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TOURISM SATELLITE ACCOUNT

THE DESIGN OF A CONCEPTUAL FRAMEWORK
FOR THE ELABORATION OF THE TOURISM SATELLITE ACCOUNT (TSA):

WORLD TOURISM ORGANIZATION (WTO)
PROPOSAL IN RELATION TO OTHER INITIATIVES
PRESENTED BY THE OECD AND EUROSTAT

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I. PRESENTATION

1. For the last four years, the World Tourism Organization (WTO) has elaborated the methodology for the preparation of a Tourism Satellite Account. The document entitled "Tourism Satellite Account (TSA): The conceptual framework" contains a set of recommendations and guidelines concerning concepts, definitions and other elements of statistical methodology¹.

2. The expression *conceptual framework* is used in the above-mentioned document as an equivalent to *statistical methodology*.

3. Consequently, Chapter IV "Tables, accounts and aggregates" refers to the TSA as "a set of definitions and classifications integrated into tables, organized in a logical, consistent way, which allows a view of the whole economic magnitude of tourism in both its aspects of demand and supply. As a consequence, the tables and aggregates constitute the central part of the TSA conceptual framework" (WTO 4.1).

4. This long work process, which has involved great efforts (not the least of which have been the financing efforts), was aimed at four objectives:

- to promote a better knowledge of tourism and, more specifically, the quantification of its economic impacts;
- to contribute to the development of international statistical standards from the point of view of relevant policy perspectives and commitments, through the proposal of appropriate recommendations;
- to direct members to their gradual implementation;
- to support this development through technical cooperation with WTO Member states.

5. It must be remembered that this contribution to international statistical standards is not new in itself, and to this end, we must remember the publication of the "Recommendations on Tourism Statistics" in 1994². This procedure is nevertheless significant since the WTO is not a statistical agency and because its 130 Member states have different statistical levels of development.

6. Consequently, it is not the competence of the WTO to determine the procedures for the development of its recommendations in this field, but to present only general guidelines for appropriate development.

7. With the design of the TSA conceptual framework, the WTO has made a great effort to stress its collaboration with international statistical Agencies and Working groups, and will offer its support in order that these bodies may promote the creation of harmonized basic statistical instruments to further the international comparability of the data related to the economic impact of tourism.

¹ **World Tourism Organization** – Tourism Satellite Account (TSA): The conceptual framework – June 1999

² **United Nations and World Tourism Organization** – Recommendations on Tourism Statistics – Statistical papers – Series M No 83 New York – 1994 (Even if these Recommendations were published in 1994, their approval by the United Nations Statistical Commission –UNSC- took place in 1993 and will be quoted as REC93 in this document)

II. WTO EFFORTS FOR DEVELOPING TOURISM SATELLITE ACCOUNTS

8. In response to the mandate received at the Ottawa Conference³ in 1991, WTO has developed a conceptual framework to present a coherent and interdependent vision of tourism demand, tourism supply and other tourism variables, with different degrees of detail and within a context of international comparability with other areas of economic activity.

9. The link with SNA93 is a structural one. Consequently this exercise, which is statistical in nature, can be defined as a Satellite Account related to that system. It shares with the SNA93 its basic principles, concepts and definitions. Furthermore, the definitions and tables related to the Tourism Satellite Account (TSA) are defined in relation to the concepts and tables currently used in National Accounts. This link provides the credibility that tourism has been seeking over the years to have its voice heard and its importance acknowledged.

10. The development of the different tasks of the TSA (and consequently the international comparability of the estimates obtained by those countries that consider this development to be of interest to them) must be understood to be a medium-term process.

11. For the time being, WTO's proposal refers to a national and yearly perspective and is based on a set of 10 tables.

12. In the long run, it is expected that the present conceptual framework be extended to include other developments, such as expanding the scope of tourism consumption and tourism supply, substituting tourism demand for tourism consumption, measuring the effect of tourism on the external balance of goods and services, development of regional TSAs, etc. Other extensions foreseen relate to the functional analysis adopted in the design of the proposed conceptual framework, as well as the extension towards an institutional approach.

13. Tables 1 to 4 concentrate on the description of Tourism Consumption by products, in its various forms (Inbound, Domestic and Outbound tourism consumption) and includes non-monetary elements that are sometimes omitted in a traditional evaluation of tourism consumption, but which have to be taken into consideration for a practical coherence with National Accounts.

14. Table 5 describes the production accounts of tourism specific activities, in a similar way to SNA production accounts.

15. Table 6 is the centre of the system and presents a reconciliation by products and activities between Internal Tourism Consumption and Tourism Supply of services. It permits the calculation of the Tourism Value Added which is defined as the value added generated in the whole economy, in the delivery of consumption goods and services to visitors by all industries.

16. Table 7 collects data on Employment in the tourism industries.

³ **WTO-Canada** - World Conference on Travel and Tourism Statistics, Ottawa, Canada, June 1991

17. Tables 8 and 9 collect data on Tourism Gross Fixed Capital Formation and Tourism Collective Consumption. These components have been included in the proposed conceptual framework since they are considered, in relation to the SNA93, as components of the demand. Nevertheless, taking into consideration the methodological difficulties for their rigorous delimitation and the lack of sufficient experience of NTOs in elaborating estimates, the WTO proposal is, for the time being, very conservative.

18. Finally, Table 10 presents some non-monetary economic variables with important links to the monetary values presented in the previous tables.

III. PROPOSALS BY WTO AND OECD: COMPARED ANALYSIS

19. In this Chapter, some of the most relevant themes in relation to the necessary conceptual framework for the preparation of the Tourism Satellite Account (TSA) are included, such as they are presented in the documents related to Tourism Satellite Account (TSA) prepared by the WTO and the Organisation for Economic Co-operation and Development (OECD) and presented at the Enzo Paci World Conference on the Measurement of the Economic Impact of Tourism (Nice, France, 15-18 June 1999)^{4 5}.

III.1. GENERAL OVERVIEW

20. Both documents coincide in their basic approach to the design of the Tourism Satellite Account (TSA): presentation of the economic data on tourism according to the principles and standards of the System of National Accounts (SNA93) compatible with the WTO-UN Recommendations on Tourism Statistics (REC93).

21. The aim of these documents is:

- to give tourism credibility and legitimacy by allowing its comparability with other data on other economic activities in a national economy (WTO: 1.4 and OECD: 6);
- to allow the distinction between available statistical data and imputed or “modelized” results (WTO: 0.3 and OECD: 9);
- to present, from an SNA93 perspective a complete system of tables with tourism information statistics (WTO: 10 basic tables and OECD: 8 basic tables).

III.2. MAIN OBJECTIVES

22. **WTO**

- (a) To develop a *set of recommendations and guidelines* concerning concepts, definitions and other elements of statistical methodology for

⁴ **WTO** – Tourism Satellite Account (TSA): The conceptual framework – June 1999

⁵ **OECD** – Draft OECD guidelines for a Tourism Satellite Account – June 1999

the elaboration of a Tourism Satellite Account (Chapter II: Tourism demand and Chapter III: Tourism supply).

