

## INTERNATIONAL STATISTICAL STANDARDS AS ENABLER FOR EVIDENCE-BASED POLICY MAKING – THE CASE OF TOURISM STATISTICS

Oliver Herrmann

World Tourism Organization (UNWTO), Madrid, Spain

oherrmann@unwto.org

*The scale of tourism world-wide and the growing complexity of tourism-related data call for improved knowledge about the phenomenon. The United Nations World Tourism Organisation (UNWTO) is recognized as the appropriate organisation to collect, to analyze, to publish, to standardise and to improve the statistics of tourism. UNWTO facilitates an environment in which tourism statistics and analysis can take place with particular emphasis on the need for international comparability in tourism statistics. The paper describes UNWTO's framework directed at developing tourism statistics and underlying training and capacity building methods. The capacity building initiative aims at producers but also users of tourism statistics and introduces them to the international recommendations on tourism statistics and how to implement these standards.*

### INTRODUCTION

Growth of tourism is a global phenomenon and many policy makers world-wide underline the potential of tourism to promote socio-economic development, by creating employment, generating income, and attracting foreign investment. For tourism development to be both sustainable and competitive, countries need a thorough understanding of their tourism sector and its role in the economy. This can only be achieved through a reliable and accurate system of tourism information. This paper is intended to high-light the requirements for high-quality tourism statistics and to improve support to statistical capacity building for tourism statistics.

Traditionally, information about tourism has been limited to a collection of tourism statistics which measure the flows of foreign travelers to a country, combined with hotel occupancy rates, information provided through visitor surveys, and estimates of tourist expenditures based on balance of payments data. Many countries perceive a need for more accurate information on types of visitors (both international and domestic), the activities they engage in, and their consumption of goods and services. On the supply side, it is equally important to understand the industries which provide tourism services, in particular their processes of production, use of labour, capital investments and so on.

To guide countries in developing a consistent and useful set of basic economic statistical data and indicators, the World Tourism Organization (UNWTO) has developed, over the past years and in cooperation with the international community, two leading manuals that capture the international statistical recommendations. These recommendations were officially endorsed by the United Nations Statistical Commission in 2008:

1. *International Recommendations for Tourism Statistics 2008 (IRTS 2008)* – a set of recommendations for an economic description of tourism, covering both international and domestic tourism activity, and including flows of visitors, their trips, and characteristics, and their expenditures, as well as characteristics of the industries serving visitors; and
2. *Tourism Satellite Account: Recommended Methodological Framework 2008 (TSA:RMF 2008)* – a framework which shows the relationship between tourism and other economic activities through macro-economic data, which allows the country to design models and forecasts for tourism activities and the economy as a whole.

The Tourism Satellite Account (TSA) should be viewed as a means to understand tourism as an intrinsic part of an economy and to describe it as an activity that has important impacts on other activities and sectors. A TSA, based on a robust system of tourism statistics, can become a reliable instrument to monitor and to orient public policies on tourism development while serving as a powerful lobbying tool for National Tourism Administrations (NTAs) to advocate the cause of tourism.

The two sets of international recommendations provide a comprehensive methodological framework for collection and compilation of tourism statistics in all countries irrespective of the level of development of their statistical systems. The recommendations also contain information that is of interest to data users who would like to understand better the nature of tourism data. The international recommendations are in particular helpful as they try to strengthen countries in the methodological and operational foundations of tourism statistics in an integrated manner. They enhance the coherence of tourism statistics with other official statistics, like national accounting or international trade statistics.

#### PROBLEM: LACK OF STATISTICAL CAPACITY

Reliable data and statistics are essential for good policy and decision making. Data are necessary to monitor and measure progress and to report on performance measure at local, national and international levels. Broadly, *statistical capacity* is the ability of a country/government or an organization (private, regional) to produce and disseminate data that are “fit for purpose” (World Bank, 2011). It is the ability of statistical producers to serve the needs of users with quality statistics that meet the UN Fundamental Principles of Official Statistics (UN, 2013). Statistical capacity is determined by many factors, including the institutional and legal environment for collecting and disseminating data; the availability of resources; the relationships between data producers and data users; the effectiveness of prioritization processes; technical skills and knowledge; and the use of accepted methodological standards.

The issue of weak statistical capacity and the impact on the quality of decision making is well documented (Paris21). To strengthen statistical capacities and to use them more effectively for decision-making is not only limited to the area of tourism statistics. There is a clear need to strengthen statistical capacities in particular in less developed countries, but also developed countries have difficulties in implementing a full system of tourism statistics.

