benefits in an equitable manner.
12. The development of education and training programmes concerning in particular the personnel employed in the public and private tourist sector, the training of trainers and on-the-job training of students and graduates of schools of tourist professions is crucial for upgrading the quality, efficiency and competitiveness in tourism. Therefore, we take note with satisfaction of the programme for training the trainers with two participants from each BSEC country to be organized in Rhodos by the Greek side and we encourage the organization of similar programmes by other BSEC countries.
13. It is essential to take advantage of new technologies and upgrade our national tourist websites, profiting from the experience of other BSEC countries that are also members of the European Union or members of the ETC and participate in the initiative of the E.U. for the creation of a European Tourist Destinations Portal.
14. Mindful that tourism must attain the recognition that it deserves in the BSEC area, we find very interesting the endeavors of the E.U, the WTO and the OECD for the establishment of the "Tourism Satellite Accounts".
15. In order to achieve the above goals, we share the conviction that the role of the BSEC Working Group on Cooperation in Tourism must be strengthened and expanded to profit from discussions taking place in other BSEC Working Groups on issues linked to tourism.
16. To promote a better interface with the tourism industry and other groups of stakeholders we think appropriate to consider holding a BSEC Tourism Forum, including representatives of the private tourist sector as well as of the national and regional authorities responsible for tourism. Discussions would focus on one or two subjects of priority to the Industry and the periodical sessions of this Forum, could take place alternately in each of the BSEC countries.
17. We invite the BSEC WG on Cooperation in Tourism to review regularly, in the framework of the Tourism Action Plan, the implementation of this Declaration.
18. We forward this Declaration to the BSEC Council of Ministers of Foreign Affairs and to the Governments of the BSEC Member States.
19. We agree to meet whenever appropriate, to consider the matters related to tourism cooperation in the BSEC area. The date and the venue of next meeting will be decided in cooperation with BSEC PERMIS.
20. We express our gratitude to the host country for the excellent arrangements provided to all the delegations of the BSEC Member States and BSEC Related Bodies and for its important contribution to the success of this Meeting.

DECLARATION OF THE MINISTERS IN CHARGE OF TOURISM OF THE MEMBER STATES OF THE ORGANIZATION OF THE BLACK SEA ECONOMIC COOPERATION - Athens, GREECE 15 November 2010

We, the Ministers in charge of Tourism / Heads of the Tourism Administrations of the Member States of the Organization of the Black Sea Economic Cooperation, namely:

Recognizing the importance of tourism in promoting economic development, mutual understanding, goodwill and close relations among peoples,

Acknowledging the significant role of tourism in protecting and enhancing the natural and cultural heritage leading towards sustainable development,
Considering the efforts taken on a permanent basis by the BSEC Member States in the development of cooperation in the field of tourism in the BSEC area,

Taking into account the provisions of the Rhodes Declaration of the Ministers of Tourism of the Member States of the Organization of the Black Sea Economic Cooperation, adopted on 31 March 2005,

Recognizing the importance of visa facilitation procedures which could contribute to the promotion of tourism within the Black Sea region with a view to discuss the issue with the relevant authorities of the BSEC Member States. We declare our intention:

1. To intensify our efforts with a view to positioning the BSEC area as a tourism destination to the world tourism market and to stimulate as well as strengthen the image of our region as a unique and attractive destination,
2. To further develop the cooperation between the tourism professionals, the tourism organizations and associations and the travel and tourism agencies of the BSEC Member States, in order to promote traveling within the BSEC region and attract more tourists from other countries,
3. To ensure tourism promotion within a broadest strategy of sustainable development,
4. To encourage cooperation in the field of Special Interest Tourism, where appropriate, through existing or new projects, mainly in the areas of:
 - a. cultural tourism projects, namely: "The Route of the Rose" (Bulgaria), "The Routes of Coinage" (Greece), "Cultural Route of the Roman Emperors" (Serbia), "The Silk Road" (Turkey), "Myths of the Two Seas" (Azerbaijan), "Wine Routes of Azerbaijan" (Azerbaijan), "Vine and Wine Routes Project" (Armenia), "Legend of Argonauts" (Georgia),
 - b. maritime tourism, including yachting and cruising, as a vehicle for the enhancement of tourism in the BSEC area, ensuring its competitiveness in the framework of international agreements and regulations,
 - c. winter and sports tourism including exchange of experience and know-how concerning ski resort infrastructure and management, as well as the promotion of leisure sports activities all year round,
 - d. health, spa and wellness tourism, including exchange of expertise developing natural thermal springs, spas and thalassotherapy centers,

- e. business tourism with an emphasis on the MICE tourism activities – meetings, incentives, conferences and exhibitions – within the BSEC Member States and in other countries,
5. To encourage the relevant authorities of the BSEC Member States to undertake initiatives with a view to protecting the environment of the Black Sea region for the benefit of tourism development in the area,
 6. To organize tourism training programmes and training exchanges for the personnel employed in the tourism sector and to encourage synergies among tourism educational institutions, in order to achieve higher quality of services in the region,
 7. To exchange statistical information and to publish an annual report for tourism activities of the BSEC Member States,
 8. To continue our close cooperation with the World Tourism Organization (UNWTO), the European Union and other international organizations or entities related to tourism, in order to benefit from their experience and know-how and in order to promote tourism in the Black Sea region worldwide.

