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FRIDAY

Speaking Engagement: World Travel
and Tourism Council (JDW Remarks)

Friday, April 18, 1997

8:00 - 9:00 a.m.

Willard Hotel

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Edit

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A. CLASSIFICATION

- ☐ Meeting Material
- ☐ Trips
- ☒ Speeches

- ☐ Annual Meetings
- ☐ Corporate Management
- ☐ Communications with Staff

- ☐ Phone Logs
- ☐ Calendar
- ☐ Press Clippings/Photos

- ☐ JDW Transcripts
- ☐ Social Events
- ☐ Other

B. SUBJECT: SPEAKING ENGAGEMENT: WORLD TRAVEL AND TOURISM COUNCIL // JDW TO MAKE REMARKS (B)
VENUE: WILLARD HOTEL
DETAILS - PENDING FROM CAROLINE (3/28)
2/28 - JDW AGREED TO DO THIS (FOJ)
(B) CAROLINE ANSTEY
EXC: CA // ALI (2/28)

Brief Includes Note from Caroline Anstey - April 15, 1997, "Remarks set the Word Travel and Tourism Council" and tabs:

- MIGA Brief
- IFC/IBRD Brief
- Talking Points
- Agenda 21 & Tourism
- WTTC's Green Glob Initiative
- Tourism's Economic Impact
- Background on WTTC
- Invitation & Program

DATE: 04/18/97

Remarks to

C. VPU

Corporate

- ☐ CTR
- ☐ EXT
- ☐ LEG
- ☐ MPS
- ☐ OED
- ☐ SEC/Board
- ☐ TRE

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- ☐ AFR
- ☐ EAP
- ☐ ECA
- ☐ LAC
- ☐ MNA
- ☐ SAS

Central

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- ☐ DEC
- ☐ ESD
- ☐ FPD
- ☐ FPR
- ☐ HRO

Affiliates

- ☐ GEF
- ☐ ICSID
- ☐ IFC
- ☐ Inspection Panel
- ☐ Kennedy Center
- ☐ MIGA

D. EXTERNAL PARTNER

- ☐ IMF
- ☐ UN
- ☐ MDB/Other IO
- ☐ NGO
- ☐ Private Sector

- ☐ Part I
- ☐ Part II
- ☐ Other

E. COMMENTS:

File Location



Cleared By

Caroline Anstey

Date:

04/29/97

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Remarks to the World Travel and Tourism Council

Mr. Wolfensohn:

I enclose briefs prepared by IFC and MIGA. I also enclose talking points. You are due to speak for 20/25 minutes and then take questions. They would like you to devote half the time to changes at the Bank.

I also enclose a program of the event, list of attendees and background on the WTTC.

A handwritten signature in dark ink, appearing to be 'Caroline', with a large loop at the start and a trailing flourish.

Caroline
4/15/97

Viewpoint

The World Bank Group

January 1997

Note No. 101

The World Bank Group's Financial Instruments for Infrastructure

Philippe Benoit

The World Bank Group provides a variety of support to public and private infrastructure projects in developing and transition economies. The Group provides policy advice to help governments build credible, stable policy and regulatory frameworks that support infrastructure projects generally. And it offers different types of finance for specific projects, including loans, guarantees, equity investments, and political risk insurance.

This Note provides an overview of the main financial instruments offered by the Group's

financial organizations—the International Bank for Reconstruction and Development (IBRD) and the International Development Association (IDA), together referred to as the World Bank; the International Finance Corporation (IFC); and the Multilateral Investment Guarantee Agency (MIGA). It describes the basic financial and contractual structures of these instruments and illustrates their role through a hypothetical project to construct a power plant in a host country. The project involves (1) a power generation company, PowerCo, that will own and operate the power plant, (2) equity investors in PowerCo, and (3) commercial loans to PowerCo to finance the plant.

FIGURE 1 IBRD LOAN TO POWERCO

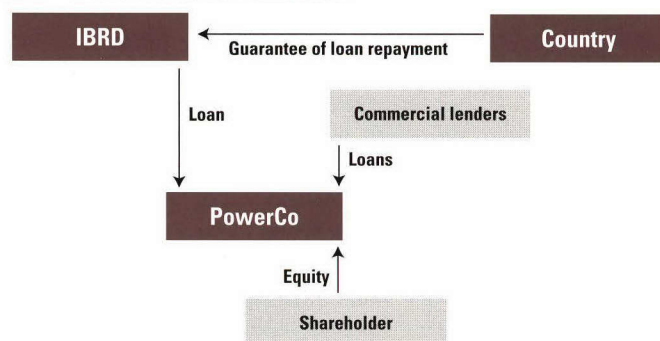
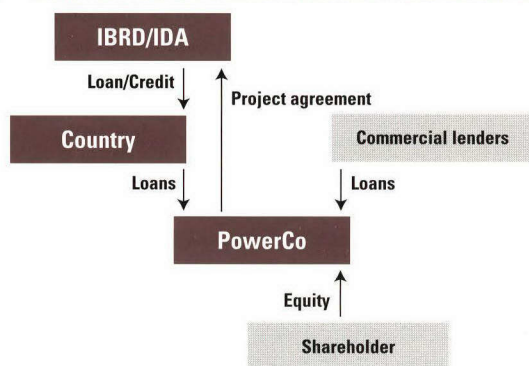


FIGURE 2 IBRD OR IDA LENDING THROUGH THE COUNTRY



The World Bank's loans and guarantees

The World Bank provides financing for both public and private sector projects—IBRD for middle-income and IDA for poorer developing countries—but always with the financial backing of the host country, represented by its government. Historically, the World Bank has provided most of its financial support through loans, but IBRD has established a guarantee program that is expected to take on increasing importance in financing infrastructure projects. IDA too can provide guarantees but has not yet done so. IBRD and IDA lending also can be used by governments to finance equity, guarantees, and other forms of financial support.

IBRD loans. IBRD makes loans on favorable market terms, at interest rates close to those available to AAA-rated borrowers. IBRD can provide loans under two structures:

- IBRD can lend directly to PowerCo, but, as required by IBRD's Articles of Agreement, the loan must be guaranteed by the host





FIGURE 3 IBRD PARTIAL RISK GUARANTEE

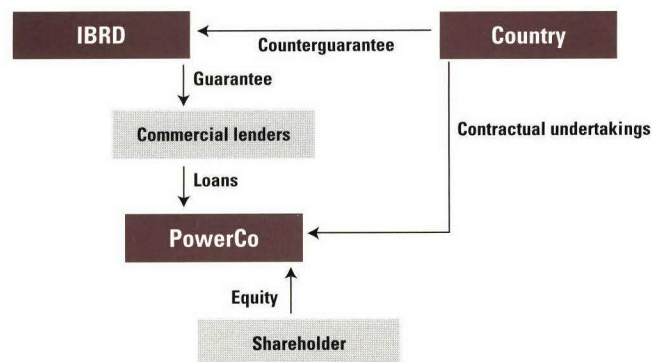


FIGURE 4 IBRD LOAN FOR A PROJECT IN AN IDA-ONLY COUNTRY

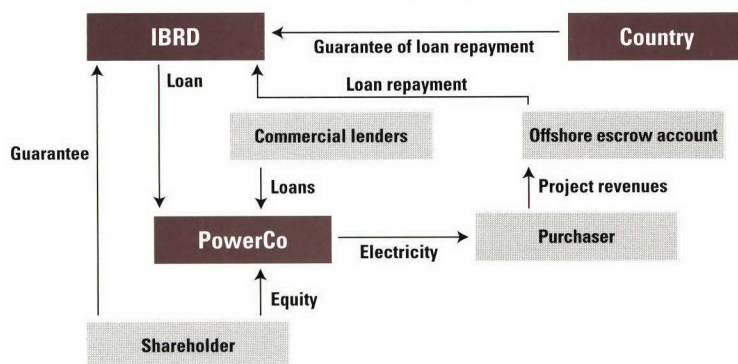
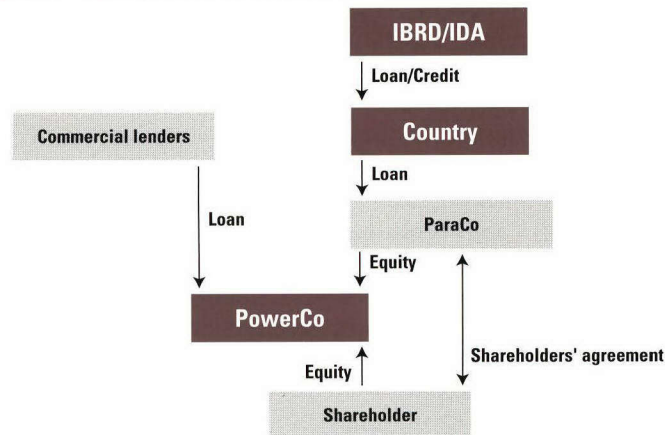


FIGURE 5 IBRD OR IDA LENDING TO FINANCE EQUITY



country. This structure involves two basic agreements: a loan agreement between IBRD and PowerCo and a guarantee from the host country to IBRD (figure 1). The structure was used in the Nigeria Oso Condensate Field Development Project (1991), in which IBRD provided a US\$220 million loan, guaranteed by the government, to Nigeria's oil parastatal to finance the development of the Oso petroleum fields.

- Alternatively, IBRD can provide a loan to the host country, which can then on-lend the funds to PowerCo. This structure involves a loan agreement between IBRD and the host country and a subsidiary loan agreement between the host country and PowerCo. It also typically involves a project agreement establishing a direct contractual relationship between IBRD and the company implementing the project—in this case, PowerCo—regarding project implementation (figure 2).

IBRD guarantees. IBRD offers two types of guarantee for private lenders: a *partial risk guarantee* protecting lenders against payment defaults arising from breaches of sovereign contractual undertakings to a project, and a *partial credit guarantee* covering certain debt service payments against all risks—typically for later maturities. In accordance with IBRD's Articles of Agreement, all its guarantees must be counter-guaranteed by the host country.

A structure in which IBRD provides support for the PowerCo project through a partial risk guarantee would involve the following (figure 3):

- Loans by commercial lenders.
- Host country contractual undertakings to PowerCo to support the project.
- An IBRD partial risk guarantee covering the loans against PowerCo debt service defaults arising from host country breaches of contract.
- A host country counter-guarantee to IBRD.

