OECD Tourism Trends and Policies 2020



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Foreword

OECD Tourism Trends and Policies 2020 has become an international reference and benchmark on how effectively countries are supporting sustainable and inclusive tourism growth. The publication highlights good practices and key policy and governance reforms in tourism, providing a global perspective with the inclusion of 51 OECD member and partner countries. It is a rich source of data on domestic, inbound and outbound tourism, as well as on the overall size of the tourism economy, and highlights new policies designed to improve the sustainability and competitiveness of the sector.

Tourism is of vital economic, social and cultural importance in OECD member and partner countries, and provides real prospects for enduring and inclusive economic growth. It plays a key role in job creation, export revenue and domestic value added, and directly contributes, on average, 4.4% of GDP, 6.9% of employment and 21.5% of service related exports to OECD countries.

The global tourism economy has steadily expanded over the last six decades. While the short-term outlook for tourism is mixed due to an uncertain economic outlook and external shocks, over the long term the sector is likely to continue to grow and become an increasingly important element of OECD economies. Nevertheless, large-scale social, economic, political, environmental and technological trends continue to impact the sector and forward-looking public policies are needed to shape the development of sustainable and competitive tourism destinations.

The digital revolution is a prime example of a key driver of tourism growth that is having a profound effect on the sector, changing the way people travel and service delivery. Meanwhile, continued growth in visitor numbers raises important questions about how to best manage this growth to benefit all people, places and businesses, while mitigating adverse impacts on the environment.

OECD Tourism Trends and Policies 2020 provides an assessment of how digitalisation is transforming tourism business models and explores ways to support tourism SMEs to adapt to this digital transformation. The report also analyses the need to rethink tourism success for sustainable growth. In particular, it encourages policy makers to take steps to help destinations avoid potential pitfalls, as they strive to strike a balance between the benefits and costs associated with tourism development, and implement a sustainable vision for the future.

This flagship publication was produced by the Centre for Entrepreneurship, SMEs, Regions and Cities (CFE) of the OECD, with co-financing from the European Union. It was approved by the OECD Tourism Committee through written procedure in February 2020.

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This report presents the 2020 edition of the OECD Tourism Trends and Policies publication. It was produced by the OECD Centre for Entrepreneurship, SMEs, Regions and Cities (CFE), led by Lamia Kamal-Chaoui, Director, as part of the programme of work of the OECD Tourism Committee. The report was undertaken in co-operation with the European Union.*

The report benefitted from significant contributions, feedback and guidance from policy makers and statisticians from OECD member countries and partner economies. It also benefitted from consultation and feedback from industry representatives and associations, and intergovernmental organisations, including Amadeus, the European Tourism Association (ETOA), International Air Transport Association (IATA), the Association of Hotels, Restaurants, Bars and Cafes – Hospitality Europe (HOTREC), UN Educational, Scientific and Cultural Organization (UNESCO), UN Environment, UN World Tourism Organization (UNWTO), World Trade Organisation (WTO), and the International Labour Organization (ILO).

The report was co-ordinated and edited by Jane Stacey, Head of the Tourism Unit, under the supervision of Alain Dupeyras, Head of the Regional Development and Tourism Division, and with the support of Peter Haxton, Policy Analyst (CFE) and main author of chapter 3, as well as Angela Bernard, Policy Analyst (CFE), and Anna Bolengo, Consultant (CFE), who undertook substantial co-ordination, drafting and editing. Laetitia Reille, Statistician (CFE), managed the statistical database and developed country statistical profiles and synthesis tables. Monserrat Fonbonnat, Assistant (CFE), provided administrative support. Ayesha Noor Abinal, Trainee (CFE), provided research and co-ordination assistance. Pilar Philip and François Iglesias (both CFE) served as publication co-ordinators. The statistical component of the report is available via the OECD's statistical online platform – OECD.Stat.

Chapter 1 and the country profiles were drafted by Richard Dickinson (Managing Director, *Tomorrow's Tourism*), and Chapter 2 was drafted by Dianne Dredge (Founder, *The Tourism CoLab* and Professor at Lund University, Sweden), with significant inputs from the Secretariat. Lorenzo Zurulia (University of Bologna, Italy) and Albert Postma (NHL Stenden University, Netherlands) provided feedback on Chapter 2. In addition, the report benefitted from contributions and feedback provided by OECD colleagues in the Directorate for Science, Technology and Innovation (STI) and the Centre for Entrepreneurship, SMEs, Regions and Cities (CFE).

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Table of contents

Foreword 3

Acknowledgments 4

Reader's Guide 9

Executive Summary 15

Chapter 1. Tourism trends and policy priorities 17
- Recent Trends 18
- The governance of tourism 26
- Tackling the policy priorities to shape the future of tourism 35
- Maximising the potential of tourism 46
- References 57

Chapter 2. Preparing tourism businesses for the digital future 59
- Digital trends driving change in tourism 61
- Unlocking the potential of the digital transformation for tourism SMEs 67
- Promoting digitally-enhanced tourism business models and ecosystems 74
- Path forward for tourism policy makers 84
- References 85

Chapter 3. Rethinking tourism success for sustainable growth 89
- Tourism as a driver of sustainable and inclusive growth 90
- Reviewing the policy framework supporting tourism growth 95
- Delivering sustainable tourism growth in destinations 102
- Policy solutions to meet tourism's potential 118
- References 120

Part I OECD country profiles 123
Australia 124
Austria 129
Belgium 135
Canada 141
Chile 146
Czech Republic 151
Denmark 156
Estonia 161
Finland 166
France 171
Germany 176
Greece 181
Hungary 186
Iceland 191
Ireland 196
Israel 201
Italy 206
Japan 211
Korea 216
Latvia 221
Lithuania 226
Luxembourg 231
Mexico 236
Netherlands 241

New Zealand 246
Norway 252
Poland 258
Portugal 263
Slovak Republic 268
Slovenia 273
Spain 278
Sweden 283
Switzerland 288
Turkey 293
United Kingdom 298
United States 304
Part II Partner country profiles 309
Brazil 310
Bulgaria 315
Colombia 320
Costa Rica 325
Croatia 330
Egypt 335
Indonesia 340
Kazakhstan 345
Malta 350
Morocco 355
Peru 360
Romania 365

Russian Federation 370

Serbia 375

South Africa 380

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Reader's Guide

This reader's guide provides information and methodological notes on the data sources used in this book: International Recommendations for Tourism Statistics 2008, Tourism Satellite Account: Recommended Methodological Framework 2008 and Balance of Payments and International Investment Position Manual.

The statistical data contained in this report have been collected and processed using the OECD Statistical Information System. This system streamlines and strengthens the production, storage and dissemination of statistics. The data, metadata and sources are accessible online in a single, consolidated source of tourism statistics http://stats.oecd.org/.

The data closely align with the main methodological references and international standards used for tourism statistics:

- International Recommendations for Tourism Statistics 2008, UN/UNWTO, http://unstats.un.org/unsd/publication/SeriesM/seriesm_83rev1e.pdf.
- Tourism Satellite Account: Recommended Methodological Framework 2008, UN/UNWTO/EUROSTAT/OECD, http://unstats.un.org/unsd/publication/Seriesf/SeriesF_80rev1e.pdf.
- Sixth Edition of the IMF's Balance of Payments and International Investment Position Manual 2010, IMF, http://www.imf.org/external/pubs/ft/bop/2007/bopman6.htm.

This note provides the reader with a methodological summary. For more detailed information, please refer to the above-mentioned methodological tools.

International Recommendations for Tourism Statistics (IRTS)

The International Recommendations on Tourism Statistics (IRTS) provides a common reference framework for countries to use in the compilation of tourism statistics. It presents an internally consistent system of definitions, concepts, classifications and indicators, and provides general guidance with respect to data sources and data compilation methods.

Tourism can be regarded as a social, cultural and economic phenomenon related to the movement of people outside their usual place of residence. Tourism refers to the activity of visitors.

A **visitor** is a traveller taking a trip to a main destination outside his/her usual environment, for less than a year, for any main purpose (business, leisure or other personal purpose) other than to be employed in the country or place visited.

A **tourist** is a visitor if his/her trip includes an overnight stay; otherwise, a visitor is classified as a **same-day visitor** (or excursionist).

Three basic forms of tourism can be distinguished:

- **Domestic tourism** comprises the activities of a resident visitor within the country of reference.
- **Inbound tourism** comprises the activities of a non-resident visitor within the country of reference.
- **Outbound tourism** comprises the activities of a resident visitor outside the country of reference.

Measuring the flows of visitors: both arrivals and nights are used to assess the flows of visitors. A distinction is made between arrivals at borders and in accommodation, and nights spent in accommodation. As far as overnight tourism is concerned, accommodation statistics are an important statistical source of information on domestic and inbound visitors.

Tourism Satellite Account: Recommended Methodological Framework (TSA-RMF)

The Tourism Satellite Account (TSA) is a conceptual framework aimed at measuring the weight of tourism from a macro-economic perspective. It focuses on the description and measurement of tourism in its different components (domestic, inbound and outbound). It also highlights the relationship between

consumption by visitors and the supply of goods and services in the economy, principally those from tourism industries. With this instrument, it is possible to estimate tourism GDP, establish the direct contribution of tourism to the economy and develop further analyses using the links between the TSA, the System of National Accounts and the Balance of Payments.

Tourism characteristic products and activities

The TSA reconciles tourism data related with supply and demand. Tourism measurement and analysis therefore require a classification of products, mainly those belonging to tourism expenditure, and productive activities that are the basis for defining tourism industries. Tourism characteristic activities are those that typically produce **tourism characteristic products**. A **tourism industry** represents the grouping of those establishments whose main activity is the same tourism characteristic activity.

The IRTS 2008 and the TSA-RMF 2008 provide the typology of tourism characteristic consumption products and activities (tourism industries):

Tourism characteristic consumption products	Tourism characteristic activities (tourism industries)
Accommodation services for visitors	Accommodation for visitors
Food- and beverage-serving services	Food- and beverage-serving activities
Railway passenger transport services	Railway passenger transport
Road passenger transport services	Road passenger transport
Water passenger transport services	Water passenger transport
Air passenger transport services	Air passenger transport
Transport equipment rental services	Transport equipment rental
Travel agencies and other reservation services	Travel agencies and other reservation services activities
Cultural services	Cultural activities
Sports and recreational services	Sports and recreational activities
Country-specific tourism characteristic goods	Retail trade of country-specific tourism characteristic goods
Country-specific tourism characteristic services	Other country-specific tourism characteristic activities

Note: for detailed information on the coverage, please see annexes 2 and 3 of the IRTS 2008.

Internal tourism consumption

The TSA Framework makes a distinction between tourism expenditure and tourism consumption. Tourism expenditure refers to monetary transactions, whereas tourism consumption also includes other transactions: services associated with vacation accommodation on own account, tourism social transfers in kind and other imputed consumption. However, the latter transactions have to be separately evaluated. Therefore, the data might refer to either consumption or expenditure, depending on the country.

Three forms of consumption are distinguished:

- **Domestic tourism consumption**: the tourism consumption of a resident visitor within the economy of reference.
- **Inbound tourism consumption**: the tourism consumption of a non-resident visitor within the economy of reference.
- **Internal tourism consumption**: the tourism consumption of both resident and non-resident visitors within the economy of reference. It is the sum of domestic tourism consumption and inbound tourism consumption.

Tourism Direct Gross Domestic Product and other aggregates

The Gross Domestic Product (GDP) of an economy is defined as the sum of the gross value added generated by all industries. Tourism GDP corresponds to the part of GDP generated by all industries in response to internal tourism consumption. A further distinction must be made between direct tourism GDP and indirect tourism GDP. Put simply, **tourism direct GDP** is generated by industries directly in contact with visitors, while indirect tourism GDP is generated by industries supplying inputs to industries directly in contact with the visitors. The TSA Framework limits its recommendations to the evaluation of direct tourism GDP. The evaluation of indirect tourism GDP would require the use of input-output techniques.

The TSA Framework also mentions other aggregates, particularly the gross value added (GVA) of tourism industries. This covers tourism industries regardless of whether their output is provided to visitors or not. As with tourism GDP, only the direct part of tourism GVA is measured. From a TSA perspective, either indicator can be used.

Domestic, inbound and outbound tourism

A variety of different data sources are used to measure flows of visitors. Data can be collected directly from individuals about their tourism trips. These 'demand-side' sources include visitor or border surveys to measure inbound tourism flows, and resident travel or household surveys to measure domestic and outbound tourism flows. These surveys feed into the tourism consumption (i.e. demand) tables of the TSA (Tables 1-4). Data on domestic and inbound visitors can also be collected from accommodation providers ('supply-side').

Data from tourism demand surveys are presented in the country profile statistical tables. In the absence of data from these sources, or where data gaps exist, data from accommodation surveys are published.

For more detailed information on the data sources for individual countries, please refer to relevant datasets and metadata in the online tourism database *http://stats.oecd.org/*.

Balance of Payments and International Investment Position Manual – Sixth Edition

The following items of the Balance of Payments are used to assess the monetary flows of visitors.

Travel

Travel credits (**international travel receipts**) cover goods and services for own use or to give away acquired from an economy by non-residents during visits to that economy. Travel debits (**international travel expenditure**) cover goods and services for own use or to give away acquired from other economies by residents during visits to these other economies.

The goods and services may be purchased by the persons concerned or by another party on their behalf (e.g. business travel). The standard component breakdown of travel is between business and personal travel. *Business travel* covers goods and services acquired for personal use by persons whose primary purpose of travel is for business. *Personal travel* covers goods and services acquired by persons going abroad for purposes other than business, such as vacations, participation in recreational and cultural activities, visits with friends and relatives, pilgrimage, and education- and health-related purposes. This breakdown allows for closer links with tourism satellite accounts as well as supply and use tables.

Passenger services

Passenger services cover the transport of people. This category covers all services provided in the international transport of non-residents by resident carriers (credit or **international passenger transport receipts**) and that of residents by non-resident carriers (debit or **international passenger transport expenditure**). Passenger services include fares and other expenditure related to the carriage of passengers, any taxes levied on passenger services, and fares that are a part of package tours, cruise fares, rentals, charters, and leases of vessels, aircraft, coaches, or other commercial vehicles with crews for the carriage of passengers.

Other issues

Enterprises in tourism: An establishment is an enterprise or part of an enterprise that is situated in a single location and in which only a single productive activity is carried out or in which the principal productive activity accounts for most of the value added.

Employment in tourism: data on employment refer to people or jobs. In the case of people, the data refer to employees only or to employees and self-employed people (employed people). Full-time equivalent employment is the number of full-time equivalent jobs, defined as total hours worked divided by average annual hours worked in full-time jobs.

Data expressed in US dollar terms: for some tables, national currency data has been converted to US dollar data. Exchanges rates are collected from the OECD database.

Metadata and sources

The vast majority of the data used in this publication are submitted by countries. All the detailed metadata and sources can be found under the right-hand side information panel in the on-line OECD database at *http://stats.oecd.org/*.

Country coverage

The OECD member countries are: Australia, Austria, Belgium, Canada, Chile, the Czech Republic, Denmark, Estonia, Finland, France, Germany, Greece, Hungary, Iceland, Ireland, Israel, Italy, Japan, Korea, Latvia, Lithuania, Luxembourg, Mexico, the Netherlands, New Zealand, Norway, Poland, Portugal, the Slovak Republic, Slovenia, Spain, Sweden, Switzerland, Turkey, the United Kingdom and the United States.

Other non-member economies covered in this report are: Brazil, Bulgaria, Colombia, Costa Rica, Croatia, Egypt, Indonesia, Kazakhstan, Malta, Morocco, Peru, Romania, the Russian Federation, Serbia and South Africa.

Codes used for currencies

- AUD Australian Dollar
- BGN Bulgarian Lev
- BRL Brazilian Real
- CAD Canadian Dollar
- CHF Swiss Franc

- CLP Chilean Peso
- COP Colombian Peso
- CRC Costa Rican Colon
- CZK Czech Koruna
- DKK Danish Krone
- EGP Egyptian Pound
- EUR Euro (Austria, Belgium, Estonia, Finland, France, Germany, Greece, Ireland, Italy, Latvia, Lithuania, Luxembourg, Malta, Netherlands, Portugal, Slovak Republic, Slovenia, Spain)
- GBP United Kingdom Pound Sterling
- HRK Croatia Kuna
- HUF Hungarian Forint
- IDR Indonesian Rupiah
- ILS Israeli Shequel
- ISK Iceland Krona
- JPY Japanese Yen
- KRW Korean Won
- KZT Kazakhstani Tenge
- MAD Moroccan Dirham
- MXN Mexican Peso
- NOK Norwegian Krone
- NZD New Zealand Dollar
- PEN Peruvian Sol
- PLN Polish Zloty
- RON Romanian Leu
- RSD Serbian Dinar
- RUB Russian Ruble
- SEK Swedish Krona
- TRY Turkish Lira
- USD United States Dollar
- ZAR South African Rand

Symbols for missing data and abbreviations

These symbols are used in the country tables:

| Break in series

.. Data is not available

e Estimated data or data based on the use of a limited amount of data

f Forecast value

In some cases, due to specifics of electronic data processing technologies, slight discrepancies may occur between totals and sums of components in those tables that are based on survey information.

Executive Summary

Tourism is an important driver of economic growth, globally and locally. The sector directly contributes 4.4% of GDP, 6.9% of employment and 21.5% of service exports in OECD countries, on average, and continued growth provides real prospects for sustainable and inclusive development. However, integrated and forward-looking policies are needed to ensure this growth better delivers benefits for people, places and businesses.

Tourism trends

Following six decades of consistent growth, tourism remains one of the world's most important economic sectors. It is a key part of a growing services economy, generating income and foreign exchange, creating jobs, stimulating regional development, and supporting local communities. Tourism exports are economically significant, and have a larger impact on the domestic economy relative to other export sectors. Every USD 1 of expenditure by international tourists in OECD countries on average generates an estimated 89 cents of domestic value added, compared with 81 cents for overall exports.

Globally, tourism continues to perform ahead of long-term growth forecasts, with a record 1.5 billion international tourist arrivals in 2019. Tourism growth to OECD countries has exceeded the world average since 2014, following a period of strong growth in recent years. OECD countries are among the world's top tourism destinations, and account for more than half of global arrivals (56.9%) and travel receipts (61.1%). In addition to the benefits of international tourism, domestic tourism is the mainstay of this sector in the majority of OECD countries with, on average, residents responsible for 75% of tourism expenditure.

While in the short-term the picture for tourism is mixed, mainly due to an uncertain economic outlook and external shocks such as health scares and extreme weather events, over the long-term tourism is expected to continue to grow.

Top policy priorities

While overall growth trends in this dynamic sector are positive, governments are increasingly developing policies that seek to maximise the economic, environmental and social benefits that tourism can bring, while reducing the pressures that arise when this growth is unplanned and unmanaged. Policy measures to address these concerns have become a priority. For example, efforts have been made to deal effectively with overcrowding at popular destinations, spread the economic and other benefits to areas that attract fewer visitors, develop new products to expand the season, and encourage increased productivity, better resource use, and more stable employment. To ensure these policies are actually having the desired impact, countries are strengthening co-ordination and implementation mechanisms, reforming destination management practices, modernising regulations, adopting digital solutions, strengthening dialogue with civil society and engaging the private sector in policy making.

Governments are currently facing two critical issues in terms of managing the tourism sector: leveraging the benefits of the digital transformation and ensuring that sustainable tourism policies are implemented.

Technology continues to advance at a fast pace and is a game-changer for tourism businesses and policy makers alike. The rapid developments in the sharing economy, mobile payment systems, virtual and augmented reality applications, blockchain technologies and artificial intelligence are likely to influence tourism products, business models, services, and visitor choices. These potentially demand policy reflections, new regulations and intervention to maximise opportunities and protect consumers. Governments have an important role to play in creating the right conditions for all businesses to engage in the digital transformation of tourism.

Governments are actively fostering tourism development that brings clear economic benefits, while also providing a wider set of advantages for places, local communities, businesses, employees, and visitors. Tourism success can no longer simply be measured in terms of arrivals, jobs and income. Ensuring that local communities can more equally benefit from tourism is a prevailing policy trend and progress has been made.

Key policy messages

Championing integrated, forward-looking tourism policies

- Develop coherent, forward-looking approaches to the design of tourism policies and programmes, supported by long-term strategies and flexible action plans.
- Strengthen co-ordination mechanisms and delivery structures to ensure that policies agreed at national level are consistently delivered at subnational level, and engage communities and businesses to ensure local destinations can fully share the benefits of a dynamic tourism economy.

Preparing tourism businesses for the digital future

- Actively champion the digital transformation of tourism, by promoting a digital mindset, modernising regulatory frameworks and strengthening capacity of SMEs to participate in digital ecosystems.
- Encourage uptake and investment in new technologies, skills and innovation and support existing tourism SMEs to take advantage of the benefits of the digital transformation, and promote the development of smart tourism destinations.
- Foster digitally-enhanced tourism business models, value chains and ecosystems, through the adoption of data analytics and other enabling technologies, optimisation of business practices, and the expansion of accessible digital infrastructure, tools and solutions.

Rethinking tourism success for sustainable growth

- Place a greater focus on the environmental and socio-cultural pillars of sustainability, to deliver net benefits to local communities, contribute to achieving the SDGs, and combat climate change.
- Ensure that efforts to grow tourism are pursued within the wider context of city, regional, and national economic development strategies, and in close co-operation with industry and civil society.
- Take additional steps to mainstream sustainability in tourism policies and industry practices, to better support the transition to a green, low-emissions and climate-resilient tourism economy.
- Ensure access to comparable and timely data to inform decision-making and better plan for the type and scale of tourism growth appropriate for individual destinations.

Chapter 1. Tourism trends and policy priorities

This chapter covers recent trends in tourism and associated developments in tourism governance and policy. It is based on responses to a policy and statistical survey of OECD member and partner countries. The chapter outlines the economic and social importance of tourism and sets out the role of governments in supporting a sustainable and inclusive tourism sector. Tourism policy priorities, reforms and developments are analysed with examples of country practices highlighted.

Tourism is a highly significant economic sector globally and locally, and provides real prospects for enduring and inclusive economic growth. The sector generates foreign exchange, drives regional development, directly supports numerous types of jobs and businesses and underpins many local communities. Recent trends point to continued strong growth around the world, and this chapter illustrates the leadership role that governments are playing to optimise the potential benefits, and mitigate the associated costs.

The sustainable development of tourism and the digital transformation of the sector are key issues facing policy makers. On these and other issues, policy makers recognise the need for co-ordinated responses across government, and to work closely with the private sector. The practical challenge that remains is to ensure that developments in local tourism destinations align with the policies set in place at national level.

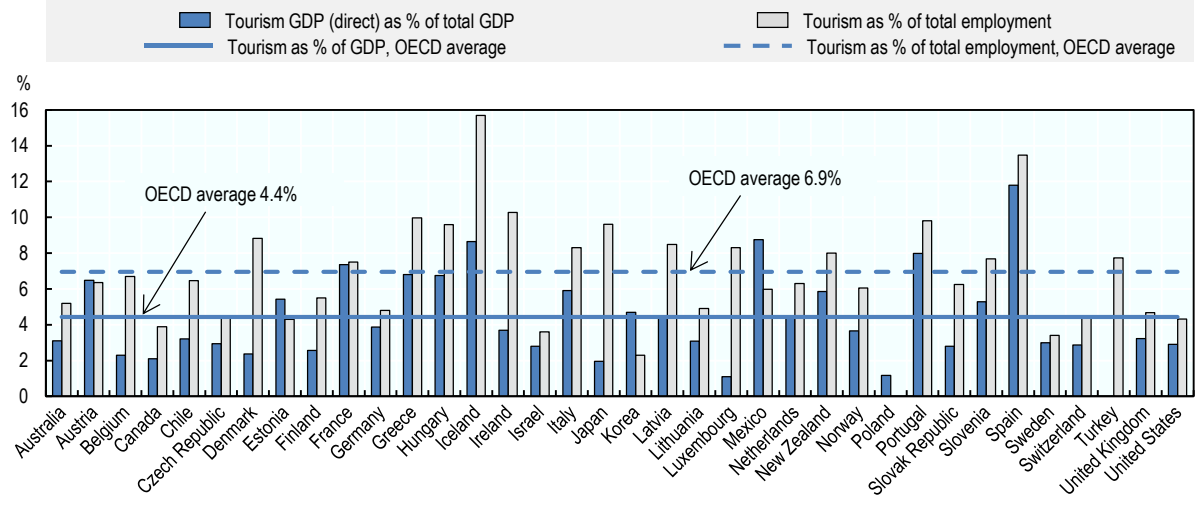
Recent Trends

Tourism is an important part of OECD member and partner economies, and a key sector within a growing services economy. On average tourism directly contributes 4.4% of GDP, 6.9% of employment (Figure 1.1) and 21.5% of service related exports to OECD countries.

