

QUALITY IS PROFITABLE

Conference on Leisure Tourism and Consumer Protection in the Mediterranean

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Note by the Secretariat

Attached is a document supplied by the World Tourism Organization (UNWTO), entitled “Explanatory notes regarding international tourism standards”. Its purpose is to take note of the current interest in setting international and national tourism standards, in particular quality standards, as they may intervene in consumer protection in the field of tourism.

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EXPLANATORY NOTES REGARDING INTERNATIONAL TOURISM STANDARDS

Note by the Secretariat

Attached is a position paper regarding international tourism standards. It has been prepared by the Secretariat on the basis of a number of presentations employed in the UNWTO-led regional seminars and technical meetings on tourism standards and quality systems, held between 2001 and 2006. It takes account of the initial debate on this paper held during the 4th meeting of the Quality Support and Trade Committee (Madrid, Spain, 20-21 April 2006), under agenda item 6.2.3.a), reflects new developments which took place until September 2007, and incorporates contributions received by the Secretariat as a feedback to the previous drafts of 30 June 2006 and 15 November 2006. Examples of standards and standards-setting bodies quoted in the text are not exhaustive and can be complemented in the future. This document is published under the authority of the Chairman of UNWTO's Quality Support and Trade Committee. Mr. José Sancho Silva (Portugal).

EXPLANATORY NOTES REGARDING INTERNATIONAL TOURISM STANDARDS

Background

1. Due to the use of new information and communication technologies which are becoming commonplace in tourism distribution channels, traditional distributors are no longer the only ones who can guarantee the product. The configuration of the world tourism market has changed dramatically. Today the market feeds on a great number of new tourism destinations and tourism services suppliers of world outreach, both big and small, who are independent from traditional tour operators, or who create their own packages of tourism services. Although the process of horizontal and vertical concentration also continues, there is today more fragmentation which is accompanied by more volatility in the market.

2. Competition patterns are based on exploiting both dominant major travel motivations (beach & sun, meetings, etc.) and diversity (niche markets). The level of competition between and within traditional, new and emerging suppliers of tourism services is high. It uses globalization in the marketplace and contributes significantly to this process and its pace.

3. At the time when the tourism marketplace is becoming increasingly complex, more and new transparency is required by potential and actual travellers, both individual and corporate. Transparency is especially needed with respect to the selection and consumption of tourism services and the protection of consumer rights abroad. At the time when the notion of national borders in the global tourism market is becoming obsolete, the standards of consumer protection available at home are also required abroad.

4. While booking and paying on-line, consumers prefer and seek guaranteed or certified products. However, auditing for certification or product assurance can only be done on the spot, on the basis of checking compliance with the announced offer, also expressed by mandatory or voluntary standards, or product and communication requirements (from companies, corporate brands, governments, consumer organizations, etc.) and the procedures guaranteeing that the established or required standards can be maintained over time.

5. Under different terminologies and varying scopes of application, such standards, whether private or public, are already manifest at the national level in the majority of the developed countries, although their tourism consumers do not always, and not sufficiently, benefit from the standards in place. This notwithstanding, the existence of standards helps the tourism sector in these countries in its quest for competitiveness. On the other hand, tourism standards have hardly been enacted and applied from within the developing and especially least developed countries.

This affects their competition capacity and confronts them with imported standards coming from commercial corporate brands which do not always reflect national idioms of the recipient countries.

Understanding tourism

6. Contrary to mainstream traveller experience, or the experience of those who package tourism services to effect a comprehensive journey (both tourism professionals, such as tour operators or travel agents, and individual or independent travellers), tourism continues to be perceived by the public at large, opinion makers (or even researchers) as activities related basically to holidays and the product of hotels, restaurants, travel agencies and tourist guides, and subsequently tourism standards are associated with solely these activities and related product requirements. When it comes to standards, another typical, majority sequence of association is that between “tourism”, hotels (“tourism” and “hospitality” are often considered as separate categories), and their classification (“international tourism standards mean to aim at prescriptive international hotel classification”).

7. The suppliers of other tourism services (especially transport services, conference centres, etc.) and the other aspects different from product description (for example, terminology, signs and symbols, or safety requirements) are ignored in this approach. The lack of recognition of the actual scope¹ and tourism activity aspects to be potentially subject to international standardization holds progress in this area while, nevertheless, as previously specified, at the national and industry level it has already been possible to agree on a number of tourism-related, voluntary standards for the use of industry and the benefit of both domestic and international visitors and consumers. The relevant issue is therefore that once there exists a global market, standards should also bypass national borders as it already occurs in a number of areas, as spelled out in preceding paragraphs.

Helping understand standards

8. Perhaps semantics, the way the very term “standard” is interpreted, should be held responsible for the original misunderstanding. “Standards”² or “norms” are frequently considered, or suggested to be considered, to be mandatory rules, or legally-binding measures fixed in the national regulatory framework.³ Actually,

¹ From the individual tourism consumer and economic perspective, the latter substantiated by statistical evidence, the scope of tourism is defined by the Tourism Satellite Account methodology. See also previous paragraph 8.

² “Norme” in French or “norma” en Spanish. Both languages also use the terms “standard” or “estándar”.

³ For example, a standard included in Annex 17 on Security to the Chicago Convention of ICAO is mandatory and is defined as “a configuration, personnel, or procedure the application of which is recognized necessary for safety and regularity of International Air Navigation to which States will conform”.

dictionaries may confirm this view, but they will also refer to voluntary, non-binding standards. In either way their existence may give rise to legal requirements and rights. The terms “standards” often means typical or common.

