



DIRECTORATE FOR SCIENCE, TECHNOLOGY AND INDUSTRY

**CONCLUSIONS OF THE NATIONAL TOURISM  
POLICY REVIEW OF IRELAND**

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## CONCLUSIONS OF THE NATIONAL TOURISM POLICY REVIEW OF IRELAND

1. Irish tourism has performed quite well in the last decades and has made a strong contribution to the national economy. An efficient government sector, a competitive air and maritime transport sector, a strong partnership between public and private sector, significant investment in public and private tourism facilities and an effective international brand image built through coherent overseas marketing campaigns can be considered as some of the major factors which contributed to the successful performance of Irish tourism which has, traditionally, been built on the twin pillars of people and place.

2. Irish tourism performed well over the last ten years (+91% overseas visitors for the period 1990-2002). Irish tourism, a major source of foreign earnings, made, in 2002, a direct contribution of 4.4% to Gross National Product, representing about 8% of total employment. In 2003, Ireland received 6.2 millions of international visitors and 5.9 millions resident visitors, representing in total a major EUR 5 billion turnover industry, of which 80% was generated by overseas visitors. Tourism has become an important instrument of regional development, notably through the development of a vibrant and largely Irish-owned tourism industry, with enterprises and jobs dispersed throughout the island. Some of the key tourism areas are ones which have little or no industrial employment. While Visitor Attitude Surveys continue to show very high overall satisfaction levels with the visitor experience, they have, in recent years shown a significant and rising level of concern about prices on the ground. Competitiveness has, therefore, become a key issue for Irish tourism. Irish tourism is now at a turning point and should increasingly focus on delivering a quality value for money experience to the international and resident visitor.

3. The OECD Tourism Committee reviewed Ireland tourism policy performance, strategy, programmes and actions on 24 June 2004. The review was based on a document prepared for the Committee "Review of the National Tourism Policy of Ireland". The Tourism Committee has identified "New horizons for Irish Tourism: An agenda for action" (2003) as a significant step forward for the establishment of a long-term strategy until 2012. In particular, the Committee noted the short-term action plan 2003-2005 with 70 specific measures. Among the key policy themes noted by the Tourism Committee were business environment; competitiveness and value for money; access transport; information and communication technologies; product development and innovation; marketing and promotion; the people in tourism; the government sector; information, intelligence and research.

4. Amongst the current tourism mechanisms and policy orientations operating in Ireland, the Tourism Committee noted:

- The significant governmental efforts made to support further sustainable growth in the tourism industry and prolong the good performance registered in the last ten years. In particular, the adoption in 2003 of a comprehensive strategy and action plan, with clear targets identified, should support a well balanced development. The Committee noted the good articulation of a well designed short-term action plan with a long-term vision and strategy.

- The reorganisation of the State agencies in charge of tourism at national level, Fáilte Ireland (the National Tourism Development Authority), and Tourism Ireland which has responsibility for the international marketing of the island of Ireland as a tourism destination. The streamlining of the State’s support services to tourism provides an additional coherence and focus for a successful implementation of the new strategy. Furthermore, this initiative will strengthen the partnership between the tourism stakeholders engaged in the implementation of the action plan.
- The emphasis on the importance of the “tourism experience” for the customer. This initiative is generating an industry wide process of innovation and change. In this regard, the ‘Vision for Irish Tourism 2003-2012’ refers to the provision of a “tourism experience” that exceeds customer expectations in terms of friendliness, quality of environment, diversity and depth of culture. The numerous efforts planned to promote and support this process are an exemplary approach to rejuvenate the Irish tourism business models.
- The significant improvements in the range, quality and competitiveness of sea and air access which has been driven to a major degree by the emergence of the low-cost air carrier model which is now the underlying operational model of the two main Irish airlines. Moreover, the strong attention put by the government on the provision of tourism infrastructure (e.g. National Conference Centre, national and regional road development and signposting), through a better national co-ordination of the planning and funding of tourism infrastructure development will further contribute to the improvement of competitiveness of Irish tourism.

5. The Tourism Committee recognised the tourism reform process currently underway in Ireland, and invited Ireland:

- To keep up its efforts for the recovery of the competitiveness of Irish tourism. The restoring of competitiveness is a major challenge for Irish tourism. Tourism authorities should continue to work with the tourism industry and employees to develop and implement initiatives in this area. For example, they should further encourage enterprises to be flexible and to adapt their products to the changing needs of the customer. Moreover, tourism authorities should continue to reinforce the cooperation with other governmental authorities to increase the coherence and the linkages of the policies (e.g. tourism, competition, taxation, insurance, environment, social, transport and infrastructure development).
- To continue to recognise the importance of human resources development, training and education as a key factor to acquire the competitive edge. The recovery of the competitiveness of Irish tourism requires high levels of skills for tourism employees. In particular, Irish tourism authorities should continue their efforts, as mentioned in the Action Plan 2003-2005, to support the development of professional career paths and improve the attractiveness of tourism careers in Ireland.
- To increase its efforts to develop targeted methodological and analytical work on tourism economics to facilitate good business and policy decision-making. The on-going work to develop a Tourism Satellite Account (as part of a joint project with the UK under the EU TSA scheme) is an important step forward which should be pursued. Beyond macro-economic data, additional work on sustainable tourism or employment key indicators would usefully complete the building of a new information system to improve the understanding of the market and to benchmark the performance of Irish tourism at international level.

- To further support the building of networks/clusters in the Irish tourism industry as a key component of the building of a composite product focusing on the ‘tourism experience’. The competitive advantages of the enterprises are determined by their ability to exploit the resources available in the network/cluster in which they operate. Tourism authorities could play an important incentive role in this area.