Global tourism has steadily expanded for over six decades. Driven by strong global economic growth and new volume outbound markets, particularly from the Asia Pacific region, international tourist arrivals worldwide grew to over 1.4 billion in 2018, an increase of 5.6% on 2017. With international tourism arrivals growing ahead of the long term growth forecast, the threshold of 1.8 billion is now likely to be exceeded in advance of 2030.

Figure 1.1. Direct contribution of tourism to OECD countries

As percentage of GDP and employment, 2018 or latest year available



Note: GDP data for France refer to internal tourism consumption.
GDP refers to GVA for Canada, Chile, Denmark, Finland, Germany, Greece, Hungary, Israel, Italy, Latvia, Lithuania, Mexico, the Netherlands, New Zealand, Portugal, Sweden, Switzerland, United Kingdom and the United States.
GDP data for Korea and Spain includes indirect effects.
Source: OECD Tourism Statistics (Database).

StatLink http://dx.doi.org/10.1787/888934076134

Table 1.1. International tourist arrivals in OECD and partner countries, 2014-18

	Type of indicator	2018	Average annual growth rate 2014 to 2018	Growth rate 2017 to 2018
		Thousand	%	
Australia	Visitors	9 072	7.8	6.0
Austria	Tourists	30 816	5.1	4.6
Belgium	Tourists	6 700	1.2	6.1
Canada	Tourists	21 153	6.3	2.4
Chile	Tourists	5 723	11.7	-11.3
Czech Republic	Tourists	14 283	7.6	4.5
Denmark	Tourists	12 749	5.6	2.6
Estonia	Tourists	3 226	2.5	-0.6
Finland[1]	Tourists	5 631	5.0	12.4
France	Tourists	89 322	1.6	3.0
Germany	Tourists	38 748	4.2	3.9
Greece	Visitors	33 072	8.0	9.7
Hungary	Tourists	14 905	10.1	5.7
Iceland	Tourists	2 344	23.8	5.4
Ireland	Tourists	9 273	8.0	6.3
Israel	Tourists	4 121	8.9	14.1
Italy	Tourists	61 567	6.1	5.7
Japan	Visitors	31 192	23.5	8.7
Korea	Visitors	15 347	2.0	15.1
Latvia	Tourists	1 946	1.4	-0.2
Lithuania	Tourists	2 825	8.2	11.9
Luxembourg	Tourists	1 018	-0.6	-2.7
Mexico	Tourists	41 313	8.9	5.1
Netherlands	Tourists	18 780	7.8	4.8
New Zealand	Tourists	3 686	7.4	3.7
Norway	Tourists	5 688	4.1	-2.7
Poland	Tourists	19 623	5.2	7.5
Portugal[1]	Tourists	22 817	11.9	7.5
Slovak Republic	Tourists	2 256	11.2	4.3
Slovenia	Tourists	4 425	13.4	10.9
Spain	Tourists	82 808	6.2	1.1
Sweden[2]	Tourists	10 750	-6.8	-3.5
Switzerland	Tourists	11 715	6.3	5.2
Turkey	Tourists	45 768	3.5	21.7
United Kingdom	Tourists	36 316	2.7	-3.5
United States	Tourists	79 746	1.5	3.3
Brazil	Tourists	6 621	0.7	0.5
Bulgaria	Visitors	12 368	7.1	6.7
Colombia	Visitors	4 282	10.6	7.7
Costa Rica	Tourists	3 017	4.5	1.9
Croatia	Tourists	16 645	9.4	6.7
Egypt[3]	Tourists	5 168	-26.8	-42.5
Indonesia[1]	Tourists	13 396	10.4	3.5
Kazakhstan	Visitors	8 789	8.5	14.1
Malta	Tourists	2 599	11.4	14.3
Morocco	Tourists	12 289	4.6	8.3
Peru	Tourists	4 419	8.3	9.6
Romania	Visitors	11 720	8.5	7.3
Russian Federation	Visitors	24 551	-0.9	0.7

	Type of indicator	2018	Average annual growth rate 2014 to 2018	Growth rate 2017 to 2018
		Thousand	%	
Serbia	Tourists	1 711	13.6	14.2
South Africa	Tourists	10 472	2.3	1.8
EU28			**5.4**	**4.1**
OECD members			**5.5**	**5.0**
World[4]		**1 407 000**	**5.3**	**5.4**

Notes: For more information, please see the country profiles.
Tourists: International tourist arrivals (excluding same-day visitors).
Visitors: International visitor arrivals (tourists and same-day visitors).
1. Average annual growth rate refers to 2015-18 for Finland, Indonesia and 2016 to 2018 for Portugal.
2. Data refers to 2014. No data is available since then due to a change in Border Survey methodology. Average annual growth rate refer to 2012-14. Growth rate refer to 2013-14.
3. Data refers to 2016. Average annual growth rate refer to 2014-16. Growth rate refer to 2015-16.
4. UNWTO data (World Tourism Barometer, Statistical Annex, January 2020).
Source: OECD Tourism Statistics (Database).

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Provisional data indicates that destinations worldwide registered around 1.5 billion international tourist arrivals in 2019, an increase of 3.8% year-on-year. This was the tenth consecutive year of sustained growth, but the more muted growth trend in 2019 reflects weakening economic growth, concerns about international trade and reducing consumer confidence. France, Spain, United States, China and Italy remain the world's top five tourism destinations, receiving more than a quarter (27%) of worldwide arrivals in 2018. China, the United States, Germany, the United Kingdom and France remain the top spenders as far as outbound tourism is concerned, responsible for 43% of global tourism expenditure (UNWTO, 2020).

OECD member countries continue to play a prominent role in the international tourism economy, accounting for more than half (56.9%) of total global arrivals in 2018. The average growth in international arrivals for OECD members was 5.0% in 2018, compared to 7.4% in 2017. While the OECD rolling four year average annual growth rate of 5.5% continues to exceeds the global average, following strong growth in recent years, the longer-term trend is of a slowdown in arrivals to the OECD relative to tourism worldwide.

Six OECD countries recorded double digit annual growth of inbound arrivals in 2018 – Finland, Israel, Korea, Lithuania, Slovenia, and Turkey – while a number of other countries reported record numbers, including Australia, Canada, Greece, Hungary, Ireland, Poland and the Slovak Republic. In contrast, Chile, Estonia, Latvia, Luxembourg, Norway, and the United Kingdom experienced reductions in international tourism arrivals. A breakdown of international tourist arrivals to OECD member countries and selected partner economies is provided in Table 1.1.

Globally, international travel receipts reached USD 1 462 billion in 2018, up from USD 1 352 billion in 2017. This equates to growth of 4.8%, and follows the overall trend in international tourist arrivals (Table 1.3). Global expenditures on travel have more than tripled since the turn of the century, rising to USD 1.5 trillion in 2018 and accounting for 7% of global exports in goods and services (UNWTO, 2019b, 2020). According to recent World Trade Organisation estimates, tourism is the fifth largest traded services sector (WTO, 2019).

OECD countries accounted for 61.1% of global travel receipts (exports) and 50.5% of global travel expenditures (imports) in 2018, similar to 2017. Twenty three OECD countries recorded a positive travel balance in 2018. Table1.2 provides a summary of international travel receipts, expenditure, and the travel balance for OECD and selected partner economies.

Table1.2. International travel receipts and expenditure in OECD and partner countries, 2017-18

Million USD

	Travel receipts		Travel expenditure		Travel balance	
	2017	2018	2017	2018	2017	2018
Australia	41 732	45 036	34 409	36 803	7 323	8 232
Austria	20 410	23 087	10 654	11 973	9 757	11 114
Belgium	8 360	8 911	15 481	18 517	-7 121	-9 606
Canada	20 329	26 346	31 845	34 455	-11 516	-8 109
Chile	3 383	2 956	2 304	2 333	1 079	623
Czech Republic	6 933	7 451	5 442	5 967	1 491	1 484
Denmark	8 498	9 101	9 793	10 490	-1 294	-1 389
Estonia	1 651	1 789	1 246	1 470	405	319
Finland	3 383	3 662	5 573	6 080	-2 190	-2 419
France	58 708	65 452	42 672	47 837	16 036	17 615
Germany	39 759	42 955	88 843	95 533	-49 084	-52 578
Greece	16 487	18 987	2 147	2 586	14 340	16 401
Hungary	6 174	6 924	2 449	2 648	3 725	4 276
Iceland	3 011	3 140	1 657	1 840	1 354	1 300
Ireland	5 603	6 182	6 552	7 401	-949	-1 219
Israel	6 810	7 245	7 057	7 668	-247	-423
Italy	44 123	49 236	27 674	30 082	16 450	19 154
Japan	34 054	42 096	18 189	20 216	15 866	21 880
Korea	13 368	15 319	31 691	31 973	-18 324	-16 654
Latvia	944	1 058	724	779	221	279
Lithuania	1 318	1 504	1 109	1 399	209	105
Luxembourg	4 546	4 993	2 984	3 222	1 562	1 771
Mexico	21 336	22 526	10 840	11 230	10 496	11 297
Netherlands	17 092	18 869	21 923	22 822	-4 831	-3 953
New Zealand	10 594	11 004	4 439	4 612	6 155	6 391
Norway	5 558	5 843	16 212	17 341	-10 654	-11 498
Poland	12 694	14 067	8 802	9 746	3 892	4 321
Portugal	17 523	19 878	4 611	5 504	12 912	14 374
Slovak Republic	2 916	3 199	2 395	2 627	521	572
Slovenia	2 843	3 192	1 490	1 640	1 353	1 552
Spain	75 143	81 473	22 100	26 785	53 044	54 688
Sweden	14 106	14 949	16 983	18 058	-2 877	-3 108
Switzerland	16 481	16 971	17 843	18 355	-1 363	-1 383
Turkey	22 478	25 220	4 823	4 595	17 655	20 625
United Kingdom	47 539	48 602	64 997	69 028	-17 458	-20 426
United States	210 655	214 680	134 868	144 463	75 787	70 217
Brazil	5 809	5 917	19 002	18 263	-13 192	-12 346
Bulgaria	4 045	4 416	1 684	1 857	2 361	2 559
Colombia	4 921	5 557	4 475	4 824	446	732
Costa Rica	3 656	3 773	1 044	982	2 612	2 791
Croatia	10 320	11 127	1 369	1 693	8 952	9 435
Egypt	7 775	11 615	2 160	2 667	5 615	8 948
Indonesia	13 139	14 110	8 289	8 772	4 850	5 338
Kazakhstan	2 135	2 255	2 560	2 687	-424	-432
Malta	1 722	1 819	467	512	1 255	1 308
Morocco	7 494	7 775	1 793	2 007	5 701	5 768
Peru	3 710	3 947	2 214	2 669	1 496	1 278
Romania	2 522	2 752	3 468	4 282	-946	-1 529

	Travel receipts		Travel expenditure		Travel balance	
	2017	2018	2017	2018	2017	2018
Russian Federation	8 945	11 486	31 058	34 271	-22 113	-22 785
Serbia	1 344	1 547	1 380	1 643	-36	-96
South Africa	8 810	8 985	3 255	3 400	5 555	5 585
EU28	**438 637**	**479 083**	**750 885**	**813 859**		
OECD	**826 541**	**893 901**	**682 818**	**738 075**		
World[1]	**1 352 000**	**1 462 000**	**1 352 000**	**1 462 000**		

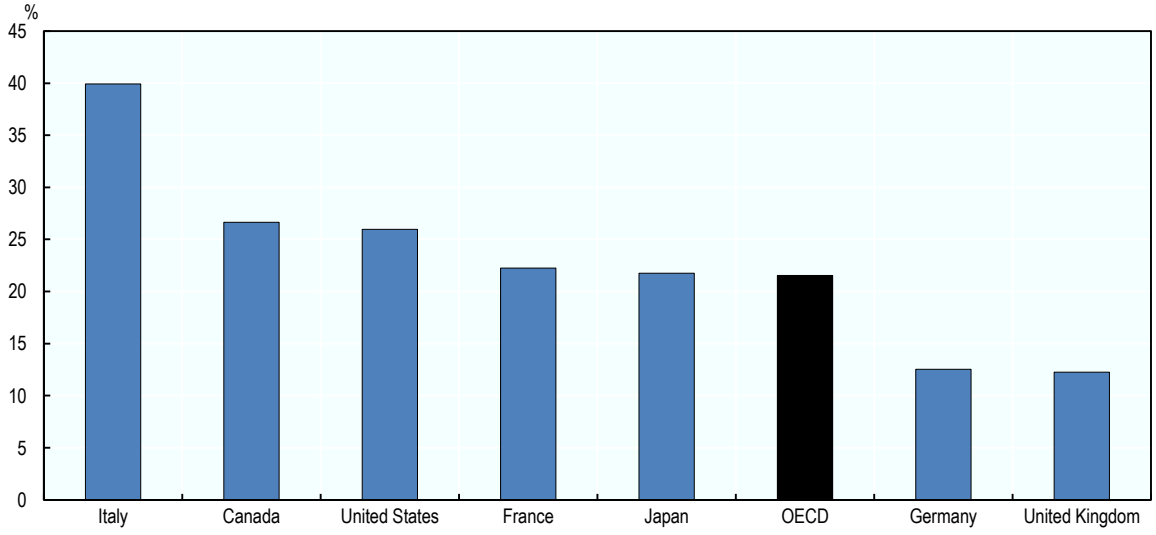
Note: For more information, please see the country profiles.
1. UNWTO (2020).
Source: OECD Tourism Statistics (Database).

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Tourism exports are economically important, as they generate value added in the economy, directly and indirectly. Analysing tourism from a trade in value added approach shows that tourism expenditures (using non-resident expenditure as a proxy) generate bigger impacts on the domestic economy than overall exports, and have significant impacts in upstream industries and in other countries.

Latest estimates from the OECD Trade in Value Added (TiVA) framework indicate that 89% of tourism exports generate domestic value added in OECD countries, compared with 81% for overall exports (Figure 1.3); the remaining share results in value created in other countries (imports). More than a third of the tourism value added generated in the domestic economy comes from indirect impacts, reflecting the breadth and depth to linkages between tourism and other sectors (OECD, 2019a).

Figure 1.2. Contribution of tourism to services exports, selected OECD countries, 2018

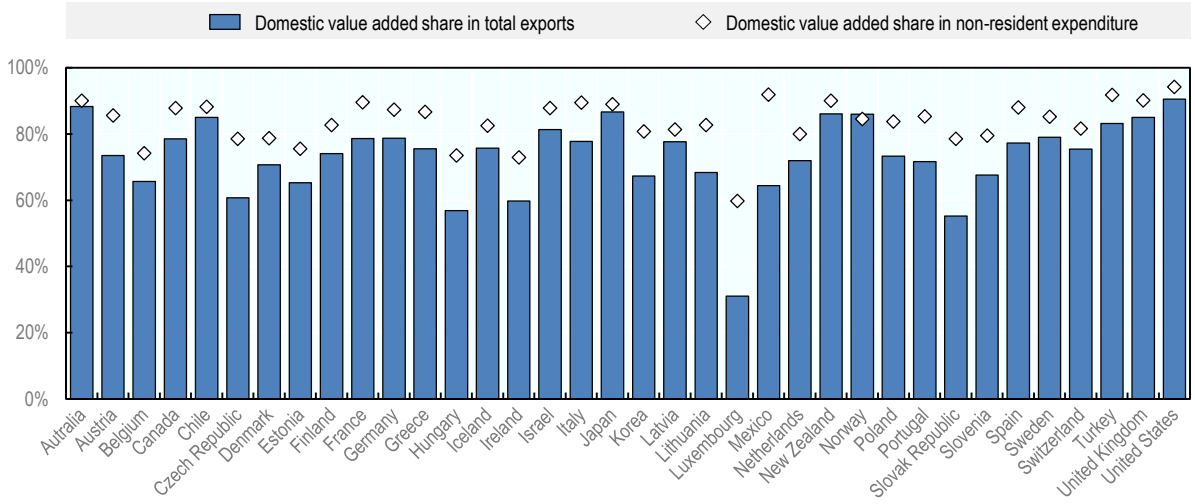


Source: OECD Trade in services by partner country (Database), extracted January 2020.

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Figure 1.3. Value added generated by tourism expenditure in OECD countries

Domestic value added/export ratio for non-resident expenditure and for total economy



Note: Non-resident expenditure as a proxy for tourism expenditure.
Source: OECD Inter-Country Input-Output, 2018.

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In other words, of the 89 cents of domestic value added generated by every USD 1 of tourism exports, 56 cents is directly generated while 34 cents comes from indirect impacts. Or, for every USD 1 of value added directly generated by tourism exports, a further 61 cents of value added is indirectly generated in upstream industries. On average, domestic and inbound tourism account for 75% and 25% of internal tourism consumption respectively. When combined, passenger transport (21%), accommodation (19%), and food and beverage (16%) account for well over half of total consumption (Figure 1.4).

The importance of domestic tourism varies considerably at country level. Domestic tourism is particularly significant in Australia, Canada, Germany, Japan, Mexico, Norway, the United Kingdom and the United States, where it represents over 70% of internal tourism consumption. In other countries such as Austria, the proportion of domestic and inbound expenditure is broadly equal. In contrast, inbound tourism, as a proportion of internal tourism consumption is more important in Estonia, Iceland, Poland, Portugal, and Slovenia where over 60% of all consumption is inbound related. Table 1.3 provides a breakdown of internal tourism consumption (domestic and inbound) for selected OECD member countries.

Global tourism arrivals have grown by almost 50% since 2010, an average annual growth of over 5%. The benefits of foreign exchange and the higher spending of international visitors has focused many governments towards increasing inbound arrivals, while demand has been supported by favourable economic conditions, decreasing travel prices, continued globalisation, liberalised and more comprehensive air transport services, and growth of digitally-enabled business models and platforms that allow consumers easier access to travel products and many new destinations (UNWTO 2019a; WEF 2019; IATA 2019).

While tourism growth is projected to continue, changing demographics, improved connectivity, technological innovations, and increased recognition of the need for this growth to be more sustainable and inclusive are likely to dramatically transform the face of tourism by 2040, representing a range of opportunities and challenges for destinations (OECD, 2018).

Table 1.3. Internal tourism consumption in OECD countries, 2018 or latest year available

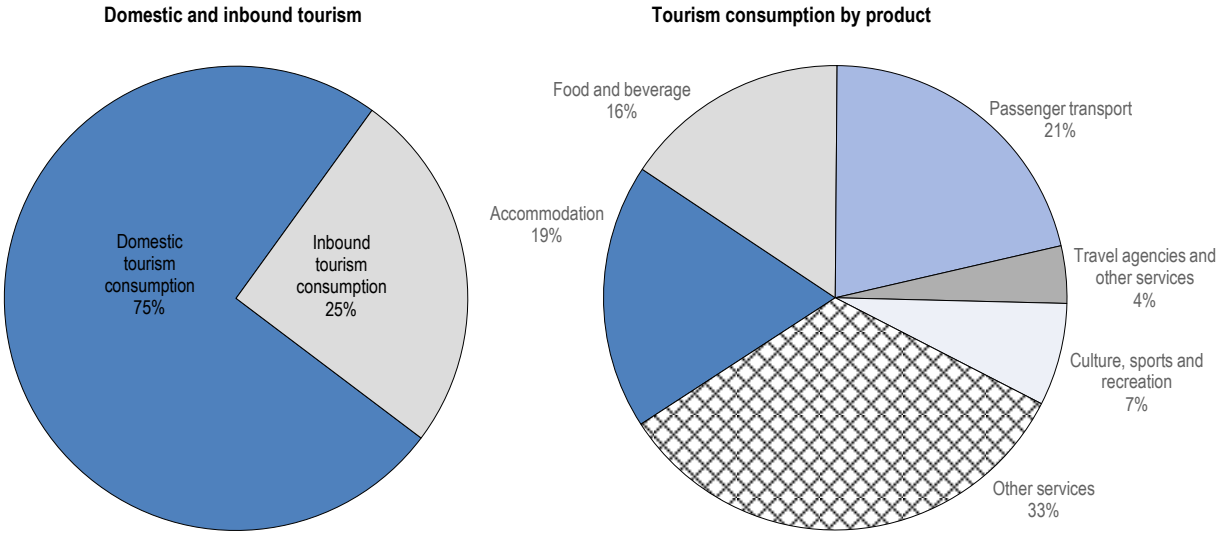
	Reference year	Internal tourism expenditure	Domestic tourism expenditure	Inbound tourism expenditure
		Million USD, current prices	% share	
Australia	2017	109 884	74%	26%
Austria	2017	43 348	47%	53%
Belgium	2016	18 697	67%	33%
Canada	2018	78 891	78%	22%
Chile	2018	9 875	62%	38%
Czech Republic	2017	12 205	42%	58%
Denmark	2017	19 391	57%	43%
Estonia	2014	2 245	12%	88%
Finland	2016	12 617	69%	31%
France	2018	171 281	57%	43%
Germany	2015	293 020	85%	15%
Greece	..	..		..
Hungary	2017	7 291	31%	69%
Iceland	2017	4 747	26%	74%
Ireland	2007	9 278	46%	54%
Israel	2018	15 335	55%	45%
Italy	2015	124 635	57%	43%
Japan	2017	237 739	84%	16%
Korea	..	..		..
Latvia	..	..		..
Lithuania	2017	2 439	40%	60%
Luxembourg	..	..		..
Mexico	2018	167 448	83%	17%
Netherlands	2018	99 580	61%	39%
New Zealand	2018	24 618	59%	41%
Norway	2017	21 352	70%	30%
Poland	2015	15 432	37%	63%
Portugal	2017	29 488	31%	69%
Slovak Republic	2016	4 795	43%	57%
Slovenia	2017	4 719	30%	70%
Spain	2015	139 605	53%	47%
Sweden	2018	38 737	57%	43%
Switzerland	2014	33 483	46%	54%
Turkey	..	..		..
United Kingdom	2017	189 964	81%	19%
United States	2018	1 154 459	83%	17%
OECD average			**75%**	**25%**

Note: For more information, please see the country profiles.
Conversion from national currency to USD calculated using OECD annual average exchange rates for corresponding year.
Tourism consumption is composed of tourism expenditure (monetary transactions), plus other transactions.
Source: OECD Tourism Statistics (Database).

StatLink http://dx.doi.org/10.1787/888934076248

Figure 1.4. Internal tourism consumption, selected OECD countries

By type of tourism and product, 2018 or latest year available



Source: OECD Tourism Statistics (Database).

StatLink http://dx.doi.org/10.1787/888934076191

Recent macro-economic forecasts, however, show steadily deteriorated prospects, amidst policy uncertainty and weak trade and investment flows. The global outlook is fragile - the OECD projects global GDP growth will remain around 3% for 2020-21, the weakest rate since the global financial crisis. Trade and investment are undergoing structural changes linked with digitalisation and the rise of services, as well as with geopolitical risks, while the majority of businesses have yet to harness the strong productivity potential of digital technologies (OECD, 2019b).