A project involving such a partial risk guarantee is the Pakistan Uch Power Project (1996), a private sector independent power producer project. Pakistan has undertaken to make compensatory payments to the Uch power company in the event of such specified contractual defaults as a failure by its petroleum parastatal to supply gas to the project or by its power utility to purchase the electricity generated. The US\$75 million IBRD guarantee protects lenders to the Uch power company against debt service defaults resulting from the government's breach of this obligation, and Pakistan has provided a counter-guarantee to IBRD.

Alternatively, IBRD could provide a partial credit guarantee to the commercial lenders to protect them against default by PowerCo on debt service payments, for example, beginning with the tenth year on fifteen-year PowerCo bonds. This

structure would involve the same basic agreements as the partial risk guarantee, but would not require contractual undertakings from the host country to PowerCo. A US\$50 million partial credit guarantee was issued in the China Ertan Power Project (1995) covering the later maturities of commercial loans to finance the expansion of a public sector hydroelectric power plant.

IBRD financing in IDA-only countries for enclave projects. IBRD financing generally is not available for projects in poorer developing countries not considered creditworthy enough to pay IBRD's market lending rates and thus eligible only for concessional IDA lending (referred to as IDA-only countries). But in a few cases IBRD has provided loans for discrete projects in IDA-only countries that generate substantial foreign exchange revenues (referred to as enclave projects). In addition to the structural elements of an IBRD loan, these projects typically include an offshore escrow account for debt service payments and a guarantee to IBRD from a creditworthy third party, such as the project's private shareholders (figure 4). Enclave projects could also be eligible for an IBRD guarantee.

IDA credits. IDA lends on highly concessional terms, with maturities of thirty-five to forty years and a 0.75 percent interest rate. In part to reflect this concessional character, IDA loans are referred to as credits. IDA always provides credits to the country, which can then on-lend the funds to the project company. An IDA credit to support the PowerCo project would involve the following basic agreements: a credit agreement between IDA and the host country, a subsidiary loan agreement between the host country and PowerCo, and, typically, a project agreement between PowerCo and IDA (see figure 2). This structure was used in the Ghana Thermal Power Project (1995). In that project IDA provided a US\$170 million credit to Ghana, which on-lent the funds to its parastatal power producer to finance construction of a thermal power plant.

Financing equity. Neither IBRD nor IDA makes equity investments, but they can provide loans or credits to a country to finance its equity investment, or the investment of a parastatal, in the project company. In the PowerCo project, the host country could obtain an IBRD loan or an IDA credit to finance the equity stake of its parastatal power company, ParaCo, in a Power-

FIGURE 6 IBRD OR IDA LENDING FOR A GOVERNMENT FACILITY

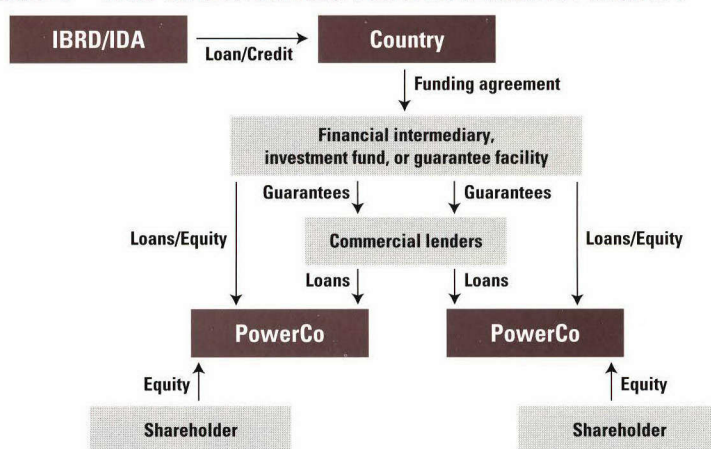
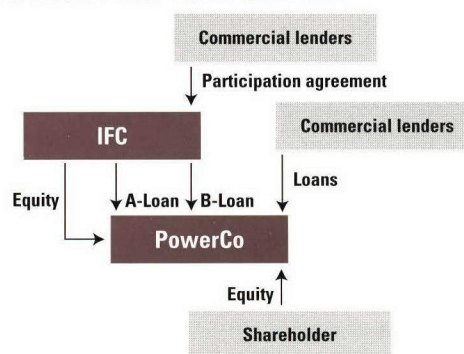
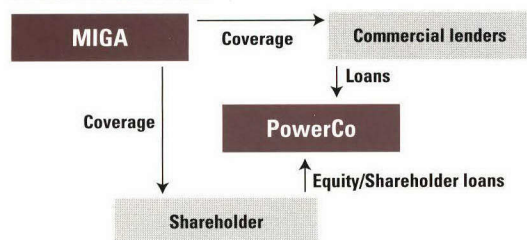
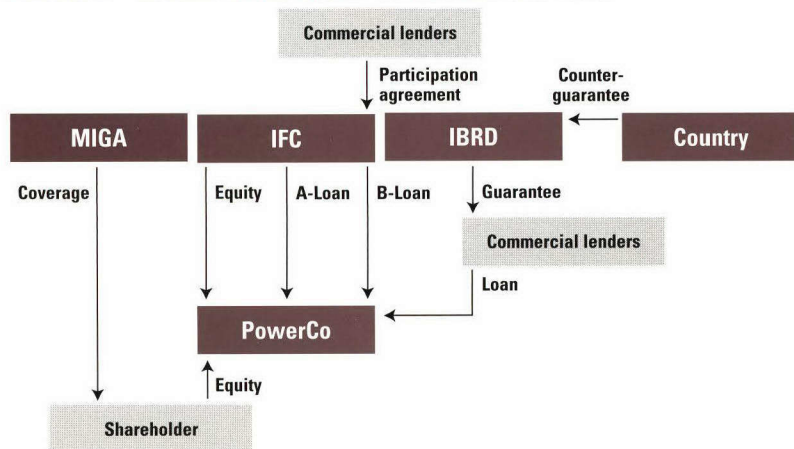


FIGURE 7 IFC EQUITY AND LOAN SUPPORT



Co joint venture. This structure could involve a loan agreement between IBRD and the host country, a subsidiary loan agreement between the host country and ParaCo, and a shareholders' equity contribution agreement relating to ParaCo's investment in PowerCo (figure 5).

Financing guarantees and debt refinancing. IBRD can also provide a loan—and IDA a credit—to a country to finance a guarantee issued by or at the behest of the government. For example, a loan or credit to a country could finance a loan guarantee issued by an independent guarantor mandated by the government (as in the 1995 Moldova Pre-Export Guarantee Facility Project) or provided by a special-purpose facility established by the government (as in the 1994 Argentina Capital Market Development Project). The structure would be similar to the illustration in figure 6. IBRD has also provided a loan to finance a government take-out commitment—that is, an obligation to a project company to refinance the company's debt (in the 1994 Jamaica Rockfort Private Power Project).


FIGURE 8 MIGA INSURANCE

FIGURE 9 WORLD BANK GROUP COMBINED SUPPORT


IFC support for the PowerCo project might involve an equity investment in PowerCo, an A-loan and a syndicated B-loan to PowerCo, and related participation agreements between IFC and the syndicated commercial lenders (figure 7). For a telephone expansion project in Indonesia (1996), IFC provided US\$8 million in equity, US\$25 million in quasi equity, a US\$25 million A-loan, and a US\$300 million B-loan.

MIGA's political risk insurance

MIGA provides political risk insurance under contracts of guarantee for foreign equity and related debt investments. It can issue coverage for war and civil disturbance, expropriation, and currency transfer risks. It can also cover breach of contract where the claimant is denied appropriate judicial or arbitral relief. MIGA provides insurance with no host country counter-guarantee. MIGA insurance for equity and debt investments in PowerCo could include coverage of equity and shareholder loans for PowerCo (and any other loans guaranteed by the shareholders) and coverage of the commercial loans to PowerCo (figure 8). For example, MIGA issued coverage for equity investments and commercial loans provided for a power project in Honduras (1995).

Group support

The organizations of the World Bank Group increasingly work together in providing financial support to the same projects, combining their comparative advantages to catalyze private investment. For the PowerCo project, the Group could provide support through IFC equity and A- and B-loans, MIGA political risk insurance, and an IBRD partial risk guarantee (figure 9). The Pakistan Uch Power Project involved, besides the IBRD partial risk guarantee, an IFC A-loan, an IFC B-loan, and a loan from a government investment facility funded by an IBRD loan.

For a fuller discussion, see Philippe Benoit, *Project Finance at the World Bank* (World Bank Technical Paper 312, Washington, D.C., 1996).

Philippe Benoit, Senior Private Sector Development Specialist, Private Sector Development Department (pbenoit@worldbank.org)

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Financial intermediaries, investment funds, and facilities. IBRD and IDA can lend to a country to finance a financial intermediary or an investment fund or other facility that would provide loans, equity, guarantees, take-out financing, or other financial support for several discrete projects (figure 6). In the Pakistan Private Sector Energy Development Project II (1994), IBRD provided a US\$250 million loan to Pakistan to finance a government-sponsored fund that lends to selected private sector energy projects.

IFC's loans, loan syndication, equity, and quasi equity

IFC provides loans for and makes equity and quasi equity investments in private ventures only. In contrast to the World Bank, IFC provides financing with no direct government guarantees of repayment. Its loans are at market rates. IFC also has an extensive loan syndication program (known as B-loans) under which it extends its lender-of-record umbrella to participating banks, mitigating currency transfer and other political risks for these lenders. B-loans are always coupled with loans funded from IFC's own resources (A-loans).

welcome opportunity to work with W.T.C. - very grateful
you are the one you are playing

- with the enormous economic impact you have
with 10% of work force and 3.7 trillion you are 1% of country
a major player - and we interest in many areas

- our last is to stimulate growth - build development

- 4.7 Bill - 2020 8 Bill -

- you are 2nd in number of people to participate - we deal
with it -

- in a way you need us - and we need you -
National Institute - H.E. encouraging agriculture
development - working with W.T.C. -

Let me tell you something about the other things -
we are in progress to launch projects - we have not always
found the way but we would learn.

MIGA.

IFC and the Bank -

But I think we can create environment for you

Health - Education - Industrial system -

+ Environment - Agenda 21 - Green Paper

to Family - more - more attention.