9. The difference in approach to standards is often seen in whether they are created by or among those concerned (from within), or imposed from outside, for those concerned and affected, for example by legislative bodies for tourism companies. The problem therefore lies in who owns a determined standard and in whether its existence implies merely a reference or an obligation to conform to it. ISO has its own definition of standard, which does not refer to its status, whether binding or voluntary.⁴

10. When it comes to voluntary standards, they should be understood as an agreement among major stakeholders on the prevailing best practice. Standard is best practice recognized and written down by a majority. Standards can be prescriptive (certifiable) or non-prescriptive (such as guiding documents). Standard products or services are also understood as typical or common output.

11. Compliance with a standard is one of the conditions of delivering quality. Where there are various levels or scopes of a service or product, the latter can be classified or graded by categories. Classification is therefore describing a service or product according to different sets of related standards corresponding to each category.

12. A standard can address a number of aspects of a service or product or the enterprise engaged in their supply. These may include: tangible or physical characteristics or attributes of the plant and equipment which are used to produce and deliver a service (product or service requirements), description of a service, professional qualifications (to provide a service), language (terminology, signs and symbols), processes or procedures. Standards may also refer to specific horizontal aspects between establishments or services, such as safety and security, hygiene or accessibility. Standards may include elements relating to more than one aspect.

13. Standards can be at various levels. In ISO language, terminology and definitions, recommendations, guidelines for use, good practices or working procedures, may all be entered under the generic category of “international standards”.

⁴ **Standard:** document, established by **consensus** and approved by a recognized **body**, that provides, for common and repeated use, rules, guidelines or characteristics for activities or their results, aimed at the achievement of the optimum degree of order in a given context.

International debate and experience regarding tourism standards

14. These circumstances provoke an international debate on tourism standards, within and outside the World Tourism Organization (UNWTO). The debate provides evidence of a variety of views on the purpose of such standards, their value, potential, constraints or feasibility. Some of the views may lead to confusion, for example, because of the terminology and notions used, including with regard to tourism itself. The resulting expectations and attitudes towards tourism standards, especially when it comes to international ones, are both positive and negative. There also comes growing experience in drafting and using tourism-related standards. It helps verify their usefulness and prospects.

The World Tourism Organization (UNWTO)

15. Through its Quality Support and Trade Committee, UNWTO has adopted an official position on tourism standards⁵ which is recalled in Annex 1. Today the issue stands firmly on the UNWTO programme⁶. The overall UNWTO position may not coincide with the views of some of its Members, especially from the operational sector, whose spokesmen have demonstrated extreme sensitivity in the face of the interest of the International Organization for Standardization (ISO) in this area and have approached the UNWTO Secretariat to this effect (they can be obtained from the UNWTO Secretariat subject to the agreement of the organizations concerned).

16. Regarding UNWTO's own experience in setting standards, the Organization has prepared an international instrument on tourism education (TEDQUAL), which is presently used to check on the quality status of curricula offered by tourism institutes. UNWTO has also prepared, jointly with the United Nations, international standards on tourism statistics, which are embodied by the Tourism Satellite Account: Recommended Methodological Framework (TSA:RMF/UNWTO). Another UNWTO standard concerns the graphical symbol to be used to indicate the location of public tourist information offices and related services. Still another UNWTO public information standard known as "Recommendation on the use of uniform colour referents for beach warning systems" has been followed by ISO in preparing its own international standard "Specifications for beach safety flags and its respective guidance for use". With respect to tourism product requirements of interest to people with disabilities, the 16th UNWTO General Assembly adopted the document *Accessible tourism for all*. It can be considered as an outline of a tourism standard and can be used as a guidance document for developing more detailed provisions for the tourism industry. As suggested by its title, *the Global Code of Ethics for Tourism* (UNWTO General Assembly 1999; United Nations General

⁵ Second Meeting of the Quality Support and Trade Committee, Madrid, 11-12 November 2004.

⁶ "Guidance, international harmonization and recognition of best practices, minimum requirements, standards, and management systems intervening in the quality of tourism activities, products and destinations" (general programme of work for the period 2006-2007).

Assembly 2001) establishes ethical standards for tourism. UNWTO has also signed an agreement with the Open Travel Alliance (OTA) with a view to developing unified global travel standards/specifications, including those pertaining to extensible markup language (XML).

The International Organization for Standardization (ISO)

17. Within ISO, voting on ISO standards is the competence of ISO members who are national standards bodies. Since its new technical committee ISO/TC 228 on "Tourism and Related Services"⁷ was established in 2005, it has agreed in principle on a comprehensive scope of tourism activities in whose standardization this body might be involved, although proposals are still being made to permanently exclude some activities from actual standardization.⁸ The comprehensive scope in question coincides in principle with "tourism characteristic activities" according to UNTSA, although certain aspects of tourism are *de facto* already excluded from the ISO/TC 228 range of activities covered by UNTSA, as they are dealt with by other specialized technical bodies of ISO (ISO/TC 177 - Caravans, ISO/TC 145 - Graphical Symbols, and ISO/TMB WG - Exhibition Terminology).

National delegations are the direct actors who decide in this exercise, where they are expected to represent concerted national interests, based on consensus within national "mirror" committees. National delegations are normally nominated by the national "mirror" committee that follows the work of the particular ISO Technical Committee. Delegations may include representatives of any of the individual stakeholder groups that are members of their national "mirror" committee. "Mirror" committees are open to all stakeholders within a country and decide national votes to be made to ISO, again based on consensus. Hence, it is essential for concerted industry views and the views of other stakeholders (governments, consumers, academia) to be presented within national "mirror" committees. At the international level, the ISO Committee expects to be assisted by international and regional organizations including those representing industry as non-voting *liaison organizations*.

18. At present there exists only one ISO international standard recognized as truly tourism-specific. It concerns terminology on hotels and other types of tourism accommodation, has been assimilated by ISO from a European standard prepared

⁷ As a twinning activity, ISO/TC 228 secretariat is hosted jointly by Spain (AENOR) and Tunisia (INNORPI). Current work undertaken within the committee, at a subcommittee and working group levels, includes recreational diving services (hosted by Austria) and spa services (Spain).