While unemployment is at record lows in many OECD economies, the productivity puzzle and low wage growth is hampering economic growth across many sectors. There is pressure for governments to ensure that all citizens have the choices and opportunities open to those in the top decile but policies need to catch up to support this objective. Tourism is a leading job creator, and can help provide a wide range of diverse jobs for people of all ages and skill levels not only in major cities, but also in remote, rural, coastal and other often economically fragile locations where alternative opportunities may be limited. Employment in hotels and restaurants grew by 45% from 1995 to 2015, some 30% higher than average growth across the economy, and second only to real estate renting and business activities (OECD, 2019c).

While the short-term picture is one of uncertainty, over the long term tourism is likely to continue to grow and become an increasingly important element in all OECD economies. However, the tourism landscape will be impacted by large-scale social, economic, political, environmental and technological trends, bringing new and often unseen challenges, threats and opportunities. Exploring the multidimensional implications of these trends is important to inform policy and shape the future of tourism.

The digital revolution is a prime example of key driver of tourism growth that is having a profound effect on the sector, changing the way people travel, and how services are delivered. Chapter 2, Preparing Tourism Businesses for the Digital Future, provides an overarching assessment of how digitalisation is transforming tourism business models and processes, and the integration of tourism SMEs into global value chains and digital business eco-systems.

Continued growth in visitor numbers raises important questions about how to best manage this growth, to benefit people, places and businesses. The over-riding priority for governments and increasingly society is to better look after the assets on which tourism depends. This is relevant to all destinations, but is a particularly pressing issue in destinations experiencing overtourism. Chapter 3, Rethinking tourism success for sustainable growth provides detailed insight into the steps being taken by countries and industry to more fully understand the impacts that tourism has in destinations, better manage increased tourism numbers, and promote more sustainable and inclusive tourism development.

Addressing these and other challenges faced by the tourism sector requires an integrated, forward-looking approach to policy formulation and implementation. Governments need new analysis, data and approaches that are calibrated to the fast-changing tourism sector. Tourism policy frameworks will need to be adapted to take account of and respond to these developments. At national level, co-ordination measures are well developed and long term strategies are in place in many countries to optimise tourism's economic and social benefits, while minimising its negative environmental impacts. The next challenge for many governments is to ensure that the policies and measures agreed at a national level can be consistently delivered at sub-national level, ensuring that local communities and the regions in which they are located can fully share the benefits of well-planned and managed tourism, and flourish in the longer term.

The governance of tourism

Tourism is of vital economic, social and cultural importance to many countries, and governments have a key role to play in shaping tourism development. Across OECD member and partner countries, a range of shared policy priorities are seen as central to the role of successful tourism administration. These include:

- Harnessing the potential of digitalisation and the application of new technologies.
- Promoting and delivering a greater level of sustainability and inclusiveness.
- Developing forward-looking tourism structures, policies and action plans to deliver on strategic objectives.
- Designing and implementing policy tools, co-ordinating and regulating the sector, and monitoring delivery.
- Ensuring effective country and place marketing.
- Creating a competitive and high quality tourism sector, encouraging entrepreneurship and stimulating business growth.
- Encouraging investment and improvements in the quality of the tourism offer, and the skills of people employed in the sector.

A range of other policy areas are important depending on the development stage of the sector, as well as the nature of the wider economy. These include: enhanced connectivity and investment in travel-related infrastructure and services; regional development and encouraging the active engagement of local communities; safety and security considerations; and the need to broadening tourism products to ensure that all visitors and communities can benefit from tourism. Ensuring that these benefits are greater than the burdens that can arise from significant tourist in-flows is an emerging theme now being proactively addressed by the governments of many countries, in co-ordination with the private sector and civil society actors (see also Chapter 3).

Effective national leadership and multi-level governance

Depending on the system of government, the importance of tourism in the economy, and the nature of tourism demand, governments have adopted a variety of approaches to ensure that the sector is successfully developed, promoted and regulated.

In institutional terms, responsibility for tourism is positioned within an economic ministry in around twenty OECD countries, closely linked with economic growth. This is particularly the case with Nordic and Baltic countries, but is also the situation in Chile, New Zealand, Poland, Portugal and Switzerland, for example. In Australia, tourism rests under the responsibility of the Foreign Affairs and Trade portfolio. While in France responsibility is shared between the ministry responsible for foreign affairs and the Ministry of Economy and Finance.

Box.1.1. Destination management organisations: country approaches

In **Iceland**, destination management plans were published for seven regions in 2018-19. The aim is to establish destination management organisations in each of these regions by the end of 2021, to improve the co-ordination of tourism priorities and regional development. With a wider mandate than the regional marketing offices currently operating in these destinations, the DMOs will act as a co-ordinating support unit for data collection, innovation, product development, skills, digitalisation, marketing and other functions.

In **Japan**, the Government is promoting the establishment and development of private sector-led destination management/marketing organisations, including with subsidies for staff costs and training. The Japanese DMO registration system was established in November 2015, and already established organisations play an increasingly central role in tourism-related regional development in collaboration with local governments.

In the **Slovak Republic**, local and regional DMOs are responsible for the development and promotion of tourism products. Created in 2010 under the Tourism Support Act, there are currently seven regional and 37 local tourism organisations operating in the country. These are co-funded by central government, with subsidies granted for marketing and promotion, product development, infrastructure support, activities of tourist information centres, educational activities, operation of reservation systems, supporting local activities to become part of tourism offer, strategic tourism documents, statistics, research, and the establishment of tourism quality systems.

Recent legislative changes in **Bulgaria** have led to the establishment of nine Regional Tourism Management Organisations responsible for tourism product development and marketing in each region. Membership of each DMO includes tourism associations, regional and municipal administrations, institutes, museums, scientific bodies and educational institutes.

Several countries, including Greece, Israel and Mexico, prioritise tourism with a separate ministry, which may also reflect the relative importance of the sector to the national economy. In other countries, tourism is connected to relevant policy areas covered within the same ministry, such as with culture in the case of Italy and Turkey, transport in the Slovak Republic, and regional development in the Czech Republic, or to a collection of related policy areas such as land, infrastructure and transport in Japan, agriculture and regions in Austria, or culture, media and sport in the United Kingdom. Another approach is linking tourism to prominent themes, such as innovation in Iceland.

The cross-cutting nature of the sector, together with the differing national contexts, means that there is no 'one size fits all' optimum place for tourism to be situated in national government structures. Wherever it is placed, tourism administration requires a sophisticated set of horizontal co-ordination measures across

national government departments and agencies to ensure that other parts of government, with either an interest in or influence over tourism, can be fully involved in its planning and development. The administration of tourism also needs to be co-ordinated vertically, taking into account the roles and activities of regional and local jurisdictions.

Typically, the governance of national tourism policy is overseen by a national tourism administration (NTA), led by a government-appointed minister and supported by a delivery agency implementing government policy. International marketing and promotion is frequently a key activity for the national tourism organisations (NTO), but the role can be wider depending on factors including the maturity of the tourism sector, the objectives of the underlying strategy, and the roles of other government bodies that influence the delivery of tourism policy.

Regional and local governments continue to play an important role in the development and management of tourism. Regional bodies often play both a strategic and delivery role, tasked with understanding the challenges of the tourism sector in their area and putting in place plans to address these challenges and develop tourism. Product development is usually a core responsibility, along with other roles relating to the delivery of local visitor information, research and quality accreditation. They may also be involved in domestic promotion, while overseas and country promotion is more usually the responsibility of national tourism organisations. In the case of Belgium, the regional authorities have full responsibility for tourism in their respective territories since 2014, including domestic and overseas promotion.

Delivery arrangements vary for tourism, including through the actions of regional bodies of central government and autonomous development agencies, some of which have a wider remit than tourism. Destination management organisations (DMOs) often play a leading role in developing tourism, working in collaboration with regional and local government, and increasingly have other related roles, such as inward investment promotion, and co-ordinating the management of all elements that make up a destination.

For example, the Vienna Tourist Board in Austria and Göteborg & Co in Sweden are responsible for implementing the long term strategies and short term action plans at the destination level, and this requires the delivery of a wide range of functions such as research and intelligence, strategic and operational planning, marketing and sales, visitor services, product development and management, events management, skills development and business support. In Poland, 16 regional tourism organisations and around 120 local tourism organisations at the level of cities and counties are responsible for tourism product development and marketing. They are composed of regional and municipal administrations and widely recognised tourism sector stakeholders.

Several national governments are consolidating or developing DMOs as part of their overall governance strategy (Box.1.1). In Romania, for example, work is underway to operationalise a new organisational structure for tourism based new DMOs at regional and local level agreed in 2018. DMOs operating at different levels have clearly defined roles, with strong involvement by the private sector. Regional DMOs, for example, have full autonomy for product development, marketing, human resources, event organisation and regulation of the sector in their region. Reforms in the Wallonia Region in Belgium have also led to the creation of new DMOs, with the role of managing marketing and co-ordinating territorial promotion in collaboration with the regional tourism body.

Also since 2018, the number of DMOs in Denmark is being consolidated from 80 to around 20 as part of a wider initiative to streamline the governance structures to develop stronger tourism destinations and encourage more coherent and impactful public efforts to strengthening Danish tourism (Box 1.2).

In a sector dependent on effective multi-level governance, it is important to clarify how responsibilities are assigned to different government levels, and that this process is explicit, mutually understood and clear for all actors. Due to the evolving nature of multi-level governance systems, a periodic review of jurisdictional responsibilities should be made to ensure flexibility in the system (OECD, 2019d).

Box 1.2. Simplifying the public tourism development system in Denmark

In 2017, the Ministry of Industry, Business and Financial Affairs conducted a mapping exercise of Denmark's tourism administration system. The study identified that the structures resulted in tourism development efforts being spread over many policy making levels, leading to an extensive overlap in marketing activity and impacting the co-ordination and effectiveness of other support activities. In 2018-19, the main policy initiative has been reforming the public tourism administrative system as part of a wider reform of Denmark's business support system. The purpose has been to create a simpler and more effective organisational structure and governance regime, which ensures stronger tourist destinations and more coherent and impactful public efforts to strengthen Danish tourism. In 2019, the Danish law relating to business support was amended, reducing administrative levels from three to two – national and decentralised - as well as minor changes to responsibilities and tasks.

- At the national level, the National Tourism Forum was established to lead and co-ordinate public sector policy in collaboration with the private sector, supported by the Danish Tourism Advisory Board. Four other organisations complete the national administration structures: VisitDenmark, the Danish Coastal and Nature Tourism, the Danish Business and Conferencing Tourism, and Wonderful Copenhagen, incorporating Danish City Tourism.
- As part of an agreement with Local Government Denmark, the number of destination management organisations at the decentralised level is being reduced from 80 to around 20. This consolidating process will be completed by the end of 2020. The decentralised DMOs role is to organise, co-ordinate and operate strategic local business support activities, which develop geographic areas in Denmark into strong and coherent tourist brands and destinations.
- A newly established Board for Local Business Promotion is responsible for grant funding to local tourism development activities

Co-ordination mechanisms to support integrated tourism policy approaches

Recognising the need to improve across-government collaboration on tourism relevant issues, many countries have developed measures to address this challenge. These range from structures established by legislation to more ad hoc initiatives. Vertical arrangements that connect national policy with regional and local delivery are also important.

A wide variety of co-ordinating bodies are used by governments, varying in terms of level of formality, seniority of involvement, scope of remit, and duration of existence, including:

- High level inter-ministerial committees, which focus on strategic priorities and may be overseen at the ministerial level, or by the Prime Minister or President.
- Inter-ministerial working groups, which focus on technical-level issues relating to tourism policy development.
- Round tables or "task-and-finish" groups, that focus on specific issues involving a number of ministries and other interests.
- Councils of Ministers involving different levels of government to ensure vertical co-ordination across national, regional and local levels.

Finland, for example, has a permanent whole-of-government Inter-ministerial Tourism Working Group, while Germany has formal co-ordination measures in place to ensure connection between state (Länder) and federal levels. In New Zealand, the Tourism Chief Executives' Group brings together the CEO's of relevant government agencies to co-ordinate tourism-related activities.

Box 1.3. Co-ordination mechanisms for tourism: country approaches

In **Chile**, new co-ordination mechanisms were established between the Ministry of Economy, Development and Tourism, and other key ministries to support tourism development, including:

- An Inter-sectoral Commission, led by the Cabinet of the President and the Ministry of Science, to co-ordinate actions for the solar eclipses of 2019 and 2020.
- A Board on Concessions in Protected Areas, with the ministries of Agriculture, Environment and National Properties, for the allocation of concessions for tourism in protected areas.
- An agreement with the Ministry of National Properties to develop to cultural heritage tourism, with the Ministry of Agriculture for the development of rural tourism, and with the Ministry of Sports, to promote adventure and sport tourism.
- A joint proposal with the Office of Indigenous Affairs, for the development of indigenous tourism.

In **Colombia**, the Superior Tourism Council was created in 2013, under legislation put in place to support more robust co-ordination of tourism programmes and projects. Thirteen ministries and other agencies relevant to tourism participate in the Council, to ensure a whole-of-government approach to tourism development. The Ministry of Commerce, Industry and Tourism also co-ordinates a series of planning activities with regional and local authorities, while Competitiveness Agreements are used to identify priorities for joint work among government entities over a three-year period.

In **France**, an Inter-Ministerial Tourism Council chaired by the Prime Minister was established in 2017 to co-ordinate action across six key priority areas for the development of tourism in the country: improving hospitality, security and service standards at border crossings as well as the modernising and promotion of the Qualité Tourisme™ label; co-ordinating the tourism offer to encourage international tourists to visit many different parts of France, with government support for new investment into product and quality through the France Tourism Development Fund; skills training to increase service quality and play a role in combating unemployment; continued support to digitalise the sector; and broadening access to holidays especially for people with disabilities.

Tourism Forum **Switzerland** has been developed to provide a platform for dialogue, co-ordination and co-operation across the sector. Working groups consisting of representatives of the private sector, cantons, communes, the national government and subject matter experts as required meet regularly, often on a temporary basis. At the Forum's main event in November each year, the results of the working groups are presented and the steps for the following year are discussed.

In the **United States**, the Tourism Policy Council is an inter-agency council established by law for the purpose of ensuring that the nation's tourism interests are considered in federal decision-making. Its major function is to co-ordinate national policies and programmes of federal agencies that have a significant effect on international travel and tourism, recreation, and national heritage resources. In addition, the Travel and Tourism Advisory Board is composed on industry representatives appointed by the Secretary of Commerce to advise on travel and tourism issues on an ongoing basis.

Other approaches include the entry into formal agreements, budget allocation (Japan) and revision of the underpinning legislation (Chile), as well as the establishment of fora, councils or other structures to develop policy, draft strategies and report on progress (Denmark, United States) (Box 1.3).

Bilateral agreements between the ministry responsible for tourism and other ministries are common. There is also a growing recognition of the benefits that can be derived by stronger linkages between particular ministries. For example, Greece has intensified co-operation between tourism and the agriculture and food sectors, while Finland has linked tourism to its new wider food strategy, having identified food as a growth

area for domestic tourism. Multi-lateral agreements to support co-ordination between a number of ministries, or for specific issues to be tackled, can be effective, as can cross-cutting sectoral plans agreed across government. This is the case in Mexico, for example, where the Tourism Sectoral Programme 2019-24 reflects not only the actions of the Ministry of Tourism, but also the co-responsibility of all relevant actors at national and sub-national level.

Cross-ministerial budget allocations have been adopted in Japan to support the work of the Ministerial Council for the Promotion of Japan as a Tourism-Orientated Country established in 2013 to unify government efforts on tourism. Budget allocations are transferred to the relevant ministries to implement tourism development measures, and are financed by an International Tourist Passenger Tax. While not a commonly used approach, this is another way for countries to improve co-ordination measures.

Other country examples include Croatia, where new management structures for the tourist board system recently came into force allowing financial incentives for regional tourist boards, changes to the roles of local and regional boards, and a refocused international marketing role for the national tourism organisation. Slovenia is also modernising its structures, redefining regional boundaries and prioritising lead destinations, alongside work to deregulate and privatise tourism attractions in public ownership.

These co-ordinating measures are supported by fora that involve the private sector, the civil society, and other stakeholders in both policy formulation and strategy development, although to differing degrees. The private sector is a key stakeholder in the development and co-ordination of tourism policy, and is essential to ensure that policy addresses the key challenges of the sector. This engagement may be led by peak industry bodies, combined with senior private sector representation on government-led groups.

In Australia, for example, an industry steering committee was established to report to Government on its vision for the future of the tourism in the development of the Australian Government's Tourism 2030 strategy, while in the United States, the Travel and Tourism Advisory Board is composed of industry representatives to advise on travel and tourism issues on an ongoing basis. Through the Tourism Advisory Committee in Belgium – Wallonia, public and private stakeholders make joint recommendations on tourism policy and strategy.

Countries are also taking steps to engage civil society in policy making, to take into account the needs of the local communities and the wider population. This is the case in Slovenia, for example, where the Strategic Innovation Development Partnership for tourism provides for the wide participation of interested stakeholders from civil society, together with the private and research and development sectors, to co-ordinate the digital transformation of tourism aligned to the Digital Slovenia 2020 Strategy. Similarly, consultation and engagement with civil society is prominent in the development and implementation of tourism strategies and plans in countries including Costa Rica, France, Denmark and Sweden.

Developing and implementing future-oriented tourism policies, strategies and plans

The implementation of long-term policies, strategies and plans is integral to achieving tourism growth which is both sustainable and inclusive. Countries need to have a clear strategic vision with well-articulated objectives, and adopt an integrated approach that brings together key stakeholders. Recent OECD work has also emphasised the importance of taking steps to future-proof these policies, for example by undertaking foresight or horizon scanning activities to detect changes likely to affect tourism, fostering a culture of innovation and change management within government, and ensuring policy makers have the capacity to make data-driven decisions to support the competitiveness of the sector (OECD, 2018c).

Countries are putting in place new tourism strategies to meet this challenge and reorient the approach to tourism development. The regular process of updating and renewing tourism strategies also provides a good opportunity for national tourism administrations to examine the wider environment in which tourism takes place, understand trends impacting tourism, and plan for the future.

Box 1.4. Federal Tourism Growth Strategy to 2025 in Canada

In May 2019, Canada launched a new Federal Tourism Growth Strategy. The Strategy sets out a new vision for tourism in Canada and aims to harness the opportunity that tourism presents for the Canadian economy while addressing certain challenges facing the sector. It is based on three central pillars: building tourism in communities, attracting investment and promoting public-private collaboration. Ambitious but achievable targets have been set to determine how well the Strategy is performing, and three metrics will help measure the economic impact:

- Grow total spending by tourists on goods and services, with an end value revenue target of CAD 128 billion in 2025, up 25% on 2018.
- Create jobs, with a target of 54 000 new jobs created by 2025, up 7.3% on 2018.
- Tourism GDP growth, with the aim of outpacing the national economic growth.

The Strategy also sets ambitious targets for the seasonal and geographic dispersal of tourist, with the aim of increasing by 1 million international tourist arrivals in winter and shoulder seasons, and aiming to grow spending outside Canada's top three major tourism regions, Toronto, Montréal, and Vancouver. It recognises the long-standing barriers to growing Canada's tourism sector are not easily overcome in the short term, and stronger partnerships with the private sector are needed to tackle those challenges over the long term. For this reason, an Economic Strategy Table for Tourism has been established. This is a new approach to develop high-growth and high-potential sectors, consisting of private sector leaders who set ambitious growth targets, identify sector-specific challenges and bottlenecks, and lay out an actionable roadmap to making the country an innovation leader.

Tourism strategies commonly cover either a five year or ten year timeframe. Almost half of the countries in this report have adopted a five year timeframe, with a further third opting for a ten year period, including Chile, Finland, Hungary, Japan, the Netherlands, Portugal, Spain, Sweden and the United States. Common themes covered include digitalisation, competitiveness, marketing, quality, skills and sustainability. Other issues gaining prominence include regional development, season extension, social and community involvement, investment and accessibility.

Box 1.5. Building expertise on long-term trends to inform tourism policy in Germany

In Germany, the Federal Ministry for Economic Affairs and Energy established a Centre of Excellence for Tourism to support the implementation of the Federal Government's tourism policy objectives by monitoring and analysing economic, technical and social developments in travel and tourism. An important part of its work is the special module entitled "Tourism 2030", which sees the Centre working closely with the private sector and academics to look at long-term scenarios and prospects for tourism in Germany. The Centre has an Advisory Board and a Supervisory Body whose membership includes representatives of major tourism associations. Tourism 2030 combines expertise on long-term trends, scenarios and prospects for tourism in Germany, and makes this knowledge available to relevant actors. The current changes in tourism are driven by such factors as digitalisation and the sharing economy, increasing mobility, the personalisation of travel, the influence of the growing number of older people on travel behaviour, and rising demand in developing countries for (overseas) travel due to increased prosperity. Other topics that the Centre is working on include sustainability, climate change, and terrorism and violence, which are having a growing effect on tourism.

Such strategies are a key tool for effective policy co-ordination, providing a common vision for the tourism development in the country. Related action plans dealing with short-term priorities and often specifying actions over a two-to-three year period are necessary to support implementation and provide the necessary flexibility to respond to opportunities and challenges as they arise. Canada, for example, has developed a comprehensive long-term federal strategy to provide a stable platform for sustainable and inclusive growth, while ensuring regular monitoring and the possibility of adaptation over time in response to changing realties (Box 1.4). Sweden's new long-term strategy is set to run until 2030 and is informed by the Visit the Future project, through which policy makers are working with industry to examining how economic and social changes are impacting tourism development, and identify innovative business responses.

Box 1.6. Travel to tomorrow – changing the tourism development paradigm in Flanders, Belgium

Over a period of 18 months, Visit Flanders and the Flanders Department of Foreign Affairs worked with tourism stakeholders to develop the vision "Travel to Tomorrow". This initiative has reflected on the wider transformative power of tourism In recent years, visitor and tourism revenue records have been regularly broken as Flanders, leading to new challenges and making it necessary to rethink and adjust tourism policy. This detailed exploration of how Flanders can reposition its tourism sector to provide a broader set of benefits and opportunities involved a highly participative, co-creative thinking methodology. This included listening to over 1 600 tourists and their experiences, to build up a picture that identified Place, People and Activities as key touchpoints and motivators to form the basis for a more positive version of tourism rooted in the authentic and personal.

Discussions questioned the current model, the need and tools for transformation, the importance of carrying capacities, the concept of place-keepers and the elements that lead to thriving communities. One important conclusion is that government cannot make transformation happen by policy, but can facilitate the transformation process by creating the frameworks, networks and knowledge sharing tools to support local people in redefining tomorrow's tourism. The vision translates in a set of prioritised policy actions including:

- Monitor whether, why and how locations flourish to continuously adjust the implementation of the policy, and map places to develop Flanders-wide narratives.
- Develop a strong narrative that resonates worldwide and impactful international campaigns that can be customised to encourage travel to Flanders without promoting mass tourism.
- Create the circumstances to improve the conditions for sustainable tourism business.
- Proactively bridge policy areas so to increase the impact of actions.
- Guarantee basic or higher quality to serve the needs of the flourishing destinations and their residents, entrepreneurs and visitors.

Due to the dynamics of such a fast moving sector, governments are also turning to more specific ways of keeping track of trends, to support the development of more agile, robust and forward-looking policies. Germany, for example, has established a centre for excellence to explore long-term scenarios and prospects for tourism (Box 1.5).

Similar approaches are also seen in Austria, Finland, Poland, Slovenia, Sweden and the United Kingdom. Such initiatives aim to promote focused and detailed research on key trends and applications, and inform a high quality, flexible policy response as a result.

