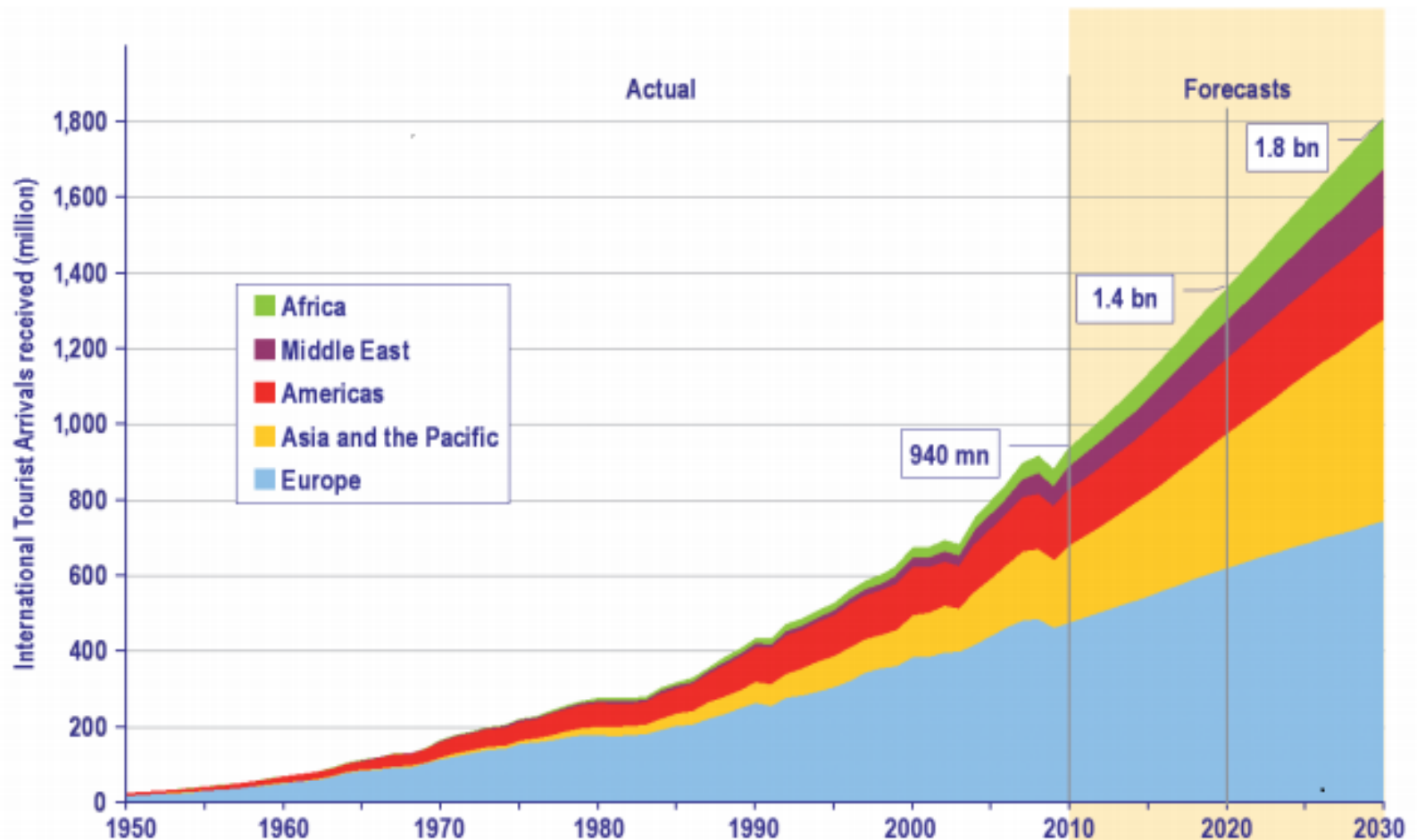


# Scheduling Tourism Services

Advanced Scheduling Workshop for SADC Member States  
Windhoek, Namibia  
23-26 September 2014

# Tourism trends and forecasts

UNWTO Tourism Towards 2030: Actual trend and forecast 1950-2030



# Africa: tourism trends and forecasts

- Africa received 56 million tourists (5% of the world) in 2013 after surpassing the 50 million mark (increase of 3 m over 2012)
- International tourism receipts remained at US\$ 34 billion. The region maintained a 5% share in worldwide arrivals and a 3% share in receipts.
- South Africa, the largest destination in the subregion, reported 4% growth. Seychelles (+11%) reported strong growth, while Mauritius (+3%), Zimbabwe (+2%) and Uganda (+1%) posted more modest increases.
- Between 2010 and 2030, arrivals in emerging destinations (+4.4% a year) are expected to increase at twice the rate of those in advanced economies (+2.2% a year).

