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AFFAIRS COMMITTEE**

REPORT*
ON
"DEVELOPMENT OF TOURISM IN THE BLACK SEA REGION"

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I. INTRODUCTION

1. The report on the development of tourism in the Black Sea region is an acknowledgement of the growing importance of the tourism industry in world economy, and therefore it seeks to highlight the existing situation in the countries of the Black Sea region, and ways in which a common BSEC strategy could enhance the promotion of tourism in the individual Black Sea countries and the region as a whole.
2. The countries that make up the Black Sea region possess remarkable cultural and ethnic diversity, rich historical and architectural heritage and diverse natural resources. Some of them already are or possess the potential to become very popular tourist destinations. The majority of the countries of the region were largely closed to international tourists in the decades of cold war, therefore have not been touristically overexploited, and as a consequence have the potential to become very attractive and popular destinations, provided that proper strategies and policies are developed and implemented.
3. It should also be noted that a number of BSEC countries, such as Greece and Turkey, have been quite successful in the tourism field and have already established a reputation in the international markets, meaning that the required expertise in elaborating a successful strategy for the development of tourism already exists in the Black Sea region.
4. The International Secretariat received information and proposals for the drafting of this Report from Armenia, Greece, Romania, Turkey and Ukraine.

II. THE INTERNATIONAL AND EUROPEAN ARRANGEMENTS: CURRENT TRENDS

a. Tourism and the world

5. The World Tourism Organisation (WTO¹) is an intergovernmental body entrusted by the United Nations with the promotion and development of tourism. Its membership now numbers 138 countries, including all the BSEC countries, and more than 350 affiliate members representing local governments, tourism associations and private sector companies². According to the WTO tourism is defined as "*the activities of persons travelling to and staying in places outside their usual environment for not more than one consecutive year for leisure, business, and other purposes*".
6. In relation to a given country, the following forms of tourism can be distinguished as: (i) domestic tourism (involving residents of the given country travelling within their own country), (ii) inbound tourism (involving non-residents travelling in the given country) and (iii) outbound tourism (involving residents travelling to another country). Tourism expenditure is defined as "the total consumption expenditure made by a visitor or on behalf of a visitor for and during his/her trip and stay at destination".
7. Tourism is a complex of services and products, provided to meet consumer, business and public sector demand for domestic and foreign travel. It is largely decentralised and woven into the economy due to the mobility and variety of tourists' needs, and because tourism-related products and services are bought before, during and occasionally after the journey.

¹ Not to be confused with the World Trade Organisation bearing the same initials

² It is important to stress that the initiative for the creation of the WTO was undertaken in 1969 by a Black Sea country, Bulgaria.

8. Tourism is an activity which affects society in many different ways and has a profound impact on social, cultural and economic life. More than a matter of habit or heterogeneous set of economic activities, tourism has become a determining factor in the life of millions of people; it is the best medium for direct encounters and discovery; it is becoming the ideal ground for bringing people closer together, for promoting peace and understanding among the nations of the world.

9. It affects a wide range of areas: employment, regional development, education, environment, consumer protection, health, safety, culture, new technology, transport, finance and taxation to name only a few.

10. This is not strange if we take into account the parts of the economy benefiting from tourism. The core tourist branches, directly benefiting from it are usually the following: travel agencies, tour operators, hotels and other accommodations, restaurants and food industries, transport companies, health and spa enterprises, tourist information centres, leisure- theme- and adventure parks, sports facilities, associations of the tourist industry, souvenir industry, travel equipment outfitters, convention industry, event industries, airports, travel insurance, artisans, culture and entertainment enterprises, global distribution systems and reservation systems, publishers and distributors of travel literature and maps, as well as bureaux de change.

11. In addition to the above, there is a number of complementary and ancillary services indirectly benefiting from tourism: railway stations, sports goods industry, electronic entertainment, photo industry, transport manufacturers (aircraft, car, ship, etc.), doctors and other medical service suppliers, journalists, writers, artists, wholesale and retail businesses, professions and self-employed (tax, legal and business consultancies), advertising agencies, paper manufacturers, printing works, planning agencies, information/communication technology, clothing industry, banks, building industry.