Digitalisation, for example, is a key issue that has been driving change in tourism policies and plans. Finland, for example, has develop a Roadmap for Digitalisation of Finnish Tourism, which aims to build a nationwide digital ecosystem with key steps including data collaborations, integrating and promoting

product inventory, and ensuring multi-channel availability. The United Kingdom, meanwhile, is backing projects that test tourism applications in the augmented reality and virtual reality fields, and is also investing in a new independent Tourism Data Hub designed to transform the way tourism analytics and data are used. In the Wallonia Region in Belgium, the administration is financing digital facilitators, tasked with the objective of raising interesting for tourism providers in using digital technologies, and helping them in developing new quality products.

In the quest for truly future-proofed policies some administrations are re-examining the entire basis of the tourism development model, with a view to its reinvention at a destination level. This is the case for the Flanders Region in Belgium, for example, where the Travel for Tomorrow initiative is engaging stakeholders in a wider reflection on role of tourism in the economy and society with the aim of developing a common vision for the future (Box 1.6).

Other governments have put in place future policy measures that create a more rapid shift in direction. For example the Netherlands, operating within a longer term timeframe, has shifted tourism promotional resources from marketing to destination management with the twin goals of reducing environmental impact and encouraging regional development (Box 3.4).

Tourism budgets and funding

Tourism both contributes to government revenues, and also benefits from government expenditure through, among other things, investment in infrastructure, training and education, and heritage conservation. This is in addition to the more direct expenditures on tourism promotion and support to tourism destinations and businesses.

It is challenging to precisely identify the amount of financial support from government, given the multitude of funding streams and programmes as well as the variety of agencies that connect to the sector and different funding sources. Significant investment is also made at regional and local levels, while the private sector also contributes, often as partners in marketing campaigns or through match funding or co-financing arrangements for tourism development initiatives. Public funding also plays an important role in attracting private sector investment in tourism-related infrastructure.

A useful proxy that can, in part, indicate the level of government support for tourism is the funding directly allocated through the national tourism administration, and the budgets of the principal delivery agencies. Generally speaking, this funding supports both the responsible ministry and reflects the priorities in tourism strategies and plans. It is often led by expenditures on marketing and promotion, with an emphasis on generating foreign exchange income from overseas visitors.

Slightly over half of OECD countries report an increase in the central budget allocation for tourism, with the remainder either maintaining existing levels of funding, moving budgets between different agencies, or in the case of two countries making modest reductions. In several countries, over EUR 100 million is allocated annually through the central tourism budget, including Ireland, Israel, Mexico, New Zealand, Portugal and Spain.

Japan’s tourism budget rose to JPY 71 billion in 2019, almost 3 times the previous year’s budget. This follows the introduction of the International Tourist Passenger Tax as a permanent source of funding for tourism promotion. Revenues from the tax are put towards innovative and cost effective measures to develop the tourism offer and support tourism businesses, including enhancing immigration procedures, developing world-class tourist facilities, and creating new tourism content using regional tourism resources.

Other countries have also seen exceptional budget allocations in recent years. This is the case in Ireland, for example, where an additional EUR 7 million has been made available to the tourism agencies to mitigate the effects of Brexit on tourism.

A number of countries ring-fence taxes, fees or other charges, usually on inbound international visitors, to fund marketing or development activity and, increasingly, to provide the resources necessary to mitigate the impacts of tourism at the destination level, such as the recently introduced International Visitor Conservation and Tourism Levy in New Zealand (Box 1.9). Slovenia also has a visitor tax, a proportion of which funds tourism promotion. In Portugal, around half the national tourism organisation's budget is supported by a tax on gambling. Costa Rica, Croatia and Peru also levy entry charges on visitors that then is often used to support tourism agencies. In other countries, city taxes are levied, as is the case for Vilnius, Lithuania.

Tackling the policy priorities to shape the future of tourism

A number of important themes have been identified as current priorities common across countries. Sustainable tourism and digitalisation are critical for the successful development of tourism, and are priority areas for policy action (see also chapters 2 and 3). Governments also collectively view a variety of other subjects as having particular importance. These include regional development and dispersal, and allied to this ways to extend the season; developing the product and encouraging employment and skills.

As tourism continues to grow, measures to encourage regional development and disperse visitors to less developed areas is growing in importance, to relieve the pressures in highly visited destinations and spread the economic benefits of tourism more widely. Stimulating product development is an important function for government, to attract new kinds of visitors and even completely new markets more evenly throughout the year. Encouraging new and skilled workers into the tourism sector is a further area of policy action. Perceptions of work in the sector remain challenging and many tourism businesses struggle to fill vacancies with well qualified, motivated people. Higher education institutions often find it difficult to attract potential students towards tourism related courses and skills will continue to be a central issue in the years to come, to address labour needs and prepare the tourism workforce for the digital economy.

Moving from sustainable tourism plans to action

Tourism's potential as a driver for sustainable development, when built upon broad stakeholder engagement and sustainable development principles, is acknowledged in the 2017 OECD Policy Statement on Tourism Policies for Sustainable and Inclusive Growth. Governments have an important role to play to provide direction and support, but it is also increasingly recognised that this must be delivered in an integrated way, based sound policies, effective management and structures that involve the private sector and the many agencies and bodies, at all levels, whose activities can influence tourism performance and impacts.

Many governments have made recent progress by taking steps to embed sustainability principles in both tourism policy and related strategies. However, an ongoing challenge is the implementation of these strategies, to deliver on the agreed actions and aspirations (Box 1.7). Related to this, the involvement of the local community is increasingly seen as an important factor in the development of an inclusive and sustainable tourism sector. There is a growing interest in how to maximise the opportunities for local communities and retain more of the benefits of tourism in communities.

Some countries have adopted specific policies that have begun to change the model. Mexico, for example, is committed to moving to a balanced tourism development model that sustainably uses natural and cultural resources and spreads the benefits of tourism across the territory to boost local economies and support local communities. A similar approach is also being adopted to involve harder to reach indigenous communities in tourism development in Australia, Canada and Chile.

Box 1.7. Integrating sustainability in tourism policy: country approaches

In **Egypt,** a Tourism Reform Programme introduced in 2018 aims to achieve sustainable tourism through structural reform to strengthen the sector's competitiveness and ensure alignment with international standards. Designed as a policy framework with the UN Sustainable Development Goals at its centre, the five pillar strategy provides a comprehensive blueprint to address Egypt's tourism challenges: reforms to both institutions and legislation; marketing and promotion; infrastructure and development as well as a drive towards meeting the needs of the market through responsible tourism.

Finland's ambition to become the most sustainably growing tourism destination in the Nordic region by 2028 is underpinned by Finland´s National Tourism Strategy 2019-28 - Achieving more together – sustainable growth and renewal in Finnish tourism. Four key priorities to promote sustainable growth and renewal of the tourism sector include: support activities that foster sustainable development, respond to digital change, improve accessibility, and develop an operating environment that supports competitiveness. One of the principal measures is to create, pilot and launch the Sustainable Travel Finland umbrella label, as a low threshold sustainable development tool for tourism destinations and businesses; a marketing communication tool for Visit Finland; and a label to identify sustainable travel businesses and destinations for both travel trade and consumers.

Ireland is undertaking a comprehensive audit into all aspects of sustainable tourism, including reviewing statistical tools, indicators and carrying capacities, international benchmarks, potential funding sources and cross-government co-ordination measures. This is part of a new two year Tourism Action Plan to support the implementation of the national policy framework People, Place and Policy: Growing Tourism to 2025.

In **Sweden**, a new long-term strategy is set to run until 2030. It aims to provide a coherent policy for sustainable tourism development, together with a platform to implement actions that meets both national and global challenges. Developed in co-operation with different ministries including Infrastructure, Environment, and Culture, it is also informed by the Visit the Future project, which has involved in-depth analysis of how economic and social changes are impacting tourism development, and the interlinkages with other sectors of the economy. Working closely with the tourism industry association, Svensk Turism AB, the initiative focuses on innovative business development supporting projects in tourism destinations, with pilots in two regions focusing on robotics, and smart lodging and food.

Other countries, such as Austria (Box 3.6), Greece and Sweden, have drawn on the SDGs to provide the foundations for action. Lithuania has teamed up with other countries around the Baltic Sea to identify how the SDGs can be applied in practice, with a first phase of the project focusing on the development of tools to measure sustainability performance. The Nordic countries are also working together under the recently launched Nordic Tourism Co-operation Plan 2019-23 to support sustainable tourism growth, in alignment with the SDGs (Box 1.8).

The majority of countries covered in this publication report having a specific policy, plan or strategy in place to support sustainable tourism. Good governance is a key component of these plans, with governments looking to develop innovative solutions. Japan, for example, has strengthened the internal governance of tourism with the establishment of the Sustainable Tourism Promotion Headquarters which includes in its remit the development of a Sustainable Tourism Index which encourages action at destination level.

Other priorities include strengthening the participation of the private sector, as well local communities and minorities in developing tourism policies, plans or strategies, while bio-diversity, energy conservation, and waste and water management were identified among the environmental policy priorities. A strong policy commitment to protecting cultural heritage is also reported.

Box 1.8. Nordic Tourism Co-operation Plan 2019-23

Denmark, Finland, Iceland, Norway, and Sweden have a long tradition of co-operating in various fields under the auspices of the Nordic Council of Ministers. In recent years, tourism has been actively placed on the agenda, leading to the development of the Nordic Tourism Co-operation Plan 2019-23 within the framework of the Nordic Co-operation Programme for Business and Innovation Policy 2018-21. The Plan is intended to strengthen Nordic tourism co-operation to support sustainable tourism growth in the region, in alignment with the 2030 UN SDGs. It identifies strategic areas of collaboration and establishes a structured co-operation between national policy makers and organisations in the Nordic countries, with the objective of developing and implementing tourism-related policies and projects. The Plan sets out four main objectives to:

- Increase the competitiveness of the tourism sector, through better regulation, comparable data provision, and dialogue with the tourism industry.
- Develop the Nordics as an innovative and smart destination, by strengthening digital capacity of SMEs and destinations, promoting innovation, and developing smart destinations.
- Support sustainable development and growth, with the development of a voluntary Nordic roadmap for sustainable tourism, and gathering best practices.
- Make the Nordics a more attractive and competitive destination, by investigating market possibilities in long-haul markets and strengthening the Nordic branding.

In New Zealand, for example, a new International Visitor Conservation and Tourism Levy has been introduced to provide the resources necessary to mitigate the impact of tourism at the destination level. The new NZD 35 levy on international visitors is forecast to provide some NZD 450 million over 5 years, to be invested in tourism infrastructure and conservation on an equal basis (Box 1.9). The private sector in New Zealand, meanwhile, has launched an industry-led Tourism Sustainability Commitment Initiative (Box 3.5).

When it comes to monitoring progress in achieving sustainable tourism outcomes, the picture is more mixed. There is not yet a consistent approach to the measurement of sustainable tourism. Around half of the countries report having a set of indicators in their national policy or plans to track progress towards the SDGs.

An ongoing area of work in many jurisdictions is to identify the most appropriate indicators and set out a framework in which these indicators can be effectively employed. In Costa Rica, for example, the Social Progress Index provides an adaptable system of indicators to fit the unique circumstances of each destination. Focusing on the well-being of local communities and other impacts of tourism, the framework helps to identify the steps needed to ensure tourism is a positive force for economic development.

At international level, the UNWTO's initiative on Measuring the Sustainability of Tourism aims to develop an international statistical framework for measuring tourism's role in sustainable development, including the economic, environmental and social dimensions. The European Tourism Indicators System (ETIS) for sustainable destination management, was designed to be: i) a management tool, supporting destinations who want to take a sustainable approach to destination management; ii) a monitoring system, to facilitate the collection of data and detailed information and enable destinations to monitor performance; and iii) an information tool, useful for policy makers, tourism enterprises and other stakeholders.

Box 1.9. International Visitor Conservation and Tourism Levy in New Zealand

Growth of visitors to New Zealand has put pressure on visitor infrastructure in the country, as well as on the natural attractions which are a core part of the tourism offer. Current funding models for visitor-related infrastructure are not fit for purpose, and this is compounded by the absence of a direct relationship between visitor numbers and revenue. It is often difficult to derive a revenue stream from these types of facilities and many goods and services used by visitors are not provided by the market. This often results in operating and investment costs falling on central or local government. In the case of local government, this can particularly put pressure on budgets and be unaffordable, especially where there are high numbers of visitors relative to the number of ratepayers. This is the case in the Queenstown-Lakes District, for example, where international visitors outnumber ratepayers by 34 to 1.

Government intervention is necessary to ensure that funding for conservation and tourism infrastructure is placed on a financially sustainable footing, with those who benefit from infrastructure and services provided are contributing meaningfully to costs. One policy response has been the introduction of the International Visitor Conservation and Tourism Levy, which was introduced following after consideration of different funding options which would balance the needs of the sector while ensuring those who benefit from the infrastructure contribute to financing the required investment. From 1 July 2019, with the exception of Australian citizens, all international visitors entering New Zealand will now be charged a levy of NZD 35, which is collected through the immigration system at the same time as with travellers pay visa or Electronic Travel Authority fees. The Levy is expected to raise NZD 450 million over 5 years. The Levy will be equally split between tourism infrastructure and conservation to finance conservation, infrastructure and systems. An investment plan has been developed.

Leveraging tourism as a catalyst for regional and rural development

There is an enduring policy commitment in many countries to utilise tourism as an engine for regional development. Tourism can be a powerful agent for positive change in communities where the opportunities for the development of other economic sectors may be limited. Such policy approaches can help spread the benefits of tourism away from capital cities, historic destinations and coastal areas to lesser developed, often rural areas.

Tourism can play an important role in improving the attractiveness and well-being of places, not only as destinations to visit, but also to live, work and invest. More specifically, tourism can provide benefits for urban and regional economies including diverse employment opportunities, support for the promotion of cultural authenticity and assets, opportunities for innovative small-scale business operations, and support for infrastructure-related development and maintenance. This is the ambition behind Mexico's plans to develop the Mayan Train, for example, which would see a 1 525 km tourist-orientated rail touring route through the Yucatán Peninsula.

The potential for tourism to be a driver of economic growth and development in regional areas is reflected in the institutional structures for tourism in some countries. In Sweden, for example, the Swedish Agency for Economic and Regional Development, Tillväxtverket, also has responsibility for tourism, while in the Czech Republic, the activities of the different regions are aligned by a regional co-ordinator to increase the competitiveness of the sector at regional level. Regional and municipal authorities are also active in developing tourism at regional and local level. In Morocco, for example, as part of the focus on developing regional tourism, governance structures are being adapted and upgraded to give decentralised services a greater role in the implementation and development of tourism in their respective territories.

In Spain, the Smart Tourism Destination Programme aims to improve planning, development and governance at destination level, to provide an engine for economic growth and a means to social equity in

regional areas (Box 1.15). The implementation of this programme is supported by a framework established in law to improve co-ordination between central government and the autonomous regions on tourism issues. Regional development is also a key objective of Turkey's 2023 Tourism Strategy, and is supported by a major marketing push to promote cities, regions and destinations around the country.

The creation of new tourism destinations can help diversify a tourism sector that may be over-reliant on seasonal demand and/or based on coastal assets and develop tourism in regional areas. While the influx of tourism spending and boost to jobs can have a positive impact on local economies, many local municipalities and destinations, often in remote or regional areas, lack the financial resources to develop the necessary infrastructure to meet the needs of locals and visitors, and deal with the impacts of tourism.

Box 1.10. Encouraging visitor dispersal to support regional development in Australia

Improving regional dispersal is a focus to grow the Australian tourism sector. While 43 cents in every tourism dollar is spent in regional Australia, regional dispersal remains challenging, particularly for international visitors. The Australian Government appointed an Assistant Minister for Regional Tourism in May 2019, who will travel to regional areas to meet with operators, regional tourism authorities, industry councils, state governments and other stakeholders to discuss first-hand the opportunities and challenges facing regional tourism. This will feed into the development of the Tourism 2030 strategy, of which regional tourism will form a key element.

Infrastructure is critical to regional dispersal and is one of five national investment priorities for Austrade's investment attraction work. The Australian Government has initiated a number of regional tourism infrastructure programmes to attract more tourists beyond major metropolitan areas:

- Providing funding for regional tourism infrastructure through the Building Better Regions Fund, which provided over AUD 70 million to support tourism-related infrastructure and community based projects in the first half of 2019.
- Investing in the future of the tourism industry through an AUD 50 million National Tourism Icons package, providing funding for tourism infrastructure and upgrades at five iconic destinations across Australia. The attractions which will provide a catalyst for developing tourism within those regions, creating jobs and helping to diversify local economies. They will help drive demand and become a 'must see' experience for both international and domestic tourists.
- Supporting the Indigenous tourism sector with the establishment of a new AUD 40 million fund to encourage the development of new and expanding Indigenous owned and operated tourism enterprises, many of which are located in regional and remote areas.

Complementing this, Austrade, Tourism Australia and all state and territory governments are progressing a five year Regional Tourism Infrastructure Investment Attraction Strategy. Initiated in 2016, this whole-of-Government partnership aims to increase international investment into hotels, resorts and attractions located in eight pilot regions across Australia. The Strategy addresses structural challenges where even though tourism demand is growing, there is a lack of quality accommodation and experiences to match the continuing growth in visitation.

In response, Hungary, for example, has identified a number of high priority tourism development areas with the greatest potential for attracting international visitors (Box 1.12), while Croatia has established a Tourism Development Fund to facilitate the development of public infrastructure in support of visitor attractions in less developed areas, and is taking steps to encourage new markets seeking different types of tourism experiences. Canada, meanwhile, recently introduced the Canadian Experiences Fund to support investment in remote and rural areas where other funding may be scarce and less attractive for the private sector. Consistent with the Rural Economic Development Strategy, the Fund is supporting the

development of tourism facilities, products and services that can extend shoulder seasons, provide new winter experiences and boost lesser known areas of the country, including trails, indigenous culinary experiences and winter activities (Box 3.10). Regional dispersal initiatives are key in spreading the economic benefits of tourism further afield and potentially reducing the load on existing high volume destinations. In Australia, for example, improving regional dispersal is a priority issue informing the development of the new Tourism 2030 strategy. The aim is to encourage international visitors to travel beyond major metropolitan and coastal destinations to visit lesser well known regional destinations to support regional communities, and grow the tourism sector overall. This builds on a focus in recent years to develop the tourism offer in these regions, through the Regional Tourism Infrastructure Investment Attraction Strategy (Box 1.10).

In some cases, this policy is also being applied to aid dispersal of tourism away from honeypot areas experiencing pressures from heavy visitor flows, an issue which has seen increasing policy and media attention in recent years. While such high concentrations of tourism are usually limited to a small number of well-known, mainly urban destinations, the desirability of spreading the load is accepted, with governments now developing specific measures to deliver the policy intention. This issue is further discussed in Chapter 3. The location, capacity, efficiency, and connectivity of transport also plays a significant role in how destinations physically develop, by influencing visitor mobility and experiences within destinations. Good accessibility is instrumental to the overall competitiveness of destinations, and is necessary to spread the benefits of tourism beyond major centres. The provision of suitable infrastructure and adequate means of transportation are fundamental requirements to facilitate the mobility of tourists (OECD, 2018c).

Many rural and particularly isolated tourism areas, with smaller populations and lower levels of year round travel demand, face additional challenges in the form of limited or no scheduled transport services from urban centres, and in providing and maintaining sustainable and seamless transport systems serving both locals and tourists. Enhancing co-ordination between transport, tourism and other related policy areas can improve visitor mobility to and within destinations, reduce bottlenecks, enhance visitor satisfaction, and help to secure the economic viability of local transport systems by servicing both residents and tourists (Box 3.12).

Measuring the impacts of tourism at a destination and regional level is of key importance to develop evidence-based measures. For this reason, the Korea Culture and Tourism Institute developed the Regional Tourism Development Index in 2015, in consultation with academic and statistical experts. Compiled every two years, the Index measures the tourism performance of municipalities, cities and towns, based on tourism-related data collected from 17 metropolitan municipalities and 152 cities and towns in Korea. The Index is a useful long term planning resource for city officials and promotes co-operation with a positive impact on local and regional attractiveness.

Developing the tourism product

Developing the tourism offer is one of the most important strategic priorities for countries. Clearly at the heart of a successful tourism sector, a high quality and diversified tourism product reflects a country's landscape, heritage and other assets, and is influenced and shaped by the demands of the consumer. Developing the tourism product and diversifying the tourism offer is a tool to promote economic growth, support regional development, lengthen the season and cater to new markets. A number of principles underpin successful tourism product development:

- An integrated approach that includes investment in supporting transport infrastructure and tourism services, as well as specific destination product.
- Long-term programmes with strategic objectives and a range of priorities that may change over time are more effective than short-term project-based initiatives.

- Strong sub-national partnerships are important for co-ordination and delivery.

Tourism routes and thematic products

The development of the tourism offer is linked with catering to increasingly sophisticated visitors, diversifying to new markets and spreading tourism in time and in space in many countries (Box 1.11). A case in point is the development of major new touring routes. Chile, for example, has defined ten national routes as part of its Routes Chile project, for example, while Brazil is similarly developing 30 strategic tourist routes covering 158 municipalities supported by a BRL 200 million programme. This is part of wider efforts by Brazil to stimulate regional development under its National Tourism Plan 2018-22 by drawing on local attributes such as crafts, culture, cuisine and community involvement, along with the designation of Special Areas of Tourist Interest to attract investment and a concessions programme for tourism service providers in national parks.

Box 1.11. Developing the tourism offer: country approaches

In **Hungary**, a number of high priority tourism development areas have been identified as having the strongest potential for scalable, highly profitable tourism to attract international visitors. The Kisfaludy is one of the destinations, and the Tourism Development Programme for the destination sets out a roadmap for developing the destination, its products and attractions. This will include facilities such as lakeside beaches and adventure park. Applicants for funds must comply with specific requirements relating to product development, training, promotional activities and collaboration with other local service providers. This will ultimately help the destination strengthen both its competitiveness and its sustainability. In parallel, Kisfaludy is benefiting from a new Accommodation Development Framework which seeks ultimately to develop over 30 000 rooms nationwide.

In **Norway**, a selection of hiking trails are being marketed as National Hiking Trails. The objective is to increase the sustainability of sensitive natural resources through proactive visitor management measures. Making the trails more robust and accessible has made them more attractive for travel and business activity. Local stakeholders such as municipalities and business communities are encouraged to develop similar solutions that facilitate and contribute to sustainable value creation.

In **Poland**, the Polish Tourist Brands project seeks to create and market tourism product packages to strengthen the tourism offer. Participating businesses that meet the criteria for managing and promoting a tourism brand are awarded the title Polish Tourist Brand, as well as benefited from participation in trade fairs and promotional events for reduced cost, assistance in organising familiarisation trips, and funding for promotional videos. In addition to supporting a coherent national tourism brand, the project aims to increase the attractiveness of regional destinations, extend the length of stay and support sustainable destination management, as part of Poland's Strategy for Responsible Development.

In the **Russian Federation**, an integrated approach to tourism development based on the entire visitor journey looks at all customer touchpoints, including the quality and availability of transport infrastructure, tourist services, the condition, quality and cost of services, as well as the attractiveness of the country's brand and individual tourism destinations. Measures to improve the quality of tourism infrastructure and product include: the modernisation and development of tourism infrastructure, closer partnerships between private and public sectors, clear monitoring frameworks, improving the quality of training, digital platforms, infrastructure and ensuring a wider range of high quality tourist services.

In Greece, national tourism policy aims to promote Greece as an attractive year-round destination by working closely with all regions to develop and promote innovative products, focusing particularly on new thematic tourism products and special interest tourism including cultural tourism, pilgrimage tourism,

cruises and yachting, diving parks, wellness and spas, medical tourism, meetings, incentive, conference and events (MICE), luxury tourism, city breaks, and Greek gastronomy. This policy has been formalised through the recently adopted Thematic Tourism Law.

