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COMMUNICATION BY BOLIVIA, DOMINICAN REPUBLIC, ECUADOR, EL SALVADOR, HONDURAS, NICARAGUA, PANAMA, PERU AND VENEZUELA

Draft Annex on Tourism

The attached communication has been received from the delegations of Bolivia, Dominican Republic, Ecuador, El Salvador, Honduras, Nicaragua, Panama, Peru and Venezuela with the request that it be circulated to Members of the Council for Trade in Services. This document replaces the second part and the Appendix to document S/C/W/127, dated 15 October 1999. It also replaces the Appendices to document S/CSS/W/19, dated 5 December 2000.

1. Objectives

1. Recognizing that a dynamic tourism sector is essential for the development of most countries, particularly developing countries, and that it is of primary importance for the increased participation of developing countries in world trade in services;
2. Considering the specificity of trade in tourism services, such as:
 - (a) Its comprehensive nature resulting from the supply of services to visitors and relating to industries which give rise to tourism characteristic products;
 - (b) Its reliance on passenger transport and tourism distribution networks for an effective access of visitors to tourism destinations and tourist destination services, in particular for the exercise of consumption abroad; and
3. Its reliance on other services, in particular infrastructure-related, business, environmental and telecommunications services;
4. Members agree to the following Annex with the objective of elaborating upon the provisions of the Agreement to ensure equitable trading conditions for trade in tourism services, consistent with Articles IV and XIX and with the needs of sustainable development, including through co-operation efforts and the prevention of anticompetitive practices in the tourism industries, without prejudice to the pace of liberalization of any sector as reflected in their schedules of specific commitments.
5. The comprehensive treatment of tourism provided for in this Annex is not intended to supersede or prejudice any future negotiations on air transport services and Computer Reservation Systems presently covered by the Annex on Air Transport Services.

2. Definitions.

1. For the purposes of this Annex:

2. “Tourism” means the activities of persons traveling to and staying in countries outside their country of residence for not more than one consecutive year for leisure, business and other purposes.¹

3. “Tourism characteristic products”² include those services that would cease to exist in meaningful quantity or those for which the level of consumption would be significantly reduced in the absence of visitors, and for which statistical information seems possible to obtain.

4. “Tourism industries” means the set of tourism characteristic products, as listed in Appendix I, following the United Nations Central Product Classification (CPC).

5. “Sustainable development of tourism” means³ the process of:

- (a) Involvement of local communities in the conception, development, enhancement, management and preservation of all destination resources used for tourism projects, in particular cultural and environmental resources;
- (b) Implementation of environmental and quality standards agreed by relevant international organizations for tourism projects, in accordance with the requirements of Article VI [Domestic Regulation]; and
- (c) Allocation of tourism revenues to prevent degradation of the destination resources and to meet the needs to supply tourism services in the future.

6. “Tourism distribution networks” include tour operators and other tourism wholesalers (both out-bound and in-bound), computer reservation systems and global distribution systems (whether or not connected to airlines or provided through the internet), travel agencies and other distributors of tourism service packages independently of whether or not they are primary affiliated to the tourism sector.

3. Competitive safeguards

1. Prevention of anticompetitive practices

- Adequate measures shall be adopted to prevent these practices in the tourism industries, including by suppliers of air transport services and tourism distribution network services, either individually or jointly.

¹ United Nations and WTO-OMT, Recommendations on Tourism Statistics, United Nations (Series M, No. 83). New York, 1994.

² As defined in the Tourism Satellite Account (TSA) adopted by the United Nations Statistical Commission at its 31st session (New York, 29 February – 1 March 2000)

³ According to articles 3 and 9 of the Global Code of Ethics for Tourism approved by the World Tourism Organization at its 13th session (Santiago de Chile, 1 October 1999).

2. Safeguards

- The prevention of anticompetitive practices in the tourism industries shall require measures to address, *inter alia*, the following:
 - (a) Discriminatory use of information networks (including through unreasonable access charges), ancillary services to air transport, predatory pricing, or the allocation of scarce resources;
 - (b) Abuse of dominance through exclusivity clauses, refusal to deal, tied sales, quantity restrictions, or vertical integration; and
 - (c) Misleading or discriminatory use of information by any juridical person.

4. Consumer protection.

1. Adequate measures shall be adopted by Members to ensure the protection of consumer rights⁴ in the territory of one Member with respect to the service consumer of any other Member, in accordance with the requirements of Article VI [Domestic Regulation].

5. Access to and use of information.

1. Each Member shall ensure that the information provided by that Member on tourism destinations of any other Member is factual.

2. Each Member shall ensure that the tourism service suppliers of any other Member will have access on a commercial basis to computer reservation systems/global distribution systems according to transparent, reasonable and objective criteria.

3. Each Member shall ensure that the tourism service suppliers of any other Member will have access on a commercial basis to computer reservation systems/global distribution systems on a non-discriminatory basis.

6. Access to air transport infrastructure and ancillary services.

1. Each Member shall ensure that access to infrastructure and related services to air transport is provided on a non-discriminatory basis.

7. Co-operation for sustainable development of tourism.

1. Members shall encourage and support co-operation efforts for the sustainable development of tourism at the international, regional, sub-regional and bilateral levels.

2. Members endorse and encourage the participation of developed and developing countries and their suppliers of network-related, business and environmental services in international, regional, sub-regional, bilateral and private financing programs in support of the sustainable development of tourism.

3. Members shall collaborate in the exchange of information required for the competitive supply, regulation and sustainable development of tourism.

⁴As adopted by consensus in the UN General Assembly on 9 April 1985 (General Assembly Resolution 39/248, published as document ST/ESA/170, New York, October 1986).