12. Therefore it is not strange that tourism is among the leading growth industries in Europe and world-wide. It is considered the world's largest growth industry with no signs of slowing down in the 21st century, and it has been a major contributor to the emergence of the service economy. In 1997 tourism receipts accounted for a little over 8 per cent of total world exports of goods and almost 35 per cent of the total world exports of services. From 1992 to 1994, the average increase in international tourism receipts has outstripped world exports in commercial services.

13. The World Tourism Organisation forecasts that the international arrivals will top 700 million by the year 2000 and one billion by 2010. Likewise, earnings are predicted to grow to US\$ 621 billion by the year 2000 and US\$ 1,550 billion by 2010.

14. Tourism has changed considerably over the past decade and will continue to change and develop in the future. It is estimated that in the long-term the following trends will become more important:

- tourism will focus more on special interests: flexibility and individualism will be the key words;
- the travel intensity will grow in the following years;
- tourists are increasingly taking more than one holiday a year;
- the number of older as well as young tourists is increasing substantially;
- more environmentally or culturally friendly activities are sought;
- the need for transport networks is increasingly strong along with the development of tourism without borders. Therefore, the development of transport networks such as the Trans-

European- Networks and TRACECA, are all determining factors that affect tourism. The general infrastructure issue is of particular relevance for the development of tourism.

15. Tourist activity depends to a large extent on public authorities: for instance, a provider of tourism services cannot retain his customers by product quality alone, but has to take into account the quality of infrastructure (transport links), the beauty of the site, the quality of the natural and social environment, as well as the level of other services delivered in the area. It is not within the power of the tourism industry alone to control all the above factors.

16. The World Conference on the Measurement of the Economic Impact of Tourism (Nice, 15-18 June 1999) is expected to measure the true economic importance of tourism, set global standards, orient business strategies for the private sector, provide policy making tools for governments, and improve the overall image of the tourism sector.

b. European arrangements

17. On the 30 January 1998, the Council of Europe called for a coherent European policy to support tourism promotion, particularly in Central and Eastern Europe, bearing in mind that tourism is becoming a major contributor to international understanding, employment and economic growth.

18. The Parliamentary Assembly of the Council of Europe stressed the need to boost tourism development in Central and Eastern countries which were largely closed to international tourists during the cold war era. For those states to fully use their potential to attract foreign visitors - with their architectural heritage, natural resources, cultural and ethnic diversity - urgent action should be taken in various areas, with the assistance of other European nations.

19. A Report on this matter by the Parliamentary Assembly of the Council of Europe quotes figures estimated by the World Travel and Tourism Council that tourism development could create up to 7.4 million jobs in the region over the next decade, corresponding to between 7 and 11 percent of the combined GDP of these countries. Yet, it was pointed out that receipts from tourism in Central and Eastern Europe stood at US\$ 27.4 billion in 1996 - against US\$ 214 billion for the continent as a whole.

20. Central and Eastern European countries were encouraged to adopt national tourism laws conforming to international guidelines, co-ordinate their tourism promotion policies, improve tourism data collection and create public-private sector partnerships serving tourism, while seeking the country-specific balance between private and public involvement. Other studies highlighted the need for fuller exchange of experiences, adaptation of facilities and medical services to accommodate elderly tourists, and expansion of the automatic cash dispenser and credit card servicing network.

III. THE PRESENT SITUATION OF TOURISM IN THE BSEC COUNTRIES

21. From the BSEC region there are four countries in the Top 40 countries in the world concerning the inbound tourism. In 1997 the Russian Federation was at number 14, Greece at number 17, Turkey at 19, and Romania at 40.

22. The Russian Federation, Turkey and Greece also find themselves in the Top 40 countries concerning both tourism receipts and amount of money spent by their nationals when travelling abroad (outbound tourism).

