

**Written by Edmund Bartlett, Minister of Tourism for Jamaica**

## **WTFL Think-Tank 2018: Public-Private Partnerships for Sustainable Tourism Growth**

### **Introduction**

The sustainable development of the global tourism sector is dependent on the convergence of many ideas and stakeholders – governmental, non-governmental, private and even community organizations. Strategies for the growth of the sector must incorporate broad-based input from a wide range of stakeholders to build far-reaching consensus about the general vision that the sector is expected to support in relation to promoting the sustainable development of tourism-dependent countries globally.

The global tourism sector operates in a hyper connected world. The sector is thus not insulated from the other issues of society and, in fact, can be destabilized by them. The success of a country's tourism product is correlated to other factors such as political stability, law and order, environmental sustainability, human development and human security. The sector also has the potential to be a catalyst for improving all these areas. An expanded tourism sector with high degree of economic integration can produce positive direct and spillover effects that can help to promote inclusive and sustainable economic growth, social inclusiveness, employment and poverty reduction, resource efficiency, environmental protection and climate change, cultural values, diversity and heritage and mutual understanding, peace and security.

### **Collaborations and Partnerships**

I wholeheartedly endorse the view espoused in this preparation paper that sustainable tourism development requires visionary leaders in government, industry and civil society to collaborate to create the needed infrastructures to overcome growth and competitiveness barriers. Multi-sector collaborations and partnerships are essential in the tourism sector to boost investment, to enhance innovativeness, to diversify products and services, to support enhanced policy development and implementation and to facilitate skills development and knowledge transfer. The overall aim is to improve the resilience, sustainability and competitiveness of the sector for the benefit of current and future populations.

In recognition of the integral role that cross-sector partnerships will play in the future of global tourism, my Ministry of Tourism in Jamaica has already embarked on a number of bold initiatives to identify and consolidate opportunities for greater inclusion of interests, players and stakeholders in the development and execution of tourism growth strategies. From the 27-29 November 2017, we hosted The United Nations World Tourism Organization's (UNWTO) international tourism conference under the theme "Building Private-Public Partnerships for Sustainable Tourism for Development" which was the first of its kind in the region and was staged to commemorate the designation of 2017 as a Sustainable Year.

The conference brought together over 1000 delegates from 150 countries who engaged in fruitful engagements on a wide range of issues, especially public-private collaborations for tourism development and growth. At the end of the conference we were able to identify a number of public-private partnership

models for the tourism sector; some of which Jamaica has already adopted. Elements of Jamaica's current PPP framework largely focuses on PPPs for accelerated investments (especially domestic investments), deepening of economic linkages, financing especially for SMTEs, skills development, multi-destination arrangements, segmentation and tapping into new markets.

### **Tourism Linkages Network**

During my first tenure of Minister of Tourism I established the 2011, I had initiated the Tourism Linkages Network which has a mandate of promoting sustainable tourism development in Jamaica by developing and strengthening sustainable linkages between the tourism sector and other productive sectors of the economy — such as agriculture, manufacturing and the creative industries including entertainment. The Tourism Linkages Network is supported by a Tourism Linkages Council, made up of public- and private-sector partners who oversee the coordination and implementation of effective and sustainable strategies, which strengthen and facilitate linkages.

Our Linkages Network has been working ceaselessly to deepen economic linkages, to identify areas where there is strong opportunity for increased consumption of local goods and services and to promote broader participation by all Jamaicans in the tourism sector while at the same time emphasizing the sustainability of the natural and built environments. One of the proudest achievements of this public-private partnership has been the activation of "Our Five Networks" which are the five new markets/segments that we have begun to target to accelerate tourism growth and diversification over the next five years. Our five networks are: gastronomy; health and wellness; sports and entertainment; shopping and knowledge.

### **PPPs for the development of SMSE sector**

We have also recognized that incentivizing more domestic investments in the tourism sector is essential to reducing leakages and localizing the sector's economic and social benefits. Indeed, the tourism value chain is quite expansive and can incorporate many sectors in an economy. Tourism will require the construction and operation of hotels, restaurants and other tourism-related facilities through backwards linkages and the development of basic infrastructure services, such as energy, telecommunications and environmental services; agriculture, manufacturing and other support services. Tourism can also create a wide range of forward linkages with sectors supplying services consumed by tourists. These include financial, telecommunications, retail, recreational, cultural, personal, hospitality, security and health services.