- we should look more into it -

- see 15c. bills to house our units -
Hypack to Hungary - Kansas to Jordan -

but are ready and anxious to work with you -

lay out structure 200 Bill for next 10 yrs

- 25 million



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James D. Wolfensohn
Remarks to the World Tourism and Travel Council
Friday April 18th 1997
Willard Hotel

Introduction and Thanks

- Geoffrey Lipman
- Harvey Golub

- One can hardly pick up a magazine these days without seeing something from the WTTC (see last week's Economist ad attached). Congratulations on becoming such a vital, private-sector-led organization within the space of a very few years and on the role you are playing in creating a vision for the sustainable development of the travel and tourism industry into the next century. (Green Globe Initiative, and WTTC's commitment to applying the principles of Agenda 21 to the Travel and Tourism industry.

Travel and tourism inextricably linked to sustainable development

- Not here to tell you how important tourism is to economies around the world. You already know that better than I.

- What I do want to reiterate is that travel and tourism are inextricably linked to sustainable development. With capital investment of more than \$750 billion a year and forecast to double to \$1.6 trillion in the coming decade it is clearly a sector that commands our attention.

- Want to confirm that the World Bank Group recognizes the importance of the sector as an economic activity and the role it plays in providing jobs at all levels of the workforce, particularly in developing countries - not just in tourism itself but in all of the upstream and downstream suppliers and services, including retailing manufacturing, and agriculture.

Role of the World Bank Group

- But the bottom line is that it's not our job to be financing every Hilton hotel and thereby taking the place of the private sector. But it is our job, and an increasingly important one, to venture into areas and countries where the private sector isn't going. In that regard, over the last 25 years or so, the IFC has provided equity and debt financing for tourism sector projects in the amount of approximately \$1bn, facilitating investment of an estimated four times that amount, i.e., \$4bn. Projects located in 50 different countries - from Dominica to Poland, from Tanzania to Vietnam.

- And increasingly it is also our job to work with governments to create a climate conducive to private sector investment. And in that regard, MIGA, has provided political risk insurance of more than \$35m for tourism sector projects, facilitating a much larger amount of foreign direct investment. (MIGA now has approx. 100 active applications for prospective investments in tourism projects in some 25 countries).
- It's true that, in recent years, the IBRD itself has not had a strong role in directly facilitating development of the tourism sector. However, if one looks at tourism more broadly the Bank is currently involved in a number of important areas:

Direct Tourism Infrastructure Projects

- FY93, Bank approved a loan to support tourist infrastructure and environmental management in Red Sea Area of Egypt
- Ghana: Tourism Development Masterplan Project: Capacity Building
- Kenya: Wildlife and Tourism Project, Wildlife Services Project to rehabilitate park and reserve infrastructure
- Comoros - Infrastructure and Environment Project
- Gambia: Tourism Infrastructure Project

Infrastructure Projects Indirectly Benefiting Tourism

- Bali Urban Infrastructure Project
- Peru: Coastal Waste Water Treatment and Pollution control - \$100 million
- Croatia: Project to improve water supply and sewage treatment in the Istria region partly to accommodate tourism.

Cultural Heritage

- St. Petersburg City Center Rehabilitation Project - \$31 million
- other cultural heritage/ restoration projects are being considered in Sanaa, Yemen, Vilnius, Lithuania, Medina of Tunis, Samarkand, Uzbekistan and other cities with a strong tourism component

Environment

- Turkey: project to restore coastal environmental damage for improved tourism
- Venezuela: National Parks Management project
- Russia: Ecotourism Development for Lake Baikal
- Ghana: Guidelines for National Ecotourism planning and Strategy Development.
- Ghana, Mozambique, Albania: Coastal zone management
- Research on the economics of nature based tourism development

Paving the way for private investment.....

- And increasingly the Bank has a role to play, not only in providing funding for airports, roads, ports, and telecommunications in large areas of the developing world, but in paving the way for private sector investment.

For example, vital importance of infrastructure, both to development and to tourism...

- Estimates are that developing countries will need to invest \$200 billion a year for the next 10 years--\$2 trillion by 2005--in basic infrastructure. In the 1990s, capital market finance for infrastructure has grown enormously--increasing some eightfold to around US\$22 billion in 1995.

But the picture is very mixed.....

- Latin America, East and South Asia (and Europe and Central Asia recently) have all experienced fast growing private sector financing.
- In 1995, East Asia raised almost \$14 billion through international loans, bonds and equity issues; by contrast private sector borrowers are virtually absent from the Middle East, North and Sub-Saharan Africa - \$370 million in the Middle East and North Africa, and \$396 million in Sub Saharan Africa respectively.
- The Bank Group has a pivotal role in acting as a catalyst for private sector investment and is developing a range of instruments to provide financing for private sector involvement in infrastructure. (If people are interested in these, we'll leave copies of a 4 page flier at the back of the room - WTTC not the only people to be in the business of advertising.)

But for the very reason that tourism *is* so tied to development, it may be time to re-examine the Bank's role in tourism

- Bank should seek to become a greater facilitator of the development of the tourism sector, not by taking on the role of the private sector but by creating the conditions necessary for the private sector to enter, particularly in the least developed countries.

A new trans-sectoral approach.....

- I think we should be looking at a new, trans-sectoral approach and one that would include joining forces with other donor agencies and international organizations as well as with industry-led groups such as WTTC.

- Areas on which we might focus would include new kinds of instruments such as venture capital funds, and lines of credit for related sectors
- The Bank can also play a stronger role in integrating tourism into country assistance strategies so that it will be an integral part of our project work in client countries that seek assistance with developing the tourism sector.

But at the end of the day we all need to recognize that this is about much more than building hotels, or roads or improving telecommunications.

- Growing income differentials in some societies combined with rapid urbanization and increasing poverty threaten social stability. They also impact on tourism and particularly business travel.
- In 1960, less than one quarter of the developing world's population lived in cities, by 2020 it is estimated that over half will be urbanized, with 33 megacities with populations of 8 million or more, and with over a billion urban poor, more than double the figure today.
- In city after city, urban poverty is exacerbating violence. Latin America today has a crime rate about double that in the US.
- We estimate, for example that violence in Colombia since the late 1980s is costing Colombia about 2 percentage points annually in the rate of growth of GDP.
- Take Peru, where the cumulative effect of terrorist activity during the 1980's was an absolute loss of about 20% of net income.
- Or take Jamaica. Social instability and violence affect all of you here in this room because they discourage hotel construction and have led to a stagnation of the tourism industry in Jamaica. They affect us at the Bank, not only because of the overall effect on economic activity and growth, but because in some areas the violence is now so great that in one town we are told 30% of the girls are too frightened to go to school.

Urgent need for public/private partnerships,.....

- Not only to ensure that tourism and travel are done in an environmentally sustainable way, but that poverty, violence and social instability can be addressed. And that means looking not only at issues of ecotourism, but at partnerships to help invest in social capital, rebuild local communities, foster urban regeneration and ensure that the benefits of development are spread as widely as possible.
- Why?

- Because, over the last 10 years, more than half of the world's low-income countries have experienced conflict, and the number of refugees has doubled. And the gap between the richest 20% of the world's population and the poorest 20% far from narrowing has widened. Those kind of developments not only threaten tourism and business travel, they ultimately threaten global stability and peace.
- And that theme of partnerships brings me to what we are trying to do at the Bank.....
- Changing world; renewal program and the Compact.....

C. Anstey
4/15/97



Prime Minister
John Howard,
Australia.



Prime Minister
Jean Chrétien,
Canada.



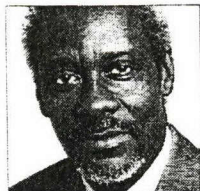
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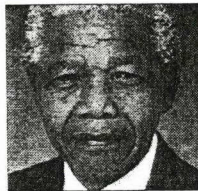
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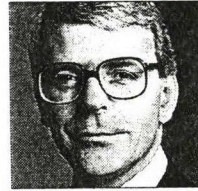
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The range of jobs

Travel & Tourism creates jobs not only in its own sector, like airlines, hotels, cruise ships and car rental companies. A whole range of other industries, including construction, agriculture, financial services, manufacturing, retailing and telecommunications rely on Travel & Tourism demand for their well being.

Travel & Tourism generates jobs across the employment spectrum, from high-tech managerial posts to entry-level and shop-floor jobs. Wages are equal to or above the industrial norm and the sector provides excellent career potential and training.

Characteristics which will make Travel & Tourism the leading job creator of the 21st Century include its high flow-through effect across the economy; the ease with which new investment and promotion creates jobs; the higher employment potential and range of jobs than industry generally and the predominance of jobs in small- and medium-size enterprises.

The World Travel & Tourism Council (WTTC) is a global coalition of 89 Chief Executive Officers from all sectors of the Travel & Tourism industry, including accommodation, catering, cruises, entertainment, recreation, transportation and travel-related services. Its central goal is to work with governments to realise the full economic impact of the world's largest generator of wealth and jobs - Travel & Tourism.

TRAVEL & TOURISM

Creating Jobs



For more information contact:

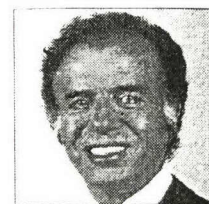
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<http://www.wttc.org>

What have all these world leaders got in common...?

...They've all identified Travel & Tourism as a strategic economic and employment priority for the 21st Century.

Travel & Tourism is expected to create employment for 262 million people, or 10.5% of the global workforce this year, growing to 383 million people by 2007. A gain of 121 million jobs – or 1 new job every 2.4 seconds.



President
Carlos S. Menem,
Argentina.



President
Soeharto,
Indonesia.



Prime Minister
Antonio Guterres,
Portugal.

How many jobs?

This year 262 million people around the globe are employed in jobs which exist because of demand generated by Travel & Tourism.

Travel & Tourism demand will generate 10.5% of global employment in 1997 and this will grow by more than 40% over the next decade, adding more than 120 million new jobs across the economy.

WTTC, through its "Millennium Vision", has identified key public-private sector objectives to capitalise on the enormous job-creation potential of Travel & Tourism. They are:

- Making Travel & Tourism a strategic economic and employment priority.
- Moving towards open and competitive markets.
- Pursuing sustainable development and
- Eliminating barriers to growth.

Economic Contribution

This year Travel & Tourism will drive:-

- US\$3.3 trillion of GDP – 10.7% of the global economy.
- US\$2.1 trillion of consumer spending – 10.9% of all private consumption.
- US\$801 billion of capital investment – 11.7% of total investment.