(b) To define a *series of tourism aggregates*:

- from the demand side: visitor Tourism Consumption (with different variants due to different coverage and components), tourism direct consumption and Gross Fixed Capital Formation;
- from the supply side: Value Added of the Tourism Industries (VATI), Tourism Value Added (TVA) and Gross Domestic Product (GDP), generated by visitor tourism consumption (VTC) [Chapter IV: 4.62 to 4.102];

(c) To present an *integrated system of tables* in order to compile the available information on tourism that will allow the elaboration of a series of tourism aggregates [Chapter IV.A: Description of the tables and accounts (4.3 to 4.61) and D.Tables].

23. **OECD**

(a) To propose to member countries the elaboration of an *integrated system of tables*, allowing the elaboration of TVA and the TGDP (Chapter VI).

(b) To propose the procedure for estimating the TVA (of characteristic and non-characteristic tourism activities) and the TGDP (Chapter VII).

(c) To provide guidelines for the statistical treatment of some tourism concepts, such as: tourism consumer durable goods, second homes, package tours, gross fixed capital formation (Chapter IV).

24. **Comments**

(a) The objectives are different, but compatible, if there is an agreement or a correspondence with basic concepts, definitions and classifications ⁶.

(b) The WTO document ⁷ is a proposal for all countries and its main objective is to establish a *conceptual framework* with basic definitions and classifications of the different tourism variables. This is the reason why the WTO TSA only presents general guidelines on specific subjects in order to compile and evaluate the required variables in order to elaborate the tables. These questions will be the subject of Technical Manuals to be elaborated later on.

(c) The TSA for OECD member countries covers less countries, but they are also the most developed at the economic and statistical levels. The objective of the OECD TSA is to propose “estimation methods” to

⁶ See reference 1 in Annex 1.

⁷ See reference 2 in Annex 1.

evaluate the TVA (of characteristic and non-characteristic tourism activities).

- (d) The present conceptual framework designed by WTO, with SNA93 approach, is developed according to the system of the proposed tables. Tables 1, 2, 3 and 4 are designed for the different forms of visitor tourism consumption; Table 5 is a Production account for the tourism industries and Table 6 provides a balance of supply and demand in internal tourism. Table 1 of the OECD TSA concerns the production account of tourism industries (equivalent to Table 5 of WTO) and Tables 2 and 3 concern the balance between internal tourism supply and demand; Table 4 is devoted to the TVA (corresponding to Table 6 of WTO which is, in part, equivalent to these three OECD tables).
- (e) The OECD TSA proposes to apply a *step-by-step programme* (Annex B) to elaborate the system of tables, while the WTO TSA proposes a *programme in two phases*:
 - first phase: to elaborate Tables 1 to 6, 7 (concerning employment) and 10 (concerning non-monetary indicators - this table is not designed in OECD TSA);
 - second phase: Table 8 (Tourism gross fixed capital formation) and Table 9 (Tourism collective consumption - which is not designed by the OECD TSA).
- (f) The WTO document gives an orientation in its “Chapter V: Future developments” on the research guidelines for the extension of the present conceptual framework (this point is not mentioned in OECD proposal).

III.3. **TOURISM DEMAND**

III.3.1. **Background**

25. The OECD document takes its basic concepts from the “Recommendations on Tourism Statistics (REC93)”, where it was accepted that tourism demand was equivalent to tourism consumption, identified as tourism expenditure (corresponding mainly to “the value of goods and services used by or for tourism units – visitors”, and the rest to “the intermediate consumption of enterprises” as a consequence of travel by their employees). Consequently, “tourism demand represents the expenditure made by, or on behalf of the visitor before, during and after the trip”.

26. The approval of the SNA93, on the one hand, and the experience drawn from the work developed when quantifying the economic impacts of tourism since the Ottawa Conference, on the other hand, made it necessary to revise this concept of **tourism demand**.

- first, by precisising the scope of **tourism expenditure** itself and identifying the non-monetary transactions, as well as the social transfers in kind associated with tourism actual consumption, and
- second, by introducing the components of **collective consumption** and **gross fixed capital formation**.

27. This step forward was not an easy one since it was necessary to face methodological problems and other aspects for which National Statistical Offices (NSOs) had not yet enough experience with operational solutions for the elaboration of appropriate data to be incorporated in a TSA, such as how to use precise criteria allowing a breakdown of expenditure for each type of component.

28. Moreover, another problem, but not less important, was the decision taken to be strictly coherent with the conceptual framework designed in the SNA93, in order that the TSA conceptual framework guarantees that tourism analysis will have the necessary credibility which is not the case in this moment.

29. This historical background makes it easy to understand the different approaches taken as starting points for the elaboration of their methodologies by the Working Group on Statistics of the OECD Tourism Committee, on one hand, and by the WTO Steering Committee and its Ad-Hoc Groups on classifications and tourism statistics, on the other.

30. We understand that as a consequence of the methodological process followed by each organization, the OECD Statistical Working Group might have been tempted to adopt a defensive position against any organization wishing to weaken the concept of Tourism Consumption by forcing the production boundary of the TSA to separate it from the SNA93 system. On the contrary, WTO has chosen to elaborate a solid methodological framework valid for the proposed design of a TSA, for the time being, and also for its future developments (such as it appears in Chapter V of the WTO document).

III.3.2. WTO

31. It is considered that Tourism Demand (TD) is the general or aggregated indicator that better characterises tourism volume from the demand side and it is defined as the aggregation of: visitor Tourism Consumption (TC) + Tourism Collective Consumption (TCC) + Tourism Gross Fixed Capital Formation (TGFCF) [WTO 4.100].

32. Nevertheless, in the development of the proposed TSA (Tables 1 to 10), it is not proposed to estimate this aggregate until broader theoretical investigation is made and experience is obtained from the different countries on CTC and TGFCF (WTO 4.101).

33. Consequently, it is proposed to the different countries to test the elaboration of Table 8 (TGFCF) and Table 9 (TCC), before estimating these tourism aggregates (WTO points 4.88 to 4.93 and 4.94 to 4.98 respectively) at a later time.

III.3.3. OECD

34. OECD TSA maintains the “traditional” concept of identifying Tourism Demand (TD) and visitor Tourism Consumption (TC) (OECD 35 and 36).

35. Nevertheless, the OECD TSA proposes the elaboration of Table 7 (Gross Capital Acquisition) and Table 8 (Gross Capital Stock), both for characteristic tourism industries, since it is important to ascertain these tourism aggregates in spite of the fact that it is difficult to define and measure capital goods that have to be included (OECD 113 to 124).

