



**UNCTAD Conference on “Asia-Pacific: E-Tourism for  
Growth - Matching Market Efficiency and Social Inclusion”**

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Statement  
by  
Mr. Kim Hak-Su  
Under-Secretary-General of the United Nations, and  
Executive Secretary of the Economic and Social  
Commission for Asia and the Pacific

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**Your Excellency Datuk Abdullah Ahmad Badawi, Prime Minister of Malaysia (to  
be confirmed)**

**Your Excellency Mr. Supachai Panitchpakdi, Secretary-General of UNCTAD**

**Your Excellency Ms. Ambika Soni, Minister for Tourism and Culture of India (to  
be confirmed)**

**Excellencies,  
Distinguished Participants, Ladies and Gentlemen,**

I am pleased to address the UNCTAD Conference on “Asia-Pacific: E-Tourism for Growth-Matching Market Efficiency and Social Inclusion”.

Tourism is now one of the largest and fastest growing industries in the world and has an impact far beyond its economic and business aspects.

Recent estimates by the World Travel and Tourism Council indicate that the tourism industry contributes to around 10 per cent of global GDP and provides employment to some 234 million people worldwide. Over the period 1995-2005, international tourist arrivals grew at an average annual rate of 4.1 per cent, exceeding the 800 million mark in 2005. During the same period, the Asian and Pacific region outperformed the rest of the world, with increases in arrivals averaging 6.5 per cent annually, raising the global share

from 15.3 per cent in 1995 to 19.2 per cent in 2005. The region's receipts from international tourists grew from \$US81.9 billion in 1995 to \$US138.6 billion in 2005. We are confident that continued growth of tourism will see even bigger contributions to the region's economy.

In economic terms, international tourism has often been a principal source of foreign exchange earnings for developing countries. It is also playing a vital role in the socio-economic development of many least developed countries, including Bhutan, Cambodia, Lao People's Democratic Republic, Maldives, Myanmar, Nepal and several Pacific island countries. Tourism is one of the few development options for some of these countries. It provides an opportunity to diversify economic structures and thereby plays a significant role in raising the standard of living and lifting people above the poverty line.

Importantly, the tourism industry can make a real contribution to spreading development to areas that may not have benefited from other types of economic development. Tourism offers labour intensive and small-scale business opportunities and employs a high proportion of women and youth. The potential of tourism to create jobs is particularly important since unemployment is the principal social and economic challenges facing many developing countries. Tourism's capacity to employ women and youth as well as other vulnerable members of society can contribute greatly to social equity. It is the job of us all to help shape the tourism industry of the future so that these and other benefits can be captured and make a real contribution to development.

The application of ICT in the tourism sector, the focus of this Conference, is not a recent phenomenon. Among the forerunners of integrated global information technology networks were the Computerized Reservation Systems (CRS) which were developed by airline companies in the 1960s to manage their increasing volume of passengers. CRS subsequently expanded to include travel agents, hotels and car rental companies. In the 1980s CRS started to integrate with other technology networks to form Global Distribution Systems (GDS) such as Amadeus, Galileo and Worldspan.

ICT has now evolved to offer unprecedented opportunities to expand and accelerate the growth of the tourism industry at the lowest-cost, while reaching the greatest number of potential tourists, as well as helping the global visibility of tourism enterprises. ICT's role in increasing the participation and networking of local producers and service providers, many of whom are SMMEs, is of paramount significance in terms of local economic development. It is also giving SMMEs increased access to required information and knowledge and helping overcome some of the constraints arising from their geographic isolation.

As you are aware, the United Nations Millennium Declaration committed the member countries to reducing by half the number of people living on less than a dollar a day by 2015. Tourism can be in the frontline of the fight against poverty. We know that the tourism industry is creating development synergies to help overcome poverty through job creation, including in remote rural areas where the great majority of people in extreme poverty live. The provision of infrastructure facilities and services for tourists including roads, communications, health and sanitation services can be designed to be shared and benefit local communities. In

the area of gender equality and empowerment of women, tourism is recognized as a sector that employs a high proportion of women. In the area of environmental sustainability, tourism can raise awareness about environmental conservation and promotes waste management, recycling and biodiversity conservation. Revenue generated from tourism can enable governments to allocate financial resources for improving education and health. In the Maldives, for example, where tourism has become the economic mainstay, almost 100 per cent of the population is literate. The infant mortality rate improved from 121 per thousand in 1977 to 38 per thousand in 2004. Over the same period, average life expectancy at birth increased from 47 years to 67 years. Consideration of the linkages between tourism and the MDGs clearly illustrates the potential of tourism. The challenge for governments and industry is to translate these potentials into reality.