Projections for the year 2007 show:-

- Travel & Tourism's GDP contribution expected to increase by some 43% in real terms to US\$6.3 trillion – 10.9% of the total economy.
- Consumer spending growing more than 41% to US\$4.0 trillion – 11.2% of private consumption and
- Capital investment expected to rise at over 55% to US\$1.6 trillion – 11.8% of total investment.

All figures, which are in real terms, are based on WTTC/WEFA research.

Economist April 12-19th

AGENDA 21 FOR THE TRAVEL & TOURISM INDUSTRY

Towards Environmentally Sustainable Development



Agenda 21 is a comprehensive programme of action adopted by 182 governments at the United Nations Conference on Environment and Development (UNCED), the Earth Summit, on 14 June 1992. The first document of its kind to achieve international consensus, Agenda 21 provides a blueprint for securing the sustainable future of the planet, from now into the twenty-first century. It identifies the environment and development issues which threaten to bring about economic and ecological catastrophe and presents a strategy for transition to more sustainable development practices.

The Travel & Tourism industry has a vested interest in protecting the natural and cultural resources which are the core of its business. It also has the means to do so. As the world's largest industry, it has the potential to bring about sustainable development of the communities and countries in which it operates. Concerned action from governments and all sectors of the industry will be needed in order to realize this potential and to secure long-term future development.

Since the Rio Earth Summit in 1992, three key international organizations, the World Travel & Tourism Council (WTTC), the World Tourism Organization and the Earth Council, have joined together to produce a report, **"Agenda 21 for the Travel & Tourism Industry: Towards Environmentally Sustainable Development"**, which translates Agenda 21 into a programme of action for Travel & Tourism.

The frame work for sustainable development to be established by the Travel & Tourism industry should be based on the Rio Declaration on Environment and Development, from which the following guiding principles flow:

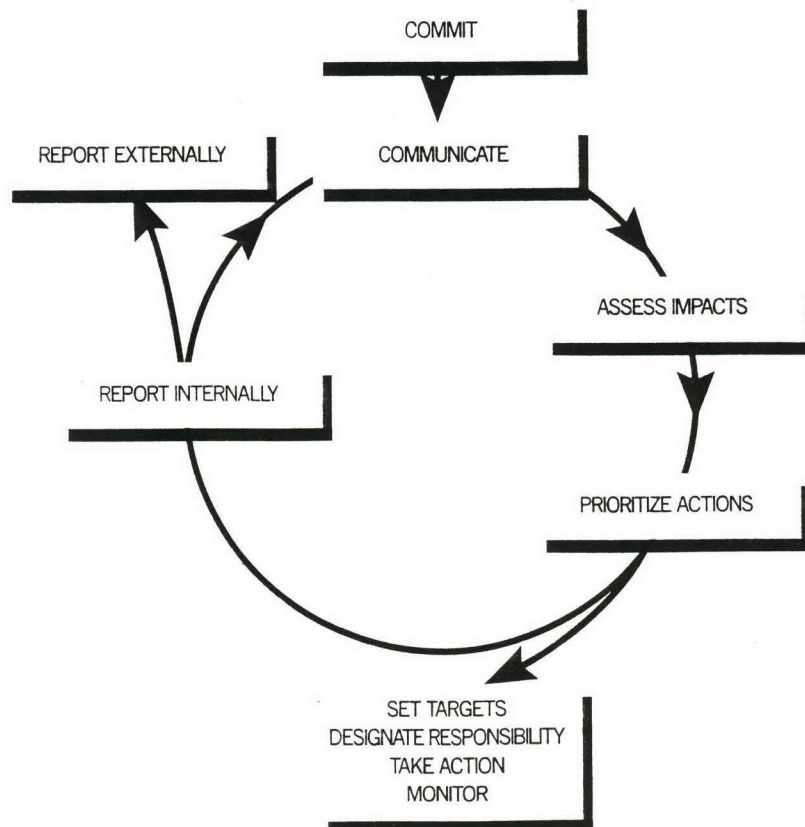
- Travel & Tourism should assist people in leading healthy and productive lives in harmony with nature
- Travel & Tourism should contribute to the conservation, protection and restoration of the earth's ecosystem
- Travel & Tourism should be based upon sustainable patterns of production and consumption
- nations should cooperate to promote an open economic system, in which international trade in Travel & Tourism services can take place on a sustainable basis
- Travel & Tourism, peace, development and environmental protection are interdependent
- protectionism in trade in Travel & Tourism services should be halted or reversed
- environmental protection should constitute an integral part of the tourism development process
- tourism development issues should be handled with the participation of concerned citizens, with planning decisions being adopted at local level
- nations shall warn one another of natural disasters that could affect tourists or tourist areas
- Travel & Tourism should use its capacity to create employment for women and indigenous peoples to the fullest extent
- tourism development should recognize and support the identity, culture, and interests of indigenous peoples
- international laws protecting the environment should be respected by the Travel & Tourism industry.

"Agenda 21 for the Travel & Tourism Industry: Towards Environmentally Sustainable Development" addresses Travel & Tourism companies, government departments with responsibility for Travel & Tourism, national tourism administrations (NTAs), and representative trade organizations. Priority areas for action are given in the report, with defined objectives and suggested steps which can be taken to achieve the objectives outlined. The document emphasizes the importance of the partnerships between government, industry and other organizations, analyses the strategic and economic importance of Travel & Tourism and demonstrates the enormous benefits in making the whole industry sustainable, rather than simply focusing on 'ecotourism'.

For government departments, NTAs, and representative trade organizations, the overriding aim is to establish systems and procedures to incorporate sustainable development considerations at the core of the decision-making process and to identify actions necessary to bring sustainable tourism development into being. The nine priority areas for action are:

- (i) assessing the capacity of the existing regulatory, economic and voluntary framework to bring about sustainable tourism
- (ii) assessing the economic, social, cultural, and environmental implications of the organization's operations
- (iii) training, education, and public awareness
- (iv) planning for sustainable tourism development
- (v) facilitating exchange of information, skills and technology relating to sustainable tourism between development and developing countries
- (vi) providing for the participation of all sectors of society
- (vii) design of new tourism products with sustainability at their core, an integral part of the tourism development process
- (viii) measuring progress in achieving sustainable development at local level
- (ix) partnerships for sustainable development.

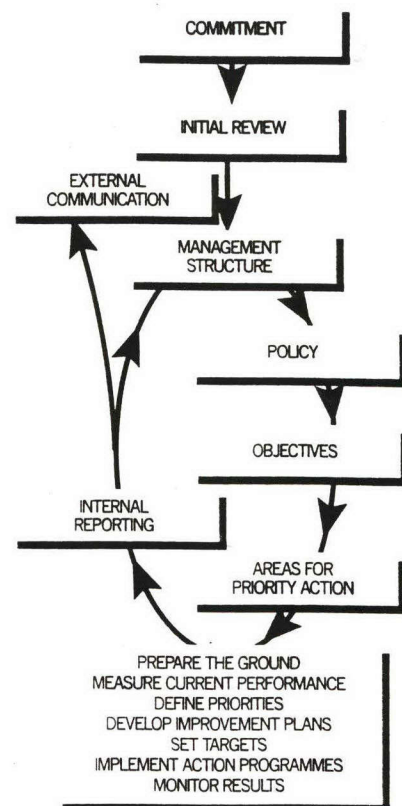
Figure 1. Developing a sustainable tourism programme



For Travel & Tourism companies, the main aim is to establish systems and procedures to incorporate sustainable development issues as a part of the core management function and to identify actions needed to bring sustainable tourism into being. The ten priority areas for action are:

- (i) waste minimization, reuse and recycling
- (ii) energy efficiency, conservation and management
- (iii) management of fresh water resources
- (iv) waste water management
- (v) hazardous substances
- (vi) transport
- (vii) land-use planning and management
- (viii) involving staff, customers, communities in environmental issues
- (ix) design for sustainability
- (x) partnerships for sustainable development

Figure 2. Setting up an environmental management system



The challenge of achieving the aims laid out in "Agenda 21 for the Travel & Tourism Industry: Towards Environmentally Sustainable Development" is not underestimated. It will require fundamental reorientation. However, the cost of inaction will far outweigh those of action. In the short term, damage to the industry's resources will continue and businesses may face increasing regulatory or economic penalties - particularly in the wake of the United Nations follow-up to the Rio process. In the long term, Travel & Tourism's future development will depend on the actions taken now in support of Agenda 21.

"Tourism growth is one of the greatest success stories of our times but, in recent years, there have been increasing warning signs: the over-saturation and deterioration of some destinations, the overwhelming of some cultures, bottlenecks in transport facilities, and a growing resentment by residents in some destinations. The Earth Summit forced us all to realize that we are depleting our resources much faster than they can recover. A good deal of our Travel & Tourism activity relies on these fragile natural or cultural resources, so it is in our interests to protect them for the future. We need to recognize that there are limits to the number of visitors in one place at one time, limits to the patience and welcome of our hosts, and limits to the numbers who can visit natural resources. We can no longer assume that all demand can be met by unrestricted growth. To preserve means to plan carefully and then to take the hard policy decisions to implement these plans. Travel & Tourism will inevitably continue to increase. Meeting this growth in a responsible, sustainable way, that preserves and enhances the beauty of the attraction, is the challenge we all face."

Antonio Enríquez Savignac, Secretary-General, World Tourism Organization.

"As Chairman of the Earth Council, a global non-governmental organization that was formed in response to the Earth Summit to follow up on implementation of Agenda 21 and the Rio agreements, I am a strong supporter of the Travel & Tourism industry's important initiative to define a set of concrete proposals for actions, whereby the diverse sectors of the industry can contribute to a better, more equitable and sustainable world. There are so many ways in which Travel & Tourism can help to bring about a better future for us all. The overriding concern for the industry must be to seek out ways to enhance rather than degrade its core product, the environment, upon which all of humanity must depend for survival. In this regard, the challenge will be to give priority to actions that simultaneously improve the environment while fostering both economic and social development."

Maurice F. Strong, Chairman, The Earth Council.

"A key conclusion of the 1992 Rio Earth Summit was the importance of harnessing the entrepreneurial drive of the private sector in the cause of environmentally compatible development. Here, Travel & Tourism has a primary business as well as a moral interest. The environment is our core asset, the key component of product quality and an increasing priority for our consumers. Following in the spirit of the Rio Earth Summit, WTTC has joined with the World Tourism Organization and the Earth Council to take a strategic look at the implications of Agenda 21 for the Travel & Tourism Industry. This analysis has been undertaken by the WTTERC and we are committed to its implementation."