⁸ ISO/TC 228 scope established by Technical Management Board (TMB) resolution 14/2007: "Standardization of the terminology and specifications of the services offered by tourism service providers, including related activities, touristic destinations and the requirements of facilities and equipment used by them, to provide tourism buyers, providers and consumers with criteria for informed decisions.

by the European Committee for Standardization (CEN)⁹ and adopted (translated into national languages) by a number of national standards-setting bodies. Reference to this standard (terminology described by the standard) is now found in some national hotel classification systems. ISO standards on management (ISO 9001:2000, ISO 14001:2000) or food safety (ISO 22000) can be applied to tourism companies alongside other service suppliers.

The World Trade Organization (WTO)

19. As part of the multilateral trade negotiations in the framework of the Doha Development Agenda, the WTO's Council for Trade in Services (CTS) has undertaken work aimed to enact provisions regarding GATS Article VI on *Domestic Regulation*, also in relation to Article VII on *Recognition*. The aim is to develop disciplines¹⁰ so that they can "contribute to creating more appropriate, trade friendly and transparent regulatory frameworks in order to facilitate and promote trade in services"¹¹. Reference is made to both national standards and "international standards of relevant international organizations". The focus is on licensing procedures, professional qualification requirements and technical standards intervening in effective market access and specifically the commercial presence of foreign services suppliers in the national marketplace. This activity concerns all services sectors, of which tourism constitutes a major sector in terms of the volume of trade, the liberalization commitments already made and the objectives of progressive liberalization, which are expected to benefit all countries, in particular the developing ones.

Other intergovernmental organizations

20. In paragraph 20 below, references are made to provisions, standards and recommended practices which intervene in the supply of service in air passenger transport, and in paragraph 24 with respect to carriage by sea, which are established by international conventions managed by the International Civil Aviation Organization (ICAO) and the International Maritime Organization (IMO) respectively. The World Health Organization (WHO) intervenes through the International Health Regulations (IHR, 2005) and the World Customs Organization (WCO) - through the International Convention on the Simplification and Harmonization of Customs Facilities (revised Kyoto Convention)¹², in particular with respect "travellers' personal effects and goods imported for sports purposes", "tourist publicity material" and "means of transport".

⁹ International Standard/Norme Internationale ISO 18513: Tourism services – Hotels and other types of tourism accommodation – Terminology/Services touristiques – Hôtels et autres types d'hébergements touristiques – Terminologie.

¹⁰ Not standards, but the ways of using national and international standards.

¹¹ Communication from the European Community and its Member States in S/WPDR/W/25 of 10 July 2003.

¹² Entered into force in February 2006

Consumers

21. The lack or ignorance of standards or non-compliance with standards can be held responsible for unfair competition and can inevitably damage consumer interests. The consumer protection gap is particularly perceived and experienced during trips abroad. The further from home, the shorter the stay at the destination, and the more independent the travel, the more difficult the consumer situation becomes. The existence of standards unknown to the consumer and less strict product requirements at destinations – especially when it comes to addressing the consumer's vital needs and interests - complicate the situation even further. Actually, there are few firm, internationally established and well understood referents or product standards which would be familiar to the consumer, but there are common expectations in this area.

22. Unlike in other services sectors, consumers find themselves captive in important parts of the tourism production chain: for example, they cannot choose another airport or its security personnel, and when they arrive in a hotel already booked and paid for, in most cases they will have to stay there and adapt to its possible shortcomings, or they will be unlikely to cancel the remaining part of their package because of a single bad experience, or even an accumulation thereof.

23. Even though most of the efforts to offer quality and to agree on standards for this purpose are undertaken with a view to attracting consumers, or for the purpose of competing for them in the international marketplace, and even though consumer protection in tourism, particularly at the international level, has now become a frequent topic of consultations among consumer representatives, consumer expectations regarding tourism standards do not find an easy way to those who design and sell tourism products. Consumers intervene when they can really choose between various products in a transparent market, when they present specific consumer demands at the time of purchase, when they register complaints during or after the trip, or when they agree to participate in voluntary consumer surveys.

24. Europeans are the most travelled and the most ubiquitous international constituency which currently contributes around fifty-five percent of trips to all international tourist arrivals in the world. European instruments and consumer protection standards, such as those included in the Council Directive on package travel, package holidays and package tours (90/314/EEC) encourage Europeans to demand vital and accurate information on tourism products and receive consumer protection guarantees abroad - in other European countries and outside Europe – whose standards would be similar to the ones available in their own countries. Amongst European consumer protection bodies, the European Consumer Centre (ECC) is the one at the service of consumers of any member State who may

require information and assistance with respect to the purchase of goods and services in a country other than their own¹³

25. At inter-regional level, tourism services and their quality standards are also becoming an object of interest of Consumers International (CI) currently representing over 230 organizations in 113 countries. CI's focus on developing countries and fundamentals, such as air quality, food and water helps in this regard to develop a link with tourism development and its related consumer and host community standards.

26. National initiatives reported to the UNWTO Secretariat include tourism consumer consultations held annually, since 2001, in Katowice, Poland, as a joint activity between academia, national consumer organizations, industry and the National Tourism Administration, where inputs are also received from the European Commission and the European Economic and Social Committee. The 2006 event focused specifically on the role of standards - including those related to different hotel categories - in tourism consumer protection.

27. However, in a sample of twenty-seven UNWTO member countries who participated in the Secretariat survey of December 2005 - 2006 and answered a question regarding consultations with consumers, only ten confirmed their national consumer organizations' participation in working out specific national standards concerning tourism. In this regard, the activities of the new ISO committee on tourism offer a greater opportunity or even a requirement for consumers to be represented in the national mirror committees and voice their views and needs when raising standards initiatives.