The link between tourism and culture is well established and remains a strategic priority in many countries, with cultural and creative assets often drawn on to create tourism products and attract new audiences. Korea, for example, leverages K-Pop in its tourism marketing and development activities. Norway, meanwhile, recently launched a Strategy for Cultural Tourism, in consultation other ministries and state companies as well as representatives from the cultural sector and private sector.

Off-peak and less seasonally dependent products

Alongside policies to develop tourism products catering to new markets and developing new destinations, there is often a connected objective to spread tourism more evenly throughout the year with benefits that include increased productivity, better resource use, more stable employment and potential reductions in high concentrations of visitors during peaks.

Many countries that have successfully developed summer coastal or urban tourism destinations, for example, are now also looking to diversify and develop products that highlight new destinations and lesser known assets, as with the Greece example above. Major cities will often experience flatter seasonal peaks and troughs due to a diverse offer that caters for both leisure and business markets.

Sweden, for example, is experiencing a growing interest in winter tourism, with this positive trend driven by new consumers and innovative product development. Swedish Lapland has positioned itself as a leading winter-led wilderness destination drawing on the northern lights, an indigenous culture and innovative products, all of which is supported by a network of small tourism enterprises that are rooted in, and passionate about, the local environment. The ambition of the partners is on track to double tourism revenue over a ten-year period to 2020.

Diversification into less seasonally-dependent products such as health and wellness, or wine tourism is also a strategy being adopted to better fill off-season occupancy. Latvia, for example, is taking steps to diversify its offer to include business and medical tourism products, to counteract acute seasonal fluctuations.

Other factors however can influence such a policy, where off-peak access into destinations can be constrained by available air routes and tour operator schedules. Malta has doubled its route capacity over the last decade which has also supported significant uplifts in volumes during the shoulder periods.

Accessible tourism

Furthermore, governments are continuing efforts to widen access to tourism activities, with accessible tourism now mainstreamed in many countries. This is linked in part with demographic change, with the number of travellers aged over 60 years forecast to total 1.7 billion by 2040, up 89% on 2015 (OECD, 2018). There is also increasing interest in delivering a high quality welcome for all visitors.

A number of countries have increased investment in accessible facilities and services, with specific accessible tourism initiatives underway in Belgium, France, Germany, Hungary, Korea, Luxembourg, Turkey and the United Kingdom. Social tourism initiatives have also been developed in some countries, such as Hungary and Romania where travel vouchers for accommodation and other tourism services are awarded to public sector employees, with the aim of reducing seasonality and increasing domestic tourism.

Investment and finance supports to develop the tourism offer

A wide range of investment and financial mechanisms exist to support product development, including grants, financial supports and other subsidies to bring forward public and private sector developments.

Additionally, some countries offer supports for the privatisation of state assets or the rehabilitation of cultural assets. In Portugal, for example, the REVIVE programme aims to redevelopment cultural heritage sites that are in public ownership for tourism purposes (Box 1.12).

Countries are also committing public funding to stimulate investment in priority areas and strengthen the overall tourism offer in the country. In Ireland, EUR 2.5 million in grants are available for Immersive Heritage and Cultural Attractions that have the potential to grow tourism across Ireland and throughout the year. This initiative is part of the Platforms for Growth project, a four year programme to benefit tourism with EUR 150 million available in grants for capital investment in large-scale visitor attractions.

Some countries, such as the United Kingdom and Romania, have connected their product development funding closely to working with the industry to stimulate inbound tourism. In the United Kingdom's case, this has seen the deployment of a Discover England Fund supporting projects that develop and connect new bookable product from small businesses to inbound tour operators, as well as the establishment of the Tourism Exchange Great Britain (TXGB) which is a digital business-to-business platform connecting tourism suppliers to distributors around the world. TXGB aims to address small business market failure by enabling their connection to major distribution channels.

In some cases this funding is also targeted at developing basic supporting infrastructure for tourism development. In Iceland, for example, the National Infrastructure Plan and the Tourist Site Protection Fund work in tandem to improve tourism related infrastructure at natural and cultural tourist sites, both public and private, that are under pressure from tourism. A total of ISK 1.2 billion was made available for various projects in 2019.

Box 1.12. Redeveloping national cultural heritage for tourism purposes in Portugal

National heritage properties are an important part of the historical, cultural and social identity of Portugal and make a rich and distinctive contribution to the attractiveness of its regions, and the experience for tourists. The REVIVE programme aims to streamline the redevelopment of vacant properties for tourism purposes, to support regional development and lengthen the season. Under the programme, publicly-owned properties in low density and coastal regions are being opened up to private sector investment through concessions for their development and operation. The programme is run by a technical team that includes representatives from the Cultural Heritage Department within the Ministry of Culture, the Treasury and Finance Department within the Ministry of Finance, the National Defence Resources Department within the Ministry of Defence and the Portuguese Tourism Board within the Ministry of Economy, together with the close involvement of local municipalities. Safeguards exist to ensure that the plans put forward for each heritage property are suitable for both the property, and the development needs of each region. Concession contracts are awarded following an international tender procedure to ensure transparency, competition and promotion. Tourism-related uses, such as hotels, restaurants, cultural activities or other forms of entertainment, can stimulate new private sector investment to conserve the fabric of the heritage site and open it up to new audiences. At time of writing, a total of 11 properties have been granted exploration licenses for 4-5 star hotels, with a 50-year concession length. The Portuguese Tourism Board is actively involved in attracting investors through its official website, external services of the Ministry of Foreign Affairs in international strategic markets, and presence at international fairs.

Promoting skills development and employment opportunities

Tourism is an important job creator, and the sector is highly dependent on quality human resources to develop and deliver a competitive tourism offering. It provides a wide range of different job opportunities, from entry level to senior management roles, in different locations and branches of the sector. These jobs

support enterprises and destination development. They can also help to bring hard-to-reach people back into the workforce, reduce unemployment and open up opportunities for people of all ages and skills background. However, finding and retaining the right calibre of staff remains a challenge in the sector, and is compounded in some countries by demographic trends and other influences that reduce the available talent pool.

However, perceptions of tourism employment often do not align with reality in terms of the opportunities available and positive aspects of work in the sector, and competition can make tourism recruitment challenging, especially when combined with tight labour markets, high staff turnover and declining pipeline of trainees in some countries. Tourism-related education and training are a principal area of government intervention in many countries, to develop the required quantity and quality of skilled workers to deliver and maintain high quality service standards.

Policy measures seek to encourage greater numbers of (often young) people into formal tourism education or vocational training programmes meet the demand for skilled workers and upgrade the professionalism of the sector. These measures also seek to create career pathways and build skills and competencies for long-term individual and employer benefit.

Some countries, such as Portugal, directly operate hotel and tourism training schools and have specific programmes to encourage an entrepreneurial spirit and a culture of innovation amongst students. Other countries are taking steps to ensure training programmes are well targeted to meet the needs of industry, and develop the pipeline of skilled workers to fill the employment opportunities in the sector.

The Tourism Skills Centre Iceland, for example, is working with the formal school system to better adapt study programmes to the needs of the private sector, and to increase training within tourism companies in Iceland (Box 1.13). Latvia has also developed a life-long learning programme to increase the skills of entrepreneurs and the wider workforce.

Box 1.13. Addressing labour challenges with skills training in Iceland

In Iceland, tourism jobs are commonly filled by young people working in the sector on a temporary basis. Due to Iceland's small population and low unemployment rate, a growing proportion of these jobs rely on foreign labour. This is creating challenges, as without a highly skilled workforce, productivity, profitability and the destination's reputation can be compromised. Improving the skills, quality and professionalism in the tourism workforce is therefore a strategic priority. In 2017, the Government founded and financed Tourism Skills Centre Iceland, which has two major tasks:

- Influence and co-operate with the formal school system to better adapt current and future study programmes to the needs of the private sector: The Centre has engaged over 130 representatives to map and evaluate current study programmes and suggest improvements. The findings have been published, with suggestions to make the school system programmes more accessible, practical and based on the National Qualifications Framework system (competence levels). Work is now underway with major vocational schools and the Life-long Learning Centres to implement the report findings.
- Increase training within tourism companies in Iceland: The Centre works with the Life-Long Learning Centres to approach tourism companies in a systematic and strategic way to increase on-site training. A key goal is to measure the results of the training on company operational performance, such as staff turnover, social media ratings and staff satisfaction. In 2018, 40 training contracts involved over 70 companies and more than 2 000 employees in training (www.haefni.is)

In some countries efforts to develop a pipeline of potential employees start during secondary education. In Belgium Wallonia, for example, the Ulysses network lab is dedicated to providing tourism training in schools. The need to improve the image of employment in the sector and promote tourism as a real career option for younger people is a recognised challenge in other countries too, while countries have also adopted measures to make employment in the sector more attractive.

In Australia, the Skilling Australians Fund established by the Labour and Skills Roundtable provides ongoing funding for vocational education and training, including for tourism. The Roundtable is also delivering Tourism Employment Plans which outline tailored three-year strategies for a region to meet its specific labour and skills needs, in partnership with states, territories and the private sector.

In Croatia, meanwhile, an emergency measure exempting the hospitality sector from VAT on food and accommodation for seasonal workers was introduced to address acute labour shortages during the peak summer months, aimed at supporting tourism enterprises to offer higher salaries to attract workers. At the same time, regional competence centres serve as instruments to improve the quality of tourism and hospitality education and align training to the needs of the labour market. They are hubs for co-operation between tourism stakeholders, and to strengthen the competitiveness of human resources.

Box 1.14. Improving tourism labour supply in Finland

An examination of the Finnish employment statistics reveals that there are simultaneously people with tourism and hospitality training looking for work, and multiple vacancies in the sector. However, often the jobseekers do not have the skills and expertise required for the vacant tourism jobs. Other factors behind this labour supply gap may include: low wages, irregular, seasonal and physically demanding nature of tourism jobs, fall in the pipeline of students studying tourism and hospitality, and wider problems associated with lack of transport or reasonably prices housing options near the workplace.

In response, the Finnish Government launched the *Matkailudiili* programme in January 2018, to improve employment and recruitment prospects in the tourism workforce. During the two-year project measures were taken to boost the image of the tourism sector and work, strengthen co-operation between relevant stakeholders, and introduce a range of pilot projects. During 2018-19, over 30 pilot projects were launched to improve access to tourism employment as well as co-operation between public services and private recruitment agencies. This includes training programmes for job seekers, marketing campaigns aimed at potential employees (e.g. immigrants living in Finland), initiatives to employ workers from other sectors (e.g. forestry) during high tourism season, and digital platforms and training to alert people to vacancies. The results have led to greatly increased co-operation between relevant stakeholders, knowledge of tourism training and employment opportunities, increased national and international interest in the tourism jobs available, and improved understanding among the national employment services of sector circumstances, business needs and employee requirements. The results and best practices of the programme can be widely utilised in other sectors suffering from labour shortage.

In the United States, recommendations from the Travel and Tourism Advisory Board, which is composed of industry representatives, are contributing to work of the National Council for the America Worker, to develop and implement a strategy to prepare workers in the American economy for the jobs of the future. The Advisory Board's recommendations focus on supporting tourism workforce development, given record low unemployment and the emergence of new technology.

Digitalisation is having a profound impact on employment in the sector, compounding these challenges. Technology is reshaping the content and tasks of many occupations (OECD, 2017c). Workers in a digital tourism economy will need a different mix of skills, not just more skills, and significant investment by both employers and governments will be necessary to ensure the workforce is well-equipped to pursue future

jobs in the sector (OECD, 2018c). It is important that tourism policy strengthens the resilience and adaptability of labour markets so that workers and countries can manage the transition with the least possible disruption, while maximising the potential benefits for the sector (OECD, 2017b).

In Finland, the most important skills needs identified for tourism are digital-related, whether this be the management of virtual services, research and development of digital solutions, familiarity with the Internet of Things or the digital management of operations. The Roadmap for Digitalisation of the Finnish Tourism Sector aims to steer the sector towards greater digital competence, while the *Matkailudiili* programme was launched to improve the workforce's employment and recruitment prospects (Box 1.14).

In the United Kingdom, under a new initiative large technology companies will deliver targeted digital skills training to small tourism businesses in the planned Tourism Zones and the British Tourist Authority will provide business support to SMEs to ensure their websites are more accessible, as part of the recently introduced Sectoral Plan for Tourism (Box 1.18) .

Maximising the potential of tourism

While Governments often focus first on the major themes of sustainability, digitalisation, regional development, skills and product development, a wide variety of other issues also typically require long term action. The diversity of the sector, its dynamic nature and its influence on other policy areas means policy action on, for example, regulating the new sharing economy, providing business support, encouraging investment, driving country image and marketing activity, stimulating higher quality services and improving transport connectivity. Governments themselves are also harnessing technology and digital solutions to improve the administration of tourism.

Mobilising digital solutions for more effective tourism administration

While digitalisation is a key priority to boost the productivity and growth potential of the tourism sector, new technologies are also pervading all aspects of policy making.

Box 1.15 Digitalising the tourism administration system in Croatia

A complex system of legislation, regulations and other requirements means that tourism service providers in Croatia connect with multiple parts of government to run their businesses. An estimated 60% of data submitted by tourism businesses is already available in the administrative registers of different public bodies. Streamlining the collection and processing of this data would make the system more efficient and ease the burden on tourism businesses. It would also result in efficiency improvements within the administration, and help to better understand the performance of the tourism sector. The Ministry of Tourism is tackling this issue via the implementation of the Croatian Digital Tourism - e-Tourism project. Supported by funding of EUR 7.3 million, this project is undertaken within the framework of the e-Croatia 2020 Strategy, which aims to transform the state information infrastructure. The e-Tourism project is focused on the development of eight linked public sector e-services in tourism, providing information for civil servants and linking the processing of several public bodies into an integrated system. This will improve communications between government and tourism stakeholders, increase the efficiency of the public tourism administration, reduce the time and cost of handling queries and reduce the level of error. The project will also increase the transparency of the public administration of tourism through the provision of up-to-date information to businesses and other suppliers in the tourism sector. By fully updating e-systems for tourism, the project will also act as an exemplar for other parts of the public sector.

Governments are using digital technologies to improve the administration of tourism by developing solutions to, for example, engage closely with tourism businesses, streamline data requirements, and make regulatory compliance easier.

Croatia is one country which has taken a comprehensive approach to redefining its tourism administration system, with an initiative that is transforming the national information infrastructure, including addressing the issue of multiple data sets and outdated technologies (Box 1.15).

Digital solutions are also being adopted by governments to develop statistical databases and indicators to build the evidence base and support policy and business decisions. Digital systems are often seen as an opportunity to reduce cost, offer more effective services, or develop ways to more accurately identify and manage the impacts of tourism.

Box 1.16. Digital governance solutions connecting public and private sectors: country approaches

In **Bulgaria** the Ministry of Tourism is currently developing an Integrated Tourist Information System. This is an electronic database containing information on a wide range of public and private sector tourism related stakeholders including tour operators, accommodation providers, and trade associations. This provides a single gateway for communication between national regional and local levels and will also ensure innovative and secure data transfer between institutions, allow more accurate monitoring and benchmarking, and better decision making at all levels.

In **Denmark** in 2017, VisitDenmark launched the TourismTech Datalake project to make better use of the global digitalisation and technology trends. This first national tourism related data strategy, with the concept of a 'data lake' as a central part, aims to collect data from tourism stakeholders, use these data for developing new tourism business models and create insights into what attracts international tourists to Denmark.

Estonia has plans to implement digital visitor registration by 2021-22, via an online information system operating in all accommodation establishments. The expected benefits for both tourism businesses and government include: a faster solution that reduces the administrative burden relating to registration and the handling of paper based data; simplified communication with the Government and Statistics Estonia; better quality data for monitoring and analysis to assist with destination management, marketing decisions and tourism flow management; and tourism businesses will receive updated data on tourist traffic and accommodation capacities, as well as detailed analyses to assist business decisions and improve competitiveness. Better and more up-to-date data will enable the Government to make informed decisions on the development of policy.

In **Sweden**, the Government has been proactive in reducing the regulatory burden for tourism businesses which due to their small size often find it difficult to meet regulations, especially given differing requirements, processes and demands across Sweden's 290 municipalities. In line with the Government's goals for simplified regulation and its Digital by Default principle for public administration, a cross-agency project entitled Serverat has taken on tourism businesses' data responsibilities and contacts with public authorities. Under the project, digital information services and guidance are developed based on the circumstances of the individual business. Simplification of permits and procedures which companies must complete in order to start or develop their business are the current focus of the programme. At present, 27 municipalities are fully linked to the project and more are working towards becoming integrated. The website www.verksamt.se provides additional support to businesses with information drawn from several government agencies relating to preparing, starting and developing a successful business.

France, for example, has invested to bring together information available in many different regional product databases with the development of its national *DATAtourisme* system. This government-backed platform collects and harmonises information on tourism activities attractions and events from across the country and since 2017 makes the data accessible to users in a single location and in a single format, under open licence. The platform contains over 300 000 tourism-related entries from 12 regions and 90 departments, and can serve as a basis for designing tourism packages and many other requirements.

Lithuania is developing a similar product database while Hungary's National Tourism Data Supply Centre collects occupancy data from accommodation providers in order to develop a real-time picture, to support marketing planning and other research activity. Other countries also have plans for visitor registration systems, including Bulgaria and Estonia (Box 1.16).

Increased data and statistics opportunities, spurring from digitalisation, call for a strategic and long term approach to data provision planning. Such is the case in New Zealand, where the Tourism Data Domain Plan takes a strategic approach to building a long term picture of what statistics are required and identify the immediate priorities. The Plan recognises the opportunities for new sources of data including GPS-based location data, new types of data from phones, wearable devices, cars and new services such as peer-to-peer accommodation and transport. While such sources can make data collection more cost-effective, they can also be subject to issues around ownership, data protection and relevance.

Streamlining regulation of the sharing economy

Governments play a significant role in the regulation of many parts of the tourism sector, with a wide variety of policy measures to ensure compliance including licencing, standards, registration systems and sector-specific regulations. The international nature of tourism means that many regulations relating to transport are shared across countries or agreed across continents, and this can also impact related areas - such as the development of travel packages in Europe. Countries are also faced with the challenge of re-evaluating regulations that may not fit the digital age (OECD, 2019e).

The complexity of the regulatory environment has meant demands on tourism businesses grow over time and this can be burdensome, particularly for micro businesses. While tourism strategies are regularly updated, much of the underpinning legislation regulating the sector often remains in place for a longer period. These regulations often do not age well as technology, the economy and society progresses, and may unnecessarily or unintentionally impede progress. In the United Kingdom for example, it is estimated that there are over 70 separate regulations governing the provision of overnight guest accommodation. Elsewhere, spatial planning regulations have been identified as a barrier to tourism projects in Switzerland, where an examination is underway of ways to reduce cost of regulatory compliance and the administrative burden on tourism businesses.

One current issue for governments is if, and how, to regulate sharing accommodation activities, which have grown exponentially in recent years. There is growing evidence that these activities are negatively impacting the housing market in many large cities where housing rental stock for residents is often both scarce and expensive, and where the growing number of 'professional' operators letting entire properties via sharing economy platforms can reduce the availability of rental accommodation. Allied to this, these activities can also contribute to hollowing out communities and other impacts in terms of noise and disruption.

The issue for governments, which is often seen more acutely at the local level, is that the regulatory environment to protect consumers and ensure a level playing field with similar accommodation businesses is either not yet in place, or cannot easily be enforced. As a result, governments report plans to legislate or regulate further.

As much of the impact occurs in large urban destinations, city authorities have taken direct action where the legal framework permits. Greater London, for example, has a 90-day limit on short-term rentals but

enforcement remains difficult due to limited resources. In Berlin, registration has been a key requirement since 2018, while Madrid adopted a 90-day rule for certain districts of the city in 2019. The authorities in New York City, meanwhile, are in a long-running legal dispute to require two sharing economy platforms to regularly disclose host identity information to the authorities.

In some countries, action is being taken at regional level. This is the case in Canada, where the sharing economy is one of the areas of action under the Federal-Provincial-Territorial Tourism Strategy agreed by the Canadian Council of Tourism Ministers in 2016, reflecting the need for policy co-ordination across levels of government on this issue.

While urban and local governments have moved more quickly in response to the development of shared accommodation activities, steps are now being taken at national level in a number of countries to address this issue. In Japan, for example, the Private Lodging Business Act became law in 2018, requiring anyone operating a peer-to-peer accommodation rental business must notify the prefectural governor and register their interest (Box 1.17).

Box 1.17. Regulating the accommodation sharing economy in Japan

In recent years, peer-to-peer accommodation rental services have been rapidly increasing in number in Japan. These services are diversifying the accommodation supply, to cater to tourism needs and support tourism development in the country. However, these services also raise challenges, including issues linked with safety and hygiene, and problems with neighbours regarding noise and garbage. To address these issues, the Private Lodging Business Act came into effect in 2018, requiring those operating private lodging to notify and register their interest. Under the Act, individuals who intend to run a peer-to-peer accommodation rental business (operating 180 days or less a year) must notify the prefectural governor. The Act stipulates measures to properly manage the business and it outlines the registration procedure applicable not only for peer-to-peer accommodation rental-related businesses, but also for intermediaries that may act between guests and lodging providers. As of October 2019, there are 20 911 registered peer-to-peer accommodation rental businesses, 1 896 registered accommodation management companies for peer-to-peer rental services and 73 registered peer-to-peer accommodation rental brokerages, with the numbers for each category growing steadily.

The same year, France enacted the Law on Changes in Housing, Land Management and Digital Technology, known as the *ELAN Law*, to regulate shared accommodation activities. In areas significantly affected, municipalities are able to impose stricter restrictions on second-home rentals, and also limit the length of time which a primary residence can be rented to 120 days per year, a limit which is also imposed on platforms. The Government of South Africa is currently consulting on an amendment to the Tourism Act to define short-term rentals, create an instrument to determine thresholds, and seeking to differentiate between occasional and professional home rental providers.

Measures to regulate digital platforms more broadly also have implications for tourism. In Austria, for example, as of 1 January 2020, electronic online booking platforms and market places will be required to transmit transaction records to the competent tax authorities based on the transposition of an EU Directive due in 2021. Austria is also considering introducing a national registration system for tourist accommodation providers including the sharing economy.

Allied to this, efforts are underway in a number of countries to better measure the impact of sharing accommodation activities, which are not currently captured in the tourism statistics systems. The measurement of the sharing economy is important to understand its impacts on the tourism economy, and to give a fuller picture of the economic impacts of tourism.

The ability to collect accurate data on sharing accommodation activities is a challenge. Based on a data-sharing agreement with Airbnb, Visit Denmark has recently estimated bednights at private sharing economy platforms, which show growth of 43% over the three years since 2016. Bednights and spending data made by visitors at this type of accommodation is now included in the Danish Tourism Satellite Account. Eurostat is also investigating the potential of collecting data on short-stay accommodation from the sharing platforms to better monitor these activities. Administrative sources also offer potential, such as in Croatia where accommodation providers on the platforms are required to be registered for VAT.

Supporting entrepreneurship and stimulating business growth

The typical structure of the tourism sector is heavily skewed towards a high number of small, often micro-businesses, operating alongside a small number of very large businesses. Supporting entrepreneurship and stimulating business growth is thus a key focus for many tourism administrations, and is just as relevant for mature tourism economies as for emerging tourism economies experiencing rapid growth.

A wide range of policy interventions are adopted by countries to encourage the competitiveness and growth potential of tourism businesses. This includes supports aimed directly at business owners, including grants and investment programmes and a variety of training and educational schemes. In some cases these supports are targeted at tourism businesses, in other cases they are available to all businesses.

The Czech Republic recently launched a new grant scheme to support the marketing and product development activities of small tourism businesses, for example. Financial support instruments are also offered in Israel, where steps are also taken to actively encourage new entrepreneurs into the sector and stimulate the growth of tourism SMEs. As part of the ongoing update of Israel's National Tourism Outline Plan, steps are also being taken to reduce the regulatory burden for tourism businesses and remove barriers to tourism development, including easing land-use and planning permission rules constraining accommodation and other tourism developments in the country.