Geoffrey H. Lipman, President, WTTC.

Copies of the report "Agenda 21 for the Travel & Tourism Industry - Towards Environmentally Sustainable Development" are available from WTTC's London Office (see contact details below). Our sincere thanks to Inter-Continental Hotels & Resorts for sponsoring the publication of the report.

The World Travel & Tourism Council (WTTC) is a global coalition of 75 Chief Executive Officers from all sectors of the Travel & Tourism industry, including accommodation, catering, entertainment, recreation, transportation and travel-related services. Its goals are to convince governments of the strategic and economic importance of Travel & Tourism, to promote environmentally compatible development and to eliminate barriers to growth of the industry.

For further information and / or a copy of the report "Agenda 21 for the Travel & Tourism Industry: Towards Environmentally Sustainable Development" please photocopy and return the following form via post or fax to WTTC at the address given below:

Name:

Title:

Organization:

Address:

Tel: Fax: E-Mail:



WTTC, 20 Grosvenor Place, London SW1X 7TT, United Kingdom
Tel: +44 171 222 1955. Fax +44 171 222 4983. E-mail via CompuServe 100421,702



WHY GREEN GLOBE?

A clean healthy environment is essential to future development - it is the core of the Travel & Tourism product. Increasing numbers of consumers are becoming more environmentally conscious and environmental practices will, inevitably, become a key factor influencing Travel & Tourism purchases. Good environmental practice is not only morally right, but makes sound business sense and can lead to significant cost savings. In the spirit of the Earth Summit, GREEN GLOBE is a coordinated approach to building an environmental ethic into all aspects of Travel & Tourism.

WHAT ARE THE BENEFITS?

GREEN GLOBE is unique - drawing on the experience of three specialist organizations, to provide support tailored to specific company needs. Membership benefits include a range of GREEN GLOBE services, promotional advantages and annual awards highlighting achievement.

- **Support Services:** GREEN GLOBE's range of practical member support services includes: training, education and information materials, incorporating a series of self-help GREEN GLOBE guides focusing on both operational issues and corporate policy matters; a global database, examples of best practice, evolving environmental trends and cost-saving techniques through the World Travel & Tourism Council's Environment Research Centre (WTTERC); a global network of specialist advisors providing on-line and on-site help through Green Flag International (GFI) - an environmental advisory service organization for Travel & Tourism.

Support Services

- Telephone/fax helpline and information service, as well as electronic data access.
 - Training, education and information materials, including a series of GREEN GLOBE guides.
 - A global network of environmental/business advisors offering practical on-line and on-site help.
 - Examples of best environmental practice, outstanding progress and achievement.
 - Annual surveys and regular feedback on company self-assessments.
 - A GREEN GLOBE members' directory.
 - Extended support services.
-
- **The GREEN GLOBE Logo:** The program is identified by a GREEN GLOBE logo as a universal symbol of corporate/industry environmental commitment. The logo will be promoted worldwide. Members are encouraged to use it in their corporate advertising and branding to gain market and industry recognition of their environmental awareness. A global public relations campaign, coordinated by Shandwick, an international PR agency network, will promote GREEN GLOBE and help raise awareness.
 - **Achievement Awards:** Members will be eligible for the GREEN GLOBE Achievement Awards which are an integral part of the program. These will be presented annually for outstanding examples of environmental commitment, best practice and progress. The winners will be selected by an Awards Committee of eminent business and environmental leaders.

HOW DOES IT WORK?

- Travel & Tourism companies can participate in GREEN GLOBE by declaring their commitment to environmental improvement, based on WTTC's Environmental Guidelines or industry equivalent, accepting the conditions of the program and paying an annual fee.
- Corporate Membership is open to any company or group of companies where the central management is responsible for overall environmental policy and standards. Corporate members have a single point of contact and communication with the GREEN GLOBE Office.
- Affiliate Membership is for subsidiaries or operating units with their own environmental management and a need for direct access to GREEN GLOBE services.

1994 Program Fees

Corporate Membership

- US\$ 200 p.a. for companies with less than US\$ 1 million turnover
- US\$ 500 p.a. for companies with US\$ 1-5 million turnover
- US\$ 2500 p.a. for companies with US\$ 6-30 million turnover
- US\$ 7500 p.a. for companies with more than US\$ 30 million turnover

Affiliate Membership

- US\$ 200 p.a. per affiliate

Any surpluses will be used to fund Travel & Tourism environmental programs, including those of the Earth Council.

- Membership is renewable each year, subject to continuing commitment and action. Where there is no continuing active commitment or implementation, after appropriate consultation, GREEN GLOBE membership will not be renewed.
- The activities of the partner organizations and all matters related to membership are coordinated by WTTC through its GREEN GLOBE Office in London and overseen by GREEN GLOBE's Board of Directors composed of industry and environmental leaders: (Chairman) James D. Robinson III - J.D. Robinson Inc.; Jorie Butler Kent - Friends of Conservation; Robert DeMone - Canadian Pacific Hotels; Geoffrey H. Lipman - WTTC; Sir Colin Marshall - British Airways plc; Wolfgang Momberger - Karstadt AG; Maurice Strong - Earth Council; Stephen Wheatcroft - Aviation & Tourism International; Shuichiro Yamanouchi - East Japan Railway Company; Robert Burns (ex officio) - RHB Holdings Ltd.
- For further details please contact the GREEN GLOBE Office:

GREEN GLOBE Office.
4 Suffolk Place
London SW1Y 4BS, U.K.
Tel: +44 (0)71 930 8333
Fax: +44 (0)71 930 7779

WTTC ENVIRONMENTAL GUIDELINES

A clean, healthy environment is essential to future growth - it is the core of the Travel & Tourism product. The WTTC commends these guidelines to Travel & Tourism companies and to governments and asks that they be taken into account in policy formation:

- Travel & Tourism companies should state their commitment to environmentally compatible development.
- Targets for improvements should be established and monitored.
- Environmental commitment should be company-wide.
- Education and research into improved environmental programs should be encouraged.
- Travel & Tourism companies should seek to implement sound environmental principles through self-regulation, recognizing that national and international regulation may be inevitable and that preparation is vital.

Environmental improvement programs should be systematic and comprehensive. They should aim to:

- Identify and continue to reduce environmental impact, paying particular attention to new projects.
- Pay due regard to environmental concern in design, planning, construction and implementation.
- Be sensitive to conservation of environmentally protected or threatened areas, species and scenic aesthetics, achieving landscape enhancement where possible.
- Practice energy conservation.
- Reduce and recycle waste.
- Practice fresh-water management and control sewage disposal.
- Control and diminish air emissions and pollutants.
- Monitor, control and reduce noise levels.
- Control and reduce environmentally unfriendly products, such as asbestos, CFCs, pesticides and toxic, corrosive, infectious, explosive or flammable materials.
- Respect and support historic or religious objects and sites.
- Exercise due regard for the interests of local populations, including their history, traditions, culture and future development.
- Consider environmental issues as a key factor in the overall development of Travel & Tourism destinations.

These guidelines have been prepared taking into account the International Chamber of Commerce (ICC) Business Charter for Sustainable Development.



The World Travel & Tourism Council (WTTC) is a global coalition of 70 Chief Executive Officers from all sectors of the Travel & Tourism industry, including accommodation, catering, recreation, transportation and travel-related services. Its goals are to convince governments of the economic and strategic importance of Travel & Tourism, to promote environmentally compatible development and to eliminate barriers to growth of the industry.

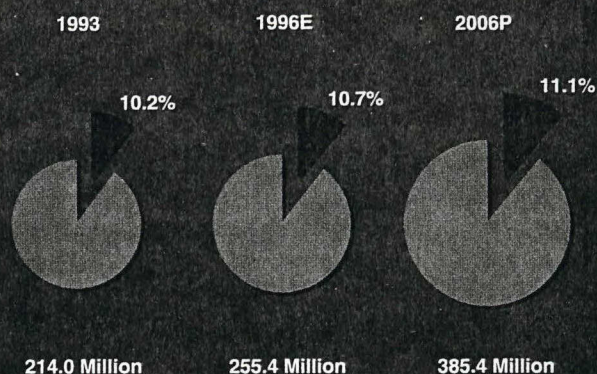


Travel & Tourism's Economic Impact 1996/2006



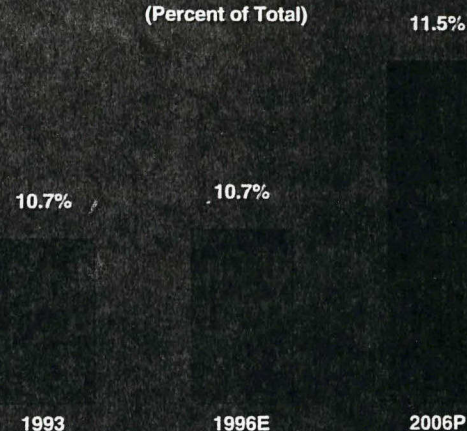
A Special Report from the World Travel & Tourism Council

**Travel & Tourism's Economic Impact - Employment
World
(Millions and Percent of Total)**



Expecting to add 130 million jobs by 2006, Travel & Tourism will create 1 new job across the economy every 2.4 seconds.