36. III.3.4. Comments

- (a) Tourism Demand (TD) is identified with visitor Tourism Consumption (TC) in both documents, until such time as the definitions and measurement of tourism aggregates, such as TGFCF and CTC duly documented by the experience of the different countries is available;
- (b) The OECD proposal does not take into consideration the definition and measurement of the Tourism Collective Consumption (TCC), that can be obtained from Table 9 of the WTO document ⁸;
- (c) The present WTO TSA does not request the elaboration of a table similar to Table 8 (Gross Capital Stock) of the OECD, even though it may be proposed as a future development;
- (d) WTO Table 8 (TFCF) and OECD Table 7 (Gross Capital Acquisition) are equivalent and their presentation is compatible with classifications on capital goods and characteristic tourism activities ⁹.

III.4. CLASSIFICATION OF TOURISM PRODUCTS AND ACTIVITIES: CHARACTERISTICITY

III.4.1. WTO

III.4.1.1. Tourism Product Classification

37. Tourism product classifications are composed of:

- (a) Tourism product classification, containing the goods and services included in visitor tourism consumption;
- (b) Tourism capital product classification;
- (c) Tourism non-market collective services classification

The last two are proposed on an experimental basis and, consequently, they are not considered in this chapter.

38. The Tourism Product Classification defines at level one: characteristic, connected and non-specific products. It defines characteristic and connected

⁸ See reference 3 in Annex 1

⁹ See point 4 in Annex 1

products. Both of them together give the “tourism specific products” (WTO 3.11). “Non-specific products” are composed of the residual group of all products included in visitor tourism consumption (WTO 3.15).

39. A proposal is made for a “WTO list of characteristic products” (Annex 4) for international comparability. This list is taken into consideration in TSA Tables (14 items). It does not propose a classification of connected products.

40. It recommends that each country elaborate its own “characteristic and connected list of products”, in concordance with the “WTO list of characteristic products”.

III.4.1.2. Classification of Tourism Activities

41. The Classification of Tourism Activities is conditioned by the Tourism Product Classification. That is the reason why characteristic, connected and non-specific activities are shown at the more aggregated level (level one).

42. It defines characteristic and connected activities (WTO 3.19 and 3.20) and provides the “WTO list of tourism characteristic activities (Annex 4) for international comparability”. The proposed list is presented in TSA Tables and in Annex 4 (12 items).

43. A “Classification of connected activities” is not proposed and it is recommended that each country establish its own classification of characteristic and connected activities.

III.4.2. OECD

III.4.2.1. Tourism Product Classification

44. The Tourism Product Classification makes a distinction between:

- (a) Tourism Product Classification related to goods and services included in the visitor tourism consumption;
- (b) Tourism Capital Goods Classification (produced and non-produced). This classification is not considered in this chapter.

45. The Tourism Product Classification defines at level one: characteristic and all the other products purchased by visitors. It only defines characteristic products (OECD 60) and presents, in the Tables, a Classification of characteristic products (15 items, one of which corresponds to consumer durable goods of single purpose) and a Classification of the other products (11 items) where a short list of goods (5 items) and services (5 items) is proposed.

46. Annex F presents a Table of correspondence with the CCP Version 1 of the United Nations, concerning characteristic and the rest of tourism products presented in the Tables.

III.4.2.2. Classification of Tourism Activities

47. The Classification of Tourism Activities defines at level one: characteristic and all other activities.

48. It only defines the characteristics (OECD 60) and the following is presented in the Tables:

- a Classification of characteristic activities (15 items), and
- a Classification of other activities (11 items) where a list of production activities of goods (5 items) and services (5 items) is proposed, and which corresponds to other products.

III.4.2.3. Comments

49. The OECD document includes some ideas on the “characteristicity” of products and tourism activities (OECD 52 to 59) with a view to adopting pragmatic criteria to define characteristic activities and products (OECD 60), due to the complexity of this subject.

50. The WTO document does not elaborate on this subject. The WTO, in the context of SNA93 recommendations (Chapter 21. 61-62-66) establishes the criteria to define characteristic and connected products and, consequently, to define characteristic and connected activities.

51. In fact, when comparing Product and Activity Classifications proposed by WTO and OECD, there exists a close correspondence between both classifications, if exclusion is made of some formal aspects of terminology of items and levels of disaggregation.

52. For WTO, international comparability will only be established at the level of the Classification of characteristic Products and Activities. For OECD, the TSA would cover, for its corresponding member States, all levels of the proposed Classifications, except for Table 7 (Gross Capital Acquisition) and Table 8 (Gross Capital Stock), proposed only for characteristic activities.

53. The “direct link” between the provider of tourism goods and services and the visitor is a relevant characteristic to determine the productive activities for tourism (WTO 3.21 and 3.22). OECD TSA indicates that a certain degree of flexibility must be used, applying the rule of “preponderance” (OECD 38).

54. In Annex F of OECD document concordance is established between the TSA Classifications of Products and Activities and the United Nations Classifications, ISIC, Rev. 3 and CPC Version 1. On the other hand, in Annex 4 of WTO document this concordance is given only for characteristic products and activities, on a provisional basis, until the revised SICTA and the TPC of WTO and United Nations is available.

III.5. TOURISM CONSUMPTION

III.5.1. WTO

55. WTO maintains “formally” the definition of Tourism Consumption (WTO 2.34) of REC93 (point 85). In fact, if we take into consideration coverage (place and time) as well as composition, important differences appear to make it conform to the concept of “real final household consumption” of SNA93 (SNA 9.96).

56. It defines several aggregates of Tourism Consumption based on types of tourism (WTO 2.43 to 2.49) and specifies the components included in visitor Tourism Consumption, whose expenditure is covered by the visitor main resources (monetary and non-monetary) as well as those components for which consumption is made through transfers in kind (social or not) and the intermediate travel consumption (which come from other resident production units –enterprises, non-profit public administrations and institutions for households-) (WTO 2.50 and Table 2.1.).

57. Consumer durable goods (CDG): relate to tourism CDG (WTO 5.28) and establishes the criteria for its inclusion in tourism consumption (WTO 2.40):

- during the trip, all expenditure on CDG will be included, whatever its type and value;
- before and after the trip, only expenditure in CDG of little value will be included.

58. Second homes owned by the visitor and for a tourism use: tourism consumption includes the “imputed rent” of these second homes, taking into consideration that they may also belong to non residents (WTO 2.63 and Annex 1.H).

III.5.2. OECD

59. The same as in the WTO proposal, TSA OECD “formally” respects the definition of Tourism Consumption (OECD 36) of REC93 (point 85). It differs basically on the fact that it includes second homes belonging to the visitors and of tourism use by its owners, and a limited number of CDG acquired before and after the trip.

60. It specifies that the Tourism Consumption is mainly composed of three parts (OECD 88):

- (a) tourism expenditure by the household (and included in the final consumption), +
- (b) tourism expenditure by the establishments (and included in its intermediate travel consumption), +
- (c) tourism expenditure by non-residents (part of exports).
- (d) consumer durable goods (CDG): establishes the criteria for its inclusion in tourism consumption (OECD 105):
 - during the trip all expenditure on CDG will be included, whatever its type and value;

- before and after the trip, only expenditure on CDG related to tourism will be included, according to a list of 5 goods (Annex B).
- (e) Second homes belonging to the visitor and for tourism use: the treatment is the same as the one given by WTO (OECD 106 to 112 and Annex 6). It also includes time-sharing dwellings (OECD 107); this point is not specified in the WTO proposal.

