

Plurilateral request on

Tourism services

The co-sponsors of plurilateral requests made in 2006 have re-sent their requests to Members again. This has prompted the present request which was not made earlier. The intention is to flag the importance of the tourism sector for developing countries as a revenue generator. The primary aim is to get the addressed members to further remove limitations on market access to supply services to potential tourists in their home countries and thereby facilitating provision of easy access to them of the various tourist packages available in developing countries.

Introduction:

2 Further to paragraphs 25 through 27 of the Hong Kong Ministerial Declaration, and in accordance with paragraphs 7 and 11 (b) of Annex C of the Hong Kong Ministerial Declaration, the Missions of Colombia, Mauritius, Morocco, Panama, and Thailand are pleased to present a plurilateral request in Tourism Services.

3. In accordance with paragraph 7 of Annex C of the Hong Kong Ministerial Declaration, this collective request is intended to complement, and not supersede, the bilateral request/offer negotiations and the specificity of bilateral requests.

4. This request also reaffirms the flexibility provided for individual developing countries in Article XIX:2 of the GATS and stresses on due regard for their national policy objectives and the level of their development in taking on commitments.

Tourism Sector:

5. The economic importance of a thriving international tourism industry is fully realised by all developing countries. Special efforts are made by governments globally to create conducive environment to fully utilize the potential of this sector in employment generation and earning foreign exchange.

6. The market share¹ of developing countries in the international tourism sector was estimated at 40.3 %, up sharply from 28.6% in 1990, while that of developed countries was 59.7% in 2005. There were 842 million arrivals globally and a 4.5% growth rate in 2006 which exceeded expectations as the tourism sector continued to enjoy above average results, making it a new record year for the tourism industry.

7. As one of the most dynamic economic sectors, Tourism has a key role among the instruments to fight against poverty and is recognized by experts as a primary tool for sustainable development.

Request:

8. Improved commitments are necessary in all modes of supply since developing countries need to use all four modes to introduce their services to the potential consumers globally. This will facilitate businesses in providing best packages at competitive rates through transparency and predictability of assured market access right from the place of origin to the destination of the tourist. In turn it will contribute towards generation of revenue in the countries of destination.

¹ Source: World Tourism Organization (UNWTO). Data as collected by UNWTO, September 2006. (For regional break-ups see, facts & figures section at www.unwto.org)

9. The objective of the present plurilateral request is increasing the level of bindings to reflect the status quo for tourism-related liberalization, as well as removing remaining restrictions to the extent possible. In this backdrop the co sponsors in this common request will seek increased access for all modes of supply for "Tourism and Travel Related Services", as contained in Section 9 of the *Services Sectoral Classification List* (MTN.GNS/W/120).

TOURISM AND TRAVEL RELATED SERVICES

A.	Hotels and restaurants (incl. catering)	641-643
B.	Travel agencies and tour operators services	7471
C.	Tourist guides services	7472
D.	Other	

10. With respect to Most Favored Nation Treatment, Market Access, and National Treatment, the request especially seeks:

- a) Elimination of Mode 1 requirements for commercial presence, and the de-linking of Mode 4 access from commercial presence, together with removal of limitation on the establishment of small-scale hotels and restaurants, and citizenship/residency requirements for tourist guides in Mode 3.
- b) The removal of MFN exemptions applicable to tourism sector and to 'all sectors' that include tourism is also requested.
- c) The elimination of ENTs or at a minimum the specification of the criteria used.
- d) Elimination of travel warnings regarding the movement of natural or juridical persons who provide or demand tourism services. Co-sponsors deem that travel warnings are barriers to Mode 2 trade in tourism services.

11. The co-sponsors of this plurilateral request may also wish to raise further tourism-related issues, such as qualification requirements and procedures, technical standards, procedures for the issuance of travel warnings, promotion of small and medium enterprises (SMEs) and anti-competitive practices by certain dominant operators, so that those issues can be appropriately addressed through additional commitments where possible.