*Statistical capacity building* is usually defined as activities that strengthen the different pillars of statistical capacity. Activities in the area of statistical capacity building can range from advocacy for the strengthening of official statistics with good statistical governance to knowledge transfer and technical training on data collection, analysis and dissemination.

One reason for the ineffective implementation of tourism statistics is that these statistics usually are produced and used by a system composed of several different organisations: National Tourism Administration, Central Bank, Migrant Authorities, and others. There is often no effective strategy in place to coordinate this system.

There are three requirements for advancing the implementation of the recommendations on tourism statistics: 1) Strengthening the actual capacities of countries to implement effectively tourism statistics, 2) the recognition of those capacities where they already exist, and 3) tourism statistics need to be integrated into the broader statistical environment.

The international recommendations are complemented by UNWTO’s Compilation Guide for Tourism Statistics. It provides guidance on data sources, data compilation methods, cases studies and country examples. However, both – the recommendations and the Compilation Guide – are essentially information material but they do not involve any training or direct knowledge transfer. The next section will present different initiatives (capacity building and technical assistance instruments) undertaken by UNWTO either on its own or in collaboration with the other international and regional organizations.

#### UNWTO APPROACH TO STATISTICAL CAPACITY BUILDING

Internationally comparable tourism statistics require that countries have the capacity to *understand* and *implement* the international recommendations. UNWTO support to statistical capacity building in previous years has concentrated on all aspects statistical capacity covering the international recommendations, its contents and the organisational and institutional components of a system of tourism statistics.

UNWTO has developed a prototype for its Regional Statistics Capacity Building Programme (RSCBP), divided into segments that involve intensive and highly technical training of officials from national tourism administrations, national statistical offices, central banks and, to the extent possible, migration authorities. One country in each region is designated as the “regional

hub” and serves as the regional training centre. The first regional capacity-building programmes were held in Europe (2008-2009) and Africa (English-speaking, 2008-2010) with training centres in Austria and South Africa respectively. Additional programmes were implemented in the so-called Southern Cone countries (Argentina, Brazil, Chile, Paraguay and Uruguay), in Asia-Pacific (2010-2012), and Commonwealth of Independent States (CIS) countries (2011-2013). The Regional Statistics Capacity Building Programmes (RSCBP) were structured around two training modules:

- technical workshops with a small number of invited countries; and
- a regional seminar open to all countries in the region.

The main objective of the RSCBP is to support countries to implement the *International Recommendations for Tourism Statistics 2008* (IRTS 2008). The training workshops focus on both the interpretation of conceptual issues and options for the implementation of IRTS 2008 in country-specific circumstances. Specific goals include documenting available statistics and administrative records to be used for measuring tourism activity; identifying how the present measurement of resident and non-resident visitors can be improved; and fostering the macroeconomic analysis of tourism.

The RSCBP consists of three consecutive training workshops for a selected, small number of countries and one regional seminar. The purpose of the technical workshops is to train senior statisticians from specialized national organisations (National Tourism Administration, National Statistical Office, Immigration Department, Central Bank and any other relevant public and private bodies). The participants are expected to implement concrete tasks and recommendations after the first workshop and to present the work accomplished and share their experience at the second workshop. UNWTO selects countries for the technical workshops based on the national commitments to tourism statistics, namely:

- The determination of national tourism administrations and national statistical offices to give priority to the development of their national system of tourism statistics;
- The work being carried out by the national tourism administration and/or national statistical office on tourism statistics and any concrete projects planned for the upcoming two years;
- The list of initiatives carried out by the national tourism administration, national statistical office and central bank on basic and related tourism statistics;
- The commitment to develop corresponding metadata using UNWTO formats.

The workshops in regions conclude with a number of recommendations for the participating countries to advance the work in this area; typically, it is recommended that they should strengthen cooperation and collaboration among national statistical offices, national tourism authorities and central banks to provide a systematic exchange of information, establish coordinated work plans and ensure the completeness and quality of data.

In the recommendations, the attention of the heads of the institutes responsible for tourism statistics is drawn to the importance of establishing a regular programme of official statistical surveys for collecting good quality data for tourism statistics and making a strong case for their funding. It is further recommended that countries should develop an in-depth understanding of the necessary classifications (International Standard Industrial Classification of All Economic Activities, Central Product Classification and Classification of Individual Consumption According to Purpose) and adopt them for the production and compilation of tourism statistics at the national and local levels.