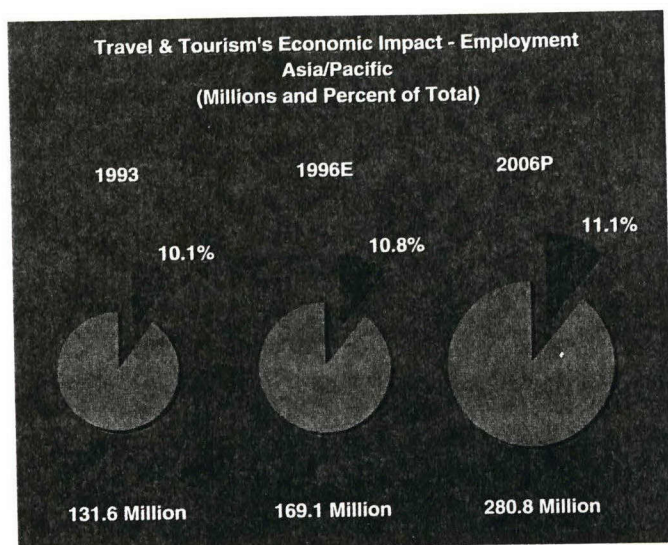
**Travel & Tourism's Economic Impact - GDP
World
(Percent of Total)**



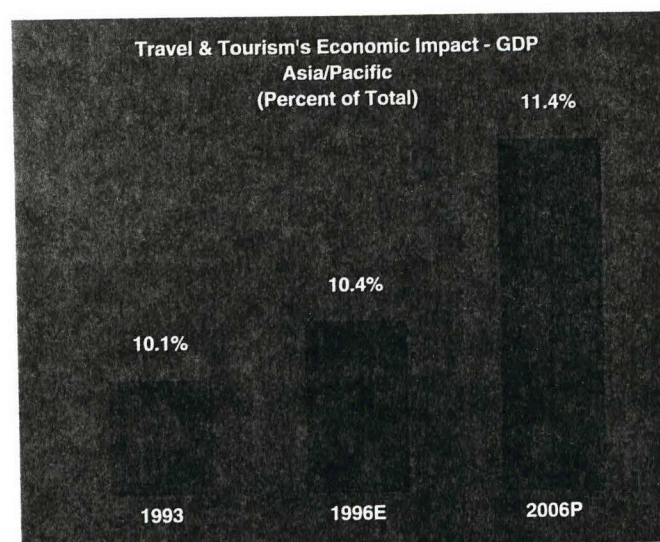
Travel & Tourism is expected to generate \$3.6 trillion of gross output and 10.7% of GDP worldwide in 1996.

Travel & Tourism's Economic Impact World Estimates

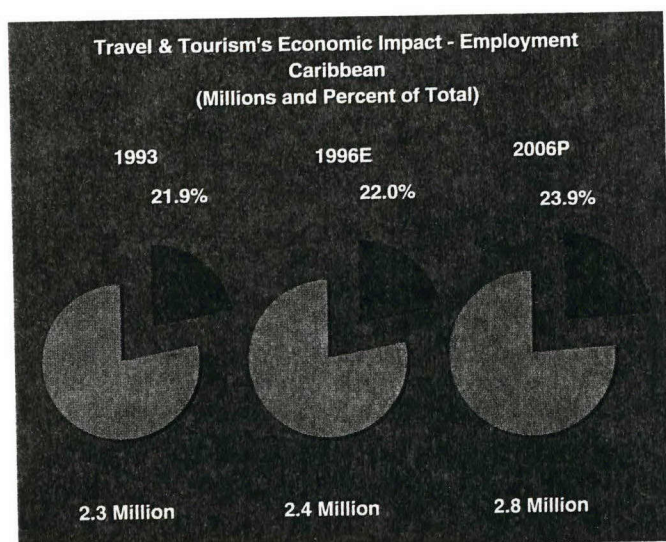
	1996	2006	Real Growth
Jobs	255 Million	385 Million	50.1%
Jobs (Pct of Total)	10.7%	11.1%	--
Output	\$3.6 Trillion	\$7.1 Trillion	48.7%
Gross Domestic Product	10.7%	11.5%	49.6%
Investment	\$766 Billion	\$1.6 Trillion	57.3%
Exports	\$761 Billion	\$1.5 Trillion	51.2%
Total Taxes	\$653 Billion	\$1.3 Trillion	49.6%



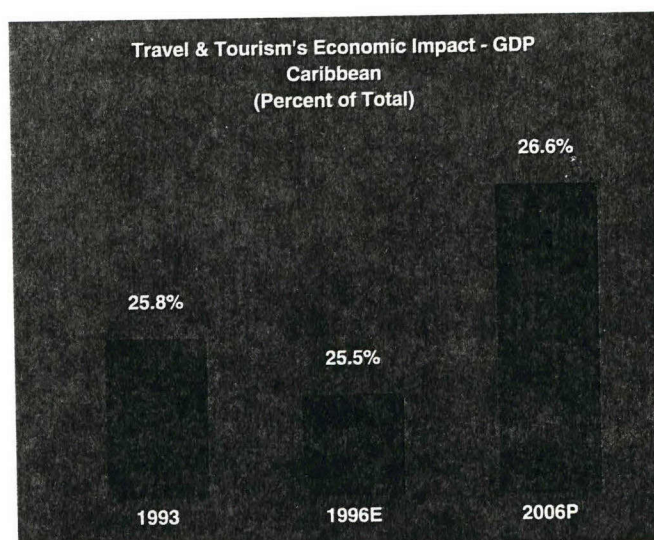
Expecting to add 111.7 million jobs by 2006, Asia/Pacific Travel & Tourism will create 1 new job across the economy every 2.8 seconds.



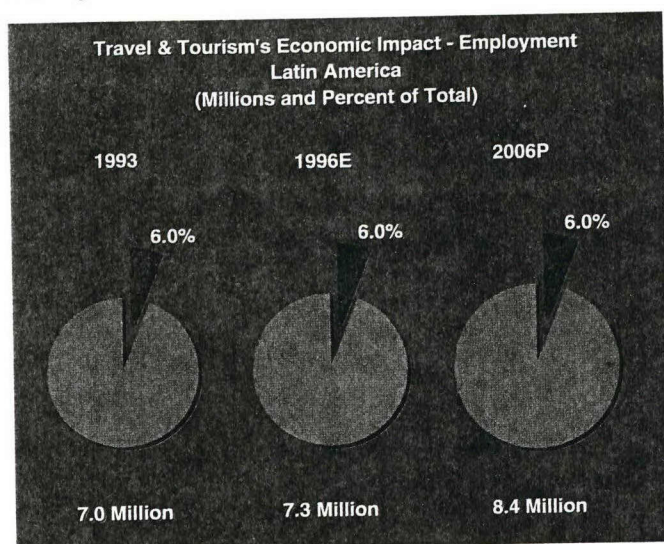
Asia/Pacific Travel & Tourism is expected to generate \$944 billion of gross output and 10.4% of GDP in 1996.



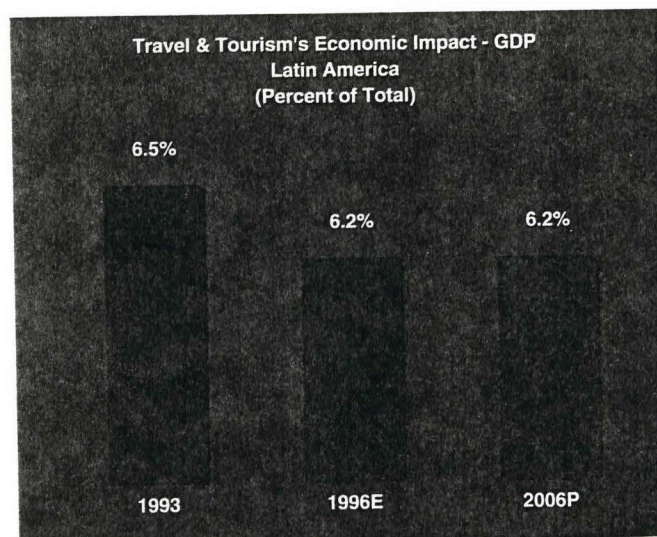
Expecting to add 461,000 jobs by 2006, Caribbean Travel & Tourism will create 126 new jobs across the economy every day.



Caribbean Travel & Tourism is expected to generate \$25 billion of gross output and 25.5% of GDP in 1996.



Expecting to add 1.1 million jobs by 2006, Latin America Travel & Tourism will create



Latin America Travel & Tourism is expected to generate \$105 billion of gross output and 6.2% of GDP in 1996.

Travel & Tourism's Economic Impact - OECD Countries Summary (1996 Estimate, Pct. of Total and Real Growth)

	Gross Output (US\$ Billions)	GDP % of Total	% Growth 1996-2006	Employment (Millions)	Percent of Total	% Growth 1996-2006	Investment (US Billions)	Percent of Total	% Growth 1996-2006
OECD Countries	2,797	11.2%	32.8%	47.4	11.7%	18.9%	545.3	11.6%	30.4%
Australia	45	10.5%	43.1%	1.0	11.5%	27.0%	12.1	14.7%	41.1%
Austria	39	15.0%	34.1%	0.5	14.5%	9.3%	10.5	18.0%	26.4%
Belgium	38	13.9%	30.1%	0.6	14.6%	10.4%	10.0	20.3%	36.7%
Canada	87	12.6%	37.7%	1.9	14.2%	23.0%	12.0	10.6%	44.2%
Denmark	22	11.4%	28.3%	0.3	11.4%	7.8%	4.5	18.3%	38.4%
Finland	17	11.7%	63.0%	0.2	11.3%	36.8%	3.8	16.8%	122.6%
France	222	13.3%	28.4%	3.0	13.1%	9.0%	45.9	16.2%	30.5%
Germany	294	11.6%	39.7%	4.1	11.5%	17.5%	60.9	11.3%	34.1%
Greece	14	14.7%	38.1%	0.5	13.5%	11.3%	3.8	22.3%	43.8%
Iceland	1	11.1%	28.1%	0.0	11.1%	14.3%	0.2	21.9%	42.5%
Ireland	8	11.2%	40.6%	0.1	11.9%	12.0%	2.5	25.5%	57.1%
Italy	162	12.6%	28.9%	3.0	14.8%	11.7%	30.2	15.9%	38.1%
Japan	512	10.1%	41.1%	6.1	9.3%	9.6%	119.8	8.6%	28.2%
Luxembourg	2	14.0%	32.9%	0.0	13.4%	13.6%	0.7	20.4%	33.3%
Mexico	39	11.8%	51.6%	2.2	10.0%	49.3%	8.1	14.7%	120.5%
Netherlands	43	10.9%	29.3%	0.6	10.3%	15.0%	10.1	13.7%	43.3%
New Zealand	7	10.2%	25.0%	0.2	11.3%	15.6%	1.9	13.7%	30.6%
Norway	19	12.6%	30.5%	0.3	13.1%	8.7%	3.2	13.4%	34.1%
Portugal	14.3	14.4%	37.9%	0.7	14.2%	8.8%	4.8	17.9%	47.6%
Spain	101.5	17.9%	32.1%	2.4	19.5%	18.1%	26.0	23.6%	52.1%
Sweden	25.9	9.5%	28.4%	0.4	9.6%	8.0%	4.0	11.7%	36.2%
Switzerland	42.7	12.6%	25.8%	0.4	11.2%	10.7%	11.6	16.9%	29.6%
Turkey	18.5	10.6%	47.4%	2.1	11.0%	26.7%	5.9	18.5%	62.9%
United Kingdom	150.6	11.6%	32.5%	3.0	11.7%	10.2%	18.3	10.3%	37.5%
United States	872.5	10.2%	39.3%	13.9	11.0%	24.4%	134.3	10.2%	27.0%

The 1996 WTTC Research Report

**For Information on how to order a copy of the WTTC's 1996 Research Report,
please fax or mail this form to WTTC's London Office at the address below.**

Last Name	First Name	Title
Company/Organization		
Address		City
State/Province	Country	Post/Zip Code
Phone	Fax	



BACKGROUND INFORMATION

What is the World Travel & Tourism Council (WTTC)?