In Estonia, a network of regional development centres provide entrepreneurship and business development services, including advisory and training supports on starting and operating a business. Finland has a similar network of specialist centres that provide both financial and non-financial support to businesses, and also manage investment in local infrastructure. The improvement of entrepreneurship skills is a key area of focus for Lithuania also, particular to support rural and eco-tourism businesses.

Governments are also taking steps to improve the business environment and deregulate or simplify the regulatory framework to reduce the administrative burden on small businesses, which at times can be impacted by legislation primarily designed to regulate larger companies or other sectors.

The Swedish Government has been proactive in reducing the regulatory burden for small tourism businesses, while the specialist agency for Economic and Regional Growth, *Tillväxtverket*, also develops, implements and supports knowledge-based initiatives and activities to promote tourism development and entrepreneurship (Box 1.7).

In its new Plan T - Master Plan for Tourism, Austria recognises the importance of creating appropriate framework conditions for the tourism sector in areas like taxation and business succession and strengthening family-run and owner-managed enterprises by tailor-made financing and subsidy mechanisms as well as developing new financing mechanisms with a focus on equity (Box 3.6).

Accelerator and incubator programmes to encourage innovative new start-ups and digital-enhanced business models are another tool used by countries, including in France, Iceland and Portugal, along with measures to support the digital transformation of existing tourism businesses. Chile, for example, has a suite of initiatives to encourage tourism SMEs to adopt digital technologies, including training and advisory services.

A number of countries have also recently implemented tax reliefs to stimulate business and tourism growth – for example in 2018 Austria and the Slovak Republic reduced VAT/GST on tourism to 10%, while in 2020 Croatia reduced the VAT rate on food preparation and service activities to 13%. Some countries implement a reduced VAT rate on tourism services as a sector development measure, or to stimulate employment and activity in response to an economic downturn. Romania indicates that proposals to increase the VAT on tourism services is a concern to investors while Ireland reports that the reduced VAT rate in place in the period 2011-18 improved the sector's value for money rating and made investment in tourism more attractive. However, the overall cost-efficiency balance of reduced VAT rates should be carefully considered in comparison with other policy instruments.

Boosting productivity, innovation and investment

Productivity improvements to support tourism businesses and increase competitiveness is a focus in a number of countries. This is an ongoing challenge in the sector, linked with the intangible, perishable and heterogeneous nature of tourism services, and compounded by the fact that these services are frequently produced at the same time as they are consumed (OECD, 2012).

In New Zealand, lifting productivity in the sector is a key area of focus in the New Zealand Aotearoa Government Tourism Strategy, to deliver greater value from tourism, create higher value jobs and higher wages, and improve the economic sustainability of the sector.

Box 1.18. Boosting tourism productivity in the United Kingdom

The United Kingdom's Industrial Strategy is a long-term plan to boost the productivity and earning power of people across the country. As part of this strategy, in 2019 the Prime Minister announced a Tourism Sector Deal between government and industry, to boost productivity in the tourism and hospitality sector. Public sector commitments are matched by the private sector, with actions to:

- Develop a skilled workforce for the future, boost productivity and embrace digitalisation: including 30 0000 apprenticeships each year, the introduction of new technical-based qualification for tourism ('T levels'), and an industry-led recruitment and retention campaign.
- Continue to be a leading hub for hotel investment, targeting over 130 000 additional bedrooms by 2025 (equivalent to 21% of the current stock), with 75% of these outside of London.
- Introduce Tourism Zones, bringing businesses and local organisations together to develop a co-ordinated strategy for growth and reduce the impact of seasonality. Areas selected will address market failure and barriers to productivity and develop a sustainable development plan.
- Support tourism SMEs. Technology companies, the national tourist board and other agencies will deliver a package of digital and other skills training to SMEs in Tourism Zones.
- Ensure the United Kingdom becomes the most accessible tourism destination in Europe by 2025, increasing the number of international visitors with disabilities by 33%.
- Create an independent Tourism Data Hub to allow organisations, including SMEs, to make the most of big data, understand activity and product preferences - and better tailor their services.
- Develop an International Business Events Action Plan to attract, retain, and grow the major business conferences that drive visitors outside of peak time.
- Make Travel easier. Increasing the use of automatic e-passport gates for visitors from Australia, Canada, Japan, New Zealand, Singapore, Korea and the United States, to reduce waiting times and improve the border experience.

The United Kingdom's Tourism Sector Deal sets out how government and industry will work in partnership to boost productivity, as well as develop the skills and support destinations to enhance their visitor offer. Developed under the framework of the UK Government's Industrial Strategy, the Tourism Sector Deal seeks to address productivity challenges at the sector-level, ensuring that the specific challenges linked to tourism can be fully addressed (Box 1.18).

Innovation is key to building a more productive and adaptable tourism economy. It has a fundamental role to play in improving sustainability and maximising the potential environmental, social and cultural benefits of tourism, as well as delivering new 'tourism technologies' that facilitate and enhance the traveller experience. However, low levels of innovation capacity among tourism SMEs is a recognised challenge, and hinders investment.

In response, countries have developed solutions to promote links between tourism and innovation agencies, growth hubs and business incubators (Box 1.19). Such arrangements recognise tourism's close connection to the consumer, and the digital economy as a preferred channel for tourism sales and distribution.

Box 1.19. New vehicles for innovation in tourism: country approaches

Luxembourg has encouraged and capitalised on innovation in the private sector by launching the Tourism Innovation Awards in 2018. The annual competition is open to small and medium-sized tourism businesses, to showcase and reward projects of innovative character and exceptional added value.

In **Portugal**, the NEST - Tourism Innovation Centre is the main pillar of the Tourism 4.0 initiative to drive the digital transition of the Portuguese tourism sector, and foster innovation and entrepreneurship. NEST was set up in 2019 to promote innovation and technology adoption in the sector's value chain, by supporting the development of new business ideas, encouraging experimentation and knowledge transfer, and building the capacity of entrepreneurs to integrate new technologies into their business operations. The main areas of activity include a digital academy for tourism start-ups, incubation and acceleration services, advising micro, small and medium-sized tourism enterprises, developing new products and prototypes, and advising on digital trends. Private sector partners include, BPI (Bank), Brisa - Autoestradas de Portugal, Google, Microsoft Portugal, Millenniumbcp (Bank), NOS (Telecom) and Turismo de Portugal.

In **Spain** the Smart Tourism Destinations Programme is supporting innovation in the way that destinations diagnose, plan and improve their tourism sector. The programme uses a structured appraisal and evaluation process that cover five strategic fields: governance, innovation, technology, sustainability and accessibility with potentially up to 400 different criteria / measures. The methodology has been adopted by a network of 57 destinations, with 28 of these working on Action Plans and 25 implementing specific projects on digitalisation or energy efficiency measures.

Entrepreneurial thinking and action are decisive factors for successful tourism. To address this **Switzerland** developed a set of initiatives including strengthening co-operation between tourism and Innosuisse, the Swiss Innovation Agency, which supports business creation. The aim is to ensure that Innosuisse's support is known and used by more tourism players. Another step to boost business creation is to use the Tourism Forum Switzerland as a platform for the promotion of start-up activities.

In Iceland, for example, where tourism sits within the Ministry of Industries and Innovation, a Startup Tourism accelerator programme encourages innovation in new tourism businesses, as well as the creation of more recreational opportunities within tourism and the distribution of tourism across seasons and around the country. It is jointly managed by the accelerator Icelandic Startups and the Icelandic Tourism Cluster, with the purpose of encouraging innovation in tourism and supporting new companies.

Portugal has established a Tourism Innovation Centre to promote entrepreneurship, tourism innovation and research, and to harness the innovative capabilities of a wide range of partners including universities, supporting knowledge transfer and application by tourism enterprises. A key focus of the Centre's activities is to support digitally driven innovation in tourism.

Austria has similarly put a major emphasis on digitalisation in its new tourism strategy Plan T – Masterplan for Tourism. A key measure is the establishment of the Next Level Tourism Austria future lab, which acts as a central innovation hub for the tourism sector. It will focus on complex technological applications and processes for enterprises as well as regions, and thus be a frontrunner to respond to societal and technological developments triggered by digitalisation.

Investment is essential to build a competitive and sustainable tourism sector. Countries are looking beyond the level of investment in tourism, and are taking steps to not just attract greater levels of inward investment, but also to influence the nature and location of this investment to meet a range of objectives and support wider policy aims.

In Israel, a new Promotion of Direct Foreign Investment directorate within the Ministry of Tourism has been created to among other things manage a ILS 156 million budget to provide investment incentives in 2018. In Chile, the Invest Tourism initiative maps investment opportunities across the territory, with the aim of diversifying the tourism offer and stimulating economic activity in regional areas. It is supported by programmes to upskill the workforce and support digital transformation of the sector.

There is also evidence of countries moving beyond investment attraction to focus on investment facilitation. This is the case for Australia and Greece, where the Special Service for the Promotion and Licensing of Tourism Investments with the aim to make it easier to make tourism related investment (Box 1.20).

Box 1.20. Supports for navigating the investment landscape in Greece

The establishment of the Special Service for the Promotion and Licensing of Tourism Investments aims to make it easier to make tourism-related investment in Greece. The Special Service operates as a one-stop-shop for potential investors who receive information and personalised support on the conditions, procedures and standards relating to the development of tourism facilities. It helps investors to navigate the complex set of regulations and requirements for tourism investment projects, ensures applications are processed in a timely and flexible way at all stages of the planning cycle, and tackles any administrative problems that may arise during the process. Over the period 2018-19, the Special Service licensed 12 new 4-and 5-star hotels totalling over 10 000 new rooms, and agreed extensions to 55 existing hotels adding a further 7 217 rooms. Projects relating to thermal tourism developments, mountain shelters, ski-centres and theme parks have also been approved, with a further 13 major integrated resorts in the pipeline for licencing approval. The Service has already made a demonstrable improvement to both the quality and the number of new tourism developments being brought forward to successful completion.

Evolving tourism marketing and promotion at home and abroad

The public sector has traditionally played a lead role in destination marketing and promotion activities, as the fragmented nature of the sector and small size of many tourism businesses makes it difficult for individual businesses to be visible to, and attract visitors from, remote tourism markets. More recently, countries have been exploring different tourism marketing models which draw on new funding sources, partnership opportunities, and governance arrangements, as well as developing digital strategies (OECD, 2017).

The receipt of foreign exchange and a positive impact on balance of payments means that promotion to overseas markets remains one of the principal roles for the majority of national tourism administrations and their respective national tourism organisations. As tourism flows continue to grow, the marketplace becomes more competitive as more countries invest in marketing activity to attract an increasingly unpredictable traveller who has numerous choices (Box 1.21).

The explosive growth in travel from the Asian continent has influenced the promotional strategies of many countries, as has the widespread use of digital channels in targeting and attracting visitors. Many national tourism organisations now prioritise digital channels over most other media, although some of this transfer is also a function of declining budgets.

Box 1.21. Forward-looking marketing strategies: country approaches

In **Korea**, a dedicated online platform and improved digital marketing strategies are planned to enhance the visitor experience for independent travellers. Recommended tour itineraries have been developed with an opportunity to purchase products.

Latvia's Tourism Marketing Strategy 2018–23 aims to addresses future tourism challenges by improving the image of Latvia, developing sustainable tourism, and fostering wise investments. Developed by the Investment and Development Agency of Latvia, the Strategy uses lifestyle segmentation to target potential visitors, such dreamers, adventurers, open-minded tourists, in addition to prioritising marketing activity by country.

NBTC **Holland** Marketing uses a private-public partnership model to create the co-operation necessary to organise marketing programmes, enabling a variety of different partners to contribute budget and other investments around a shared goal. This includes public partners (national, provincial and municipal authorities or regional tourist boards), public-private partners (marketing and promotional organisations) and private partners (businesses in the visitor sector and related sectors) in the Netherlands and other countries.

Indonesia is devolving significant investment in branding and marketing using a range of innovative techniques, such as demand pricing to manage tourism flows and combining machine learning and big data techniques to identify key target markets and ensure precise targeting of promotional messages. The Ministry has developed a digital dashboard to monitor Indonesia's tourism reputation on social media on a daily basis, at national and destination level. In addition, mobile positioning systems are utilised to monitor the number and distribution of tourists. This information allows decision makers to better understand visitor flows and perceptions, respond to issues as they arise and make better informed marketing decisions.

A number of trends are evident in the last two years:

- The rapid move to digital sales and distribution has resulted in some countries looking at new solutions to enable their small and micro-tourism business sector to be more easily connected to major online travel agents and other intermediaries, as in France and South Africa for example.
- Countries with a more seasonal offer and an over-reliance on a limited number of high volume short-haul markets are seeking to diversify and expand into new markets or segments. This is both to increase the length of the season and to increase the demand for less popular destinations. Diversification can typically be based on cultural, heritage or urban products. Croatia, Greece and Turkey all have firm plans in this regard.
- There is a greater focus on the development of bookable products and experiences to attract overseas visitors as part of the upstream marketing mix which has translated into significant investment and specific programmes, as in for example Canada, Ireland and the United Kingdom.

- The effective use of artificial intelligence and big data in tourism marketing and promotion is in its infancy, but there is already significant investment in related applications for tourism. In Indonesia, for example, the competing destination marketing model is being used to combine machine learning and big data techniques are being used to target promotional messages to key markets.

Despite the move to digital, there is still place for more traditional promotional activities such as major trade shows, travel trade development, public relations and branding work that raises awareness irrespective of channel, particularly for many emerging destinations. Successful overseas promotion also demands that other elements of the tourism system are in place and operational, particularly reliable transport infrastructure, a liberalised visa regime and visitor services.

The size of direct tourism budgets now being applied to marketing to attract potential visitors may mean that some countries will need different solutions, such as partnering with neighbouring countries to remain visible in key overseas markets. This is already the practice for some countries, such as the tourism co-operation protocol signed by the Visegrad countries in 2019 which includes provision for joint marketing activities in China.

Many countries are also now giving greater prominence to marketing to their home markets, recognising that the volume of domestic tourism is often significantly greater than inbound tourism. Hungary, for example, is looking to use the domestic market as a way of spreading the benefits - extending the season and encouraging trips to lesser known destinations, while Indonesia has nationally prioritised key destinations for marketing and segmented the domestic market by origin.

Poland's long running See More campaign uses private sector partnerships to stimulate value-led trips by residents in key shoulder season weekends. Both Slovakia and Romania support a recreational voucher scheme to incentivise employees to spend their holidays in the country. In Slovakia's case this measure seeks to grow volumes of domestic trips.

Boosting quality and sustainability standards in tourism

Recent trends suggest countries are continuing to invest in existing tourism standards and quality schemes, as well as developing new criteria and schemes to in particular reflect environmental performance. While research has consistently shown that consumer reviews are considered more trustworthy than information provided by businesses themselves, recently the issue of accuracy of many online reviews has raised questions about the reliability of reviews, given practices to incentivise good reviews and suppress negative reviews, along with the emergence of fake reviews.

In this context, governments are looking to official certification schemes to denote the quality of facilities or services. Such standards also provide authorities with tools to support local businesses to improve their product and service quality, as well as the delivery of wider policies to improve the tourism offer, such as the accessibility of individual businesses.

For example, France continues to improve service standards through the development of its *Qualité Tourisme™* label, which is also open to businesses in the wider tourism value chain, while Croatia is putting in place regulations for mandatory classification of all types of accommodation facilities. Israel's quality standards, which are based on the widely used HotelStars system, are encouraged on a voluntary basis, seen as an important device to ensure quality transparency, while in Belgium the Wallonia Quality Destination encourages tourism businesses to improve the service offer.

Standards can provide a powerful hook to position a destination or country, when undertaken in an integrated and comprehensive manner. This has been the approach of the Slovenia Green certification scheme, which is a destination sustainability standard in Slovenia. It is supported by grants from the Ministry of Economic Development and Technology, and will shortly be complemented by a new quality standards certification scheme for individual businesses.

Environmental performance is also being assessed via new schemes in the Nordic region, where Finland is developing a Sustainable Travel Finland concept for both businesses and destinations to drive economic, socio-cultural and ecological sustainability in the tourism sector, while Norway had created a new Sustainable Destination certification scheme to enhance destination management. The Norway scheme is recognised by the Global Sustainable Tourism Council and targets progress on environmental, social and economic issues in the longer term. An eco-certification scheme in Malta is now mandatory for all new hotels in the country.

Improving seamless transport and connectivity

Managed effectively, transport and tourism synergies can improve visitor mobility to and within destinations, enhance visitor satisfaction, and help to secure the economic viability of local transport systems and services by serving both residents and tourists. Ensuring that the medium- to long-term needs of the tourism industry are considered by governments as part of transport access and infrastructure planning can help to maximise and spread the socio-economic benefits of tourism more widely and manage visitor impacts over time (OECD, 2016).

International air access is fundamental to a vibrant tourism economy, particular for long-haul and island destinations. In Malta, for example, since 2006, the Government embarked on a strategy to increase the number of direct routes, with the number of routes more than doubling from 45 to 110 in the 12 year period to 2018. During this period, the number of overseas tourists has doubled with 2018 registering a record of 2.6 million compared to 1.3 million visitors in 2010. Ireland's Regional Co-operative Market Access scheme, meanwhile, promotes direct air and sea access with match funding from tourism stakeholders.

A key challenge in many countries with liberalised air services and a well-developed and competitive aviation sector is how to balance demand for increased airport capacity with the wider environmental impacts. It remains to be seen if these opposing policies can be delivered using pricing or other mechanisms. In a number of countries, tourism sits within the same ministry as transport, for example in Ireland, Japan and the Slovak Republic.

Improving internal connectivity also remains a priority for many countries, including to promote regional development and spread the benefits of tourism. Road infrastructure is vital in most countries with a developed tourism sector. However, road investment programmes may discount tourism use in favour of commuting and business use, making investment in remote areas more challenging.

The opportunities for cycling and walking for tourists once they reach their destination is increasingly recognised by local governments, with cycling and walking routes being prioritised in. Slovenia, for example, underpinning investment by way of the local accommodation tax. In Belgium, a network of accessible greenways have been established in the Wallonia region, together with a Welcome Bike label for businesses offering services to cyclists, while Ireland is reusing old railway lines to build greenways for cyclists and walkers, to aid rural development (Box 1.22).

Seamless travel remains a key challenge, and many countries are looking into finding innovative solutions to create enhanced experiences. The G20 Tourism Working Group has put seamless travel and improved traveller experiences on the agenda as a priority item for 2020. Technology has also been used in the development of biometric border systems with the United States having developed its Traveller Verification Service based solely on the use of comparisons of photographic data. Just before entry or exit, each international traveller's photo is taken, and the Traveller Verification Service compares the new photo with US Department of Homeland Security holdings, which include images from photographs taken during the entry inspection, photographs from US passports, US visas and other travel documents, as well as photographs from previous encounters with the Department of Homeland Security.

To facilitate seamless travel some countries are focusing on relaxing visa requirement. As well as a visa waiver programme, Brazil has raised the awareness of regulatory requirements to businesses, increased

air traffic capacity via deregulating the low-cost domestic airline network, and removed all import taxes on theme park products to stimulate the development of new visitor attractions.

High-speed internet access is also an important channel to increase connectivity, particularly in remote and rural areas. The Italian Ministry of Culture, for example, has recently signed protocols with the Ministry of Economic Development and the Government's digital agency for the creation of new digital services for tourism, including Wi-Fi and large bandwidth networks, to facilitate regional dispersal.

Box 1.22. Developing greenway cycling routes in Ireland

A greenway is an off-road routes for walkers and cyclists, and are often based on the reuse of old railway lines. The development of these routes has gained support from across government for the numerous benefits they bring to the tourism industry and local communities, as well as the contribution they make to rural development and the health of the nation. A long term strategy launched in 2018 provides a framework for the development of greenways across the country with the aim of increasing the number, length and regional spread of greenways over the next ten years. Funding of EUR 53 million has been secured for greenway projects to be constructed over the period 2019-21. In addition, a document outlining the criteria for projects to be funding under the scheme was published by the Department of Transport, Tourism and Sport. In June 2019, under the first tranche of funding under the scheme EUR 40 million of funding was announced for 10 new projects across 9 counties. This is expected to result in a significant increase in the number of people using greenways both as a visitor experience and as a recreational amenity. The strategy sets out guidance to project promoters and high-level criteria defining what makes a good greenway. These criteria are based both on research by the national tourism development authority, Fáilte Ireland, and actual experience on the ground of what either has worked, or not.

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Chapter 2. Preparing tourism businesses for the digital future[1]

Digitalisation is changing the way people live, work, and travel, and has opened up new opportunities for tourism businesses to compete in global markets. This chapter examines the impact of digitalisation on tourism, with a particular focus on SMEs. It highlights the important role of government in creating the right framework conditions for the digital transformation of tourism business models and the wider tourism ecosystem, and identifies a number of key policy considerations to foster digital technology uptake and use by tourism SMEs.

The evolution and application of digital technologies are profoundly changing the way people live, work, travel and do business, and in the process, they are transforming and reshaping tourism. The scope and uptake of digital technologies varies across countries, sectors, organisations and places. The resulting opportunities and barriers create an uneven playing field, which is exacerbated by a growing gap between tech-driven and globally connected tourism businesses, and traditional micro and small businesses often characterised by low-tech business practices. Much attention to date has focused on digital marketing and e-commerce as a way of reaching new markets, engaging customers and building brand. However, while these technologies might build market access and awareness, increase connectivity and facilitate financial transactions, they are less effective in enhancing productivity or innovation in an increasingly competitive global marketplace.

Productivity-enhancing technologies (e.g. cloud computing, data analytics, revenue management software) have generally received low uptake in tourism, while innovative technologies (e.g. augmented reality, geotagging) are generating, customising and delivering in ever more novel ways, new visitor products, services and experiences (OECD, 2018c). Digital transformation is thus pushing tourism in new and often unpredictable directions. Digital technologies have important implications for tourism businesses of all sizes, for the structure and operation of tourism value chains and for the sector as a whole. Facilitating and enabling digitalisation in tourism is therefore a key policy challenge.

Box 2.1. Understanding the digital transformation

Digitisation is the conversion of analogue data and processes into a machine-readable format, while digitalisation is the use of digital technologies and data as well as interconnection that results in new activities or changes to existing activities. Digital transformation refers to the economic and societal effects of digitisation and digitalisation.

The OECD report on *Going Digital: Shaping Policies, Improving Lives*, highlights that the gap between technological developments and public policies will need to narrow significantly in order to reap the benefits and address the challenges of the digital age. Many current policies are the legacy of the pre-digital era, and difficulties in understanding the changes underway and their implications may delay the review and adaptation of these policies. Such an understanding is imperative as digital transformation affects the entire economy and society.

To develop policies fit for the digital age, it is necessary to:

- Be aware of the main elements of the evolving digital technology ecosystem and some of the opportunities (and challenges) resulting from their application.
- Understand the data revolution that is taking place, and how data and data flows affect individuals, the economy and society more broadly, and
- Identify the key properties of digital transformation, including how they are driving new and evolving business models, and what their implications are for public policy.

Source: OECD (2019b)

Digitalisation is bringing unprecedented opportunities for tourism SMEs to access new markets, develop new tourism products and services, adopt new business models and processes, upgrade their position in global tourism value chains and integrate into digital ecosystems. Digitalisation brings significant potential benefits to SMEs - it can help them to become more efficient, free up time and resources to focus on strategic tasks, and increase their capacity to develop new business models, enter new markets, or internationalise operations. However, SMEs are lagging behind in the digital transition (OECD, 2019d),

and many small traditional tourism businesses are struggling to understand the opportunities and reap the benefits.