Tourism is indeed making a considerable contribution to socio-economic development and poverty reduction. However, many of the interventions are localized and small scale. Another concern is that where linkages between tourism and supporting sectors are weak, a considerable amount of tourism revenues “leak-out” of host economies.

With this in mind, a crucial question that this Conference may wish to address is “How can ICT be used to scale-up or replicate some of the “best practice” localized tourism interventions?”

In this connection, I would like to give one example in which ICT is serving as an effective tool for development and marketing of programmes. The “One Village, One Product” programmes, which have close tourism connections, began in Japan in 1979 and were subsequently introduced in other countries later such as Malaysia’s “One Kampong, One Product”, Philippines’ “One Town, One Product” and Thailand’s “One Tambon, One Product” or OTOP.

Thailand’s “OTOP was launched in 1999 to promote entrepreneurs at the village level through the manufacture of local specialty products based on the native culture, tradition, and nature. This type of programme has considerable potential to develop the local economy including tourism. However, its successful operation requires that assistance is given to local entrepreneurs in product development guidance and support; standardisation; and marketing. In Thailand, ICT is fully utilized in all these areas. In particular, an Internet site for OTOP is functioning as a resource and e-business centre for local producers and is also providing the necessary information to tourists both international and domestic.

**Excellencies,  
Ladies and Gentlemen,**

The future success of the tourism industry relies on its ability to grasp the opportunities provided by ICT. Failure to do so will mean the loss of competitiveness and business opportunities. In most countries of the region, however, the main bottleneck for the diffusion of ICT is the lack of adequate human resources and limited resources to upgrade skills.

In this connection, I am pleased to inform you that in 2006 UNESCAP, with funding support from the Government of the Republic of Korea, established the Asian and Pacific Training Centre for Information and Communication Technology for Development (APCICT). APCICT, located in Incheon, the Republic of Korea, is the newest of five UNESCAP regional institutions. APCICT aims at building the national capacity of policy and decision makers and government institutions in the use of ICT for socio-economic development.

**Excellencies,  
Ladies and Gentlemen,**

UNESCAP is firmly committed to regional development. In the area of tourism, our programme aims to help governments maximize the socio-economic benefits from tourism development while minimizing adverse impacts. Recent UNESCAP initiatives include the launching of the Plan of Action for Sustainable Tourism Development in Asia and the Pacific (PASTA Phase II: 2006-2012). PASTA aims to contribute to the long-term prosperity of Asia and the Pacific by promoting tourism through relevant actions by governments, international organizations and stakeholders. Another important initiative is the establishment of the Network of Asia-Pacific Education and Training Institutes in Tourism (APETIT). Currently 238 education and training institutes in 43 countries and areas are participating in its activities. I expect APETIT can play a vital role in enhancing member countries' capacity to promote application of ICT in tourism as a follow up to the Conference.

In the area of ICT, UNESCAP has been organizing a series of capacity building workshops and meetings. These included the Asia-Pacific Regional Conference on E-commerce Strategies for Development, jointly organized by UNESCAP and UNCTAD in 2002. At this Conference, participating governments resolved to strengthen cooperation and commitment in a number of areas to promote access to ICT and to enhance e-commerce activities. To promote satellite-based information and communication technology, UNESCAP is implementing a Regional Space Applications Programme for Sustainable Development.

We at ESCAP are ready to extend our cooperation with other international and regional organizations in supporting member countries in promoting application of ICT in tourism.

I look forward to the fruitful outcomes of the Conference. I have high hopes that the Conference will be an important milestone in enhancing the contribution of tourism through promoting e-Tourism in support of growth-matching market efficiency and social inclusion.

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