III.5.3. Comments

61. WTO proposal's objective in relation with the composition of visitor Tourism Consumption (WTO 2.50), with the exception of intermediate travel consumption, is to include it in "real final household consumption" (SNA93 9.96), whilst OECD TSA "seems to have as an objective" (even if it does not explain the non-monetary transactions to be included) to include it in the "final household consumption" (SNA93 9.94), since no explanations are given in OECD document on references to social transfers in kind. No indication is given either on "effective final consumption".

62. Both proposals maintain as a component of tourism consumption the intermediate travel consumption by production resident units, as the sole exception to the SNA93 standard, since it has always been considered traditionally as a component of the tourism consumption.

63. WTO project proposes the first four Tables for the estimate of several visitor tourism consumption aggregates, while OECD TSA does not propose any table related to consumption.

64. WTO proposal defines several aggregates of Tourism Consumption (up to seven), while OECD TSA only provides Tables 2 and 3, devoted to the balance supply-tourism consumption, presenting four columns to register the consumption by non-residents, households, intermediate travel consumption by enterprises or public administrations and Non Profit Institutions Serving Households (NPISHs) and does not define or register the outbound consumption.

65. The proposal of both projects on the inclusion of consumer durable goods in tourism consumption differs in the case of compiling information before and after the trip: WTO proposes to include only consumer durable goods of small value and the OECD only those of a tourism use, according to the list of the five goods defined.

66. On the other hand, WTO does not determine, for the time being, which are the consumer durable goods of small value, in order that each country may establish a list. The OECD proposes, for its part, to include this kind of tourism goods in the list of characteristic products and, consequently, the OECD introduces a column for the characteristic activity which produces them.

67. Moreover, the WTO project expects to include in future developments, before and after the trip, those consumer durable goods having only a tourism purpose, whatever its value (WTO 5.31). This coincides with the present proposal by the OECD.

IV. INITIATIVES DEVELOPED BY EUROSTAT

68. EUROSTAT, apart from having participated in all the meetings held at WTO Headquarters (Steering Committee meetings and Ad-Hoc Group meetings) in relation to the TSA, has created its own Task Force on methodological issues linked to tourism. Its first meeting took place on 22-23 October 1998 and this Task Force has analyzed the works on the TSA developed by the WTO and the OECD.

69. During its last meeting on 17-18 May 1999, three documents were presented, of which the one entitled "The Community Methodology on Tourism Statistics and Tourism Satellite Accounts" (document S3/99/08) is considered as the most complete and recent product of EUROSTAT in this respect.

70. Such as is indicated in the minutes of the meeting:

... "When analysing both WTO and OECD latest versions of TSA manuals, the WTO one is more of a general conceptual framework for developing a TSA, whereas the OECD manual is more specific and concrete. Concepts between the manuals are compatible, but how to elaborate the account in detail is left open and needs further studying.

....

Conclusions from the discussions were that the latest version of the WTO TSA conceptual framework is compatible with the ESA-95, the Community methodology on tourism statistics as well as the OECD proposal for a TSA manual, in terms of core concepts and methodological approach. The group agreed that extensions should be voluntary, but transparent when presented to users. To ensure international comparability, guidelines for an operative implementation would be needed for the EU countries. This would be an important task for the group and for Eurostat.

The Task Force noted however that the proposed definition of usual environment in the WTO manual is not completely consistent with established criteria at EU level (and world level). Apart from the two established criteria: frequency and distance, a third one has been introduced, motivation, which might in some cases result to a divergence from the approved tourism recommendations on usual environment.

....

Finally, positions of Eurostat and EU countries on the WTO TSA conceptual framework, technical manuals and other methodological documents need to be taken following normal Eurostat Working Group procedures for approval".

V. THE DEVELOPMENT OF A COMMON TOURISM SATELLITE ACCOUNT CONCEPTUAL FRAMEWORK

71. During the recent "Enzo Paci World Conference on the Measurement of the Economic Impact of Tourism" (Nice, France, 15-18 June 1999), "the general principles contained in the document *Tourism Satellite Account (TSA): the conceptual framework*" were adopted. Recognition was also made of "the need to

develop jointly, on this basis with OECD, EUROSTAT and other organizations that would like to subscribe to it, a common conceptual framework with a view to its adoption by the United Nations Statistical Commission” (Resolution II, paragraph 2).

72. As previously indicated, apart from the WTO proposal, the OECD is the only institution that has elaborated a document for the development of a TSA for its member countries (which are, in most cases, also WTO Member countries). Moreover, even if EUROSTAT has rejected the idea of the elaboration of a new conceptual framework for its member states, its very character as a Statistical Institution confers it a central role in the development of Tourism Satellite Accounts (TSAs) in the European continent.

73. It is in this context that the above-mentioned resolution approved during the World Conference in Nice must be understood. Its main objective and goal is that the international standard to be presented to the United Nations Statistical Commission (UNSC) be broadly consistent with National Account Systems (SNA93 and ESA95), although it may incorporate certain differences in the accuracy of the definitions and the accounting rules in the different proposals made by the organizations that would like to subscribe to the common framework.

74. This is the reason why, the effort made during these years by the WTO has tended towards the design of a methodological framework, coherent with SNA93, which could take into account not only the great diversity of countries that belong to WTO but also the uneven development of their structural statistics.

75. Consequently, WTO has tried to elaborate a rigorous statistical methodology that could be implemented step-by-step. Different stages in the development of a TSA are proposed (the tables to be prepared, the different levels of disaggregation of products and activities characteristic to tourism, etc.), together with different degrees of coverage of the basic variables. This will permit, in a medium term perspective, the progressive completion of the whole information requested in the tables.

76. This gradual approach to the development of the proposed conceptual framework for the preparation of a Tourism Satellite Account (TSA) suppose, as a logical consequence, that the objective of having a common conceptual framework must be also understood as a process (WTO 0.14).

77. On 12 July 1999 ¹⁰ WTO sent a first proposal for the actions to be taken by the OECD and EUROSTAT, in order to point out how our three organizations could approach this common task. For its part, EUROSTAT has presented an alternative plan of action ¹¹ and the OECD, up to now, has not make explicit any proposal.

78. On 27 September 1999, the WTO will release a second and more concrete proposal with the objective of incorporating new paragraphs in the WTO document in order to show more explicitly the compatibility of the conceptual framework elaborated by the WTO and the OECD reference documents. This second proposal will also set out those points other kind of differences between OECD and WTO

¹⁰ Annex 2

¹¹ Annex 3

documents, so that OECD can clarify its definitive position on them. This discrepancy refers to:

- the coverage of tourism consumption in the non-monetary part (not mentioned in the OECD document);
- exclusion of Tourism Collective Consumption and Gross Fixed Capital Formation as part of Tourism Demand.