SMEs that do not invest in their digitalisation will not survive, let alone thrive in the future. Destinations, businesses and the wider tourism sector will need to fully embrace these new technologies to remain competitive, and to take advantage of the innovation, productivity and value creation potential. Policy makers have an important role to play to help tourism businesses of all sizes, including the more traditional and smallest firms, to engage with the digital revolution, and thrive in response to these paradigm-shifting technologies.

This chapter discusses how digitalisation is transforming tourism business models and processes, and the integration of tourism SMEs into global value chains and digital business eco-systems. The discussion is framed around three core key themes: how digitalisation is reshaping the nature in which tourism businesses operate; emerging business models; and policy approaches to support digitalisation of tourism SMEs. It is informed by responses to a survey of OECD Member and Partner countries, as well as wider OECD work on the *Going Digital* integrated policy framework which highlights a range of policy dimensions where governments should focus their efforts facilitate the right conditions to enhance digitalisation (Box 2.1).

Digital trends driving change in tourism

Digitalisation is the process through which technology and data-driven management is transforming our social and economic systems and lives. The push to adopt digital technologies is driven by the convergence of advanced technologies and the increasing social and economic connectivity unfolding under globalisation. Digitalisation has the potential to boost innovation, to generate economic and environmental efficiencies and increase productivity, including in the highly globalised tourism sector (OECD, 2017a). For example, research from Australia shows that using digital tools can save small businesses in general (defined as those with between 0 and 19 employees) ten hours a week and can boost revenue by 27 per cent (ANZ, 2018). The capacity of tourism businesses of all sizes to evolve their business models, adopt digital technologies to effectively participate in global value ecosystems, and take up new ways of data-driven working, will shape productivity and social and economic wellbeing in the future (Andrews, Nicoletti and Timiliotis, 2018) (Box 2.2).

Digitalisation leverages digital technologies and data to transform business models and practices, and value ecosystems. For example, the sharing economy has evolved in the last 10 years as a result of new platform technologies and business model innovation to create new value from hidden or unused assets. The value of the ride sharing sector in 2019 was estimated at USD 61 billion, while the value of the sharing accommodation sector is expected to reach USD 40 billion by 2022. PwC has estimated that the value of the sharing economy will reach USD 335 billion by 2025. However, digital transformation is variable and data is patchy about the uptake of different technologies and the barriers and opportunities experienced in different sectors, countries and organisations (PwC, 2016).

Recent research undertaken by the European Commission found significant differences in the uptake of digital technologies in tourism across Europe. Nordic countries for example, exhibited higher uptake of digital technologies than those in eastern and southern Europe. The same research found that tourism SMEs lagged behind large enterprises. While basic e-marketing and e-commerce were widely adopted, advanced technologies such as data analytics, cloud computing and geotagging had received only limited uptake (Dredge et al., 2018). With consumers increasingly using digital technologies to search, plan and book travel, it becomes increasingly important for tourism businesses to incorporate digital technologies and leverage advanced capabilities.

Box 2.2. Understanding business models, value chains and ecosystems

A **business model** is the architecture for how a business creates, delivers and captures value. It refers to the internal organisation and the links and relationships to external entities.

Value chains are vertical linkages in the production-consumption process that describe how private sector firms in collaboration with government and civil society receive or access resources as inputs, add value through various processes (e.g. planning, development, financing, marketing, distribution, pricing, positioning) and sell the resulting tourism products, services and experiences.

Global value ecosystems refer to a highly distributed, fluid and dynamic set of technology-mediated relationships and exchanges between those that create, consume and share value in tourism. This includes interactions between living and non-living entities (e.g. consumers, producers, governments, communities, nature, digital technologies and infrastructures).

Despite the uneven uptake of digital technologies by tourism SMEs, the digital transformation has, and will continue to have, a profound impact on tourism. The digital economy is transforming the process of communicating with tourists and marketing tourism services, and opening up new and highly creative ways of delivering tourism services and enhancing the visitor experience. It is changing the way work is organised and services delivered, and also presents opportunities to take advantage of digital advancements to handle transactions, capture and process information and data on tourism supply and demand, and improve and connect operations along tourism value chains and ecosystems.

The World Economic Forum (WEF, 2017), has estimated that in the decade to 2025, digitalisation will create up to USD 305 billion of additional value for the tourism sector alone through increased profitability, while around USD 100 billion of value generated in the sector will transfer from traditional players to new digital competitors with innovative business models and value-producing capabilities. The digital transformation is also forecast to generate benefits valued at USD 700 billion for customers and wider society, through reduced environmental footprint, improved safety and security, and cost and time savings for consumers.

On the demand side, this will be driven in part by the consumption habits of Millennials (born in the early-1980s to mid-1990s) and Generation Z (born in the late-1990s to early-2010s), who along with other emerging generations will comprise the bulk of domestic and international tourists by 2040 (OECD, 2018a). Gen Z and the Millennials are digital natives and having grown up with quick and direct access to information enabled by digital technology, the way they use and what they expect from technology will continue to influence how tourism services are delivered. Trends include: increased use of online sources and mobile platforms to source information in the planning stage (e.g. websites, social media), combined with decreasing use of offline sources (e.g. visitor information centres, print media, hotel concierge); a propensity to stay online/connected in the destination to search and explore, share experiences and get updates in real time; and an increase in the use of e-commerce payment methods over the use of cash. Furthermore, Millennials and Gen Z have embraced sharing over ownership more than previous generations, and as such have higher levels of engagement in the sharing economy (accommodation sharing, ride sharing, currency swap and crowdsourcing).

While many of the challenges and opportunities for tourism SMEs are similar as those for SMEs more generally, tourism is a unique proposition for several reasons. For example, the tourism sector is highly fragmented and heterogeneous and covers a wide range of industries with many demonstrating a dual structure characterised by a very small group of large businesses combined with a large group of SME/micro-businesses. The sector is also 'information intensive', which means many tourism services are ripe for digitalisation. Understanding digital uptake by tourism SMEs is particularly relevant as around 85% of those enterprises with a major role in the delivery of tourism services in OECD countries are SMEs (e.g.

accommodation and food services, travel agencies, tour operators), compared to roughly two-thirds for the wider economy. Although they constitute the majority of tourism businesses, SMEs and micro-companies face more difficulties to vertically integrate than larger companies (such as hotel chains in the accommodation sub-sector) and to reach potential customers.

Another particularity of the tourism sector is that tourism enterprises operate in a global market place while delivering at the local level, as part of a unique tourism destination offer. The geographical distribution of businesses is limited only by the attractiveness and accessibility of destinations. Digital businesses such as online travel agents and accommodation platforms, have transformed tourism by connecting tourism products and services with customers anywhere in the world in real time, as well as significantly increasing market visibility for tourism SMEs. As a result, many tourism SMEs are at least partly dependent on larger intermediaries, while at the same time being under pressure from increasing consumer demands for quality and efficiency (e.g. the best service possible at the lowest price possible).

As is the case for many sectors, lifestyle and micro-enterprises in the tourism sector have a reputation for being focused on business survival, and being risk averse with limited appetite for innovation, technology pervades through most aspects of modern tourism businesses. Technological developments are progressively changing tourism value chains and the position of SMEs within them, enabling business models to evolve, and offering new ways for SMEs to collaborate and network with potential partners (e.g. to present seamless integrated visitor experiences). Tourism value chains have transformed into global value ecosystems as consumers can now have direct access to the businesses in charge of delivering the final tourism good, service or experience (Box 2.1). Informed by digitally derived data, tourism products and services are evolving toward hyper-personalisation and customisation (Skift and Adobe, 2018; Visa, 2017).

Automation and robotics are a key trend in tourism with applications developed for physical tourism businesses as well as online. For instance, many tasks that were once handled by humans now being taken over by robots or automated systems such as chatbots. These have fallen into widespread use across the industry and are designed to help people find and book tours, transport and accommodation by asking a set of questions. More sophisticated examples might include the robot “staff” used by some hotels to run the reception desk or even serve food and drinks. While robots have advanced in their abilities to provide products and services, industry, government and consumers have not entirely figured out how to integrate these into the economy (Ivanov and Webster, 2019).

The development and adoption of new technologies is expected to continue at pace in the future, driven by the cumulative nature and exponential rate of technological change, the convergence of technologies into new combinations, dramatic reductions in costs, the emergence of new digital business models and declining entry costs (UNCTAD, 2018). Previous OECD work on enabling technologies shaping the future of tourism highlighted the need to develop a better understanding of the challenges and opportunities arising from these technological advancements to inform the development of appropriate policy responses (OECD, 2018a; OECD, 2019a).

The shift to a digital economy offers opportunities for tourism enterprises of all sizes including access new markets and bringing new tourism services to consumers globally, and improving competitiveness, performance and productivity. For SMEs in particular, it can improve access to market intelligence, enable businesses to achieve scale without mass, and facilitate access to global markets and knowledge networks at relatively low cost (OECD, 2017b).

However, digitalisation of SMEs has been identified as a particular challenge in relation to productivity in micro and small business that are often resource-constrained (European Commission, 2017; OECD, 2019a). OECD data shows that while the gaps in the uptake of digital technologies between large and small firms have narrowed in most countries in terms of simple connectivity and web presence, these gaps remain more important for more advanced technologies.

In an effort to help bridge this gap, the European Commission developed the Digital Tourism Network, an informal and flexible forum designed to bring relevant public and private stakeholders around the table to discuss common challenges and opportunities associated with the EU tourism industry's digital transformation, and exchange good practices for boosting the innovation capacity of tourism entrepreneurs, especially SMEs. With the help of the Digital Tourism Network, the European Commission conducted a targeted stakeholder consultation on tourism and digitalisation in 2016. A 2018 report of findings delivers recommendations on enhancing the uptake of digitalisation of tourism in the EU. As a follow-up to this work, the Digital Tourism Network focuses on the issues of higher–level digitalisation of tourism in the EU, through stakeholder discussions and events.

Realising the benefits from the digital revolution will depend on a combination of investment in digital infrastructure, as well as the skills development of human capital and innovation in business models and processes (OECD, 2019d). Such investment will be key to opening up the opportunities from the digital transition for tourism SMEs. This requires investment in the skills and technical inputs needed to facilitate the adoption and effective use of new technologies, but also in organisational change, process innovation and new business models, otherwise referred to as ‘knowledge-based assets’ (OECD, 2018c). However, in some countries (e.g. Denmark) widening gaps have been identified in the investment of tourism enterprises in digital technologies compared to other sectors.

While the extent and implications of the digital transformation in tourism are difficult to assess in the absence of comprehensive data, available evidence suggests that the adoption of digital technologies in the sector has been inconsistent, and there remains much that governments can do to support the digital transition. Data and findings from other sectors also point to potential gains relevant for tourism: data-driven management enhances decision-making and increases productivity; technology, and particularly the interoperability of systems, can significantly reduce costs; and automation increases the efficient of sales processes (OECD, 2017a; Brynjolfsson et al., 2011).

Policy will have a significant impact on the pace of transformation and the extent to which positive social, economic and environmental benefits will be able to scale (WEF, 2019). Facilitating the adoption of new technologies in tourism SMEs, empowering tourism SMEs to keep pace with evolving consumer demands, and supporting the digitalisation of marketing channels and business models and processes in tourism SMEs are important priorities for the sector.

Yet, minimal barriers to entry and low marginal costs of participating in the digital economy mean that tourism SMEs are able to participate and take advantage of innovation occurring at the ecosystem level (European Commission, 2017; OECD, 2017a). Governments have an important role in shaping the conditions for the digital transformation of tourism SMEs, as well as supporting these businesses to adopt and adapt to digitally-enhanced business models and integrate into digital value ecosystems. An understanding of these drivers and trends, and the challenges for tourism SMEs in particular, provides the foundation for developing appropriate and effective policy responses. A key challenge for policy makers is how to unlock these opportunities while ensuring that no one is left behind.

Technologies enabling the digital tourism economy

Technological advancements are having a deep impact on the tourism sector. These innovations range from business management technologies (e.g. mobile technologies/cloud computing, automation and advanced robotics, blockchain, data analytics, cloud computing), to technologies that produce innovative tourism products, services and experiences (e.g. virtual/augmented reality, Internet-of-Things), and technologies that assist, understand and connect with markets (e.g. data analytics, cloud computing, and artificial intelligence) (OECD, 2017c) (Box 2.3).

Box 2.3. Enabling technologies shaping the tourism ecosystem

Mobile technology/cloud computing. Cloud technologies, Wi-Fi and international mobile plans make mobile devices increasingly pervasive and important travel aids, including for accessing destination information in real time, online booking, mobile payment. Cloud technologies allow SMEs to manage their business from anywhere high speed internet is available.

Data analytics. In the digital era, consumers and businesses alike are in perpetual generation of new data. The capacity of businesses to use data drives new business models and productivity. Data analytics can predict customer preferences and channel consumer purchasing behaviour. It is also used for revenue management and to employ dynamic pricing. Employees of SMEs must develop skills to be part of this data driven ecosystem and issues of privacy, data sharing are key concerns of government.

Artificial Intelligence (AI). Artificial intelligence, chatbots, and voice technology enable customers to undertake internet searches, digital check-in, access digital concierge services, voice assistants and smart rooms. This technology offers personalised, customised, on-demand service that facilitate seamless travel.

Internet of Things (IoT). IoT can fuel a data rich tourism sector and support smart tourism by making cities more efficient. The interoperability of sensors, data, and automation produces real time insights and information for marketing and managing tourism, for improving visitor experiences, increasing operational and resource efficiencies while also reducing environmental impacts.

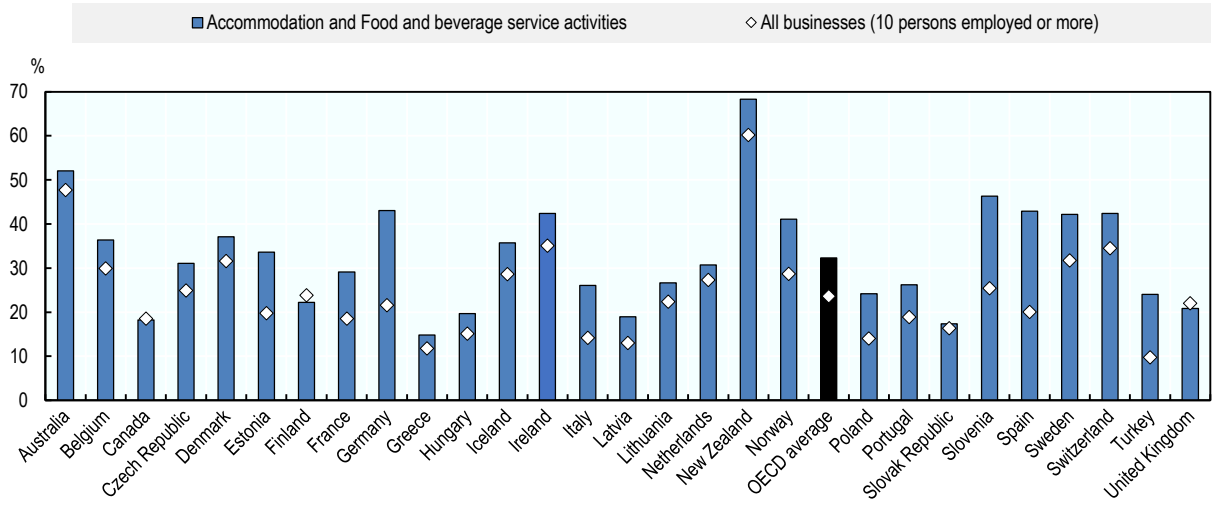
Augmented reality/Virtual Reality (AR/VR). Augmented reality systems show virtual objects in the real world. Uses in tourism can include replacing paper-based marketing and advertising materials, gamification and augmented visitor experiences in the destination, and travel assistants that guide users through complex public transport systems in real time.

Blockchain. Smart contracts, based on blockchain, can be used across the supply chain. Future gains would see user-friendly apps tailored for wide diffusion to tourism businesses of all sizes to enhance end-to-end user transparency.

Due to the information-intensive nature of tourism services, the breadth of information available on the internet, and ease of booking, tourism outperforms other sectors when it comes to the share of businesses making online sales in the 28 OECD countries for which data is available, with the exception of Canada, Finland and the United Kingdom (Figure 2.1). OECD (2019f) data show that on average 77% of the accommodation and food and beverage service businesses in OECD countries have a website or homepage and 70% use social media. The tourism sector has embraced e-commerce, as online platforms and payment systems have changed the way people buy travel products.

A report on electronic commerce (e-commerce) in the EU highlights that over 70% of internet users made at least one online purchase of goods and services over the previous 12 month period for private use. Of that group, over half (54%) purchased travel and holiday accommodation, behind only clothes and sports goods, which were purchased by around two-thirds (65%). E-shoppers in the 25-54 age group were most likely to purchase travel and holidays (57%). The findings also indicated that the proportion of e-shoppers varied considerably across the EU, ranging from 29% in Romania, to 91% in the United Kingdom (Eurostat, 2020).

Figure 2.1. Share of tourism businesses making e-commerce sales, 2018 or latest year available



Note: Accommodation and Food and beverage service activities as a proxy for tourism sector
Source: OECD (2019f).

While the digital transformation progressively touches all sectors in the economy, it does so with differing speeds and extents. Recent OECD work (Calvino et al., 2018) assesses the digital intensity of sectors by looking at the technological components of digitalisation (tangible and intangible ICT investment, purchases of intermediate ICT goods and services, robots), the human capital required to embed technology in production (ICT specialist intensity), and the ways in which digital technology impacts how firms interface with the market (online sales). In a taxonomy of sectors by digital intensity (Table 2.1), accommodation and food service activities is ranked low for digital intensity, while arts, entertainment and recreation activities are ranked medium-high based on seven different metrics (OECD, 2019c).

These results highlight that tourism businesses have significant untapped potential when it comes to the adoption and application of digital solutions, although they may benefit from ICT investments in other sectors through the outsourcing of certain business activities (e.g. sales and online advertising).

Table 2.1 Taxonomy of selected sectors by digital-intensity, 2013-15

ISIC Rev.4 industry denomination	Quartile intensity
Advertising and other business services	High
Administrative and support services	High
Telecommunications	High
Wholesale and retail trade, repair	Medium-high
Arts, entertainment and recreation	Medium-high
Human health activities	Medium-low
Transport and storage	Low
Accommodation and food service activities	Low
Real estate	Low

Note: Calculations are based upon businesses with 10 or more employees
Source: OECD, 2019, adapted from Calvino et al. (2018)

Unlocking the potential of the digital transformation for tourism SMEs

Some of the most innovative and high-value digital businesses operate in the tourism sector although most have considered themselves tech start-ups, not tourism businesses (Airbnb, Uber, Booking.com, HomeAway etc.). These digital giants are tech-driven, have global scaling capabilities, can attract venture capital, and therefore differ significantly from traditional tourism SMEs in terms of their growth trajectory. They operate alongside a 'long tail' of existing tourism businesses with complex challenges in their digitalisation journey (OECD, 2019; PATA, 2018), which in turn gives rise to different rates of innovation and competitive advantage. For example, accommodation-sharing platforms can use technologies to efficiently scale at marginal cost and gain a market advantage to quickly become dominant players in the accommodation sector.

Unlocking the potential of digital technologies and digitalisation in tourism therefore requires a nuanced approach that responds to the unique challenges experienced in different parts of the tourism sector, and in different types of tourism businesses. Addressing the challenges that tourism businesses face in their digitalisation journey can vary significantly depending on:

- Type, size and characteristics of the tourism business, and the subsector they belong to (e.g. transport, accommodation, personal services) (Calvino et al., 2018; OECD, 2019).
- Access to technologies, information, expertise, advice, mentoring and other resources and support (European Commission, 2017).
- Management and strategy-making capabilities, which shape the extent to which business owners sense opportunity, perceive risk and are motivated to seize opportunities (Rachinger et al., 2018).
- Location of the business, the social and economic context, and the access and availability of digital technologies (Dredge et al., 2018).

Country inputs to the survey undertaken to support this chapter reveal the challenges to digitalisation of tourism SMEs. These along with corresponding policy initiatives are clustered in five interrelated categories, with survey results summarised in Table 2.2:

- **Uptake of technologies**: Barriers to uptake revolve around access to digital infrastructure, such as high-speed internet and Wi-Fi networks, which are necessary to access more advanced technologies such as cloud computing and data analytics. Internet speed impacts booking services, marketing and other business operations. Austria, Chile, France, Greece, Spain and Sweden, among other countries note that SMEs and microenterprises tend to have lower levels of uptake, which affects business visibility and reputation. The in-situ production of visitor experiences may require high-speed mobile broadband. Innovative walking tours, for example, might rely on Wi-Fi access to cloud services, geotagging, and augmented reality to bring to life historical visitor experiences and simulations such as those curated by the Heritage in Motion initiative. Local governments are increasingly providing Wi-Fi in public areas to support the delivery of seamless visitor experiences, evidenced in Korea (Box 2.5).
- **Access to resources**: Lack of access to finance, information, knowledge networks, skills and time can be barriers to digital transformation (OECD, 2019d). Tourism SMEs may lack capital reserves, have difficulty qualifying for traditional loans or credit, or perceive the investment too risky. This limits the willingness of SMEs to invest in digital technologies when SMEs are anxious about return on investment. To overcome these barriers, programmes such as Scotland's Digital Development Loan or Spain's Digital Agenda offer funding support to encourage investment. Skills gaps and lack of access to initial and on-going training and business support is also an issue, while limited time, awareness and knowledge among SMEs may contribute to low levels of participation in such initiatives. In response, for example, Norway offers a one day training session for tourism professionals to improve digital skills at beginner and expert levels (Digital Competence 2.0). The

shortened format is a good way to encourage upskilling while taking into account the limited time and resources of tourism SMEs.

- **Information exchange, learning and research**: Direct information, communication, booking and check-in channels have reduced the need for certain types of frontline jobs and led to a displacement of traditional employment relationships by more precarious independent contractor arrangements in, for example, transport and accommodation. It has also generated demands for different skill sets and new types of jobs.

  According to the United Nations World Tourism Organization (UNWTO, 2019a), the most demanded profiles by companies in the tourism sector over the next five years are expected to be: digital/IT, customer focus, data analytics, operations, commercial, leadership/management and administration/finance. Yet, tourism businesses may not have the financial or management capacity to employ tech experts or invest in workforce training. They may instead rely on consulting services which can be expensive and ad hoc, and higher education institutions are often not incentivised to engage in small practical capacity-building projects. The Austrian government has addressed this gap by establishing the Research Expertise for the Economy programme in co-operation with the Austrian Research Promotion Agency (FFG) to support digitalisation of the economy including tourism businesses.

- **Business innovation**: Business models, practices, cultures and strategy all influence the openness and willingness of tourism SMEs to undertake digital transformation. With the help of new technologies, the traditional cost of doing business has decreased significantly, allowing some businesses to grow at an unprecedented pace (UNWTO, 2019b). Many lifestyle and micro-enterprises in the sector are focused on business survival, are risk averse and have little appetite for innovation, while large firms have the capacity, financial and otherwise, to make significant investment.

  Also, differences between the fundamental nature of some tourism business subsectors such as the accommodation, transport, reseller industries greatly influence their capacity and speed to adapt to the digital ecosystem.

  These trends have contributed to a productivity gap between traditional tourism SMEs and their digitally enabled counterparts. Incubators, accelerators and labs that encourage partnerships between tech and tourism companies may improve openness to innovation and knowledge exchange. However, these current supports often focus on the start-up tech dimensions, such as business model innovation, attracting venture capital investment, and do not address the challenges existing tourism businesses face in going digital.

  While these supports have launched high value companies in ride-sharing and accommodation-sharing, existing accommodation SMEs, for example, may have problems in appropriating value from these kinds of programmes. The objectives of such incubators, labs and accelerators should be carefully articulated to reflect needs on the ground.

- **Perceptions of risk and benefits**: A lack of resources, uncertain benefits and fear of the unknown were widely identified in survey responses as being barriers to tourism businesses adopting advanced, costly or novel digital technologies, such as cloud computing services.