23 According to the research of the International Secretariat the following are the latest available data:

1997: THE PABSEC COUNTRIES AND INTERNATIONAL TOURISM

| | Tourist Arrivals (in thousands) | Number of bed-places* | International Tourist Receipts (in US\$ million)** | International Tourism Expenditure (in US\$ million) *** |
|---------------------|--|----------------------------------|---|--|
| ALBANIA | 19 | 7,752 ° | 27 | 5 |
| ARMENIA | 23 | 36,682 | 7 | 41 |
| AZERBAIJAN | 166 | 4,000 ∞ | 146 ∞ | 70 ∞ |
| BULGARIA | 2,795 ° | 103,619 ° | 368 | 222 |
| GEORGIA | 313 | 2,333 | 416 | 228 |
| GREECE | 10,070 | 561,068 | 3,771 • | 1,325 |
| MOLDOVA | 22 | 5,298 ∞ | 4 | 0 |
| ROMANIA | 2,957 | 156,399 | 526 | 783 |
| RUSSIAN FED. | 15,350 | 390,931 | 6,900 | 10,113 |
| TURKEY | 9,040 | 307,131 | 8,088 | 1,716 |
| UKRAINE | 772 ∞ | - | 270 | 305 |
| TOTALS | 41,527 | 1,575,213 | 20,523 | 14,808 |

Source: World Tourism Organisation

- * in hotels and similar establishments
- ** money spent from tourists visiting the country (minimum one night stay)
- *** money spent from nationals of the country when travelling abroad
- ° data for 1996
- ∞ data for 1995
- ∞ data for 1994
- excluding receipts from tourists from the other EU countries

24. One can see that in 1997 the BSEC region received more than 41 million visitors, while the number of beds available in the tourist sector is currently more than one and a half million. Moreover the most significant statistic is that the region received more than 20 billion dollars from tourism, while the citizens of the BSEC countries spent approximately 15 billion in their travels abroad. These data make it clear that tourism is an economic force to be taken seriously into account in the economic planning of the BSEC countries.

25. This is more so if we take into account the projections of the World Tourism Organisation regarding the region. The WTO has undertaken a long-term forecast study in tourism for the period 1995-2020: while Western and Southern Europe will see growth of tourist arrivals of only 1.8 to 2.0% per annum, for Central and Eastern Europe (where 8 of the BSEC countries are classified) the growth will be 4.9%.

26. This should lead to international tourism increasing to 245 million arrivals in the region by 2020. Already between 1988 to 1997 arrivals grew by 38% at the Russian Federation, 15% in Bulgaria, and 7% in Ukraine. Receipts from tourism at the same period increased by 54% for Russia and Moldova, 30% for Azerbaijan and 16% for Romania. It should be noted that for the Central and Eastern Europe as a whole tourism accounts for more that 50% of the total receipts in services.

27. The WTO also funded a Sectoral Support Mission to the Black Sea region in 1995, which visited the 6 Black Sea littoral countries: Bulgaria, Georgia, Romania, the Russian Federation,

Turkey and Ukraine. The mission made a comprehensive diagnosis of the Black Sea tourism and identified a series of ten needs whose fulfilment was expected to contribute significantly to tourism development.

- Improved transport links
- Streamlined frontier formalities
- Management training for tourism officials
- Vocational training for tourism staff
- Improved marketing expertise
- Integrated product development
- Cooperation to protect the environment
- More local support of tourism
- Public-private partnership and investment
- New legislation and regulations to facilitate sustainable tourism development

28. On the other hand the BSEC countries too fall victims to the insufficient interconnection and interoperability of Europe's transport network and of information technology systems which exacerbate the difficulties for tourists and for businesses. The case of air traffic control in Europe is a very typical example: there are currently 49 control centres, with 22 different operating systems, 31 national systems, 30 software programmes and 18 different hardware producers. The consequences for the continent in terms of additional costs for airlines, only due to delays in air transport, was estimated at some US\$ 2.8 billion in 1997.

29. A positive development in the BSEC was the setting-up of the Black Sea Tourism Cooperation Organisation (BSTC) by the national travel agency associations, or equivalent organisations, of Albania, Armenia, Bulgaria, Greece, Romania and Turkey. The 12th MMFA in Sofia on 22 October 1998 underlined that such a development went in line with the Yalta Summit Declaration which promoted the goal to complement cooperation between Governments by cooperation among business communities.

30. The establishment of BSTC was welcomed by the third meeting of the BSEC Working Group on Cooperation in Tourism held on 23-24 July 1998 in Sofia, which also identified a number of priorities for the development of tourism in the Black Sea region: attracting investments for joint projects in the BSEC region, harmonisation of tourism legislation, development of training programmes for tourism staff, creating a common database for the BSEC member states and the development of a mutual marketing-promotion strategy for the further development of the BSEC region.