* * *

ANNEX 1

Additional references

1. The differences in both documents exist as a consequence of the following factors:
 - firstly, for the very process of elaboration and for the different type of member countries in each Organization;
 - secondly, in the rhythm of development of the proposed tables: the OECD text proposes as actual developments certain points that the WTO considers as future developments;
 - also, because of the different points of view. Whilst that of the WTO pretends to be a conceptual framework (although the text also contains significant sections of guidelines for the development of a TSA, as well as historical references, numerous supporting texts in relation to coherence with SNA93 and some paragraphs, whose objective is of a pedagogical character for the non-specialist reader, etc.), that of the OECD is principally oriented to the manner in which the proposed tables should be completed; in that sense, the guidelines and the concrete form of the statistical approximation of the variables have more relevance than the references to the conceptual character and international comparability and, consequently, it is conceded less attention than in the WTO document.
 - In other words, while the WTO approach is oriented to be used as an international standard, we think that the OECD approach corresponds to a more operative view with respect to the development of a TSA in OECD countries. This different approach is apparent by the fact that the term “conceptual framework” is only used once in the Summary of the OECD document.
 - Another divergence appreciated is the higher degree of development proposed in some cases. For example, only OECD countries can eventually perform some of the proposals indicated in the document, such as preparing a table for “Tourism Gross Capital Stock”, elaborating visitor characteristics related to total and average expenditure, preparing a tourism ratio for tourism employment, identifying as a specific industry “single purpose consumer durables”, etc.
 - Finally, in the case of some elements, such as they are drafted in the OECD text, and in the differences noted to that of the WTO, it could be understood that their treatment is opposed, such as in the case of the coverage of tourism demand. We shall come back to this aspect later on.

2. The methodological approach developed by the WTO is more ambitious in at least five cases:
- It broadly develops the concept of “tourism consumption” according to SNA93.
 - It considers that “Tourism Collective Consumption” and “Tourism Gross Fixed Capital Formation” must be part of Tourism Demand, in line with the SNA93 (even if, for the time being, the approach to these components would have only an experimental character and, consequently, the estimate of the corresponding aggregates is not proposed). By doing so, the necessary credibility might be reached from the different agents whose cooperation is necessary for the development of a TSA: National Tourism Administrations, National Statistical Offices and Central Banks.
 - The need to update the “Recommendations on Tourism Statistics” approved at the United Nations in 1993 has been recognized for three main reasons:
 - because of the methodological work carried out during these years for the design of a TSA
 - because of the experience developed by various countries on tasks related to the tourism economic measurement and TSA, and finally
 - because of the necessity that the conceptual framework for the TSA be coherent with SNA93
 - It does not limit itself to proposing some tables for the time being, but because it identifies and provides orientation on which future tasks could be undertaken in relation with the designed conceptual framework.
 - A great effort has been made to elaborate a set of classifications to be used in order to warrant the international comparability of data to be obtained.

3. Concerning the treatment of “collective consumption”, the proposed solution is different from that of WTO for the following reasons that have been included in the document “TSA: The conceptual framework” prepared by WTO (point 2.82):

“Some have proposed including the consumption of such services within tourism consumption, with the argument that mostly visitors or productive activities principally serving visitors benefit from this expenditure. This is difficult to prove, because there are also benefits that may be derived from some of those expenditure by non-visitors and productive activities not serving visitors. As there is no way of measuring who benefits from such services and how much is the value to be assigned to each beneficiary, assignment of the value of collective services to the different groups would be arbitrary. And since there is no rivalry in acquisition, there is no reason to assign less to each current beneficiary when additional beneficiaries are identified. As a consequence, the method used to assign the value to the beneficiaries would not allow a proportional pattern. As a result, SNA93 does not permit assignment of the value of collective services to household

consumption, and the TSA observes this restriction by not assigning such values to tourism consumption”.

4. Concerning gross fixed capital formation, the treatment given by the OECD has been in line with the work developed by Canada in the elaboration of its TSA and corresponds to a point of view expressed on several occasions, during these years by this country:

“It is in the definition of tourism consumption that we find the explanation for the exclusion of gross fixed capital formation, rather than in the SNA concepts and definitions. This discussion does not preclude interest in developing estimates of gross fixed capital formation that are associated with tourism, but they must be shown separately, and not included as part of tourism consumption”.

This perspective is included in paragraph .323 of the OECD document in a slightly different form, where the draft seems to be a defensive position against those who might be tempted to abusively increase the importance of tourism in the economy.

ANNEX 2

WTO proposal for action to be taken by WTO – OECD – EUROSTAT

Madrid, 12 July 1999

Mr. C.L. Kincannon
Chief Statistician and
Director of Statistics Directorate
Organisation for Economic Co-operation and Development (OECD)
2, rue André Pascal
75775 Paris (Cedex 16)
France

Dear Mr. Kincannon,

I am pleased to get in touch with you to let you know of my telephone conversation of Thursday 6 July with Mr. Richard Roberts, as Coordinator of the United Nations Statistical Commission and Secretary of the ACC Subcommittee on Statistical Activities.

This conversation mainly concerned the way in which we should present the draft *Tourism Satellite Account (TSA): The conceptual framework* to the next meeting of the Statistical Commission's Working Group on International Statistical Programmes and Coordination to be held from 29 February to 2 March 2000 and the work to be done in future months to achieve this end.

It is possible that on 31st July 1999 the Economic and Social Council of the United Nations may decide on the suppression of the above-mentioned Working Group. This will be the most likely situation and, in that case, the documentation to be presented by WTO could be evaluated by the Statistical Commission during the year 2000.

In other words, the goal of having the *Tourism Satellite Account (TSA): The conceptual framework* and the classifications of products and activities duly approved by the United Nations could be reached, if that would be the case, a year earlier than expected. The reason is a procedural one since, in the case that the "Statistical Commission's Working Group on International Statistical Programmes and Coordination" continues to function, its mission would only be to present to the United Nations Statistical Commission the documents prepared by WTO to be studied and evaluated during the year 2001.

The documentation that WTO will present at the meeting of end-February 2000 will be as follows:

- the first document will be a short text, where documents 3 and 4 presented by WTO will be given a final evaluation from other international organizations. Ideally, these documents should be a formal communication from EUROSTAT and OECD to the United Nations Statistical Commission stating their support of these documents. In that case, the document should be signed by Mr. Francesco Frangialli (as Secretary-General of WTO), by Mr. Yves Franchet (as General Director of EUROSTAT) and Mr. L. C. Kincannon (as Director of Statistics Directorate in OECD);
- the second document would be an explanation of the process followed for the preparation of the Tourism Satellite Account;
- the third document would be the *Tourism Satellite Account (TSA): The conceptual framework*
- the fourth document would be the Classification of Tourism Activities and Products.

If we take into consideration the possible suppression of the “Statistical Commission’s Working Group on International Statistical Programmes and Coordination” already mentioned –and this, of course, is good news since the whole process could, eventually, be reduced in one year-, this will oblige us to accelerate our working time schedule, since it is necessary for the United Nations Statistical Commission to receive all the above-mentioned documents in the following languages: Arabic, Chinese, English, French, Russian and Spanish.