International activities at government and industry levels

28. At international or regional levels, there are a few old and a growing number of new projects and initiatives aimed to define and implement standards intervening in tourism activities, with a recent focus on the relation between standards and quality requirements. The most regulated sector in this regard is passenger air transport, perhaps due to the initially legally binding nature of the long-standing Convention on International Civil Aviation of 1944 (Chicago Convention), which is taken care of by ICAO. Its annexes, for example Annex 9 – *Facilitation* relating to air passengers, hence consumers of air transport services, clearly distinguish between “standards”, which are mandatory, and “recommended practices”, of which the latter can be elevated over time to standard category. Annex 9 is regularly

¹³ Since its establishment in 2005, CEC - the Spanish branch of ECC, has organized eight consumer consultations, of which four have been dedicated to tourism issues (tourist real estate and products, car rental, tourism service quality, passenger air transport). CEC plans for 2007 include Pan European consultations on tourism standards in the Mediterranean, which would also involve countries from the neighbouring regions (Africa, Middle East).

updated. For example, its latest update pertaining to persons with disabilities and facilitation of the transport of passengers requiring special assistance dates back to 2005. ICAO norms include the ones which are directly perceived by the public (e.g. in the area of accessibility) and others which the public may not perceive at first sight, but definitely benefits from them (e.g. safety).

29. Within the Airports Council International (ACI) a benchmarking facility including standards and measurement and known as Airport Services Quality (ASQ), was drafted in 2000 and is reviewed at annual Airport Service Quality Conferences organized by ACI.

30. A private company SKYTRAX operates a Star Rating system for airport security (since 1996), airlines (since 2000) and front-line product and service airport quality (*excellent/ultimate, good, fair, poor, very poor*). With respect to airlines, Professional Quality Audit evaluations are reported to include over 750 aspects of product and service quality measurements. Individual rankings can be viewed on the Internet. Also ICAO intervenes in this area by means of the Universal Aviation Security Audit Programme (USAP).

31. Liability, compensation and assistance standards relating to passenger air transport are specific in this area. They were first established by the Warsaw Convention of 1929 on International Air Carriage by Air and subsequent protocols and, at the European level, between 2002 and 2004, by regulations of the European Parliament and the Council with respect to accidents, loss of luggage, denied boarding, cancellation or long delay of flights (regulations EC Nos. 889/2002 and 261/2004 in the latter case respectively).

32. Liability in the supply of tourism services is also dealt with in the Berne Convention of 1961 on Carriage by Rail, the Paris Convention of 1962 on the Liability of Hotel-Keepers, and the International Convention for the Safety of Life at Sea (SOLAS, 1974)¹⁴ and the Athens Convention Relating to the Carriage of Passengers and Their Luggage by Sea (PAL, 1974-2002) of the International Maritime Organization (IMO).

33. Procedures considered as standards may also apply to travellers among whom the preferred category are also air passengers. The recent European regulation (EC) No. 1546/2006 of the Commission, of 4 October 2006, lays down “measures for the implementation of the common basic standards on aviation security”, where this European Union law establishes, *inter alia*, restrictions on liquids in carry-on luggage. Although such measures are considered to be secret and not to be published, passengers must be “clearly informed of rules relating to items prohibited from carriage on aircraft”.

¹⁴ Last amended in December 2006 with respect to passenger ship safety

34. The European Standard on Transportation – Logistics and services – Public passenger transport – Service quality definition, targeting and measurement (EN 13816), is also of considerable interest to tourism activities. It was approved by the European Committee for Standardization (CEN) in 2001 and published the following year. Its adoption may be appropriate for public passenger transport services and “authorities in a tendering/contracting situation, requiring that the service be provided in accordance with this standard”.

35. The International Road Transport Union (IRU) has put in place an international quality/comfort star rating system for touring coaches. It is based on a one to four star scale according to set technical and performance criteria. IRU international classification committees in eighteen European countries issue certificates that are renewable annually after quality checks. IRU plans to create a “Global Quality Charter” to include, in addition to its classification system, “a rating of drivers, services and undertakings”. Five countries, Belgium, Bulgaria, France, Moldova and Rumania, are reported to have made this system mandatory. Currently IRU is undertaking efforts to promote the system with consumers. Other relevant IRU products relating to standards include the IRU Bus & Coach Safety Programme (requirements for new bus and coach construction) and the Coach Driver’s Checklist.

36. Also in Europe, two projects relating to quality standards or schemes in accommodation establishments were initiated between November 2005 and May 2006. They include: “Product Definition and Quality Assessment Standards” for rural accommodation, which were developed by the European Federation of Farm and Village Tourism (EuroGites), and “the European Hospitality Quality Scheme” launched by HOTREC (Hotels, Restaurants & Cafés in Europe). While EuroGites standards, organized into five major “blocks”, are defined in terms of “minimum domestic” and “international market” requirements, the HOTREC’s hospitality scheme classifies hotels into three levels (basic level of quality, second level of quality, Total Quality Management) irrespective of the main target market or location (whether urban, rural or other).

37. At the international level including European and non-European countries, the meeting industry organizations have prompted a number of complementary instruments which may already stand for international standards. They are applied within the constituencies of respective organizations and can also be viewed and followed by interested parties from outside. The International Association of Congress Centres (AIPC) manages AICP membership requirements and the Apex Award (APEX – Accepted Practices Exchange) and is preparing a “Best Practices Code”. The Convention Industry Council(CIC) is also involved in the Apex project and runs a Certified Meeting Professional (CMP) standard whose participant is also the International Conference and Connection Association (ICCA). The Connected International Meeting Professionals Association CIMPA provides qualified members with 3 types of certification: Certified Planner of Professional

Meetings (CPPM), Certified Global Meeting Professional (CGMP) and Certified Internet Meeting Professional (CIMP).