We underline the importance of tourism in promoting people to people contacts. In this context, we stress the beneficial role of visa facilitation as a tool of advancing mobility issues in the Black Sea region. We welcome the progress achieved so far in this field and underline the need for further cooperation and coordination.

We welcome the willingness of the Hellenic Republic, as the only Schengen Member of the BSEC Organization, to undertake initiatives in order to introduce simplified visa procedures for tourists of the BSEC Member States.

We agree to meet, whenever appropriate, to follow-up the decisions taken and to consider the matters related to tourism cooperation among the BSEC Member States.

We express our gratitude to the Hellenic Republic for the organization of the Meeting and for the hospitality extended.

**ACTION PLAN OF THE
BSEC WORKING GROUP ON COOPERATION IN TOURISM
DURING THE TERM-IN-OFFICE OF THE RUSSIAN FEDERATION
AS THE COUNTRY-COORDINATOR
(1 January 2011 – 31 December 2012)**

The BSEC Working Group on Cooperation in Tourism,

Having in mind the overall aim of the Organization of the Black Sea Economic Cooperation (BSEC) to promote stability and economic prosperity in the region;

Conscious of the significant contribution of tourism in achieving economic development, mutual understanding, goodwill and friendly relations among peoples in the BSEC Region as well as in reducing regional disparities;

Stressing that the cooperation among Member States for the promotion of special forms of tourism and the protection of the environment is essential for the development and the future of tourism in the region;

Recognizing that the active involvement of BSEC Member States is of crucial importance to the achievement of the goals of the Action Plan.

The Working Group will be focused on the following:

Creation of favorable conditions for tourism development in the BSEC Member States

- The current state and level of collaboration among the Member States of the Organization of the Black Sea Economic Cooperation (BSEC) in the sphere of tourism is characterized by the increase of interest in the expansion of joint activity. These are the prerequisites for creation of new tourist products and their promotion, thus positioning the region as one of the leading regional tourist destinations of the world.
- The legislative acts adopted by the BSEC Member States give the opportunity to develop and implement the general strategy of tourism development in the region as one of the main instruments to meet the consequences of the Global economic crisis.
- Joint experience of cooperation at both bilateral and multilateral levels enables the BSEC Member States to concentrate activities during the period 2011-2012 on creating favorable conditions for growth of the tourist industry in the total trade volume of the BSEC Region.

Priority directions for cooperation during the term-in-office of the Russian Federation as the Country-Coordinator of the BSEC WG on Cooperation in Tourism

In order to succeed in creating the above mentioned favorable conditions for tourism development, the following tasks are to be fulfilled:

- Strengthening the partnership, providing the consecutive and systematic cooperation among the BSEC Member States in infrastructure modifications in the tourist sphere on the basis of the market mechanisms;
- Further harmonization of the national legislations of BSEC Member States in the sphere of tourism within the framework of the international practice of providing freedom of traveling for tourists and alleviating tax and visa barriers;
- Creation of the favorable conditions for developing and implementing the international joint projects and programs in the field of tourism using the innovative approaches and modern technologies;
- Development and realization of the measures aimed at ensuring the increase of the tourist flows among the BSEC Member States taking into account both the number of visitors and the quality of tourist products;
- Increase the effectiveness of using the natural, cultural and historic resources for creation of the tourist industry, which meets the demands of the modern society;
- Improvement of planning and creation of conditions for conversion of one-time events into the long-term the BSEC projects under the guidance of the national tourist administrations and within the framework of the BSEC Working Group on Cooperation in Tourism;
- Ensuring the consecutive and systematic work on the development of multilateral cooperation by means of elaboration and implementation of trans boundary routes, realization of joint projects taking into consideration the preferences which follow the BSEC Member States for supporting their domestic tourism;
- Creation of conditions for the fair competition and mutually beneficial cooperation, as well as establishment of the joint tourist products and the legal basis for economic entities acting in the field of tourism;
- Provide free access to the information about the economic entities acting in the sphere of tourism in the BSEC Region and ensure statistical data exchange;
- Secure mutual support to the national tourist companies of the BSEC Member States during the international exhibitions, fairs, festivals and contests;
- Cultural tourism should be duly considered as a priority issue.

Proposals on the events to be held in 2011-2012

In order to succeed in the implementation of the declared priority fields, the Russian Federal Tourism Agency (Rostourism) proposes to carry out the following activities within the period of 2011-2012:

1. Convene four Meetings of the BSEC Working Group on Cooperation in Tourism; at each Meeting of the Working Group priority should be discussed and the time-table for the implementation should be defined;

2. Hold VI International Conference of BSEC Member States “Development of Resort and Tourist Infrastructure in the Black Sea Region (Russia, Krasnodar Region, Gelendjik, October 2011);
3. Develop and implement in the BSEC framework a project on the development and realization of Transboundary Cruise Tourist Motorway at the Black Sea.

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