

5TH EUROPEAN TOURISM FORUM
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EUROPEAN TOURISM: NEW OPPORTUNITIES
SPEECH BY
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Ministers, Distinguished Guests, Ladies and Gentlemen

It is with great pleasure that as Minister for Tourism and Culture of Malta and former host of the ETF 2005 I have been invited to address you during this Plenary Session inaugurating the Fifth European Tourism Forum.

Without a doubt this Forum is Europe's most important tourism related meeting and I cannot but emphasise the significance of this gathering and acknowledge with contentment that this meeting is taking place in Cyprus, an Island that similarly to Malta depends most heavily on tourism when compared to our fellow member states.

Tourism is an industry that has taken root in my country during these last thirty years. It is the industry that has sustained our economy during the first steps of Malta's Independence. It is the industry that has brought about the development of our modern infrastructure, through Government as well as through private investment and now through the injection of EU funding forthcoming from the European Structural Funds since joining the European Union in May 2004.

Tourism is one of the industries in which my country is investing to achieve its development objectives in the future. This because, without a doubt, it is the industry of vital importance to economic growth, employment, new communication and information technologies. It would never be logical, wise, or sensible for any member state to ever ignore the potential of tourism in that it can help boost its own economy and that of the EU as a whole. The 25 member states, and soon the 27 member states, must continue their good work and collaborate together both at a political as well as at a technical level in order to make sure that tourism continues to move up the EU's agenda. This forum is an excellent medium whereby National Governments, the EU and its institutions and all other stakeholders meet to discuss and take stock of crucial issues pertaining to the future of the EU tourism industry.

New technologies, trends, markets and instruments are the subjects of this year's programme. These are by far the areas that each and every member state that has tourism at heart needs to focus on and concert all its efforts in order to keep up with the ever increasingly tougher competition facing European tourism destinations. We are working well together and a lot has been done. However we need to keep our feet on the ground. In order for us to make European tourism an ever more dynamic and competitive industry we have to continue to raise our standards beyond those of our competitors and push ourselves to achieve even higher ones.

We welcome the important initiatives and ideas discussed by the Tourism Advisory Committee led by the EU Commission and augur that more good work will emerge from this Group. In particular I would like to mention:

- the EU Tourism Policy to improve the competitiveness of the European Tourism industry and create more jobs through sustainable growth of tourism in Europe and globally. I look forward to seeing specific actions and initiatives being proposed as a result of this European tourism policy;
- the pilot project entitled 'European Destinations of Excellence' as a means of initiating a community action in support of European tourism. One cannot but welcome the aim of this project to draw attention to the value, diversity and shared characteristics of European tourist destinations and to promote destinations where the economic growth objective is pursued in such a way as to ensure the social, cultural and environmental sustainability of tourism. Malta is interested in participating in this action and is eagerly awaiting a reply as to whether its application is successful. Awarding a destination of excellence to one of its rural localities in Malta, or its sister Island Gozo, will enhance its visibility as a European tourist destination, create awareness of the diversity of its product offer, provide recognition to initiatives which maintain the rural nature of a destination to help de-congestion, address seasonality and rebalance its tourist flow, and stimulate other localities towards the adoption of sustainable tourist development models.
- rural tourism that is regarded as an important strategy in many of the European countries. It helps to retain people, to create jobs and

promote socio economic development in rural areas. It makes it possible to generate additional income, to achieve synergies and to ensure the preservation of areas and life styles in the interest of the local population as well as tourists. At the same time, rural tourism responds to a growing demand of urban customers for recreational, sporting and cultural activities.

- the Tourism Sustainability Group whose task is to draft a detailed framework for action, which should allocate specific activities to the individual stakeholder groups. These specific initiatives are to be assisted by appropriate information tools and networks and will include activities that address tourism consumption patterns and enhance sustainability in the tourism value chain and destinations.

I would like to share with you at this juncture some initiatives that my Ministry and the Malta Tourism Authority have embarked upon in order to boost our tourism industry. This always in the context of today's programme.

The successful VisitEurope portal was created to promote "Europe as a whole" to meet the needs of European and international tourists. The portal complements the websites of national tourist organisations by acting as a marketing tool and helps to generate more traffic. The portal came at the right time when the remarkable and widespread diffusion of the Internet has brought about an imperative need to tap into relatively new channels in order to satisfy the growing demands for online information by modern travellers.

For these last 5 years the Malta Tourism Authority has been actively promoting Malta through its very successful visitmalta website. Notwithstanding its success, visitmalta's primary objective has always been that of the so-called '*informational website*.' Such websites provide the information-hungry traveller with all the facts and details necessary when planning a holiday. However modern travellers today seek more than just information; they seek a user-friendly, cohesive channel through which to discover, compare and plan a visit.