National activities

38. At national level, there is a remarkable trend towards defining new public standards for tourism activities in search of quality, safety and competitiveness. This concern for quality standards is experienced not only in well-developed tourism destinations, but is also gaining force in newly emerging tourism receiving countries. Virtually all top tourism destinations in the world are engaged in standards-driven programmes aimed at quality with a view to sustaining their market share and competitiveness. The UNWTO regional seminars on tourism quality systems¹⁵ have also revealed that the developing countries are the ones who ask most for international assistance in defining their tourism products in terms of quality standards, since standards are regarded as a measure to enhance and market tourism products and thus better connect with the world marketplace. Developing countries consider international standards as a means of transferring to them know-how from the developed economies and expect that tourism standards existing in tourist generating markets should be shared with them but not imposed, and that they should be assisted to develop their own standards.

39. A recent growing phenomenon, particularly notable in Latin America, is the involvement of national standards bodies in setting tourism standards on the initiative of the tourism sector. This process is often supported by national governments, represented by their National Tourism Administration (NTA), due to the fragmentation of the tourism sector or the lack of visible industry leaders to guide the process.

40. UNWTO member countries (27 out of 30 surveyed)¹⁶ report having in place a great variety of national standards which they identify as relating to tourism. The list is led by Chile (45 standards, relating to adventure tourism, accommodation establishments and tourist guides) and followed by Colombia (38), France (35), Australia (20), Thailand (20), Spain (16), Latvia (15), Mexico (12), Morocco (12) and others. The most common standard concerns accommodation establishments where it is often interpreted as hotel classification. This is the case, for example, of Mali which is the only least developed country included in said list. Brazil has recently developed 35 standards which can be used to certify various categories of tourism professionals, as well as standards addressing safety and security issues in 21 types of adventure tourism, and 3 related to accommodation establishments.

¹⁵ Between 2001 and 2007 such seminars were held in Oaxaca, Mexico and Mamaia, Romania (2001); Vilnius, Lithuania and Santiago, Chile (2004); Cairo, Egypt; San Salvador, El Salvador; Yaoundé, Cameroon; Lusaka, Zambia (2005); Algiers, Algeria; Bogotá, Colombia (2006); and Caracas, Venezuela; Voldivia, Chile (2007).

¹⁶ UNWTO Secretariat survey of 2006.

Regional activities

41. As documented earlier, Europe has taken the lead in designing quality standards for its tourism industry products and the related consumer protection standards. The political interest in establishing tourism standards is represented by common regional institutions, such as the European Parliament, the European Commission, the European Economic and Social Committee, or the European Committee for Standardization (CEN), under a general mandate “to develop a standardization work programme to support the internal market for the service sector”. At industry level this interest is translated, one by one, into separate aspects or sector activities (terminology, touring coaches, rural establishments, hotels, tourist guides), which are undertaken both within and outside the workings of CEN. The major EU instrument establishing standards for the suppliers of tourism services (tourism organizers) so far has been Council Directive 90/314 EEC package travel, package holidays and package tourism of 13 December 1990.

42. Work has started in the Caribbean with a view to adopting and implementing, in particular by means of a wide-spread certification process, the Quality Tourism for the Caribbean standards (QTC). Sponsored by the Pan American Health Organization (PAHO), the Caribbean Epidemiology Centre (CAREC) and the Caribbean Alliance for Sustainable Tourism (CAST), they focus primarily on the elements of health protection and environmental sustainability and include seven major goals: food safety and sanitation; environmental management system; water treatment, management and efficiency, sewage treatment management; integrated pest management, and solid waste management. The other elements refer to occupational health and safety; air quality and pollution control; physical and personal safety, security and disaster planning; protection natural resources and managing the use of coastal areas, and community relations.

43. The regional consultation on tourism standards and quality systems held in Bogotá, Colombia, on 25-26 September 2006, helped bring to the attention of Latin American NTAs and their technical staff the work which had been undertaken in individual countries around tourism standards. It subsequently encouraged them to consider preparing a regional framework based on common standards with a view to making the region more competitive. The following trends and facts were identified: explicit quest for articulating quality as an objective in national tourism policies (Argentina, Colombia, Ecuador, Peru) and tourism regulations (Argentina, Bolivia, Ecuador, El Salvador, Honduras, Mexico, Peru, Venezuela); furnishing standards prepared for individual tourism activities with common, horizontal provisions, for example, with respect to safety requirements (Brazil, Colombia); participation of academia in: standards-setting (Chile, Colombia, Honduras, Peru), certification (Honduras); or establishing national tourism quality plans (Argentina). Government assistance is geared to SME beneficiaries through awarding quality manuals (Argentina, Brazil, Honduras, Peru, Puerto Rico) or certification subsidies

(Chile, Honduras, Puerto Rico). Panama has recently undertaken work to equip with regulatory standards up to six areas considered as tourism activities: tourist guides, special interest tours, complementary tourist services, tourist transport, travel agents and “tourist public accommodation” with a overall aim of consumer protection.

44. Also at the regional level, the International Standardization for the Meeting Industry Institute (Instituto Internacional de Normalización de Industria de los Eventos y el Turismo – ISMI) is making efforts to organize work around tourism standards in the Americas, in particular for the benefit of SMEs and tourism municipalities.

45. Common activities aimed at tourism quality by means of standards are also reported to the UNWTO Secretariat from the Middle East, where a programme to this purpose has been adopted by the Arab League, and from Asian countries belonging to ASEAN.

Media assistance

46. General and specialized media related to travel also intervene in tourism product and service standards by publishing awards, guides, ratings and rankings of tourism establishments, particularly hotels (e.g. Condé Nast Johansens) or restaurants (e.g. Michelin, AAA Four Diamond Award, The Wine Spectator Awards, ZAGAT). Published lists tend to refer to select establishments due to their above average characteristics, but rating criteria are not always readily available to the public at large. Where public quality criteria are quoted, a typical rating for hotels includes ten of them (architecture, decoration, technical condition, guest room comfort, bathrooms, ambiance, breakfast, guest service, tranquillity, equipment). Up to 10 is also the number of points which the evaluated establishment can obtain. A European restaurant would be evaluated according to six criteria (bread, coffee, wine cellar, ambiance, service, bathrooms).¹⁷ Rating in this case refers to the price – quality relation. Actually travel magazines and travel sections of newspapers all over the world publish recommendations, results of assessment and ratings of tourism establishments and services, where they adapt their message to the profile of their readers.