# Importance of Tourism Services for SADC economies

- Tourism industry directly accounted for 3.12% of GDP (US\$ 39.74 billion) and 2.3% of employment (4.76 m jobs)
- US\$ Indirect contribution of the sector to GDP is 7.33% (US\$ 93.30 billion) , and 5.6% of employment (11.57 m jobs)
- Tourism exports as a proportion of overall exports was significant, accounting for 6.73%
- capital investment in the industry as a share of overall investment: 5.38%.
- is projected that the real growth rates of both the industry's direct and indirect contribution to GDP over the next ten years will be an impressive 5.3% per annum

# Breakdown per SADC country

Country	GDP (US\$ bil.)		Employment (thousands)		Visitor Exports US\$ bil.	Capital Investment US\$ bil.
	Direct	Indirect	Direct	Indirect		
Angola	1.38	3.23	59.6	139.9	0.70	0.32
Botswana	0.48	1.31	18.4	45.0	1.04	0.13
D.R. Congo	0.19	0.42	123.0	290.8	0.03	0.12
Lesotho	0.13	0.30	31.0	71.4	0.03	0.05
Malawi	0.16	0.34	74.1	162.4	0.04	0.02
Mauritius	1.48	3.35	67.5	151.6	1.83	0.19
Mozambique	0.37	0.88	232.7	561.8	0.25	0.11
Namibia	0.49	2.29	29.2	116.0	0.68	0.34
Seychelles	0.24	0.60	10.9	25.3	0.36	0.12
South Africa	10.95	34.68	512.8	1188.2	10.32	5.85
Swaziland	0.08	0.16	5.8	12.7	0.04	0.02
Tanzania	1.27	3.38	430.6	1182.2	1.40	0.74
Zambia	0.39	0.90	21.9	57.8	0.19	0.07
Zimbabwe	0.37	0.77	42.7	93.3	0.41	0.05

Source: WTTC, Economic Data Search Tool

# Classification according to GATS W/120 and CPC Prov.

CPC Prov		Sub-division	
641	Hotel and other lodging services	6411 6412 6419	Hotel lodging services Motel lodging services Other lodging services (including Holiday camp services, youth hostels, etc.)
642	Food serving services	6421 6422 6423 6429	Full restaurant services Self-service facilities Catering services Other
643	Beverage serving services for consumption on the premises	6431 6432	Services without entertainment Services with entertainment
7471	Travel agencies and tour operators services		
7472	Tourist guides services		

# Level of GATS commitments and SADC offers

Country/Sector	Hotels and Restaurants	Travel Agents and Tour Operators	Tourist Guides	Other
Angola	None M1-3			
Botswana	Limitations M1	Limitation M1		
Democratic Republic of Congo	Full M1-3	Full M1-3	Full M1-3	
Lesotho	Only catering M1, UB M2, 3		UB M1, N M2-3	
Madagascar				
Malawi	Full	Full	Full	Full
Mozambique				
Mauritius	M1, 3 limitations	M1, 3 limitations	M1, 3 limitations	Several categories
Namibia	Full	Full		
Seychelles				
South Africa	Only catering M1 Full M2, 3	Full		
Swaziland	No catering, Full M2, 3, specific categories M4			
Tanzania	Four stars and above, M3 limitations, UB: NT			
Zambia	Full	Full	Full	Full
Zimbabwe		M2 limitations	M2 limitations	

# Level of GATS commitments and SADC offers

Country/Sector	Hotels and Restaurants	Travel Agents and Tour Operators	Tourist Guides	Other
Angola	None M1-3			
Botswana		Limitation NT M3	Carve out of certain activities	
Democratic Republic of Congo	Changes??	changes?	Full M1-3	
Lesotho	Only catering M1, UB M2, 3		UB M1, N M2-3	
Madagascar				
Malawi	Full	Full	Full	Specific category added
Mozambique	limitations	limitations	limitations	
Mauritius	M1, 3 limitations		M1, 3 limitations	Several categories
Namibia	Full	Full		
Seychelles	Some limitations	Some limitations		
South Africa	Only catering M1 Full M2, 3	Full		
Swaziland	None limitations	Tour operators	Full	
Tanzania	Four stars and above, M3 limitations, UB: NT			
Zambia	Full	Full	Full	Full



