

A History of the World Travel & Tourism Council

Since the initial discussions between industry CEOs in the late 1980s about establishing a forum for business leaders in Travel & Tourism to the way it is today, the World Travel & Tourism Council has chalked up many achievements and its role and activities have grown significantly. But its core mission remains the same - to raise awareness of the full economic and social impact and potential of Travel & Tourism.

WTTC - the early years

In the late 1980s a group of industry Chairs and CEOs, led by James Robinson III - then Chairman and CEO of American Express - came to the realisation that, although Travel & Tourism was the largest industry in the world and the biggest provider of jobs, few in the industry, let alone within

governments, were aware of this. There was no consolidated data, nor industry voice, through which to convey this message to elected officials and policy-makers. Indeed, Travel & Tourism was considered by many as frivolous or, at least, a 'non-essential' activity.

This realisation led to an initial meeting in Paris in 1989 between a number of industry leaders from different parts of the globe. One notable outcome of the meeting was that the participants received a powerful message from Henry Kissinger, which confirmed that they represented the world's biggest industry but that it was not recognised because it was too fragmented.

This gave added impetus to the group's objectives and WTTC was established in 1990,

with James Robinson III as Chairman and Geoffrey Lipman as President. At the time of the first AGM in Washington in 1991, in the aftermath of the Gulf War, the Council comprised 32 Members. This first official meeting served to determine the objectives of WTTC and the key issues to be addressed, notably:

- Promoting awareness of Travel & Tourism's economic contribution
- Expanding markets in harmony with the environment
- Reducing barriers to growth.



WTTC - Development through the 1990s

By the time Robert (Bob) H Burns took over as Chairman in 1993, the number of Members had grown to 68 and WTTC was focusing on developing its economic research with its partner Wharton Econometric Forecast Associates (WEFA). The newly developed Tourism Satellite Account (TSA) offered WTTC and its Members the possibility of substantiating their message with concrete figures, which have become widely recognised as a highly credible resource. In 1999, the TSA was finally recognised by the United Nations Statistical Commission at the World Conference on the Measurement of the Economic Impact of Tourism.

It should be noted that, with its current partner Oxford Economics, WTTC now produces economic impact studies and forecasts for over 180 countries around the world, as well as carrying out indepth studies for a growing number of countries and regions every year.

The Council expanded its activities during the 1990s to include air transport liberalisation, education and training, WWtaxation and sustainable development. This led to the creation of the World Travel & Tourism Human Resources Centre in Vancouver and the World Travel & Tourism Taxation Policy Centre in the USA.

WTTC also launched the GREEN GLOBE environmental awareness programme, providing a practical, cost-efficient means for all Travel & Tourism companies to make environmental improvements.

Another environmental initiative, Agenda 21 for Travel & Tourism, was a public-private sector effort in which WTTC was involved, together with the World Tourism Organization (UNWTO) and the Earth Council. Its aim was to ensure that as Travel & Tourism grows globally, its impact at

local level does not have an unnecessarily adverse effect on the environment.

By 1997, WTTC's membership had reached its target of 100 and this coincided with the Council's forecast that more than 100 million jobs would be created over the following decade. WTTC's first ever Global Travel & Tourism Summit took place in 2003 in Vilamoura, Portugal, focusing on the theme of employment. The Summit, held in the aftermath of 11 September 2001 and in the presence of major decision-makers, resulted in the

Vilamoura Declaration, calling on all government decision-makers to factor Travel & Tourism into their employment policies.

While WTTC continued to concentrate on global issues, it began to turn its attention to particular regions of the world that were considered to be in need of special attention and support to raise awareness of the potential impact of the Travel & Tourism within government.

Latin America was the first region selected for such an initiative. The WTTC Latin America Programme operated from January 1999 through December 2001. During this period WTTC worked with key players from the region to raise awareness of the economic importance of Travel & Tourism in Argentina, Brazil, Ecuador and Peru. Although the Council no longer has an active initiative in Latin America, we continue to recognise the importance of Travel & Tourism in this region - reflected in our decision to hold our 2009 Summit in Brazil, in the capital of the state of Santa Catarina, Florianópolis.

Regional initiatives were subsequently set up in other parts of the world, such as the European Union and China. But the most successful of these has undoubtedly been the India Initiative.

WTTC's Executive Committee Member PRS Oberoi agreed to be the patron of the programme and, following his term, his role was taken over by Lalit Suri and, since his demise, by Raymond Bickson, Managing Director, Taj Hotels Resorts & Places. The Initiative's Members, with the support of WTTC, have been extremely successful in influencing tourism policy in the country. The India Initiative now operates autonomously from WTTC's headquarters and continues to be a significant voice for the industry in the region.

WTTC in the 21st Century

The new millennium saw the Council's first ever change of President. After ten years at the helm, Geoffrey Lipman stepped down and was replaced by Jean-Claude Baumgarten, who was chosen to take the organisation forward. The millennium began positively for the industry, and WTTC convened its 2nd World Travel & Tourism Summit in Vilamoura in the presence of the President and Prime Minister of Portugal.

