The Issue: For many developing and transition economies, the tourism sector represents a critical component of the national economy. It earns foreign exchange. It generates employment. A good deal of the required investment comes from abroad. And projections over the long term suggest a global rise in tourist numbers and spending. All in all, it looks like a winning sector in terms of reinforcing the export development – poverty reduction linkage.

Yet in many countries full advantage is not being taken of the sector’s potential contribution to poverty reduction. Export strategy making and tourism strategy design are largely treated as separate disciplines. Rarely is this vital sector regarded as part of the country’s export mix.

The Proposition: But it should be. In the first instance, export strategy-makers should become integrally involved in tourism master planning.

Secondly, both tourism and export strategy-makers should give significantly greater importance to the direct and indirect impact that the tourism sector can have on poverty reduction: Direct impact in terms of employment generation; indirect impact in terms of the catalyzing entrepreneurial opportunities within the poorer segments of the economy.

Without exception, the tourism sector should be highlighted within a pro-poor export strategy.

Focus of the Debate: The debate will address the following questions:

1. Is the proposition valid? Given the extremely competitive nature of international tourism, is it realistic to expect that a poverty sensitive value chain for the tourism sector can be created and sustained at the national level?

2. What tourism-related activities have the greatest impact on poverty reduction? Are developing/transition economies engaged in such activities? Can they be replicated, nationally and internationally?

3. What poverty-related ‘assets’ are most valuable for tourism (for its offering and its promotion)?

4. What are the key sectors that should be integrated within such a tourism or destination cluster? What are the critical linkages between specific sectors in such a cluster? What strategic initiatives are most relevant to establishing and sustaining these linkages?

5. Indeed, should the national tourism strategy be pro-poor? What are the practical considerations that militate against such an approach?

6. How can such a strategy be promoted among the established private sector players in the sector? What are the implications for the public sector, the trade support network and the NGO community?