# Scheduling techniques

- Sectoral carve-outs and limitations
  - BW: operation of guest houses, camp sites, caravan sites, bars, discotheques and night clubs
  - SYC: excl. boarding houses and motels, and hotels less than 15 units, and
  - TZ: 4 star hotels and more
- Foreign capital limitations (SYC)
- Incentives for companies with 51% local capital (Moz)
- Training requirements (Moz)

# Potential regional issues and how to address them?

- Movement of persons
  - Trainees, cooks, etc.
- Cross-border movement of tour buses and vessels (e.g. boats and helicopter) with staff (i.e. guides)
  - Vehicle insurance and standards
  - Permits (e.g. foreign aerial scenic)
- Other issues
  - Univisa
  - Standards for tourism facilities

# “Other” Tourism Services

9. D Other

- Mwi and Zambia have full GATS commitments on all Tourism Services
  - *Q: what is covered under unspecified “other” commitments?*
- Examples of specific “other” commitments

# “Other” Tourism Services by Malawi

SADC/IO/MWI/01.10.13

Initial offer by Malawi

Modes of supply: 1) Cross-border 2) Consumption abroad 3) Commercial presence 4) Presence of natural persons

Sector or Subsector	Limitations on Market Access	Limitations on National Treatment	Additional Commitments
9. <u>TOURISM AND TRAVEL RELATED SERVICES</u>  A. <u>Hotels and restaurants (incl. catering) (CPC 641-643)</u>  B. <u>Travel agencies and Tour operators services (CPC 7471)</u>  C. <u>Tourist guides services (CPC 7472)</u>  D. <u>Other Tourism Services</u>  1. Diving services  2. Sport Fishing	1) None  2) None  3) None  4) Unbound except as indicated in the horizontal section	1) None  2) None  3) None  4) Unbound except as indicated in the horizontal section	

# “Other” Tourism Services by Mauritius

Modes of supply: <sup>α</sup> 1) Cross-border <sup>α</sup> 2) Consumption abroad <sup>α</sup> 3) Commercial presence <sup>α</sup> 4) Presence of natural persons <sup>α</sup>

Sector or Subsector <sup>α</sup>	Limitations on Market Access <sup>α</sup>	Limitations on National Treatments <sup>α</sup>	Additional Commitments <sup>α</sup>
<del>(5) C. Tourist guide services (CPC 7472) ¶</del> <sup>α</sup>	<del>1) Limited to Mauritian nationals. Exception made for languages not spoken by Mauritians. None ¶</del> <del>2) None ¶</del> <del>3) Allowed only in linguistic scarcity areas. None ¶</del> <del>4) Unbound except as indicated in the horizontal commitments ¶</del> <del>→ Allowed only in linguistic scarcity areas. <sup>α</sup></del>	<del>1) Governed by Immigration Laws. None ¶</del> <del>¶</del> <del>2) None ¶</del> <del>3) Governed by Income Tax Laws. None ¶</del> <del>4) Unbound except as indicated in the horizontal commitments ¶</del> <sup>α</sup>	<sup>α</sup>
<del>(6) Tourist transport operation (car rental) (CPC 83101) ¶</del> <del>¶</del> <sup>α</sup>	<del>1) Limited to Mauritian nationals only. None ¶</del> <del>2) None ¶</del> <del>3) Limited to Mauritian nationals only. None ¶</del> <del>4) Unbound except as indicated in the horizontal commitments <sup>α</sup></del>	<del>1) Limited to Mauritian nationals only. None ¶</del> <del>2) None ¶</del> <del>3) Limited to Mauritian nationals only. None ¶</del> <del>4) Unbound except as indicated in the horizontal commitments <sup>α</sup></del>	<sup>α</sup>
<del>(7) Yacht chartering &amp; cruising services (CPC 96499**) ¶</del> <sup>α</sup>	<del>1) Reserved to Mauritian nationals. Pleasure Craft Act 1993. None ¶</del> <del>2) None ¶</del> <del>3) Reserved to Mauritian nationals. Pleasure Craft Act 1993. New licences only for innovative services ¶</del> <del>4) Unbound except as indicated in the horizontal commitments <sup>α</sup></del>	<del>1) Reserved to Mauritian nationals. None ¶</del> <del>2) None ¶</del> <del>3) Reserved to Mauritian nationals. Foreign services suppliers must have a minimum investment of Rs 15 million. ¶</del> <del>4) Unbound except as indicated in the horizontal commitments <sup>α</sup></del>	<sup>α</sup>