Established in 1990, the World Travel & Tourism Council (WTTC) is a global coalition of 70 CEOs from all sectors of the Travel & Tourism industry, including accommodation, catering, cruises, entertainment, recreation, transportation and travel-related services. Their goal is to work with governments to promote: the economic and job creation importance of Travel & Tourism; open and competitive markets; sustainable development; and the elimination of barriers to growth.

WTTC is led by a fifteen member executive committee, which meets twice a year and reports to an annual meeting of all members. Day-to-day operations are carried out by the President and a small staff based in London, Brussels, New York and Hong Kong. Members undertake top-level government missions, make submissions to governments world-wide and incorporate WTTC's messages in discussions with key government decision-makers.

The WEFA Group undertakes extensive research on behalf of the WTTC to determine Travel & Tourism's total size and contribution to world, regional and national economies. In addition, research projects have been undertaken to address other issues such as education and training in Europe, Asia-Pacific and Latin America, air transport liberalization, environmental impact, safety of travelers.

WTTC Key Statistics 1996

Travel & Tourism World Estimates

	1996	2006	Real Growth
Jobs	255 million	385 million	50.1%
Jobs (pct of total)	10.7%	11.1%	--
Output	US\$ 3.6 trillion	US\$ 7.1 trillion	48.7%
Gross Domestic Product	10.7%	11.5%	49.6%
Investment	US\$ 766 billion	US\$ 1.6 trillion	57.3%
Exports	US\$ 761 billion	US\$ 1.5 trillion	51.2%
Total Taxes	US\$ 653 billion	US\$ 1.3 trillion	49.6%

- Economic projections for 1996 and 2006 show Travel & Tourism is the world's largest generator of jobs today and forecast the generation of 130 million new jobs across the global economy over the next decade. Travel & Tourism creates jobs directly in travel businesses such as hotels and stimulates additional jobs across the economy in areas such as construction and financial services.
- Travel & Tourism is the world's largest industry - generating more than 10% of global GDP and employment and producing:
 - over US\$ 3.5 trillion in gross output in 1996 and US\$ 7.1 trillion in gross output in 2006
 - an estimated 255 million jobs in 1996 and 385 million jobs in 2006
1 new job every 2.4 seconds
- Travel & Tourism is growing faster than most other industries.
- 21st Century economy will be driven by three "Superservices": telecommunications, information technology and Travel & Tourism.



WTTC's Millennium Vision

WTTC's economic analysis of Travel & Tourism identifies a number of basic policy priorities that will encourage governments, in cooperation with the private sector, to harness the industry's economic dynamism and increase overall growth and job creation.

More than 100 million jobs can be generated across the global economy by Travel & Tourism over the next decade if governments and the industry work together to:

1. Make Travel & Tourism a Strategic Economic Development and Employment Priority

- Recognize the industry's economic contribution and include it in mainstream programs for job creation, export promotion and investment stimulation
- Establish National Satellite Accounts for Travel & Tourism

2. Move Towards Open and Competitive Markets

- Implement the General Agreement on Trade in Services (GATS), liberalize air transport and deregulate telecommunications
- Enhance promotion of Travel & Tourism and encourage product quality improvements for international competitiveness

3. Pursue Sustainable Development

- Establish a policy framework for sustainability based on Agenda 21
- Encourage industry environmental initiatives such as the GREEN GLOBE program

4. Eliminate Barriers to Growth

- Expand and modernize infrastructure, particularly airports, air traffic control systems and "FAST" border clearance
- Tax intelligently for growth and exports
- Invest in human resource development

For further information contact:

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Tel: +44-171-222-1955
Fax: +44-171-222-4983



AMERICAN EXPRESS COMPANY
AMERICAN EXPRESS TOWER, WORLD FINANCIAL CENTER, NEW YORK, N.Y. 10285-5100

HARVEY GOLUB
CHAIRMAN AND
CHIEF EXECUTIVE OFFICER

December 17, 1996

Dear Jim:

As the Chairman of the World Travel & Tourism Council (WTTC), I am writing to invite you to serve as a guest speaker at the Council's 1997 Annual General Meeting, scheduled for April 16-18 in Washington. Although we have some flexibility in the meeting program, our preferred timing for your remarks would be during the Opening Breakfast on Thursday, April 17th. For your information, a copy of the draft program is enclosed.

Friday April 18th
Given your recent discussions with Geoffrey Lipman, WTTC's President, we would welcome your views on the role the Travel & Tourism industry can play in encouraging infrastructure development. We would also be interested in a discussion of ways WTTC can work with the World Bank to further projects targeted to travel infrastructure improvements.

Established in 1990, the Council was formed as a coalition of industry chief executive officers to promote the case for the strategic and economic importance of Travel & Tourism. Today, WTTC has over 85 members, including representatives from the accommodation, catering, cruise, entertainment, recreation, transport and travel service sectors. A package of background information on the WTTC is enclosed, including our current membership list.

I will follow up with your office in a couple of weeks to see if you might be able to join us in April.

Sincerely,

Harvey Golub

Mr. James D. Wolfensohn
President
The World Bank
1818 H Street, N.W.
Washington, D.C. 20433

Wednesday, April 16

Annual General Meeting Program

- | | | |
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| 09:00 -
12:00 | GREEN GLOBE Board Meeting

Willard Inter-Continental Hotel
Holmes Room, 2nd Floor | <i>Participants:</i> GREEN GLOBE
Board Members |
| 12:30 -
14:00 | Executive Committee Luncheon
with Industry Partners

Venue: J.W. Marriott Hotel
Longworth Room, Meeting Room Level
1331 Pennsylvania Avenue, N.W.
(across the street from the Willard) | <i>Participants:</i> Executive Committee
Members and Industry Partners |
| 17:00 -
19:00 | Executive Committee Meeting

Willard Inter-Continental Hotel
Hughes Room, 2nd Floor | <i>Participants:</i> Executive Committee
Members |
| 19:00 | Opening Dinner

Host: Marriott International, Inc.

Venue: J.W. Marriott Hotel
1331 Pennsylvania Avenue, N.W.
(across the street from the Willard) | <i>Participants:</i> All Meeting
Attendees and Spouses |
| | 19:00 | Cocktail Reception Capitol Foyer, Ballroom Level |
| | 20:00 | Dinner Capitol Ballroom, Ballroom Level |
| | Dress: | Business attire -- men
Evening attire -- women |

Thursday, April 17

Annual General Meeting Program

Participants: All Meeting Attendees

07:30 - **Buffet Breakfast**
08:30

Willard Inter-Continental Hotel
Crystal Room, Lobby Level

08:30 - **Annual General Meeting**
11:30

Willard Inter-Continental Hotel
Ballroom, Lower Level

08:30 - 08:45 **Chairman's Welcome:** Harvey Golub

08:45 - 09:30 **President's Report:** Geoffrey H. Lipman

09:30 - 11:30 **Promoting the Millennium Vision**

Discussion leader: Sir John Egan
Chief Executive
BAA plc

Panelists: Sir Frank Moore, AO
Chairman
Taylor Byrne Tourism Group

Marilyn Carlson Nelson
Vice Chair & Chief Operating Officer
Carlson Companies, Inc.

John L. Sharpe
President & COO
Four Seasons • Regent Hotels & Resorts

12:00 - **Luncheon**
13:45

Willard Inter-Continental Hotel
Crystal Room, Lobby Level

Guest Speaker: Nicholas Negroponte
Founder & Director, Media Laboratory
Massachusetts Institute of Technology

Thursday, April 17

Annual General Meeting Program

Participants: All Meeting Attendees

14:15 - **Annual General Meeting**
17:00

Willard Inter-Continental Hotel
Ballroom, Lower Level

14:15 - 15:45 **Communicating the Millennium Vision**

Discussion leaders: Tony Cocklin
Communications Advisor to the Chairman
British Airways plc

Roger Conner
Vice President, Communications
Marriott Lodging

Panelists: Robert L. Dilenschneider
Chairman
The Dilenschneider Group

Jim Dunn
Chairman & Chief Executive
Shandwick Public Relations

15:45 - 16:00 **Coffee Break**

16:00 - 17:00 **Competing in a Networked World**

Guest speaker: Louis V. Gerstner, Jr.
Chairman & CEO, IBM Corporation

18:40 **Transportation**
departs Willard Inter-Continental rear
entrance (F Street)

Participants: All Meeting
Attendees and Spouses

19:00 **Gala Dinner**

Host: The Trustees of the National Gallery of Art on behalf of
American Express Company

Venue: National Gallery of Art, West Building

19:00 Cocktail Reception The Rotunda

20:00 Dinner East Sculpture Hall

Guest of Honor: U.S. Vice President Al Gore*

Dress: Business attire -- men
Evening attire -- women

* To be confirmed

Friday, April 18

Annual General Meeting Program

Participants: All Members, Member
Representatives and Invited Guests

08:00 - **Breakfast**
09:00

Willard Inter-Continental Hotel
The Nest Lounge, Mezzazine Level

Guest speaker: James D. Wolfensohn
President, The World Bank

09:00 - **Annual General Meeting**
12:30

Willard Inter-Continental Hotel
Crystal Room, Lobby Level

09:00 - 11:15 **Millennium Vision Policy Action**

Discussion leader: Robert L. Crandall
Chairman, American Airlines

Break-out discussion leaders:

Satellite Accounts Richard R. Kelley
Chairman, Outrigger Enterprises

Airline Liberalization James McCrea
Managing Director, Air New Zealand Limited

Sustainable Development Robert Collier
Vice Chairman, Saison Overseas Holdings, parent
company of Inter-Continental Hotels & Resorts

Infrastructure Hemjö Klein
Member of the Executive Board,
Lufthansa German Airlines

Taxation Tommaso Zanzotto
President, TZ Associates

11:15-11:30 **Coffee Break**

11:30-12:00 **Report on Membership Task Force Recommendations**

Presenter: Daniel Affolter
Chairman, Kuoni Travel Holding Ltd.