IV. PROPOSALS OF THE MEMBER STATES

Armenia

31. In 1987, before the disintegration of the Soviet Union, Armenia was visited by 700-800 thousand tourists. In the first years after the Soviet Union breakdown the number of tourists visiting Armenia was dramatically reduced. But according to the latest statistics it has been steadily growing in the recent years.

32. As a result of certain projects launched by the Ministry of Industry and Trade of the Republic of Armenia, in 1997 and the first half of 1998, Armenia was visited by the first groups of tourists from Germany, Great Britain, Japan, Taiwan, Lebanon, Italy, Switzerland, Belgium and Canada. Promotional campaigns were, in particular, organised in the above-mentioned countries.

33. Armenia joined the World Tourism Organisation (WTO) as a full member at the 12th General Assembly of WTO in Istanbul. At the moment, the WTO is involved into a wide-scale

consultative work in the field of statistics in tourism, travel development planning on the international and national scales, setting up the legal framework and in some other directions. The Armenian Society for Tourism is also a member of the Black Sea Tourism Cooperation Organisation.

34. The legal basis for the protection of consumers' rights and interests in the field of tourism in Armenia is governed by the recent Law on Tourism and the Law on Protection of Consumers' Rights. The Rules of Procedure for licensing of travel activities on the territory of the Republic of Armenia and for certification of the hotel services are under consideration now.

35. The Ministry of Industry and Trade of the Republic of Armenia is negotiating now with WTO and ESCAP (Economic and Social Commission of Asia and Pacific) to include Armenia into the international tourist programmes "Silk Road" and "Asian Highway".

36. A preliminary agreement was reached with the WTO Secretary General and a Representative of the CIS countries to visit Armenia in April-May 1999. Great attention is paid to the training and master-courses of qualified personnel. A research work in the field of tourism in the winter sports places of Armenia has been completed by foreign experts with the support of the Ministry of Industry and Trade. The report on this subject will become a basic document for attracting possible foreign investors in this field.

37. It is planned to continue and expand the promotional informative campaign, in particular, in the following ways:

a) Under support of private travel companies, Armenia will open a special pavilion under the title "Christianity -1700" in the biggest Travel Workshop "ITB-99", to be held in Berlin in 1999.

b) A Travel Guide on Armenia is going to be published. In order to create a favourable legal framework of travel activities, special tax and customs regulations in the fields of tourism and travel transport (buses) are going to be worked out.

38. With a view of launching national programme on development of tourism in Armenia, an agreement was signed between the Ministry of Industry and Trade of the Republic of Armenia and the consultative company "Valmet International". A growing interest to the hotel business in Armenia has been shown from local as well as foreign investors. The two largest hotels in Yerevan were recently privatised at international auctions.

Greece

39. Greece has participated very actively in the operations of the BSEC Working Group on Cooperation in Tourism. The Hellenic Tourist Organisation (HTO) expressed its wish to offer its know-how in the development of tourism in Greece to the BSEC countries who wish to rehabilitate their tourist industry. Moreover, the HTO offered to host the last meeting of the Black Sea Tourism Cooperation Organisation, which took place at the end of January 1999.

40. Greece supports the effort to develop joint advertisement for the countries of the Black Sea region in order to attract visitors from third countries, if all countries agree on its implementation. Moreover it advocates the streamlining of the visa procedures in the Black Sea region, taking into account the international obligations of the member states.

41. Greece has already organised a number of seminars for professionals employed in the tourist sector of the BSEC countries. In 1997 two-week seminars took place for approximately 100 professionals from Armenia, Georgia, Romania and Ukraine. In the same year the HTO arranged educational visits of travel agents from Romania, Russia and Ukraine to Greece, focusing on marketing strategies.

42. In 1998 two-week seminars took place for professionals from Armenia and Bulgaria. Also travel agents from Georgia, Romania, Russia and Ukraine undertook training in selling techniques. Additionally 40,000 promotional brochures were printed for Armenia.