We see this as an opportunity for more ordinary citizens of countries with strong tourism sectors to step forward and invest in entrepreneurial ventures aimed at providing tourism-related products and services. To promote more local investment in the tourism sector and the enhanced competitiveness of operators of SMSEs, my ministry and its network of agencies have already identified private-partnership arrangements that are designed to help local producers, entrepreneurs and local investors to overcome some of their inherent constraints such as high level of informality, lack of commercial orientation, lack of market information and market access, insufficient access to capital for upgrading, limited customer training and low ICT diffusion.

Our agencies partnering with private sector organizations such as the Jamaica

Manufacturers' Association (JMA), The Jamaica Hoteliers' Association (JHTA) to stage annual events such as Christmas in July, Speed Networking Event and Jamaica Product Exchange (JAPEX) which attract a large delegation of local, regional and international participants. These events provide networking and marketing opportunities to thousands of local farmers, manufacturers and producers.

### **Credit arrangements**

We also have a PPP funding model that involves partnering with financial institutions to provide low interest loans to small businesses in the tourism sector. The managers and proprietors of Small and Medium Tourism Enterprises (SMTES) across Jamaica, are benefiting from the Tourism Enhancement Fund (TEF) loan product which is managed by one of the country's leading business credit facilities, JN Small Business Loans (JNSBL). This credit arrangement has helped to strengthen the capacity of more than 143 businesses in, or linked to the tourism sector. In excess of \$352 million JMD have been distributed to hotels, transport and tour operators, agro-industries, manufacturers, attractions, restaurants and the craft industry, assisting them to increase their competitiveness and foster partnerships that generate greater economic gains from the lucrative tourism trade.

### **Capacity-building through outsourcing**

We have also sought to build human-capacity of tourism workers through a public-private partnership based on outsourcing. The Jamaica Product Development Company (TPDco) has contracted a number of Approved Training Partners (ATPs) to help in the delivery of Team Jamaica, which is a mandatory training, and certification programme conducted by (TPDCo) for persons employed or associated with the hospitality and tourism sector. These ATPs deliver training programmes on behalf of TPDco in areas such as foreign skills training, professional villa care, front office procedures and kitchen, sanitation and safety.

### **Diasporic Tourism**

Moving forward we will be also be intensifying our efforts to find creative and innovate ways to mobilize the economic power of a group with strong and deep connections to the region. Diaspora capital markets can contribute significantly to national development by mobilizing savings for investments, transferring technology, knowledge and skills and providing long-term alternatives to facilitate wealth creation.

As the Diaspora population grows, the acquisition of substantial financial assets beyond their current income and environment creates opportunities for them to return and make investments in the domestic economy as business tourists. Our agencies will aggressively court partnerships with the diasporic communities and provide incentive structures to leverage their investment in accommodations, entertainment events, transportation, food and beverage, booking and sales services and other small businesses that are linked to the tourism sector. The diasporas will also promote brand recognition in major source markets such as the US, Canada & England.

### **Mutli-destination arrangement**

It has already been recognized that the future fortunes of Caribbean tourism may lie in economic convergence between complimentary economies.

Considering this fact Jamaica, along with Cuba, Dominica Republic, and Mexico have entered into agreement to roll out a multi-destination offering to the international market for the 2018 winter tourist season. This new architecture revolves around the idea of enabling visitors to seamlessly travel two, three or more geographically proximate nations and stay over in each destination . We anticipate that this symbiotic arrangement will expand economic benefits of the tourism sector to approximately 33 million people. It will also allow us to develop and exchange partnerships with large airlines and major tour operators. Small and medium-sized businesses will also enter the market providing more goods and services, employing more people and provide value added goods and services to the economy.

### **Conclusion**

As I close, I reiterate firmly that meaningful partnerships will be the engine of sustainable tourism growth and global tourism players must quickly seize opportunities to engage a wide range of stakeholders to collaborate on strategies and policies to enhance innovativeness and competitiveness in the sector