Further to the communication sent by Mr. Francesco Frangialli to Mr. Yves Franchet and Mr. Herwig Schlägl (of which copies were sent to you), and further to the conversation with Mr. Richard Roberts, we have defined a proposal for time schedule and action plan.

I believe that all the commitments that we assume and that we propose, apart from being feasible, correspond to the content and the spirit of the Resolutions approved during the Enzo Paci World Conference on the Measurement of the Economic Impact of Tourism.

From this point of view, we are extremely grateful for the proposal made by you to hold an urgent meeting in Luxembourg in order to establish, among other possible topics, the plan of action necessary to decide on the time schedule and the format of the mandate received from the World Conference for the three institutions.

Before stating our proposal, I must stress that my telephone conversation with Mr. Richard Roberts was a follow-up of his e-mail sent on 2 July 1999 to WTO, EUROSTAT and OECD related to the next meeting of the ACC Subcommittee on Statistical Activities (to be held at WTO Secretariat Headquarters on 14-16 September 1999):

“3. We will include an update on the TSA. A brief status report (no more than 2-3 pages) would be helpful for the Subcommittee. Following the outcome of the Nice meeting it would be good if the report were prepared as a joint one by WTO, OECD and

EUROSTAT.....Alternatively, reports from WTO and OECD on actions/plans to implement the Nice outcome would do the job”.

Our proposal is as follows:

July 1999:

- Information meeting at EUROSTAT in order that the three institutions (EUROSTAT, OECD, WTO) can establish a unique proposal of cooperation together with the most appropriate mechanisms of decision to warrant that by 18 December 1999 the above mentioned text could be signed jointly.
- Apart from that, we would appreciate if Mr. Niels Langkjaer could evaluate and document his opinion on the proposal of Classifications of Tourism Products and Activities presented by WTO during the World Conference, before the meeting of the United Nations Expert Group on International Economic and Social Classifications that will be held from 15 to 17 November 1999.
- In case we are unable to meet during the month of July, we think that this meeting ought to take place before the 10th September 1999.
- The results of our meeting and the agreements reached will be handed over to Mr. Richard Roberts during his stay in Madrid for the ACC Subcommittee on Statistical Activities (14-16 September 1999).

September 1999:

- WTO will present a document at the ACC Subcommittee on Statistical Activities, as requested by the United Nations, with our opinion on the following texts:
 - “Draft OECD Guidelines for a Tourism Satellite Account” (presented by the OECD during the World Conference in Nice)
 - “The Community Methodology on Tourism Statistics and Tourism Satellite Accounts” and “Minutes of the Task Force Meeting on Methodological issues linked to Tourism” (mainly on point 4.”Methodological issues linked to the implementation of tourism satellite accounts in European countries”).
- We think that EUROSTAT and OECD should also present their corresponding documents in order to be able to identify from the beginning which are, from their respective points of view, the points of divergence with respect to the conceptual framework necessary to elaborate a Tourism Satellite Account as presented in the WTO document that will constitute, with the appropriate modifications to be introduced, the third document that the WTO Secretariat will present to the United Nations.

October 1999:

- WTO Secretariat has already communicated to the OECD its disposition to participate at the Tourism Committee meeting to be held on 14 and 15 October 1999.
- WTO will send to OECD the same text as the one presented at the ACC Subcommittee on Statistical Activities, in order to be distributed to the different delegates as a document of the Agenda.
- This means that the WTO requests, from this moment, that OECD include, as a specific point of this meeting, the discussion on the procedure of approval by the United Nations of the conceptual framework for the elaboration of Tourism Satellite Accounts.
- Moreover, WTO suggests to EUROSTAT to convene the above-mentioned Task Force to have its views on the documents presented in Nice by OECD and WTO (specially from the point of view of the approval process by the United Nations) since they were not studied and analyzed during the last meeting held on 17-18 May 1999.
- If EUROSTAT accepts this proposal, WTO would very warmly accept to be present at this meeting if invited to do so, and would ask EUROSTAT to transmit to all the delegates the text presented by WTO at the ACC Subcommittee on Statistical Activities in September 1999.

November 1999:

- WTO has already communicated to OECD its decision to participate at the meeting of 8-9 November 1999 of the Statistical Working Party of the Tourism Committee.
- On the basis of the proposals contained in the documents presented during this period by the different organic bodies of EUROSTAT and OECD, WTO will include in the document *Tourism Satellite Account (TSA): the conceptual framework* those modifications that might be considered necessary. This new revision of the document will be presented to the United Nations for its approval.

December 1999:

- WTO would greatly appreciate receiving an invitation from EUROSTAT to participate at its Statistical Committee meeting to be held at the beginning of December.
- In that case, we would be grateful that the EUROSTAT Statistical Committee could distribute the above-mentioned new text, including in its Agenda a specific item related to the process of acceptance by the United Nations of the conceptual framework for the elaboration of Tourism Satellite Accounts.
- Apart from this text, WTO would present at that meeting the new version (in English) of the above mentioned document.

March 2000:

- WTO will present a first proposal for a questionnaire to be sent to those countries having elaborated a Tourism Satellite Account in order that they could provide to the different international organizations, in a unique format, their data, such as requested on the Resolutions approved during the World Conference.

As you can see, WTO Secretariat is prepared to make any effort requested from us.

I trust to be able to see you soon.

Yours sincerely,

A handwritten signature in black ink, appearing to be 'AM', written in a cursive style.

Antonio Massieu
Chief, Statistics and Economic Measurement of Tourism

cc. Mr. Pedro Díaz (EUROSTAT)
Mr. Richard Roberts (UNSD)
Mr. Wolfgang Hübner (OECD)
Mr. Alain Dupeyras (OECD)

ANNEX 3

EUROSTAT - Proposed Action Plan for the elaboration of a common conceptual framework for TSA

Follow-up of the Nice conference on the measurement of the economic impact of tourism (15-18 June 1999)

EUROSTAT PROPOSAL FOR A JOINT ACTION PLAN

***Partners involved:
WTO, OECD, Eurostat and member countries of respective organisation***

1. Introduction

Eurostat proposes in this document to formulate a joint action plan between the WTO, the OECD and Eurostat, in order to achieve the objective of developing a "Common conceptual Tourism Satellite Account framework". This follows the conclusions of the CES meeting, held in 14-16 June 1999 in Neuchâtel, the resolutions from the Nice conference, held 15-18 June 1999, as well as many countries concern for having one framework at international level to give guidelines on how to develop tourism satellite accounts. This joint process thus constitutes a concrete outcome of these conclusions.

The joint action plan aims at defining the tasks to be undertaken, the division of work, the decision-making procedure and the establishment of a preliminary timetable. The action plan should be communicated and approved by all partners.

2. Development of a joint process

The development of a joint process follows the conclusions of Neuchâtel and Nice, as well as reflecting the needs of many countries for one common framework for the compilation of satellite accounts on tourism.