47. Media, as well as first- and second party reporting and evaluation of tourism establishments on the Internet, may also confuse the public and drive professional travel guides out of business. As an example, the public is being warned nowadays of misleading star ratings and proprietors writing their own reviews.

¹⁷ For example, El País, Spain – El Viajero (Fernando Gallardo/José Carlos Capel).

Private sector activities

48. In parallel to the increasing interest in tourism standards in general and in addition to standards-setting activities undertaken by industry organizations at international level, the private sector has always been active in designing its own corporate brands actually standing for a whole family of standards. Brands address varying scopes of products and services, target diverse groups of customers and often imply the use of management systems (in the form of manuals) aimed to ensure compliance with the established design of products and services. Standards included under better-known brands are often referred to by the public at large as “international standards”. Small business tends to benchmark its products against such better-known national and international brands and to follow on them.

49. The private sector effort largely represents a marketing approach: to offer what customers may need and want, to encourage them to buy new products as an “added-value”, to seek innovation in products and services in order to compete particularly for niche markets under the overall aim of commercial profitability . All in all, in order to remain competitive, tourism companies feel obliged to invest in their assets.¹⁸ This creates dynamism in the industry, but also increases polarization in the market between upper and bottom class levels and makes the international framework of tourism increasingly complex. Corporate and commercial brands and standards also accommodate to binding regulatory standards that always exist, whether at local or national levels.

50. On the other hand, a sizeable part of tourism industries in the developed economies, particularly the one which is syndicated or has formed otherwise corporate bodies does not endorse the claim and trends which could be labelled as “general international standardization” and is not ready to recognize the benefits that such standardization can possibly bring to them fearing, on the contrary, that new public international standards can become mandatory and thus interfere in competition, which is considered to be of industry competence.

51. It therefore appears that progress in the debate on international tourism standards will depend on demonstrating the benefits that standards can bring to both services suppliers and recipients or procurers of services. This first of all requires to clarify possible misunderstandings about standards and to make clear what type of “international standards” can actually help.

¹⁸ For example, US hotels are reported to earmark USD 5.5 billion “to upgrade rooms and gyms to lure business travelers” (a 10% increase over 2006) and to raise their rates an average of 5.9 in 2007 (according to a PricewaterhouseCoopers LLP study reported by David Wilkening in TravelMole on 3 April 2007).

Standards indicative of tourism destination quality

52. Tourism destination quality is principally on the agenda of UNWTO. Both UNWTO and UNEP view this issue also from the perspective of sustainability, and ISO from that of local government. Between 2006 and 2007, through a series of regional activities in the Americas (Colombia, Venezuela, Chile, Puerto Rico), UNWTO has been active in developing a benchmark instrument to check, by means of parameters, on destination quality (basically quality perceived by visitors) and make it compatible with sustainability indicators. Raising the issue of quality in destinations brings about the need to consider destination management. The UNWTO SBEST standard looks into the issue of governance in tourism destinations.

53. Within ISO, an “International Workshop Agreement” (IWA 4) was adopted in 2005, entitled “Quality Management Systems – Guidelines for the Application of ISO 9001:2000 in local government”. It looks into the aspects of institutional development for good government, sustainable economic development, inclusive social development, and sustainable environmental development, organized by 39 indicators. It can be used for assessing “tourism municipalities” and further developed to address their specificity. The actual challenge before the mentioned instruments appears to be the distinction between parameters relating to tourism and typically municipal activities and the attribution of corresponding competence to the agents concerned.

Typical views and misunderstandings regarding international standards

54. The clarifications which follow have been encouraged by the reactions from private sector organizations, including UNWTO Affiliate Members, to the Secretariat survey on tourism standards (December 2005 - 2006) and the establishment and discussion of the scope of ISO/TC 228. It can be seen that negative reactions around standards do not concern the already existing standards, whether drafted by States, industry or ISO, whatever the term “standard” may mean in this regard, mainly future hypothetical standards, in particular to be drafted by ISO, and perhaps other public bodies and not industry itself. In this regard providing clarifications may be useful to ensure that such future standards do not carry with them the problems which are anticipated in the industry reaction.

- An international standard imposes the way “how to do it”.

55. It may be true, to a certain extent, when it comes to some elements of standards defining processes and procedures of the ISO 9001:2000/14001:2000 standards family – since they relate to management - although the mere existence

of such standards does not naturally oblige anyone to use them.¹⁹ However, even these standards provide not so much for uniformity of such processes and procedures, but for assurance that certain operations are in place within a general scope so as to guarantee that a system exists to support the designed product and its quality (In order to encourage flexibility, the ISO standards referred to have recently been simplified as the result of earlier experience of their application in the field). None of the existing public standards as they may relate to tourism activities instructs users how to do business. Should new, specifically tourism-related international standards be drafted in relation to management, they will also need to provide for flexibility and will surely abstain from interfering into business.

- International standards lead to uniformity.

56. It may, or even should be true with respect to language, basically those elements which intervene in the international turnover (same language or providing equivalents). Certain uniformity may be also be needed and useful when it comes to product or equipment requirements concerning all aspects of safety and certain aspects of accessibility. On the other hand, international standards may help enhance the quality of unique referents and hence preserve diversity²⁰. An international standard can also facilitate the understanding of unique referents and provide linguistic equivalents.