12:00-12:15 **Finance/Administrative Issues**

12:15-12:30 **Adjournment** Harvey Golub

Friday, April 18

Annual General Meeting Program

12:30 - 13:00	Press Conference	<i>Participants:</i> Executive Committee Members
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Willard Inter-Continental Hotel
Taft Room, 2nd Floor

13:00 - 14:30	Closing Luncheon	<i>Participants:</i> All Members, Member Representatives, Invited Guests and Members of the Press
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Willard Inter-Continental Hotel
The Nest Lounge, Mezzazine Level

Wednesday, April 16

Sightseeing/Social Program

19:00

Opening Dinner

Participants: All Meeting
Attendees and Spouses

Host: Marriott International, Inc.

Venue: J.W. Marriott Hotel
1331 Pennsylvania Avenue, N.W.
(across the street from the Willard)

19:00 Cocktail Reception Capitol Foyer, Ballroom Level

20:00 Dinner Capitol Ballroom, Ballroom Level

Dress: Business attire -- men
Evening attire -- women

Thursday, April 17

Sightseeing/Social Program

- 09:45 **Transportation** *Participants:* Spouses
departs Willard Inter-Continental rear
entrance (F Street)
- 10:00- **National Gallery of Art, East Building**
12:00 -- Attached is a brief summary of the exhibitions to be visited.
- 12:30 - **Luncheon**
14:00 Venue: George Town Club, Georgian Room
- 14:15- **Georgetown Garden Club Tour**
16:00 -- Tour of two private homes and gardens.
- 16:30 **Return to the Willard Inter-Continental**
- 18:40 **Transportation** *Participants:* All Meeting
departs Willard Inter-Continental rear Attendees and Spouses
entrance (F Street)
- 19:00 **Gala Dinner**
- Host: The Trustees of the National Gallery of Art on behalf of
American Express Company
- Venue: National Gallery of Art, West Building
- 19:00 Cocktail Reception The Rotunda
- 20:00 Dinner East Sculpture Hall
- Guest of Honor: U.S. Vice President Al Gore*
- Dress: Business attire -- men
Evening attire -- women

* To be confirmed

Attendees -- Members

Daniel Affolter Heidi Affolter-Eijstein	Chairman Kuoni Travel Holding Limited
Praphant Asava-aree	President NCC Management & Development Co., Ltd.
James E. Barlett	President & CEO Galileo International
Juergen Bartels	Chairman & CEO Westin Hotels & Resorts
Paul J. Blackney	President & CEO Apollo Travel Services
Pieter Bouw Janny Bouw	President KLM Royal Dutch Airlines
Robert H. Burns	Chairman RHB Holdings Ltd.
Manfred Busche Helke Busche	Chairman Messe Berlin GmbH
Martin H. Charlwood	President & COO Uniglobe Travel (International) Inc.
Christophe Charpentier	Chairman Havas Voyages
Robert Collier	Vice Chairman Saison Overseas Holdings, parent company of Inter-Continental Hotels & Resorts
Robert L. Crandall Jan Crandall	Chairman American Airlines
Robert S. DeMone	Chairman, President & CEO Canadian Pacific Hotels Corp.
Robert H. Dickinson, CTC Jodi Dickinson	President Carnival Cruise Lines
William S. Diffenderffer Alicia Diffenderffer	President & CEO System One Company
Michael J. Durham	President & CEO The SABRE Group
Sir John Egan	Chief Executive BAA plc

Attendees -- Members

William E. Lobeck Kathryn L. Taylor	President & CEO National Car Rental System, Inc.
Ernesto S. Lowenstein	Chairman & CEO LET Argentina
Atef N. Mankarios	President & CEO Rosewood Hotels & Resorts
J.W. Marriott, Jr. Donna Marriott	Chairman & President Marriott International, Inc.
James McCrea Pauleen McCrea	Managing Director Air New Zealand Limited
Steve Miller	Chief Executive Officer Resort Condominiums International, Inc.
Kathy Misunas	Chief Executive Officer Reed Travel Group
Sir Frank Moore, AO	Chairman Taylor Byrne Tourism Group
Marilyn Carlson Nelson	Vice Chair & Chief Operating Officer Carlson Companies, Inc.
James J. O'Neill Bunny O'Neill	President ONEX Food Services Inc.
Alan Parker Pauline Parker	Managing Director Whitbread Hotel Company
Gérard Pélisson	President of the Supervisory Board Accor S.A.
Sir Ian Prosser	Chairman Bass plc
John J. Roberts Nancy Lee Roberts	Vice Chairman, External Affairs American International Group, Inc.
Carl Ruderman	Chairman Universal Media, Inc.
John Sandford	President Rolls-Royce North America
Ivan Michael Schaeffer	President & CEO Woodside Travel Trust

Attendees -- Members

John L. Sharpe	President & COO Four Seasons • Regent Hotels and Resorts
José Antonio Tazón	President & CEO Amadeus Global Travel Distribution
Daniel P. Weadock	President & CEO ITT Sheraton Corporation
Tienie Willemse	Deputy Chief Executive South African Airways
Captain Duane Woerth	Member of the Board Northwest Airlines
Vincent A. Wolfington Alicia Wolfington	Chairman Carey International, Inc.
Tommaso Zanzotto Eliane Zanzotto	President TZ Associates

Attendees -- Members

Sebastián Escarrer Marian Bisbal de Escarrer	Chief Executive Officer Sol Meliá
Bernard D. Frelat Christine Frelat	President & CEO Rail Europe Group, Inc.
William H. Friesell Susan Friesell	Chairman Diners Club International
Harvey Golub	Chairman & CEO American Express Company
Shlomo Grofman	Chairman Hachsharat Hayeshuv Hotels Ltd.
Riccardo Gullotti Catherine Gullotti	President & CEO Kuoni Travel Holding Ltd.
Robin W. Ingle	Chairman Ingle International Inc.
Noel Irwin-Hentschel Gordon Hentschel	Chairman & CEO AmericanTours International
Clive Jacobs	Chairman & CEO Holiday Autos International
André Jordan Nora Jordan	President Invesplano
Richard R. Kelley Linda V.G. Kelley	Chairman Outrigger Enterprises, Inc.
Geoffrey J.W. Kent	Chairman Abercrombie & Kent
Jorie Butler Kent	Vice Chairman Abercrombie & Kent
Sol Kerzner	Chairman Sun International
Hemjö Klein Gudrun Klein	Member of the Executive Board Lufthansa German Airlines
Jonathan S. Linen Lee Linen	Vice Chairman American Express Company
Geoffrey H. Lipman Marianne Lipman	President WTTC

Attendees -- Member Representatives

Mark Banning-Taylor	Manager, Strategic Planning Hilton International
Tony Cocklin	Communications Advisor to the Chairman British Airways plc
Roger Conner Susan Conner	Vice President, Communications Marriott Lodging
Eric Friedheim Edith Friedheim	Editor-in-Chief Travel Agent Magazine
Douglas D. Gollan	Associate Publisher Universal Media, Inc.
John Johnston	Executive Vice President of Operations Loews Hotels
Linda McNicholas	Assistant to the Chairman Universal Media, Inc.
Michel Orban	Senior Vice President RRE Investors, LLC
Ryuji Sakamoto	General Manager, International Department East Japan Railway Company
James E. Tobin	Vice President, International Government Affairs American Express Company
David C. Venz	Vice President, Communications Airbus Industrie of North America
Robert Wesley	Senior Vice President, Global Product Management & Development MasterCard International

Attendees -- Government Representatives & Industry Partners

Jan M. Armstrong	Executive Vice President American Car Rental Association
John H. Bell	Executive Vice President Caribbean Hotel Association
Leslie Doggett	Deputy Assistant Secretary for Tourism Industries U.S. Department of Commerce
Oris W. Dunham, Jr.	Director General Airports Council International
Val Eggers	President European Civil Aviation Conference
Carol B. Hallett James T. Hallett	President & CEO Air Transport Association
Cord Hansen-Sturm	Facilitator Middle East-Mediterranean Travel & Tourism Association
Jean S. Holder	Secretary General Caribbean Tourism Organization
Dick Knodt, CTC	President & COO American Society of Travel Agents
James L. Kochan	Director, Heritage America Program National Trust for Historic Preservation
Kathy Lacey	Executive Director Travel Business Roundtable
Michael B. Peceri, CHA	President International Hotel & Restaurant Association
J.J. Pryor	Vice President, Marketing, Licensing and Communications National Trust for Historic Preservation
Antonio Enriquez Savignac Magda Riquer	Honorary Secretary-General and Ambassador Extraordinary World Tourism Organization
Jeffrey Shane	Chairman, Commission on Air Transport International Chamber of Commerce
John Stachnik, CTP, CTC	Chairman U.S. Tour Operators Association
Maurice G. Strong	Chairman Earth Council

Attendees -- Invited Guests

Ted Balestreri	Co-Owner The Sardine Factory
Peter Cass	President Preferred Hotels & Resorts
Jerry Cole	General Manager, Global Travel & Transportation Industry IBM Corporation
Greg Conley	General Manager, North America, Travel & Transportation Industry IBM Corporation
Elhamy ElZayat	Chairman & CEO Emeco Travel
Abdulla Ali Kanoo	Chairman & Group CEO The Kanoo Group
Mack Koonce	Executive Vice President Wyndham Hotels & Resorts
Naotaka Odake	Chairman JTB Americas, Ltd.
Fernando A.C. Souza Pinto Rosalice Pinto	President & CEO Varig
Liz Smith	Chairman Gray Line Worldwide
Ian Swain	President Swain Travel Services, Inc.
Hani A.Z. Yamani	Chairman Centaur Corporation

Attendees -- Guest Speakers

Robert L. Dilenschneider

Chairman
The Dilenschneider Group

Jim Dunn

Chairman & Chief Executive
Shandwick Public Relations

Louis V. Gerstner, Jr.

Chairman & CEO
IBM Corporation

Nicholas Negroponte

Founder & Director, Media Laboratory
Massachusetts Institute of Technology

James D. Wolfensohn

President
The World Bank