2.1 CES conclusions

At the Conference of European Statisticians, in the frame of United Nations Economic and Social Council, held 14-16 June 1999 in Neuchâtel, point 4 on tourism of the Bureau meeting, the following conclusions were drawn:

1. The Bureau recommended that one agreed manual on international level on the development of tourism satellite accounts should be submitted to the UN Statistical Commission;
2. The manual should be compatible with the SNA-93.

The CES also recommended forwarding these conclusions to the Nice conference. These conclusions were also communicated to Eurostat, OECD and UN representatives present at the conference.

2.2 Nice resolutions

At the Nice conference on the measurement of the economic impact of tourism, held 15-18 June 1999, the conclusions reached at the CES meeting were raised by UN, OECD and Eurostat representatives. During the closing session, where the Nice Resolutions were presented and discussed, this position was further enforced by interventions by several EU countries (e.g. France, United Kingdom, and Netherlands).

Resolution V of the Nice conference clearly reflected the conclusions of the CES and the position of several countries. This resolution recognises the work done by the OECD on tourism economic accounts and that of Eurostat in developing the Directive on tourism statistics, the establishment of a database on harmonised statistics on tourism and the recent work in the frame of a Task Force to explore the feasibility of implementing tourism satellite accounts in EU countries.

Moreover, Resolution V recommends that a "Common conceptual Tourism Satellite Account framework", a common questionnaire for collecting data following this framework and associated technical manuals should be developed jointly by the WTO, the OECD and Eurostat. The "Common conceptual Tourism Satellite Account framework" should then be forwarded to the UN Statistical Commission for adoption.

Resolution V also notes that both the WTO manual and the OECD guidelines on tourism satellite accounts are still provisional and require revisions. Concerning Resolution II, point 2 on the adoption of the principles in the WTO TSA framework, several countries and international organisations asked the WTO to modify this point to be in line with Resolution V, which states that the existing manual is still provisional.

During the conference, the UN representative stated that they are in favour of the above mentioned procedure and would support an adoption of the Statistical Commission of a "Common conceptual Tourism Satellite Account framework". Preliminary date set for adoption is March 2001. In addition, the UN wishes that a progress report should be presented to the Statistical Commission in March 2000.

2.3 Work on definitions and classifications

During Workshop 3: "Developments of definitions and classifications for tourism statistics. Tourism policy areas" at the Nice conference, Eurostat recommended that all planned revisions of definitions should be based not only on the needs of a TSA manual, but mainly build on real experiences in countries in implementing the UN/WTO definitions on tourism statistics, in particular in the perspective of that many of these definitions are now part

of the 'acquis communautaire' in the form of implementing measures of the Council Directive on tourism statistics.¹²

Moreover, Eurostat recommended that planned developments of the tourism classifications could, apart from following the ISIC and CPC classifications, benefit also in their application from taking into account recent and planned revisions of the EU classifications on products and activities (CPA and NACE), especially the changes done in the CPA 1996.

These aspects should also be part of the joint process and be treated in a similar manner as the work on the "Common conceptual Tourism Satellite Account framework".

3. WTO-OECD-Eurostat joint action plan

Following the conclusions of the CES meeting and the resolutions of the Nice conference, Eurostat proposes to set up a "WTO-OECD-Eurostat joint action plan" for the development of a "Common conceptual Tourism Satellite Account framework". Partners involved in this process are, apart from the WTO, the OECD and Eurostat in their roles of carrying out leading work on the development of international tourism statistics, also the respective member countries.

By establishing a joint process the final manual will build upon the experiences and specific expertise of all three organisations and member countries, and therefore gain the credibility needed for such framework among users. This facilitates also the task for producers, who will have one general framework to follow when implementing a tourism satellite account.

3.1 Objective

The aim for establishing a "WTO-OECD-Eurostat joint action plan" is to specify the actions needed to develop a "Common conceptual Tourism Satellite Account framework", clarify the division of work among the partners, decide the appropriate decision-making procedure and establish a preliminary timetable with the objective of forwarding the framework to the UN Statistical Commission in March 2001.

3.2 Actions and division of work

An important part of the joint action plan is to clearly distinguish the division of work, taking into account the specific experience of each partner, in particular the fact that both WTO and OECD have worked a lot on developing guidelines for the development of tourism satellite accounts and Eurostat in its work on implementing the Directive, which has led to an experience of practical implementation of methodology, definitions and classifications. Of essential importance is obviously also the experience of countries in implementing satellite accounts. All this experience is needed to achieve a common conceptual framework.

Therefore, a list of actions should be set up, giving details of what should be achieved, by whom and for when. The list should include both drafting

¹² Commission Decision 98/34 of 9 December 1998 on the procedures for implementing Council Directive 95/57/EC on the collection of statistical information in the field of tourism.

and structuring of the manual as well as specific technical matters which need further consideration. The list can obviously be extended/modified during the joint process, but the partners should inform each other of eventual proposals for changes of the list. Moreover, the deadlines must be co-ordinated with the established timetable. Proposals for actions can come from all partners and should be agreed upon by the inter-secretariat group (see section 4.1).

It should be emphasised however that the list of actions does in most cases not imply completely new work to be undertaken. Most of the issues have already been discussed and proposed solutions exist, even though they might slightly differ between the two existing manuals. The purpose of establishing a list of actions is therefore mainly to make sure that a common agreement can be reached on all issues relevant for the final version of the "Common conceptual Tourism Satellite Account framework" and at the same time provide the basis for any eventual need to treat additional technical issues. Hence, the list of actions should be seen as an operational tool for the joint process in order to easy achieve the objective of a UN adoption of the framework in 2001. This approach can also be helpful for countries and other partners in giving transparency to the joint process.

Below follows a first draft list of actions, which is for discussion at the first inter-secretariat meeting.

LIST OF ACTIONS

Task:	Description of task:	Responsible partner	Deadline
1. Structure of the framework	Propose a final structure for the manual, taking into account the existing two WTO and OECD documents.		
2. Basic definitions	Propose a final decision on basic definitions and other technical details, such as usual environment, valuation principles, statistical unit, etc.		
3. Definition of tourism demand	Propose a final decision on the definition of tourism demand, in particular tourism consumption, tourism expenditure and linked issues.		
4. Basic concepts of tourism supply	Propose a final decision on the basic concepts of tourism supply (goods and services, characteristic industries).		
5. Treatment of consumer durables	Propose a final decision on the treatment of consumer durables.		
6. Treatment of second homes	Propose a final decision on the treatment of second homes.		
7. Treatment of tourism gross fixed capital formation	Propose a final decision on the treatment of capital acquisition related to tourism and purchase of land.		
8. Treatment of other technical issues	Propose a final decision on the treatment of other technical issues, such as travel agency and tour operator services, package tours, frequent flyer programs, tourism bureaux and non-market production (tourism collective consumption), etc.		