57. In the case of physical characteristics of tourism facilities and tourism product requirements, a public international standard will focus on the outcome of the activity (the product) in terms of meeting the consumer needs, and not on its uniformity in terms of delivery or specific content, which is unlikely to achieve in consideration of individual consumer needs and perception. On the other hand, uniformity indeed may be the case in current national or international commercial brands. But even such brands sometimes adapt to local environments. An overall international standard can describe a product in terms of deliverables (purpose, functionality, etc.), but will not intervene in the design, specialization or manner allowing to achieve said deliverables in a given environment

- International standards may restrict competition and enterprise freedom, and enter into conflict with commercial and corporate brands.

58. This view may relate to standards which may be defined in terms of requirements of products with respect to physical characteristics of the plant or the characteristics of services with respect to their supply (production, marketing,

¹⁹ In some European countries it is claimed that no hotel establishment has been certified by ISO 9001:2000.

²⁰ Example: EuroGites requirements for rural accommodation products include "Authenticity of the accommodation and ambience" and "Connection with the local community and traditional culture" (see paragraph 25).

distribution, sale, delivery). The view may also be based on the belief that such standards would be very detailed in scope. However, the role of a standard is to ensure that the basic needs and interests of the consumer are attended, so the scope will naturally be limited to these needs and interests and will not interfere with competition, innovation or creativity, which may consist, for example, of adding new items and features to the product, inventing more attractive ways of delivery, and always adapting to new developments in the market and consumer patterns. Contrary to what one can expect from “standards” understood as plain product requirements, when it comes to ISO 9001:2000 standards, a basic concept is continual improvement (one of eight quality principles), not a pretence to fix such requirements.

59. If there is a general agreement and recognition engaging an international standard, whether in terms of product requirements or procedures, its publication may facilitate work by new entrants who, knowing the standard, possibly will prefer not to offer products below the standard level and will be encouraged to compete in terms of quality right from the very beginning. Those holding a dominant position in the market and anyone wishing to compete for the consumer, may benchmark their products against the international standard, “do it better” and not spoil the market and competition by offering low quality products as a result of dumping in prices. As mentioned earlier, a standard does not teach how to do business.

- International standards facilitate government intervention and turn out to become mandatory.

60. A usual situation is flowing from national standards and rules to international ones, not the contrary: national standards, once they become more important to strategic groups of consumers and better known to them, and eventually more widespread at national level, tend to blend and develop into international ones, to become voluntary or perhaps mandatory. There may certainly be international standards covered by international conventions and other international legally-binding documents which are eventually incorporated into national laws, particularly with respect to safety and security, human rights and other areas of common international concern requiring protection by means of national legislation. With respect to international voluntary standards relating to tourism activities, the same aspects of protection can indeed be of interest to governments and legislators to be applied at the national level, more so if the activities concerned (for example, adventure tourism) involve international visitors. It can therefore be seen as a very positive result of international standards. On the other hand, the State is not likely to intervene in the matters that are not considered as being of national concern.

61. When it comes specifically to ISO standards, should they address in future some aspects of tourism activities, such standards should always be developed, as stated earlier, with the involvement of all stakeholders concerned, particularly

industry, government, and consumers. Should a standard be called up in legislation, industry benefits from the knowledge that it has been directly involved in establishing the standard on which the legislation is based.

- International standards may lower the quality level already achieved.

62. This supposition may be based on the assumption that an international standard (presumably the one describing establishment, product or service requirements), once alluding to the basic concerns or minimum requirements, must necessarily result in the lowest common denominator. This impression, however, goes against the notion that a standard is actually best practice and that the stakeholders developing the standard should make sure that best practice is taken on board. On the other hand, going voluntarily by the supposedly lower level international standard would mean that the supplier would renounce to compete because of the existence of a voluntary standard, which is unlikely to happen in an open marketplace. More so, the existence of a standard, be it national, international, voluntary or mandatory, does not mean that delivering quality is really attained by merely adhering to the standard, since it depends not only on actual compliance with the standard, but on a number of other factors as well.

- International standards pose a threat to cultural diversity and will not respect climatic differences.

63. One of the UNWTO recommendations²¹ is that when drafting international standards, cultural diversity should be respected.²² This is already the case of the newly emerging standards (case of EuroGites) and was earlier formulated in the same way in the UNWTO Secretariat-drafted regional recommendations on hotel classification of 1976-1988. An international standard will not request that a physical characteristic should be the same, or that a service should be delivered in the same way, but it will say that the finality of the product or service should be ensured notwithstanding the materials or methods used, or the climate engaged. Also, when it comes to safety considerations, the same international standard may address the relevant issue in tourism facilities irrespective of the climatic zone concerned. Standard-recommended procedures and processes may also be carried out differently in accordance with national identity and mentality.

- International standards pose a threat or nuisance to the national market.

64. This view may be characteristic of some developed economies enjoying a regulated market already defined in terms of public and private standards or where certain international tourism companies may occupy a dominant position at the national level. However, said economies may take into account that their own tourism brands and corresponding standards also tend to become international,

²¹ Quality Support and Trade Committee (Internet).

²² Unless a determined cultural habit or behaviour should impact negatively on quality or ethics.

and that their own nationals as tourism consumers may seek standards similar to the national ones when on trips abroad. More so, those remaining outside the developed and regulated economies may wish to connect with the developed economy consumers by means of international standards for the purpose of marketing and competition, and will regard the availability of such standards as transfer of technology (see also paragraph 26).

65. The way of transferring international standards into the national practice and application should also be taken into consideration: in the case of ISO standards it would be again up to each national standards body (NSB) who can decide whether or not to adopt and hence facilitate the use of such standards to be applied in a particular country.

- Preparing standards is expensive in terms of time and money.