On 11 September 2001, WTTC management were in New York City to sign a new partnership agreement with the Travel Business Roundtable (TBR)¹, a USA-based lobbying organisation for the travel and transport industries. The terrorist attacks that hit the USA that same day shocked the world and had a devastating effect on the Travel & Tourism industry.

WTTC's Members suffered greatly as a result of the 9/11 attacks, with the result that some withdrew their Membership from the Council. However, WTTC took positive steps

to regain the public's confidence in the industry and to encourage the world to begin travelling again. Internally, staff held daily crisis meetings and externally, WTTC gathered together its friends and partner organisations to form a global coalition of industry bodies. The Coalition's statement called on governments to work together in partnership to ensure that measures to strengthen security were effective, harmonised internationally and applied globally. The aim was to help restore consumer confidence in Travel & Tourism, as well as ensuring the economic health of the industry and the livelihood of all those who worked in it.

WTTC also ran an advertising campaign, 'Go out and meet your neighbours', which appeared in the global print media, including Time and Newsweek. For the first time ever, the Council's annual TSA research that year was revised to take into account the potential losses for the industry as a result of the attacks.

¹ The Travel Business Roundtable (TBR) merged with the Travel Industry Association of America (TIA) in 2009

By 2003, a number of global events had affected the world to such an extent that the industry was a very different place. The war in Iraq, the SARS crisis and increased terrorism meant that WTTC had to continue and extend its campaign to rebuild confidence among travellers.

As a result, the 2003 Summit was the first to be opened up widely to the global media and the theme - Building New Tourism - came out of the atmosphere in the industry at that time. WTTC released data on the impact of the SARS crisis on the industry in China, Hong Kong, Singapore and Vietnam and attracted a great deal of media attention.

The outcomes of the Summit were deemed so rich that they shaped the future of the Council's

vision and the Blueprint for New Tourism, the Council's mission publication, was launched later that year.

Following Summits all made their mark - Doha, Qatar; New Delhi, India; Washington, USA; Lisbon, Portugal; Dubai, UAE; Florianópolis, Brazil; Beijing, China; Las Vegas, USA - with the result that the Summit has become the most significant event in the industry's annual calendar. Its popularity can also be attributed to its revolutionary format using The Round, conceived by WTTC, which stimulates and facilitates lively discussion and participation from delegates.

WTTC Today

The World Travel & Tourism Council of 2009 is an organisation that has developed enormously since its inception, yet it still holds the same core values and purpose. The three main messages that form the framework for the Blueprint for New Tourism are in keeping with the vision of the CEOs who founded the Council in 1990:

- Governments recognising Travel & Tourism as a top priority
- Business balancing economics with people, culture and environment
- A shared pursuit of long-term growth and prosperity.

The annual Global Travel & Tourism Summit, now attracts bids every year from destinations keen to host the event.

As already indicated, the annual economic impact research now covers over 180 countries and indepth economic impact studies are being requested by an increasing number of countries and regions.

WTTC is also developing a new kind of study that goes much further than the existing economic impact reports, incorporating an analysis of a country's/region's Travel & Tourism investment

potential. The first such studies were developed for Montenegro and the state of Santa Catarina, Brazil.

WTTC has also developed a Crisis Impact Forecasting Model, which is able to assess the potential impact of a crisis on the industry in a timely fashion. The model was used during the crises following the bombings in Egypt and the UK (London) in 2005, and the model has been adapted for use in the current economic downturn.

Most recently WTTC has focused on three key issues - human resources, infrastructure and the environment - creating initiatives among its Members to examine each of these in detail and draw up action plans to address them. In February 2009, WTTC produced its report *Leading the Challenge on Climate Change*. The report, which represents the first phase in WTTC's environment initiative, was a collective effort on the part of WTTC members and is a joint message for the Travel & Tourism industry. It lists ten key action items for the industry including a commitment to a 50% reduction in carbon emissions by 2035 over 2005 levels. The report was produced in collaboration with the Cambridge Programme for Sustainability Leadership (CPSL) and was launched under the patronage of HRH The Prince of Wales.

WTTC's Members remain the driving force behind its activities and policies. Membership now includes the entire spectrum of the Travel & Tourism industry - from airlines and airports to hotels and hospitality groups, tour operators and retail travel agents, online distributors, cruise lines, investment companies, insurance groups and the gaming industry.

As a voluntary organisation, WTTC provides an important example of business leaders spending time and money to move their global activity forward while playing a pivotal role in ensuring sustainable development in our ever-changing world.

WTTC's research, which quantifies the direct and total impact of Travel & Tourism on our economies in terms of GDP and employment growth, has helped to raise awareness of the economic contribution of our industry and continues to feature heavily in the media. This goal remains central to WTTC's aims and activities.