4. Members shall ensure equitable and pro-competitive trading conditions for the sustainable development of tourism through the implementation of this Annex.

5. Members encourage all persons in the tourism industries to comply with environmental and quality standards established by relevant international organizations.

8. Relationship to other international organizations

1. Members recognize the importance of international standards for the sustainable development of tourism and undertake to promote the adoption and continued upgrading of such standards through the work of relevant international bodies and non-governmental organizations, including the World Tourism Organization, the International Civil Aviation Organization, the International Air Transport Association, the International Organization for Standardization, the Commission on Sustainable Development, the Convention on Biological Diversity and the World Travel and Tourism Council.

2. Members recognize the role of international organizations and non-governmental organizations in ensuring the safe and efficient operation of all activities in the tourism sector, in particular the International Civil Aviation Organization, the World Tourism Organization, the World Health Organization and the International Air Transport Association. Members shall consult, where necessary, with such organizations on matters arising from the implementation of this Annex.

APPENDIX 1

The Tourism Industries⁵

List of Tourism Characteristic Products

CPC/code	Title
63110.0	Hotel and motel lodging services
63191.0	Holiday center and holiday home services
63192.0	Letting services of furnished accommodation
63193.0	Youth hostel services
63194.0	Children's training and holiday camp services
63195.0	Camping and caravanning site services
63199.1	Sleeping-car and similar services in other transport media; hall residence of students
63210.0	Meal serving services with full restaurant services
63220.0	Meal serving services in self-service facilities
63290.0	Other food serving services
63300.0	Beverage serving services for consumption on the premises
64111.1	Scheduled rail services
64111.2	Non-scheduled rail services
64213.0	Interurban scheduled road transport services of passengers
64214.0	Interurban special purpose scheduled road transport services of passengers
64219.1	Scheduled ski-hills services
64221.0	Taxi services
64222.0	Rental services of passenger cars with operator
64223.0	Rental services of buses and coaches with operator
65111.0	Coastal and transoceanic water transport services of passengers by ferries
65119.1	Other coastal and transoceanic scheduled water transport services of passengers
65119.2	Other coastal and transoceanic non-scheduled water transport services of passengers
65119.3	Cruise ship services
65119.4	Passenger services on freight vessels
65130.1	Rental services of passenger vessels for coastal and transoceanic water transport with operator
65211.0	Inland water transport services of passengers by ferries
65219.1	Scheduled passenger services
65219.2	Sightseeing excursion services
65219.3	Cruise services
65230.0	Rental services of inland water passenger vessels with operator
66110.0	Scheduled air transport services of passengers
66120.1	Non-scheduled air transport services of passengers
66120.2	Sightseeing services, aircraft or helicopter
66400.0	Rental services of aircraft with operator

⁵Based on the list of tourism characteristic products agreed by the UN Statistical Commission (see footnote 2).

<i>CPC/code</i>	<i>Title</i>
67300.0	Navigational aid services
67400.0	Supporting services for railway transport
67510.0	Bus station services
67530.1	Parking of passenger terminal transport
67610.0	Port and waterway services (excl. cargo handling)
67690.1	Vessel fuelling services
67690.2	Maintenance and upkeep services to private recreation passenger services
67710.0	Airport operation services (excl. cargo handling)
67790.0	Other supporting services for air or space transport
67811.0	Travel agency services
67812.0	Tour operator services
67813.0	Tourist information services
67820.0	Tourist guide services
71100.1	Travel card services
71100.2	Travel loan services
71311.1	Travel life insurance services
71320.1	Travel accident insurance services
71320.2	Travel health insurance services
71334.1	Passenger's aircraft of own use insurance services
71334.2	Passenger's vessel t of own use insurance services
71339.1	Travel insurance services
71552.0	Foreign exchange services
72211.1	Support services to time shares activities
73111.0	Leasing or rental services concerning cars and light vans without operator
73114.1	Leasing or rental services concerning campers/motor homes without operator
73115.1	Leasing or rental services concerning passenger vessels without operator
73116.1	Leasing or rental services concerning passenger aircraft without operator
73240.1	Non-motorized land transport equipment leasing or rental services
73240.2	Winter sports equipment leasing or rental services
73240.3	Non-motorized air transport equipment leasing or rental services
73240.4	Water sports and beach equipment leasing or rental services
73240.5	Camping equipment leasing or rental services
73240.6	Saddle horse leasing or rental services
73290.1	Photographic camera rental services
85970.0	Trade fair and exhibition organization services
87143.0	Maintenance and repair services of trailers, semi-trailers and other motor vehicles n.e.c.
87149.1	Maintenance and repair services of leisure vessels of own use
87149.2	Maintenance and repair services of leisure aircraft of own use
91131.1	Fishing license services
91131.2	Hunting license services

CPC/code	Title
9401	Sewage services(*)
9402	Refuse disposal services(*)
9403	Sanitation and similar services(*)
9404	Cleaning services of exhaust gases(*)
9405	Noise abatement services(*)
9406	Nature and landscape protection services(*)
9409	Other environmental protection services n. e. c. (*)
96230.0	Performing arts facility operation services
96310.0	Services of performing artists
96411.0	Museum services except for historical sites and buildings
96421.0	Botanical and zoological garden services(*)
96422.0	Nature reserve services including wildlife preservation services(*)
96510.0	Sports and recreational sports event promotion and organization services
96520.1	Golf course services
96520.2	Ski fields operation services
96520.3	Race circuit
96520.5	Recreation park and beach services
96590.1	Risk sport and adventure
96620.2	Guide services (mountain, hunting and fishing)
96910.1	Theme park services
96910.2	Amusement park services
96910.3	Fair and carnival services
96920.1	Casino services
96920.2	Slot machine services
97230.4	Spa services

(*) As related to tourism projects.