43. Greece has already officially committed itself (through the President of the Hellenic Tourist Organisation) to continue organising in 1999 seminars and on-the-job training for officials in the public and private sectors of tourism of the BSEC countries.

Romania

44. The creation of an adequate legislative framework represented one of the main priorities for accelerating the development of Romanian tourism, with a view to harmonisation with the norms of the WTO and of the European Union.

45. The most important legislative norms referred to privatisation, rural tourism, protection of tourists, joining international tourism associations, training, tariffs regulations. Among the most important were the government decision No. 58/21.8.98 regarding tourism activities in Romania - the first Law of Tourism after the Second World War.

46. At governmental level, the mission statement of the programme for tourism marketing and promotion drawn up by the National Authority for Tourism (a specialised body of the central public administration) is to promote Romania as a holiday and travel destination on the internal and international tourism market. It specifically aims:

- to stimulate internal and international tourism demand for holidays in and travels to Romania;
- to regain foreign tourism markets which were lost before and after 1989;
- to improve the image of the Romanian tourism product on foreign markets;
- to identify on the basis of marketing studies the most efficient ways and instruments for promoting the Romanian tourism offer, in a target-oriented manner taking into account the particularities of each foreign market;
- to stimulate the involvement of tourism companies and agencies, as well as other professional associations in marketing and promotional activities.

47. Romania proposes that the BSEC structures take into consideration a set of measures to improve the existent situation in tourism, such as:

- setting up joint programmes to train employees involved in the tourism activities of the Participating States, with the continued and valuable support of Greece and Turkey, countries with experience and tradition in tourism. These joint training programmes should focus on tourism management for senior tourism staff and vocational training for other tourism staff.
- re-launching the Black Sea cruises in the form of joint tourism "packages" offered by several countries of the Black Sea region: joint tours appeal to special segments of the tourism market expected to increase considerably in the future.
- streamlining those frontier formalities that hinder the flow of tourists;
- elaborate a joint tourism development projects by BSEC authorities, to be submitted for financing to international development organisations and financial institutions, with special emphasis on infrastructure development projects (roads, airports, sewage systems, water

treatment plants, restoration of cultural monuments, museums and nature interpretation centres) which are the first conditions for the expansion of tourism industry.

- harmonise the national legislative frameworks pertaining to tourism activities, as well as of the norms and standards applied to the evaluation of tourism facilities and activities in order to create quality standards, establishment of common quality standards for tourism training, improvement of tourism statistics;
- seeking out measures for improving local control in organisation of tourism, involving local communities in the planning process and in the prosperity achieved through increased tourism;
- elaborating a common strategy for the promotion of the Black Sea region as a tourism destination, through publicity and information for the public, (video material, information booklets, Internet presence), as well as among international tour-operators. Bearing in mind the new trends in tourism, as well as the different categories of tourists, such a strategy should be specifically target-oriented, and focus on the emerging demands of the following years.
- supporting projects for developing rural and ecological tourism in order to use the natural tourism potential of rural regions, through incentive measures, training programmes and marketing strategies designed for the different categories of potential tourists.
- encouraging the more decisive involvement of the private sector in the tourism industry of the countries of the Black Sea region, in an active public-private partnership, including the involvement of the Black Sea Tourism Cooperation (BSTC);
- supporting the regional organisation of "Black Sea Convention Bureau Association" (BSCBA) whose aim is to promote the Black Sea region as an attractive destination of the 21st century, to develop joint business tourism, joint conference and exhibition events, as well as concerted promotion of the Black Sea region events;
- adopting tourism strategies which are environmentally friendly. The tourism strategies of the BSEC countries should combine increased tourism with prudent use of non-renewable resources, as well as forms of tourism which can be compatible with the safeguard of vulnerable environment (as it is the case of the Danube Delta in Romania). These strategies should provide incentive measures for protecting the environment and heritage of destinations.
- adopting of a legal framework and an information exchange network for the protection of tourists against attack, theft and fraud, in order to ensure safety and stability;

TURKEY

48. At the third meeting of the BSEC Working Group on Cooperation in Tourism it was decided to appoint a country coordinator for the field, as stipulated in the Yalta Summit. To this end Bulgaria, Romania and Turkey expressed their willingness to become the country co-ordinator. It was decided that in order for the final decision to be taken, the candidate countries will prepare concrete Plan of Actions. Therefore the Turkish Ministry of Tourism prepared the Tourism Action Plan, which is the strategy of Turkey for the sector in the Black Sea region.

