2nd Conference on Climate Change and Tourism Davos (Switzerland), 1 - 3 October 2007

Welcoming address

by Ambassador Dr. Eric Scheidegger Deputy Director, State Secretariat for Economic Affairs (SECO)

I am pleased **in the name of the Swiss government** and in particular of the **State Secretariat for Economic Affairs** to have the honour of welcoming you to the 2nd International Conference on Climate Change and Tourism in Davos. I would like to take this opportunity to thank the United Nations World Tourism Organization (UNWTO) for choosing Switzerland as the venue for this important conference.

Favourable framework conditions for climate-friendly development of tourism

Tourism is **an indispensable motor for growth of the world economy**. It is a sector which in most countries is a source of additional employment and income. Tourism helps to promote the peaceful cohabitation of the world's peoples. "Travel is broadening" as they used to say, or in the words of the World Tourism Organization's slogan for the World Tourism Day of 2006, **"Tourism enriches"**. The purpose of the 2nd International Conference on Climate Change and Tourism is to prepare **climate-friendly tourism development strategies**, for proposal to the competent intergovernmental bodies as a **"Declaration of Davos"**. It is encouraging to see that the United Nations Environmental Programme, the World Meteorological Organization as well as representatives of tourism-dependent sectors of the economy and "last but not least" the World Economic Forum are participating in these efforts, under the auspices of the World Tourism Organization.

A look at what has been accomplished so far convinces me that we have the expertise to meet these difficult problems head on. I'm sure we all agree that it would be particularly helpful if we could identify **ways in** which the future growth of international tourism can be made compatible with the stabilisation or better still reduction of the greenhouse gases produced by this sector of the economy.

Climate as an essential tourism resource

There is not much to say about the question of climate in tourism that we do not already know. Climate is of course a fundamental resource in tourism. And when we speak of "climate" in tourism we particularly mean the average weather conditions a visitor expects to find in a given destination. Climate conditions influence the visitor's choice of a destination as well as investment decisions on the supply side.

Most of Switzerland's tourism resorts have achieved popularity because of their favourable climate. Davos is a typical example, being particularly sought after as a place of convalescence for those suffering from

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respiratory ailments, beginning with tuberculosis. A century or two ago this gave rise to a number of sanatoriums, which were later converted to hotels.

Living in a particular climate in any case requires **billions of francs of investment in infrastructure, installations and equipment.** In the North visitors and residents alike need to be protected from the extreme cold, and in the South from extreme heat.

Tourism as an accelerator and also a victim of climate change

For this 2nd International Conference on Climate Change and Tourism in Davos the World Tourism Organization (UNWTO) has done some original research on the contribution made by all types of tourism to global CO₂ emissions and the resulting greenhouse effect. **Tourism's contribution is significant and is set to increase disproportionately compared to other activities and economic sectors, due to strong growth without the necessary countermeasures being taken**. The extent of the greenhouse gas emissions depends on the travel distances and the duration of the stay. The greater the travel distance and the shorter the stay, the greater will be the greenhouse effect.

Tourism is an accelerator of climate change, due mainly to the travel involved. Visitors, being ever more demanding, tend to take an opportunistic view of environmental problems. Little attention is paid to ecological problems such as climate change until it is perceived as a threat to personal happiness. Once the change becomes noticeable, the visitor either adapts or moves on to somewhere else.

The suppliers of tourism products and services in the regions most affected by climate warming are among the first to truly suffer from climate change. These are location-bound businesses and in many cases they produce in ecologically fragile seaside or mountain areas. **They are particularly vulnerable to environmental degradation**. The impact of climate change -- the fact that for years now the snow line in ski resorts has been moving higher up the mountain, or the much talked about rise in sea level that will affect beach destinations -- means additional costs for those trying to cope with the new situation.

Poorer countries and regions are also among the losers in tourism due to climate change

International tourism is distinguished by a high degree of decentralisation. Unlike manufacturers of automobiles or institutes of asset management the tourism industry is not limited to a few specialised locations. Since all countries have attractions of one kind or another, even the poorest countries and regions have tourism potential. Tourism is in fact one of the alternative forms of development, with significant added value, that is open to economically weak areas.

And thanks to the substantial contribution made by the spending of visitors it is possible to take increasing advantage of the tourism potential of such areas. International tourism is particularly suitable for reducing the disparities between richer and poorer countries, in a market economy context.

Climate change is above all a threat to these poorer countries, whose tourism potential in many cases has been scarcely touched. Many of

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them are in the southern hemisphere, where the impact of climate warming is likely to be the most severe. **These economies are the least able to take steps to adapt and restructure**. They must therefore depend on the support of the international community, and indeed fighting poverty is one of the UN Millennium Development Goals.

Making full use of the sector's potential for adaptation

The climate change problem is at least as complex for tourism as for any other sector of the economy. The challenges in the area of policy and in relation to the economy are considerable. Although signs of manmade climate change are already visible all over the world, the true extent of the problem will only become known over the long term. In order to keep the consequences to a minimum, preventive measures must be taken as soon as possible in the area of tourism structures and in general to protect the climate and the environment.

In the more advanced countries favourable framework conditions for adapting to climate change in the area of tourism more or less exist already. Switzerland for example has a well-developed **public transport network, which to a great extent is climate neutral**. All Swiss tourism centres can be reached by rail. The government has invested considerable sums over the years in structures to defend against avalanches, and more recently in measures to cope with the thawing of permafrost and protect both visitors and tourism installations. Ski resort operators in the Alps have already spent large sums on snow-making equipment to make downhill skiing possible in the new conditions. These make-do solutions are necessary, since for the time being there are no development possibilities that offer greater profits or value added for winter tourism.

Suppliers of tourism products and services are doing their utmost to develop **innovative measures both with the help of technological improvements and through legislation, so that travel and stopover for tourism will be increasingly climate neutral**. The new Boeing "Dreamliner" consumes 20 per cent less fuel than the jet airliners of the 1990s. The Hotel Palace of St. Moritz meets enough of its heating requirements from the heat energy of the local lake, which has a temperature of only 4 degrees, to save - together with a nearby school - 450,000 litres of heating oil a year.

Efficiency of measures to reduce greenhouse effect

Manmade climate warming is a global problem, and therefore requires a global solution. From the economic policy and tourism policy points of view the solutions must rely on **the most efficient and cost-effective measures possible,and with the widest possible impact**. Purely sectorial measures, such as **restricting or taxing** certain forms of travel are unlikely to be sufficiently effective. International tourism must not be made the scapegoat of climate policy.

On the other hand serious thought needs to be given to ways of making greater use of the so-called "flexible mechanisms" for the reduction of CO₂ emissions in the field of tourism in the post-Kyoto era. **Market economy instruments such as emissions trading as well as emissions reduction projects in third countries** would be particularly ideal. These would be suitable for emerging economies and developing

countries, in which climate measures supported by technology transfer will be more effective and are urgently needed.

It is highly appropriate that at this 22nd International Conference on Climate Change and Tourism, instead of a congress fee, **arrangements have been made to compensate for the CO₂ emissions resulting from our travel to Davos**. In this way we are sending the right signal. Climate change and development cooperation are in many ways closely linked in the field of tourism. This is summed up in the new logo of the World Tourism Organization "UNWTO - Committed to Tourism and Millenium Development Goals".

Once again, in the name of the Swiss government I wish you all an enjoyable conference.