

New Year's Greeting by Hiroyuki Takahashi, Chairperson, Japan Association of Travel Agents "Quest for New Value Creation"

Hello, everyone. A happy New Year!

As we enter the beginning of the year 2024, I respectfully extend my New Year's greetings.

Last year, the COVID-19 infection status was transitioned from Level 2 to Level 5 in May, marking a year when all travel activities began in earnest. Domestic and inbound tourism showed a rapid recovery, almost returning to pre-pandemic levels. The 'Tourism EXPO Japan 2023 Osaka-Kansai' held in October surpassed the Tokyo event from two years ago, with 148,000 attendees. It truly became an event that fittingly marked the new beginning of tourism, providing a sense of momentum in response to the growing enthusiasm for travel.

While the domestic and inbound tourism in Japan have been recovered, the situation for international travel still stands at around 60% of the levels seen in 2019. In this year, which marks the 60th anniversary of the liberalization of overseas travel from Japan, achieving its complete revival is considered the most crucial challenge. The Japan Tourism Agency also has recognized that mutual international exchange is essential to expanding inbound tourism. In line with this recognition, a 'policy package for the full recovery of outbound travel from Japan' has been developed to enhance the activation of overseas travel. JATA is actively working towards this goal under the public and private partnership in the tourism sector.

Regarding tourism products development and promotion, efforts are being made continuously to support our members to create high-value-added and new tourism style products such as adventure tourism through our tireless promotion and make these products popular among the Japanese and international market.

Additionally, in response to the global demands for engagement with SDGs and the implementation of sustainable tourism in Japan, we are collectively questing to new value creation in these areas.

However, the tourism industry faces numerous challenges. In the rapidly recovering domestic market, over-tourism has become significant challenges in certain destinations. To address this issue, it is necessary to disperse the travelers, adjust the timing of visits and advance the digital transformation (DX) in the tourism sector.

Also, there is a severe shortage of manpower in various sectors of the tourism industry. We will make our very best efforts to enhance our productivity, improve our working conditions, convey the appeal of the tourism industry to next generation, and promote the recruitment and development of talent.

Furthermore, we have initiated the full operation of all functions of the 'Tourism Industry Common

Platform,' which we have been working on for the past year, starting from last December. This enables both accommodation facilities and travel agencies to streamline their operations and facilitates quick information sharing during emergencies. We would like to make further collaboration with tourism businesses partners in order to realize and operate this platform in full scale.

Even though we would address numerous challenges to achieve the complete revival and revitalization of the travel industry, it is essential that compliance serves as the foundation for all operations. In our industry, compliance-related issues, such as irregularities in travel support from central and municipal governments, employment adjustment subsidies, and fraudulent activities in commissioned projects, have arisen, leading to a loss of societal trust. This year, while seeking the advices and opinions of external experts, we will earnestly work towards a conscious and behavioral transformation in order to restore the trust.

Once again, we sincerely request your guidance and encouragement for our quest.