Cooperation in Tourism Training

49. The Ministry of Tourism has signed an industrial training project agreement with the International Bank for Reconstruction and Development, which was completed in 1998 with the

assistance of the International Labour Organisation. One of the project outputs was the establishment of the Advanced Training Centre for Hotel and Tourism Industry in 1994.

50. The Ministry of Tourism is performing its domestic training activities in two main sectors: (i) basic courses for training personnel for the sector, and (ii) training aimed directly to specific sectors (e.g. training of trainers, on-the-job training, social skills seminars, and language teaching techniques courses).

51. At the international front the Ministry has undertaken a number of activities for training personnel from the Russian Federation, Kazakhstan, but also a seminar for the representatives of the 11 BSEC countries and 5 observer countries.

52. Further training programmes can be developed between the BSEC countries. The present trainers' knowledge and skills can be updated by exchange programmes between the member countries. Training of trainers and language teaching techniques can be provided in Turkey according to the requests of the member countries.

53. Additionally an exchange programme can be realised for students between the member countries, in the framework of bilateral sub-protocols. The Ministry of Tourism is willing to reserve quotas for the students of BSEC countries in its Tourist Training Centres, including on-the-job training, for the teaching year 1999-2000 upon their demand. It is also proposed to arrange teaching in the languages of the BSEC countries; the Ministry can initiate activities on this respect.

54. A workshop is proposed to take place in Antalya in April or May 1999 in order to assist the member countries in the improvement of their domestic training methods, taking into account the experience of Turkey in this field. Moreover training of the trainers can take place for a 20-days course for the trainers from the BSEC countries in Antalya, Izmir or Selcuk in May or June 1999.

55. Another course that can be implemented is an integration course (containing training of trainers, on-the-job training and social skills) of approximately 30 days in Antalya, Kemer, Izmir and Selcuk in June-July 1999.

56. Additionally, since a uniform regulation is applied in Turkey in the field of required qualifications in tourism investment and establishment, Turkey can assist the member countries in transferring know-how in the preparation of projects in tourist establishments, provision of technical aid for the establishment of Training Centres, and classification systems of tourist establishments in order to ensure standardisation

Promotion and marketing

57. In order to provide institutionalisation in the tourism sector of the BSEC countries, Turkey proposes the establishment of the "Black Sea Travel Commission". The duties of the Commission may be the organising of meetings where joint proposals can be evaluated, as well as the undertaking of research and financing. Additionally it would be advised to create a joint tourist product for the Black Sea region, concentrating on common cultural heritage. To this end an International Black Sea Tourism Fair can be established, based in Istanbul, where the cuisine, the folklore and the handcrafts of the BSEC region can be exposed.

58. Finally, Turkey proposes a long term investment project in the field of eco-tourism, undertaken by the Turkish Ministry of Tourism, with the following long-term objectives: (i) to promote the development of a code of ethics for the sector, (ii) to provide assistance to investors and travel agents and to develop guidelines for their business behaviour, (iii) to define the standards for the use-preservation equilibrium for the development of eco-tourism. The

planning of the project will require 9 months and the implementation stage 30 months, depending on the financing that will be obtained for its realisation.

Ukraine

59. Ukraine proposes a number of joint activities in the Black Sea region in order to promote cooperation in tourism:

- The elaboration of a common concept and a long-term programme of tourist development, and the participation in joint tourist projects;
- The creation of a joint tourist product, starting with international tours, especially at the Black Sea coast and the Danube and Dnieper regions. Promising in that respect is the establishment of a transnational tourism system, based on the "Ukrainian National System of Tourist Itineraries Slavutitch Necklace".
- The organisation of a tourism fair of the BSEC countries in order to promote a common tourist product.
- The coordination of the activities of travel agencies, in order to increase tourist flows, ensure better quality of service, as well as the establishment of contacts among commercial structures in different fields.
- The simplification of the movement of tourists in the BSEC region, including cross-border formalities.
- The streamlining of the procedures that certify facilities and services and the creation of a database for tourism in the Black Sea region.
- The development of tourism infrastructure (including transportation), and the encouragement of public-private partnerships.
- The organisation of training seminars and vocational training for professionals in the sector with an aim to ensure that highly skilled personnel provides appropriate services to the customers.

