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ITC ACCORD WITH BANCO SANTANDER TACKLES POVERTY THROUGH SUSTAINABLE TOURISM

The International Trade Centre and Grupo Santander Brasil – the Brazilian arm of the largest financial group in Spain and Latin America – will sign an accord on Tuesday 28 April, to benefit local communities and help reduce poverty through sustainable tourism. The pact is designed to work with Brazilian communities where tourism takes place so that they can also gain from this industry and then apply the results to other tourist destinations in Brazil.

Signing the accord will be Patricia R. Francis, ITC's Executive Director, and Fabio Barbosa, President of Grupo Santander Brasil.

"Brazil's tourism is not contributing enough to its export earnings, and where it does, poor communities rarely benefit," said ITC's Executive Director Ms Francis. "Our Programme to ensure that Communities Benefit From Tourism can help change that."

The accord will give Grupo Santander Brasil access to ITC's training modules and experience, which focuses on working with tourism operators and hotels to encourage local hiring and local sourcing of services and products. "With 10 more resorts to be built over the next three to five years, now is the time to invest in Brazil's people in order to create export impact for good," added Ms Francis.

ITC's latest project along the Coconut Coast, launched last summer, helps poor producers sell products and services to hotel resorts. The project offers incentives for apiculture, agribusiness and cultural products of the region; creates cooperatives to improve marketing opportunities; sets up computer centres that expand Internet access and Human Resource Development; and ensures that products and services are offered at the quality standards required to sell into the Tourism Industry. Training facilities are to be created, along with a project for financial incentives to use clean technology.

"ITC is an ideal partner for us, since our objectives and ideals are so much alike," said Julio Bin, Director of Sustainable Business Development at Grupo Santander Brasil. "Partnership is very important in this process."

The bank provides financial services that range from microfinance to multi-million dollar project finance as part of a "Real Tourism" initiative. It sees a lack of infrastructure and qualified people in Brazil as critical challenges to development.



“We want to work with ITC along the Coconut Coast, and then move to other parts of Brazil, based on 65 sites prioritized by Brazil’s Ministry of Tourism,” he added.

“Grupo Santander Brasil is looking to create sustainable business models,” said Mr Bin. “Our society needs to build new approaches to development. With this project, we hope to demonstrate that we can reduce poverty and violence to those who are excluded, by training them to work in tourism. Being part of the industry will bring optimism to these communities.”

As part of the accord, Grupo Santander Brasil will promote results of the communities benefiting from tourism programme, mobilize contributions from other Brazilian organizations and advise associations and cooperatives in the programme on how to access finance. The bank will also include ITC in its own Real Tourism and other sustainable tourism projects. “This partnership maximizes our strength and our actions,” said Mr Bin.

The Geneva-based ITC has worked with partners in Brazil to reduce poverty through tourism since 2004. Communities have been able to share in the benefits from the increase in hotels along this stretch of the coast. The programme has generated 2000 new jobs; local unemployment has dropped from 30% to less than 5%. Salaries of 390 local women artisans have risen from US\$40 to US\$250. Another 2200 direct jobs and 1200 indirect jobs are likely to emerge in this next phase, with salaries for small-scale agricultural producers expected to double.

ITC is a joint development agency of the World Trade Organization and the United Nations, and focuses on export success for small business in developing countries.

About Banco Santander: Banco Santander, S.A., (SAN.MC, STD.N), headquartered in Madrid, engages primarily in commercial banking with complementary activities in global wholesale banking, cards, asset management and insurance. Santander had over EUR 1.168 trillion in funds under management at the close of 2008, from more than 80 million customers served through 13,390 offices – more branches than any other international bank. Founded in 1857, Santander is the largest financial group in Spain and Latin America and has a significant presence in Western Europe and in the United Kingdom. In 2008, Santander registered €8,876 million in attributable net profit, an increase of 9% from 2007, excluding capital gains.

In Latin America, Santander manages over US\$200 billion in business volumes (loans, deposits, mutual funds, pension funds and managed funds) through 6,089 branches. In 2008, Santander reported EUR 2,945 million in net attributable income in Latin America, up 10% from the previous year. For more information, see www.santander.com.

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