As a result of these developments the Malta Tourism Authority has felt the need to re-think its online strategy and reassess the goals of the visitmalta website. As a result of this assessment it was felt that this highly-popular website should be raised to the level of an online e-tourism portal and serve as a prominent gateway to an experience on our islands.

The Malta Tourism Authority will not only develop the technical aspects of the e-Tourism Portal, but will also act as the catalyst to bring together as many local service providers as possible. The e-Tourism Portal will include an online booking channel that incorporates secure payment-transaction facilities, as well as enhanced tourist information, designed to satisfy the particular demands of the visitor planning a holiday in Malta.

Development work has already started on this initiative and discussions with a number of local stakeholders have already taken place. It is envisaged that the initial launch of the e-Tourism Portal will take place by the beginning of

next year. Additional functionality will be added over the following months in order to maintain a dynamic portal and enhance its overall capabilities.

To quote a common catchphrase, “*everything moves faster on the Internet.*” The impressive rate with which new developments occur over this medium is a widely acknowledged aspect that none of us should ignore. The challenge is to recognise these dynamic developments as early as possible in their life-cycle and subsequently exploit the respective potential advantages that each one may offer. Both *visiteurope* and *visitmalta* will be complementing each other to promote Europe and Malta as tourist destinations through this important medium. We should not spare any efforts to remain at the very forefront of developments in this area, particularly since our competitors are theoretically only *one mouse-click* away from us.

2006 will be a record year for cruise & ferry passengers visiting the central Mediterranean island of Malta. By the end of this year, around 400,000 people are expected to disembark in the Grand Harbour of the capital city Valletta, and they will be greeted by one of the most impressive cruise passenger terminals currently in operation.

The actual Cruise Passenger Terminal at the Valletta Waterfront is a brand new building. Some of you present might remember it as the venue for the ETF 2005 Gala dinner held last year in Malta. The contemporary design of the terminal lies behind the restored impressive façade of the old Forni

Stores, constructed by the Knights of Malta in the 18th century, to store provisions arriving for the island's imposingly fortified Capital by sea.

Over the past twelve months, the Valletta Waterfront has become one of Malta's most sought after entertainment centres with bars, cafes and restaurants lining the waterfront. The Valletta Waterfront has also hosted a number of artistic, cultural and sport events, like the annual Summer Arts Festival, the Malta International Jazz Festival and the major international sport events such as the Powerboat P1 Grand Prix.

The port of Valletta has established itself as one of the major ports of call in the Mediterranean. Cruise passenger traffic in Malta increased by 35.5% during the first nine months of this year. This was mainly accounted for by passengers residing in Italy, the United States, Germany, Spain, the United Kingdom and France.

The number of cruise liners calling in Malta in the period January-September also increased to 249 calls, up by 32 calls over the same period in 2005. 2007 is expected to be an even better year and based on cruise liner calls already confirmed for next year, an increase in visitors of 10% is anticipated.

The port of Valletta, partly due to its optimal strategic location, the frequent air connections with European Cities and the high level of services offered by the Maltese tourism industry is increasingly being seen as the perfect gateway to cruising in the Eastern side of the Mediterranean, a region which

as yet remains largely undiscovered by the bigger cruise operators in the Mediterranean, who for different reasons have concentrated their operations on the Western basin.

Malta is not resting on its laurels and the public and private sector are working together to foster further growth in this up and coming niche of the tourism industry. Foreign consultants have in fact been engaged to propose new solutions for the further enhancement of quay capacity and infrastructure.

We are also keen to attract the major low cost carriers to operate to and from Malta. Our efforts have already produced good results with low cost flights flying into Malta from the United Kingdom, Italy and Germany. Low cost is currently the main stimulator for growth in the tourism industry generating new business. Our aim was to bring in Low Cost Carriers without disrupting existing business partnerships with tour operators and legacy carriers. Early indications show that we are succeeding in this goal, although one can only really measure the outcome after the elapse of at least three to six months.

The efforts we all do on a national level may lead to a more competitive Europe. We, as member states, or future member states, can share good practice on tourism management. Initiatives such as the 'European Destinations of Excellence' can instigate further good practices by governments, the private sector and non-governmental organisations.

The financial instruments available for tourism related projects. The European Structural and Cohesion funds, together with the direct funding programmes, provide an opportunity for destinations. However, we all know that tourism is characterized by SMEs, and in the case of Malta, by micro and small enterprises, which find it even more difficult than their larger counterparts to access such funds. Better information provision and efforts towards facilitating access to such funding should be stepped up.

The Commission could assist and promote tourism competitiveness in Europe through continuing to ensure that the European tourism policy is implemented and that tourism is given its due importance throughout the legislative process.

That is how we can proactively keep looking upon tourism as a major economic motor, where new opportunities are constantly tapped in an ever dynamic industry.