V. OVERALL SUGGESTIONS AND CONCLUSIONS

60. This report attempted to give ample evidence for the enormous economic significance of tourism at the end of the 20th century, as well as for its expected expansion in the first decades of the new millennium.

61. However tourism still remains to be identified as a strategic development priority in most countries of the BSEC region although it should be given a special status as an industry. The BSEC countries are extremely well endowed to benefit from this trend, but on the condition that the policies to be pursued will be consistent to this end. The mere fact is that currently there is insufficient appreciation of the richness and diversity of attractions available throughout the Black Sea region, which could become the basis for new and original tourist products and destinations.

62. The most obvious benefit of tourism is in creating new jobs in the Black Sea region. It is an important task of the authorities involved in the field of tourism to develop and refine methods for measuring the affect of tourism on employment and to identify conditions ensuring success on this field.

63. The key to tourism development and promotion is a strong public-private relationship. The establishment of the Black Sea Tourism Cooperation (BSTC) by the travel agency associations of currently 6 BSEC countries will contribute to the strengthening of the involvement of the private sector in BSEC activities in the field of tourism.

64. It is the private sector that will ultimately create jobs through its investment decisions and the development of its activities in tourism. But public authorities have an essential role too, in creating the legal, administrative and financial framework that will enable entrepreneurs to establish and develop their businesses. The importance of some key factors of production, for example natural and cultural resources and infrastructure, are under the responsibility of the public sector and represent a vital asset in terms of the attractiveness of tourist destinations and the competitiveness of tourist businesses. The same applies to the procedures granting certification of facilities and services in order to ensure homogenisation.

65. The countries of the BSEC region need to gain greater support by international development organisations and financial institutions for projects that lead to the expansion of the tourism industry. One of the priorities should be the improvement of the general infrastructure, with special emphasis on the transport and communication links.

66. The growth of tourism in the BSEC region could lead to the reduction of regional disparities within the BSEC countries. At the same time the development of agro-and ecological tourism could immensely benefit the economic evolution of rural communities. At a time when the World Trade Organisation negotiations seek to liberalise all service areas, it is also important that the interests of BSEC countries in tourism be identified and safeguarded.

67. In order to facilitate tourist movement and investment within the Black Sea region, the conclusion of bilateral or multilateral agreements should be pursued, taking into account the international obligations of member countries. In order to do that, it is necessary to have more information on the existing rules, especially on those referring to the existence of incentives for foreign investment in the field of tourism. The BSEC Coordinating Centre for the Exchange of Statistical Data and Economic Information could compile the information and make that information available to the member states.

68. It is necessary to continue to develop and put into practice programs for training of tourist staff, which could include tourism education exchange programmes for the BSEC region aimed at training senior personnel, as well as on-the-job training for vocational personnel, provided by the advanced public authorities and travel agencies within the BSEC region.

69. Studies of the BSEC region revealed the need for improved market expertise. The creation of a joint tourism product of the Black Sea region is extremely important for developing a mutual marketing promotion strategy for the BSEC. The Black Sea region can offer joint tours as well as undertaking joint marketing campaigns, especially at the international tourism fairs.

70. On the whole, the common effort of the BSEC countries should aim at maximising the positive impacts of tourism, such as new infrastructure, job creation and foreign exchange earnings, while at the same time minimising negative environmental or social impacts.

71. Conclusively, we will repeat once again that the BSEC region has a vast potential to become one of the main tourist destinations of the 21st century. It is not only the unique and unrivalled beauty of the Black Sea itself, but also the diversity of the geography of the 11 BSEC countries, stressing from the Mediterranean to the Arctic, and from the Adriatic Sea to the Pacific. The potential is enormous in contributing to inter-regional and international understanding, employment and economic growth, however the increased expectations of tourists world-wide make it imperative for the region's countries to adopt policies that will make the region an attractive alternative to mainstream destinations.