9. Employment module	Propose a final decision on an employment module in the manual.		
10. Tourism value added	Propose a final decision on how to calculate tourism value added (tourism GDP).		
11. Tables and aggregates	Propose a final decision on the tables and aggregates to include in the manual, guidelines for compilation and worksheets.		
12. General terminology	Propose a final decision on the terminology to be used (check for coherency with tourism statistics terms and national accounts concepts).		
13. Compatibility and coherency issues	Check that the manual is coherent and compatible with tourism definitions and the 'acquis communautaire' (relevant for Eurostat).		
14. Data sources	Propose text for the part of the manual on possible data sources and practical implementation (or part of a technical manual?).		
15. Classifications	Propose a final decision on all aspects linked to classifications in the manual. Propose also a final decision on tourism classifications on activities and products (SICTA, TPC).		
16. Annexes	Propose a final decision on what annexes to include in the manual.		
17. Further extensions	Propose a final decision on suggestions for further extensions to be included in the manual.		
18. Common questionnaire	Draft a proposal for a common questionnaire to collect information following the TSA framework.		
19. Technical manuals	Draft proposals for technical manuals on the practical implementation of the TSA.		
20. Drafting of progress report	Draft the progress report to be presented to the UN Statistical Commission in March 2000, taking into account the joint process.		
21.			
Etc.			

3.3 Joint decision-making procedure

The joint process should establish a decision-making procedure in order to advance the work, assuring on one hand that all partners are involved and on the other hand also agree on the decisions taken. This procedure depends primarily on the respective organisation's own decision procedure. All decisions of common interest for the work on the "Common conceptual Tourism Satellite Account framework" should be taken in all relevant committees to gain full pertinence and legitimacy. Thus, each organisation should define its relevant decision process in order to establish the "joint decision making procedure".

In the case of Eurostat, as an example, there is preparatory technical work carried out in the frame of a Task Force, which in turn submits the conclusions for discussion and decision to the Working Group. For matters having an impact on other domains of Eurostat activities (in this case for example classifications and national accounts), it might be necessary to

inform also other working groups. As a final step the Statistical Programme Committee (SPC) discusses and takes a decision on the issue. The SPC is the formal decision-making body for statistical issues within the Community system (delegated from the Council of Ministers).

[Add WTO and OECD decision-making procedures.]

3.4 Preliminary time table

Concerning the timetable, the partners need to respect the list of actions and its deadlines as well as the joint decision-making procedure. The timetable must be adapted accordingly. The timetable should be established as detailed as possible already in the beginning of the joint process, in order to foresee all important steps and eventual problems or risks to avoid unnecessary delays. The deadlines fixed in the list of actions should be set taking into account the general timetable.

There are two important dates which are more or less fixed already: March 2000 for delivering a progress report to the UN Statistical Commission on the on-going work on the "Common conceptual Tourism Satellite Account framework", and March 2001 when the framework is planned to be adopted. Other details of the timetable are still to be defined. Apart from including scheduled meetings in the timetable, it should also include milestones (as for example final structure fixed, agreement on basic definitions, etc) following the list of actions defined.

Below follows a first draft timetable, which should be completed with information from the OECD and the WTO and be discussed at the first inter-secretariat meeting.

PRELIMINARY TIMETABLE

Time:	Event (meeting, milestone, etc):
10 Sep 1999	First Inter-Secretariat Working Group meeting
14-16 Sep 1999	ACC Subcommittee on Statistical Activities (UN)
24 Sep-1 Oct 1999	WTO General Assembly
30 Sep 1999	<i>Milestone I: Agreement by all partners of the joint process, work started on most of the identified actions.</i>
28-29 Oct 1999	Eurostat Task Force meeting
8-9 Nov 1999	OECD Statistical Working Party meeting
Autumn 1999?	WTO Committee meeting
1-2 Dec 1999	Eurostat Working Group meeting
31 Dec 1999	<i>Milestone II: Work started (some completed, e.g. 1, 2...) on all of the identified actions, draft Progress report for the UN Statistical Commission ready.</i>
29 Feb - 2 Mar 2000	Progress report to the UN Statistical Commission's Working Group on International Statistical programmes and Coordination
Spring 2000	Eurostat Task Force meeting
Spring 2000?	WTO Working Group meeting?
Spring 2000?	OECD Experts group meeting?
Spring 2000	Information to other Eurostat and OECD committees (classifications, national accounts)

31 Jul 2000	<i>Milestone III: Complete draft of the framework ready, draft proposals for all of the identified actions, only minor amendments remaining.</i>
Autumn 2000	Evaluation by the UN Statistical Commission
Sep 2000	Eurostat SPC meeting
Autumn 2000?	OECD Statistical Working Party meeting
Autumn 2000?	WTO Committee meeting
Oct 2000	Eurostat Working Group meeting
(Nov 2000)	Eurostat SPC meeting)
31 Nov 2000	<i>Milestone IV: Final draft ready, final decisions on all identified actions, agreement by all partners of the final draft, all actions completed.</i>
March 2001 (or autumn 2000?)	Adoption of the "Common conceptual Tourism Satellite Account framework" by the UN Statistical Commission

4. Next steps

4.1 Inter-secretariat Working Group

To co-ordinate the work in the frame of the joint process, Eurostat proposes to establish a "WTO-OECD-Eurostat Inter-secretariat Working Group", with the task to make the joint action plan operational in order to finalise the "Common conceptual Tourism Satellite Account framework" and ensure its adoption in 2001.

This group would facilitate the joint work between the partners in defining concrete actions to be undertaken and the division of work, define if additional technical work is needed, provide a forum for exchange of information and follow-up on the progress on work undertaken, follow-up of the timetable and in general co-ordinate all work needed for the adoption process.

The periodicity of the meetings could follow an ad hoc approach, depending on the advancement of works, and could be held on a rolling schedule (including chairman ship) at the site of each organisation (Madrid, Paris, and Luxembourg). In between meetings the secretariats can keep informed of the work progress and communicate with each other via e-mail.

4.2 Transparency

It is important to emphasise that during the whole joint process an effort of transparency must be done by all partners. This involves that partners should be regularly and thoroughly informed of the progress of on-going work in the inter-secretariat group, especially on the advancement of actions. Minutes from task forces and other technical groups, working groups and committees should circulate among all partners. All other useful information of interest to partners and linked to this issue should also be encouraged to circulate. By having an efficient exchange of information among partners in the joint process, the objective of finishing the "Common conceptual Tourism Satellite Account framework" will be easier achieved.

Member states, which are the partners that will work in practice on implementing satellite accounts, must be encouraged to participate as much as possible during the process. Their contributions are of utmost importance and enhance the value of the manual.

Finally, this joint action plan should be communicated to all partners, in particular be presented and discussed in all relevant working groups and committees of the WTO, the OECD and Eurostat, to gain their agreement, suggestions for modifications or other important comments.

Key terms in the joint process:

Common conceptual Tourism Satellite Account framework
WTO-OECD-Eurostat Joint action plan
WTO-OECD-Eurostat Inter-secretariat Working Group
Joint decision-making procedure