66. This is a valid point, particularly if new or novel areas are subject to standardization. However, there is already a rapidly growing body of national tourism standards (some copying one another), which can serve as a solid base for expedient action seeking international standardization. The financial aspect is very important for the participation of experts from poor countries, particularly with respect to their role in providing for the protection of cultural differences. They certainly need assistance and sponsorship to make it possible for them to participate in standards-setting activities. Thanks to the Internet and new communication technologies it is also possible to considerably save on meetings costs. Voting on various aspects of standards can be organized by correspondence.

- Consumers may not or do not want international tourism standards since their needs change very quickly.

67. Consumers want to be confident that their needs (e.g. safety and hygiene) and reasonable expectations (value for money) are met by the suppliers of the tourism services that they use. Consumers use tourism services and products as they are made available to them on the market - whether they are designed according to national standards (as indicated earlier, there are no international tourism standards at the moment which would relate to product or service requirements), or to corporate and commercial brands. Hence, as individuals, they have no direct interest in the mechanism that results in them gaining this trust.

68. However, participation of trained consumer representatives in the formal (national or international) standardization process ensures confidence that consumer interests have been considered and brings a different perspective to that of the professionals. Irrespective of the mechanism by which standards are delivered, adjustments to new needs and demands are sought and required, following the pace and content of societal and consumer development. It can be

quicker and cheaper to just agree on a new national or international standard than to invest and create new products in order to stimulate new demand. The role of a national or international standards in this case will be always to safeguard vital consumer and public interests.

- *Applying standards is expensive, especially since they involve certification.*

69. This is a very common view which is not reflected by reality. For example, until 2004 only some 2900 tourism companies worldwide (hotels and restaurants) were certified by ISO 9001:2000 standards²³, which is a small fraction of the existing units, but many more have studied these standards and on their basis may have sought guidance for management and manuals for staff. Said standards have also been used for developing national integral tourism quality systems in a few countries. The experience of international standards in other fields has shown that their very existence does not oblige anyone to be certified for compliance with the standard. Certification (particularly third-party) is sought when the company concerned feels that certification is really needed, for example, for the purpose of its marketing and quality assurance, or when it is requested by commercial partners as a condition to contract services. Certification can therefore be justified as an investment in the product.

Possible benefits of international standards of voluntary reference or application.

70. The apparent need of international standards have already been outlined at the beginning of this note. Depending on the quality of respective standards, of both ethical and commercial nature, international and national, there can be a number of possible benefits for tourism companies:

- have a solidarity value since they reflect and consolidate common commercial experiences;
- help disseminate good practices cross-border;
- help generate “responsible” products for the international traveller;
- help in benchmarking against a representative value expressed by the standard;
- encourage excellence and innovation (by meeting or exceeding the stated basic standard), actually both can be promoted by standards themselves;
- encourage specialization and preservation of differences as a measure of competition, since standards do not interfere in these issues, but may show the areas requiring creative thinking;
- encourage competition by means of value-added, not price;

²³ ISO Central Secretariat data for 2004.

- help avoid waste of resources of international importance;
- reduce the number of complaints resulting in cost savings.

71. Especially a number of advantages can be available to consumers. They may include:

- confidence that their basic needs (such as safety) have been taken into consideration;
- increased consumer satisfaction with the services provided through better managed consumer expectations;
- bringing the benefits of the global market to the consumer;
- consumer education: international standards encourage consumer responsibility, promote legitimate expectations and requirements, strengthen the consumer protagonist role;
- helping reduce consumer complaints and avoid complaints that are not justified;
- helping avoid individual consumer abuse which is detrimental to the entire consumer constituency;
- strengthening the consumer position with respect to legitimate expectations and claims, friendly dispute settlement or even legal process;
- strengthening cultural understanding with local destinations and suppliers in foreign countries.

Requirements of international tourism standards.

72. Not all future, hypothetical tourism standards of international relevance will help. In order to meet these expectations of standards and to enable them to play a beneficial role for both producers and users, international tourism standards should possibly meet the following requirements:

- address issues of fundamental importance so as to achieve balanced benefits for all stakeholders, in particular direct producers and users;
- be prepared as a result of negotiations among all valid stakeholders;
- be prepared in a transparent manner;
- meet the requirements of being really public instruments without the need for complex legislation;
- make them of easy access and consultation by the public at large;
- make them well-known;

- provide for continuous follow-up and update;
- be supported at national level, by respective national standards of voluntary application, or mandatory standards when it comes to the aspects of vital interest to the tourism industry and the consumer (such as safety and security).

* * *

Annex 1

UNWTO position on tourism standards

(excerpts from the report of the Second Meeting of the Quality Support and Trade Committee, Madrid, 11-12 November 2004)

1. The Committee took note of the increasing role of standards in tourism activities responding to the needs of trade, consumer protection, promotion, marketing, communication and transparency and relating to terminology, management systems and technical specifications. It also took note of the search for international referents in the field and the variety of corresponding national and international activities and initiatives, particularly by the International Organization for Standardization (ISO) aiming to draft such standards.

2. The Committee welcomed the recent initiative undertaken by ISO, on the proposal of its Committee on Consumer Policy (COPOLCO) in which tourism sector organizations were represented, to create a new Technical Committee on tourism standards to deal with tourism terminology and technical specifications, and to develop the already existing quality management standards (ISO 9000/2000; ISO 14000) with a view to adapting them to the specificity of tourism activities.

3. The Committee considered that the already existing ISO standard on tourism terminology should be revised in order to achieve a broader international consensus.

4. With respect to future standards on specifications of services offered by tourism service suppliers, the Committee took note that the principal aim of standardization would be to address primarily the aspects of safety, security, hygiene and accessibility and recommended that the future standards, whenever touching upon other aspects, provide for the protection of cultural identity and cultural differences.

5. It further recommended that:

- The future ISO Technical Committee on tourism standards provide for a facility to allow representatives of consumer organizations to be permanently involved in the drafting procedure and that the Technical Committee terms of reference would encourage equitable participation from all world regions;
- The first areas for standard development include the activities in which there already exists more substantial national experience.