# “Other” Tourism Services by Mauritius

SADC/IO/MUS/17.06.13¶

Initial offer by Mauritius¶

Modes of supply: 1) Cross-border 2) Consumption abroad

3) Commercial presence 4) Presence of natural persons

Sector or Subsector	Limitations on Market Access	Limitations on National Treatment	Additional Commitments
(8) Tourist duty-free shops	<p>1) Limited to Mauritian nationals <b>None</b></p> <p>2) None</p> <p>3) (i) Requirement of an Export Service Certificate</p> <p>(ii) <b>None, except</b> foreign participation limited to 30 per cent</p> <p>4) Unbound except as indicated in the horizontal commitments</p>	<p>1) Limited to Mauritian nationals <b>None</b></p> <p>2) None</p> <p>3) (i) Subject to customs supervision</p> <p>(ii) Transaction in foreign currency with tourist customers only <b>None</b></p> <p>4) Unbound except as indicated in the horizontal commitments</p>	
Circus, amusement parks and similar attractions (CPC 96194)	<p>1) None</p> <p>2) None</p> <p>3) None</p> <p>4) Unbound except as indicated in the horizontal commitments</p>	<p>1) None</p> <p>2) None</p> <p>3) None</p> <p>4) Unbound except as indicated in the horizontal commitments</p>	
Recreational parks	<p>1) None</p> <p>2) None</p> <p>3) None</p> <p>4) Unbound except as indicated in the horizontal commitments</p>	<p>1) None</p> <p>2) None</p> <p>3) None</p> <p>4) Unbound except as indicated in the horizontal commitments</p> <p>¶</p> <p>¶</p> <p>¶</p> <p>¶</p>	

# Adequacy of the existing classification

- It is recognized that tourism value chains comprise a range of activities other than those listed in W/120
  - *Question: What other activities are particularly important?*

# Tourism Satellite Accounts (TSA)

Twelve tourism industries are identified as part of TSA:

1. **Accommodation for visitors**
2. **Food and beverage serving industry**
3. **Railway passenger transport**
4. **Road passenger transport**
5. **Water passenger transport**
6. **Air passenger transport**
7. **Transport equipment rental**
8. **Travel agencies and other reservation services industry**
9. **Cultural industry**
10. **Sports and recreational industry**
11. **Retail trade of country-specific tourism characteristic goods**
12. **Country-specific tourism characteristic industries**

(Each industry is defined in terms of the UN International Classification of Economic Activities (ISIC Rev.4).)



# Changes in Tourism classification in CPC v2

- CPC 631: Accommodation services for visitors, including new subcategories such as Room or unit accommodation services for visitors, in time-share properties (63113);
- CPC 633: Meal serving services, including new subcategories such as Event catering services (63391) and Contract food services for transportation operators (63392), and
- CPC 855: Travel arrangement, tour operator and related services, including new subcategories such as including Reservation services for transportation (8551) and Tourism promotion and visitor information services (8556).

In addition, Recreational, Cultural and Sporting services has been divided into 8 major categories, namely:

- CPC 844: News agency services;
- CPC 845: Library and archive services;
- CPC 962: Performing arts and other live entertainment event presentation and promotion services;
- CPC 963: Services of performing and other artists;
- CPC 964: Museum and preservation services;
- CPC 965: Sports and recreational sports services;
- CPC 966: Services of athletes and related support services; and
- CPC 969: Other amusement and recreational services.

# What should be done?

- *Q: Is CPC Provisional clear to schedule commitments in the three tourism services sectors (hotel and restaurants, travel agencies and operators, tourist guides?)*
- *Q: Should the additional explanations of CPC v2 be harnessed? If so, how?*
- *Q: Should other tourism-related services be integrated in the negotiations (at this stage)? If so, how?*