In addition to the RSCBP, a prototype of technical assistance missions has also been developed by UNWTO to assist countries under two basic scenarios:

- Case 1: Design and enhancement of the national system of tourism statistics. This is offered to countries with limited tourism statistics and usually covers inbound tourism and some characteristics of visitor flows and, rarely, information on expenditures. In these cases, UNWTO would design a programme to strengthen primary data collection.
- Case 2: Development of an experimental tourism satellite account. This would be offered to countries that have already established a basic system of tourism statistics that includes some observation of tourism expenditure and of the supply by tourism industries. If there is sufficient information to proceed, UNWTO would propose assisting the country in setting up an experimental tourism satellite account according to the general guidelines developed by the national statistical office, as a means of further identifying major gaps or inconsistencies and recommending basic statistical improvements to overcome these constraints.

## OUTCOME AND RESULTS

Feedback from participants from each of the workshops was very positive and would not give any reason to suggest major changes. In particular, the insistence on requiring participating countries to prepare presentations (i.e. their “homework”) worked very well. This emphasised that the workshops were not events isolated from what they did when they were back in their countries, and it forced them to think about the next workshop and what progress they would be in a position to report. Broadly, this “homework” involved:

- Presentation on the state of the country’s tourism statistics, for Inbound, Outbound and Domestic tourism.
- What has the country done since the previous workshop(s) in the area of the three types of tourism?
- What plans does the country have for further implementing improvements in their system of tourism statistics?

Before the final workshop, all participating countries are required to complete a number of UNWTO documents/questionnaires, including “Description of National Systems of Tourism Statistics”, “List of data sources”, “Inventory of available data”, “Measurement of travellers flows at national border”, “Documenting National System of Tourism Statistics” and “Expected future developments”. Some of these are quite lengthy and detailed documents. The information provides a comprehensive “stocktake” of where each country stands in regard to its system of tourism statistics. This work involves a certain amount of effort. The value in completing the documents is in getting countries to focus – in a way that some of them had never done so before – on their data collections and the full extent of what data was actually available in their countries and where data gaps existed.

During the RSCBP workshops UNWTO has been promoting the setting-up of an Inter-institutional Platform in countries wishing to develop their system of tourism statistics in order to foster inter-agency cooperation. This body would comprise relevant representatives of organisations which have a role in the collection and production of tourism (and tourism-related) statistics. The promotion of an Inter-institutional Platform in the RSCBPs has been very successful. Most participating countries set up such a body during the RSCBP, if they did not already have one.

## LESSONS LEARNED

A major component of the RSCBP has been a requirement for participating countries to present on the current state of their tourism statistics and plans for future developments and improvements. This is possibly the single most important component of the workshops, and countries welcomed the insights obtained through it.

The RSCBP has not included any sessions on technical statistical issues, e.g. how to develop a sample survey. The content of the workshops has focused on tourism statistics specifically. However, participants in the workshops have very widely varying statistical expertise. Even some representatives from National Statistical Offices have had some low levels of expertise, so, it appears that future RSCBP should contain a greater degree of technical statistical training.

However, this could entail expanding the scope of the workshops to an area which is not a main focus of tourism statistics and the direct responsibility of UNWTO. An alternative would be to request a certain level of technical statistical skills as pre-requisite for enrolling in the RSCBP.

The issue of commitment to the continuing development of tourism statistics following the end of the RSCBP is particularly relevant for countries with very limited resources. The RSCBP is not an end in itself – indeed it should be seen as the start of a process - and this point needs to be made very strongly to potential participating countries. Countries should be asked to provide evidence of a long-term commitment to the development of their tourism statistics by building on the knowledge gained from their participation in the RSCBP.

## CONCLUSION

It is certainly true that many capacities have been built in country statistical offices and tourism administrations through RSCBP. However, more and different skills in other areas are required, and it is critical that country priorities are addressed by RSCBP. In relation to tourism statistics, it is common in many countries that any financial resources available to tourism are focused on promotion, usually in major source countries. Statistics are often seen as a “luxury” which takes resources away from promoting the country. It often has very low priority within a National Tourism Administration, where senior management may have little or no understanding of their importance and so give responsibility to unskilled and junior staff.

At this stage it is too early to assess whether UNWTO efforts in the form of RSCBP has had a significant and sustainable impact on the coverage and quality of tourism statistics in countries. On the positive side, there is a change taking place in the above mentioned attitude. In particular, the very active work by the UNWTO in implementing the international standards has had a major impact on raising the profile of tourism statistics internationally. This profile has percolated to many countries and triggered a major change in the status of tourism statistics.

Tourism statistics and statistics in general are not a goal on its own. Proper measurement of and data collection about a phenomenon, like tourism, is usually part of a policy cycle. Statistics are required for analysis, which is necessary for successful policy or strategy formulation. The latter is monitored and evaluated on its effectiveness and efficiency again with the use of more and better data and thereby the strategy can be further improved.

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