  Changing privacy requirements on data protection across the globe can complicate data collection, analytics and storage while private decision makers face competing priorities between capital investment in technology and operational expenditure. Although, companies that are data-driven can make better decisions (Brynjolfsson et al., 2011).

Table 2.2. Barriers and opportunities for digital transformation of tourism SMEs

Issue	Barrier	Opportunity
Uptake of technologies	Lack of access to digital infrastructure can slow digitalisation processes Lack of availability of high speed broadband in regional and rural areas can impede business operations Lack of availability of high speed Wi-Fi connection can impede visitor experience innovation	Innovation and customisation of products, services and experiences increases visitor satisfaction Increased connectivity facilitates scaling, market reach, product and service innovation
Access to resources	Lack of access to capital or eligibility to apply for traditional loan products Absence of skills and expertise and lack of resources to support skills development and training	Co-operative funding initiatives reduce initial costs and reduce perception of risk Policy supports where technologies can be trialled, costs shared and network support developed
Information exchange, learning and research	Restructuring of workforce – fewer frontline jobs and demand for ICT expertise growing Demand for new skill sets may not be available and SMEs may not have resources to employ experts and consultants	Collaborative programmes incentivise universities to work with business and government toward digital transformation Technologies enhance production of data driven business planning
Business Innovation	Business models, culture and practices influence willingness to transform Data Protection Regulations (e.g. EU) and privacy requirements exacerbate the challenge of data collection, analysis and storage Lifestyle and micro-businesses tend to be risk averse	Incubators, accelerators labs that encourage collaboration between tech and tourism companies improve openness to innovation Enhancing the focus on travel-tech as opposed to the process of building a start-up will benefit tourism
Perceptions of risks and benefits	Uncertain benefits, fear and anxiety of the unknown in relation to costly or novel technologies Demands of day-to-day operations take away from strategic management and create time pressures	Demonstration projects that provide hands-on awareness raising of the benefits of digital technologies Timely and evidence-based decision-making from enhanced data collection and analytics

Source: OECD country survey results; Dredge et al., (2018); European Commission (2016).

Distinguishing between digital native and traditional tourism businesses

When considering the impact of new technologies in tourism it is important to distinguish between so called "digital native" firms and traditional firms, as the irregular uptake of digital tools is largely an issue of 'who' is participating and 'how'. Table 2.3 summarises the differences between these business models.

Digital firms in tourism tend to be young and global in terms of users and product delivery. They often do not have a pre-digital footprint. Digital native firms are customer-facing businesses, often delivering value to two or more customer groups (i.e. multi-sided).

Table 2.3. Typical differences between digital native and traditional tourism businesses

Digital native enterprises	Traditional businesses
No pre-digital footprint (founded in the digital era)	Established prior to digital era
No or limited physical assets	Often have physical assets which are resource intensive
Likely to have a more fluid business structure	Grounded in a physical location
Customer-facing, often to two or more customer groups	Product-facing, focused on production and distribution and matching to customer needs
Works in agile ways and innovates rapidly	Relies on traditional production, sales and marketing supplemented with digital technologies
Use a combination of technologies to leverage market advantage that make it easy to scale	Smaller (often local) value chains and ecosystems
Global value chains and ecosystems	

They tend to disrupt traditional business models and combine different technologies (e.g. a digital platform, social marketing, data analytics, automation and relationship management) to increase efficiencies, extend their distribution channels to global markets, and develop economies of scale (WEF, 2019). They are also able to scale up rapidly, access new markets, build complex products, and have few physical assets, while data and talent are important assets and different kinds of intangible value such as loyalty and trust are co-produced with users (Gal and Witheridge, 2019; WEF, 2017).

Well known examples of digital native firms include meta-search engines (e.g. Skyscanner, Kayak, Trivago), and online travel agents (OTAs) (e.g. Expedia, Opodo) and booking platforms that aggregate and curate third-party products and services (e.g. Booking.com, Priceline, Agoda), as well as collaborative platforms like BlaBlaCar, HomeAway, Airbnb and Lyft. Small tourism businesses are also developing business models which are digital at the core (Box 2.4).

Box 2.4. Digitally enhancing tourism business models

Adrenaline Hunter – an online adventure sports booking platform acting as an intermediary between end users and the activity providers. Financial support from the Bpifrance Tourism Investment Fund allowed the founders to accelerate the development of the business and strengthen the performance of its platform. Equity investment of EUR 2 million enabled the development of a product roadmap, enhanced the automation of the reservation process, improved the back office and openness to providers, and developed business software for providers.

Skydiving Kiwis – software developed by skydivers for skydivers to manage scheduling, safety and accounts. It is designed to be sufficiently agile to evolve as the business grows and develops. Specialist digital marketing targets the Chinese market and the business now has presence on WeChat, the website has Chinese translation and Ali Pay is used to facilitate payment from China.

Walks – a redesigned concept of how tour guides meet clients and deliver services. Beginning as two tour guides in Rome, the founders created an extensive platform, using 28 technology products and services including Google Analytics, WordPress, and Vimeo to aggregate and sell walking tours by tour guides in popular cities. Walks took advantage of wider market potential to extend its network and operate across 13 cities in Europe and North America.

VenueLytics – a mobile app start-up that created a software integrating guest engagement and a digital concierge platform using AI and machine learning. "Digital concierges" are technologies that can have an impact on small hotels as they reduce human resource needs. The software replaces the front desk and acts as a hotel guest services platform using mobile, voice, chatbot and Wi-Fi, processes guest hotel requests, two-way chat, provides hotel information, check-in/check-out features, acts as a digital concierge and promotes hotel offers.

TouristWise – a tourism app with scalable properties that can be used by tourism organisations to develop, manage and grow visitor experiences, enhance engagement through AR, gamification, language translation, promotion and ticket sales. Data analytics and tracking also enhance destination management and scale up visitor attractions and experiences into journeys.

As a result of their capacity to scale up quickly, the absence of proprietary physical infrastructure (e.g. beds and cars) and global operations, many tech-driven digital native firms have been able to make use of gaps in planning, safety and labour laws and other regulations. Governments have struggled to address the discrepancies in the way laws and regulations are applied leading to a situation where digital native firms often enjoy a competitive advantages over traditional tourism businesses.

Traditional tourism businesses, in contrast, often have a pre-digital footprint and maintain physical infrastructure (e.g. hotel buildings), are product-focused and tend to rely on traditional production models

(e.g. personal paper-based communication and inventory) which is difficult to scale (McKinsey, 2014). They also tend to operate within smaller, more defined value chains. They often have closer relationships with their customers and are able to provide personalised service due to repeat interactions.

The disruption created by new digital platforms has stimulated transformation in many tourism subsectors, and led to the development of hybrid business models. Traditional tourism businesses have pivoted storefronts and face-to-face service away from the street and created a presence online servicing expanded markets. Travel agencies, tour operators, destination management organisations and other traditional tourism businesses often work a dual model by maintaining their own internet webpage and social media marketing, while simultaneously offering their products and services on global platforms. This hybridity can lead to more complex and costly operations that many SMEs would struggle to afford (e.g. post innovation costs such as maintaining servers) is traded off against expanded markets and the capacity to access data and global value chains (OECD, 2018c).

Policy approaches aimed at supporting digitalisation in tourism should consider the different challenges and issues faced by traditional incumbent tourism businesses and digital native firms, as well as hybrid business models. Policy initiatives that share knowledge and grow sustainable tourism ecosystems, such as New Zealand's *Lightning Lab Tourism,* a three-month business acceleration programme focused on building a sustainable innovation ecosystem for the future of tourism in New Zealand. The programme brings together early-stage ventures and project teams from the tourism industry to address productivity, cultural, environmental and social challenges for the sector, and helps to break down the silos between digital companies and tourism SMEs, thus assisting the digital transformation processes.

Creating value through digital innovation, disruption and transformation

Understanding how value is co-created and shared between multiple collaborating stakeholders is important in unlocking the potential of the digital economy. For instance, social media platforms, including photo sharing and journey tracking apps allow travellers to share geotagged photos with friends and 'followers'. They also add value to SMEs in a destination who can use these high quality photos at low cost to market their products and services. For governments, the challenge is to ensure that SMEs are part of these new value ecosystems, and that the value generated by these new digital businesses can be scaled, captured and shared by all those that contribute value. For example, if local community assets such as parks, gardens and public streets are contributing value, then some of the value captured should go back into maintaining and regenerating those assets.

Digitalisation is transforming traditional business practices with transformation occurring on a number of fronts including customer engagement, marketing, business management, business planning, product development and service delivery (Table 2.4). The implications of transformation for tourism SMEs are significant because digitalisation moves the production of visitor experiences from linear value chains to value ecosystems (Kelly, 2015; WEF, 2019). While there are advantages to be derived from expanded markets and productivity gains from value adding, such as increased information enhancing visitor awareness, the complexity of the marketplace reduces the control that tourism organisations have over the curation and presentation of the destination.

Capacity building initiatives such as support for business mentoring, experimentation through living labs, workshops and online courses provide an opportunity to experiment with these new kinds of value creation and capture. Such initiatives encourage SMEs to reassess their business models, and make key changes to both strategy and practice. Israel has established a tourism accelerators programme to support new business creation and expansion of existing tourism businesses, as well as encouraging the adaptation of tourism products and services for international markets. Local authorities can also participate in these accelerators, to identify tourism policy solutions to emerging challenges.

Table 2.4. Creating value through digital transformation in tourism

Issue	Traditional business	Digital business	Implications
Customer interaction and engagement	Face-to-face product facing selling strategies	Customer-facing tools and technologies facilitate a seamless customer journey with multiple customer touchpoints and customer-led interaction	*Customers* - enhanced visitor experiences through mixed face-to-face and digital interactions *SMEs* - reduced transaction costs, real time engagement
Market analysis and marketing	Market projections, segmentation	Data analytics, intelligent decision-making, real-time customer data and data-sharing	*Customers* – customised products, experiences; data privacy concerns *SMEs* – increase product-customer match; data security and privacy management
Business management processes	Management cycle (annual, quarterly, monthly)	Process automation, increased efficiencies, adaptive management	*Customers* – price reductions, product improvements *SMEs* – management efficiencies and timeliness, increased cost efficiencies
Business planning	Business projections and strategic planning	Adopt continuous improvement; rapid testing; real time feedback and decision-making	*SMEs* - management efficiencies and timeliness, increased cost efficiencies, production innovation
Product development	Led by product investment and financial assets	Customer-led and driven by information assets and co-creation and collaboration	*Customers* – greater choice, customisation, satisfaction *SMEs* – increase competitiveness, cost efficiencies, reduced risk in new product development
Business models	Traditional business-as-usual, supplier and customer roles clearly defined	Collaborative, networked commerce, open architectures, multi-sided platforms blur roles of consumers-producers (prosumers).	*Customers* – greater choice, seamless experiences, increased satisfaction *SMEs* - management efficiencies and timeliness, increased cost efficiencies

Building a smart tourism approach

As digitalisation evolves, emerging technologies are combining in novel ways to push the digital transformation in new and often unpredictable directions (OECD, 2018c). In tourism, this convergence is happening in two key areas: the coming together of digital technologies, and digital technologies merging with the physical world (e.g. wearable technologies, AR, image recognition, etc.). Digital convergence is when one or more digital technologies come together to operate in sync, where data and information are shared, new innovations emerge allowing for seamless interactions across the full visitor journey. After transport is booked, for example, travellers can be sent automated suggestions based on their previous behaviours for transfers, accommodation and things to do in the destination. With minimal clicks, a car is booked, hotel check-in completed, a restaurant reserved and tickets secured. Automation, artificial intelligences and big data analytics facilitate the interoperability of booking systems but pre-existing partnerships can also lock in customer choices to preferred partners and lock out SMEs offering alternative products and services. Data analytics and algorithms can work to favour certain suppliers, customising and bundling products and prompt customer engagement before, during and after travel. The challenge for SMEs is to understand, engage and strategize so they can assert a presence in these digital networks as customers can choose the convenience of a suggestion over doing their own research. Dynamic data collection and analytics refine knowledge about the consumer, facilitate customisation and enhance visitor satisfaction (WEF, 2017).

In tourism, digital-physical convergence is demonstrated by augmented reality, wearable technologies, and the Internet-of-Things to generate new hybrid products, services and experiences. Examples include e-bikes, e-scooters and e-cars which can be accessed anywhere, anytime with a mobile app, reducing the need for a front office presence and staff, to potentially be replaced by tech support and maintenance facilities. When scaled across cities, regions or a country, smart tourism development is possible.

Box 2.5. Leveraging enabling technologies to develop smart tourism

Korea: Korea has five objectives to its National Tourism Innovation Strategy, one of which is to create a smart tourism ecosystem. Korea's Smart Tourism Strategy began by creating the infrastructure for smart tourism. This comprehensive approach includes a platform of integrated online tourist information, free Wi-Fi at major tourist attractions and big data analysis for future reference and improvement. The platform provides tools while traveling such as (AR/VR) chatbot service message-based communication on translation, tourist information, and tourist complaint services. While the Tourism Big Data Platform is in use, it accumulates and shares the data gathered about the tourist with local governments and the private sector to better inform tourism stakeholders.

European Union: Following EU wide competitions, two European Capitals of Smart Tourism were selected for 2019 (Helsinki and Lyon) and 2020 (Gothenburg and Malaga). The European Capital of Smart Tourism is an EU initiative, which recognises outstanding achievements by European cities as tourism destinations in four categories: i) sustainability, ii) accessibility, iii) digitalisation, and iv) cultural heritage and creativity. The action promotes the development of smart tourism in the EU by showcasing exemplary practices by cities as tourism destinations. The aim of the initiative is to establish a framework for the exchange of best practices between cities and to create opportunities for co-operation and new partnerships. The compendium of best practices implemented by cities also raises awareness of smart tourism tools, initiatives and projects, and strengthens peer-to-peer learning and innovative development of tourism in the EU. The initiative is managed by the European Commission, the Directorate General for Internal Market, Industry, Entrepreneurship and SMEs, and originated from a preparatory action proposed by the European Parliament (www.smarttourismcapital.eu).

The aim of smart tourism is to develop information and communication infrastructure and capabilities to facilitate innovation, improve the visitor experience, and manage and collaboratively govern tourism more effectively (Gretzel et al., 2015). The technologies that facilitate convergence have been identified as the major source of value creation, innovation and productivity for the future of tourism (APEC, 2019). In recognition of the transformational economic and social power of smart technologies, countries such as Croatia, Korea, Portugal and Spain have introduced programmes to support the development of smart tourism destinations (Box 2.5).

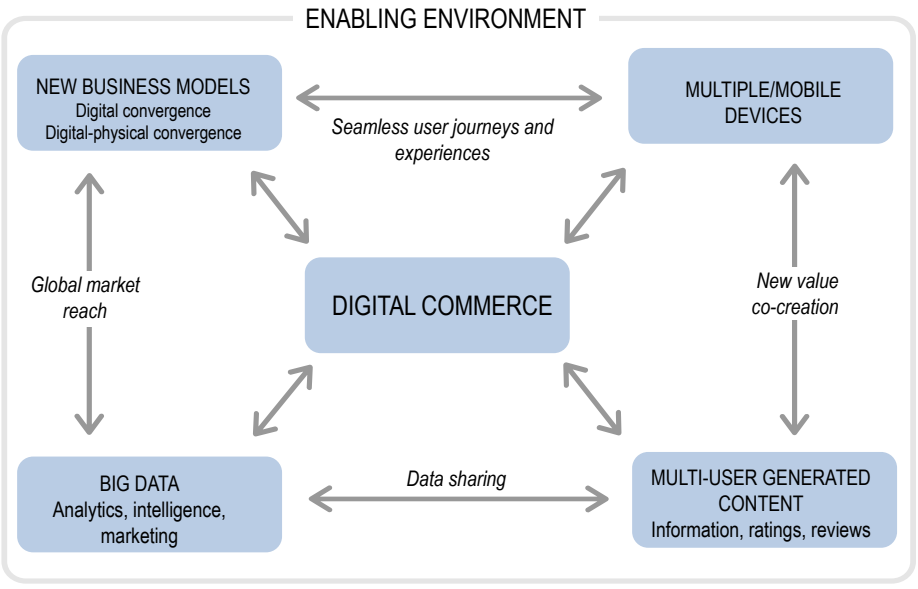
An example of smart tourism in action at the destination level can be found in the smart wine tourism initiative by wine producers in the Napa Valley, United States, which utilises Wi-Fi, the Internet-of-Things, and geolocation software to target nearby tourists in a destination, and invite them to enjoy a wine experience during their visit. Facilitating such visits to wineries and other tourist attractions by providing internet access and geotagged digital directories (e.g. TouristWise) in popular tourism areas and along popular tourist routes will only become more important as destinations seek provide a seamless journey and enhance the visitor experience in an increasingly competitive marketplace.

When digital technologies are employed within innovative business models, the dynamics of competition, innovation and investment can change dramatically (OECD, 2016; Rachinger et al., 2018). The convergence of digital technologies creates a dynamic innovation system. This is illustrated in Table 2.2.

New business models, digital devices, content generated by multiple users, big data and digital commerce all work to create and share new value, to expand and reach global markets, and to create seamless visitor journeys and experiences. For example, a decade ago sharing accommodation platforms emerged as an innovative business model. However, with enabling technologies increasing accessibility across multiple devices for multiple users, and the co-creation of diverse value by these users have had disruptive and innovative effects on many destinations over this time. The case of Iceland between 2008 and 2019

illustrates the role that sharing accommodation platforms have had enabling tourism growth by filling a gap when there was a shortage of hotel infrastructure. In the pursuit of smart tourism, the challenge for governments is twofold: to engage the long tail of tourism SMEs with low levels of digitalisation to boost digital uptake and inclusion within digital business ecosystems; and to support innovative digital companies that energise business ecosystems. Policy initiatives can be targeted towards the creation of technology-enabling and business innovation environments and to encourage widespread participation in the co-creation of value. For example, in the UK, the Explorer's Road tourist route north of London has been developed to engage with local SMEs and build their digital visibility and capacity along the way (Box 2.6).

Figure 2.2. Convergence of technologies to create the enabling digital environment



Promoting digitally-enhanced tourism business models and ecosystems

Digitalisation has expanded the number of stakeholders and the diverse kinds of value that can be co-created in tourism in digitally-mediated global networks. The extent and fluidity of these business ecosystems can, for example, help innovate products and services, improve efficiencies, increase access and market reach. Policies that support the development of business model innovation and regulatory systems that accommodate new business models and structures are important.

Business models have always been an important lever for growth, innovation and competitive advantage. To date, the digital transformation witnessed in tourism has been driven predominantly by new and innovative business models exploiting data analytics (i.e. by the digital natives turning data into intelligence), or through the adaptation and evolution of existing business models and value chains.

Facilitating digital innovation in tourism

The uptake of digital technologies at the operational level and the adoption of digital business strategies have been uneven, and the gap between innovative digital companies and traditional tourism SMEs with low levels of digitalisation is growing (WEF, 2017). Large organisations benefit from standardisation and economies of scale when adopting digital technologies and are more likely to have access to finance and resources to invest in digitalisation. This, in turn gives them an early adoption advantage. Tourism SMEs

are often heavily dominated by micro-entrepreneurs and small businesses, which often have limited access to skills and knowledge, finance, infrastructure and business support (European Commission, 2017; OECD, 2017b).

Box 2.6. Engaging SMEs through the Explorer's Road, United Kingdom

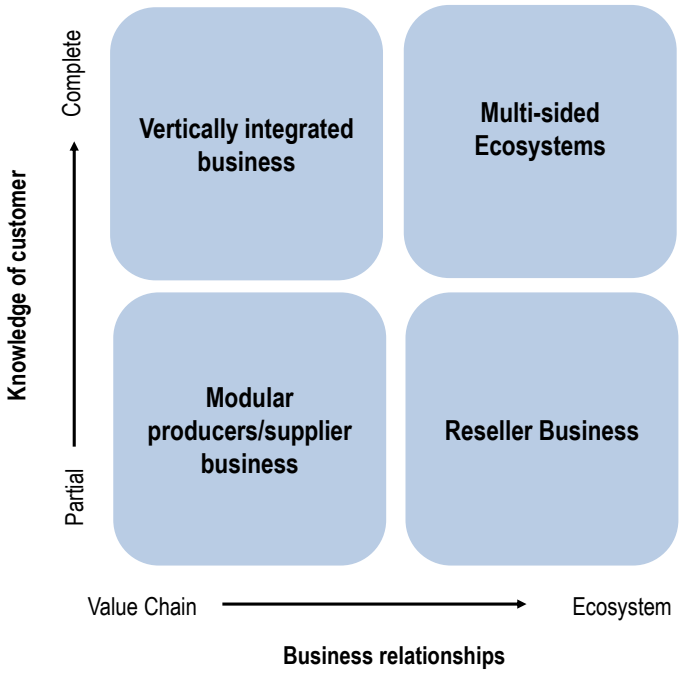
The Explorer's Road is a new 300-mile touring route that stretches the length of England with the intention to highlight parts of the country that rarely get attention from international travellers and produce a new internationally viable tourism product targeting the travel trade and consumers in Germany, the Netherlands, North America, China and Australia. A key distinction of the programme is the extent to which SMEs along the route are supported to take part in this Smart Ecosystem, with a focus on small businesses who want to operate online and have an ambition to reach new international markets. Equipping SMEs with digital tools and training, including, dedicated one-to-one support to develop booking functionality and help businesses take advantage of new distribution channels, the route currently showcases 118 businesses, 19 destinations and 9 counties.

The route has required investment, participation and support, from destination managers and tourism businesses to tour operators, travel agents, media partners and destination management companies. In addition, it has sought to develop relationships with a range of suppliers with expertise in areas including design, print, training, and photography. Social media has also been used to support the partnership between destinations and businesses along the route. Marketing activities have included engaging with bloggers (including three with a combined reach of 634 000) and social media influencers to showcase the route to online audiences. The Explorer's Road web portal promotes all associated destinations and businesses and provides a means for independent travellers to contact operators directly (www.theexplorersroad.com). Based upon this initial success, the programme designers are planning to apply this approach to the development of new bookable products to other regions or countries.

Research into business ecosystems reveals companies pursue digitalisation along two dimensions: i) to know more about their customers and market more effectively; and ii) to use technology to operate more effectively in the digital ecosystem or along value chains. Four archetypes of the digitally enhanced business model are identified (Figure 2.3):

- **Vertically integrated businesses** - These businesses 'own' the customer relationship and know their customer well. They collect and analyse data inside the channel, offer multiple products, and have a highly integrated value chain. Examples include Disney and global cruise operators.
- **Multi-sided ecosystems** – These customer-facing branded platforms collect and share data to improve the customer experience. They offer plug-and-play, or ready to use, third party products. Examples include Booking, Priceline, Uber, and Airbnb.
- **Modular products/supplier businesses** - These businesses sell through other companies and platforms, have limited direct connections with consumers, and are often low-cost producers. They may have good knowledge of their own customers, but may rely on other companies to connect and learn about the wider consumer trends. Examples include Airbnb Handsfree, key concierge services and equipment rentals.
- **Reseller businesses** - provide plug and play products and services, adapt to different ecosystems, and constantly innovate in products and services. Modular packages such as car hire or accommodation offered at the end of a sale on an airline site are examples.

Figure 2.3. Types of digitally enhanced business models in tourism



Source: Adapted from Weill and Woerner (2015); OECD (2018b); Hagui and Wright (2015)

A number of common findings have been identified in research on digital business model innovation that may help tourism SMEs concretely consider their business model innovation:

- ***Know your market*** – Customer-facing businesses that put the customer (not the production process) at the centre have been shown to perform better. Research also indicates that companies that derive more than 50% of their income from digital ecosystems understand their customer better, and have higher revenues and profit margins (Weill and Woerner, 2015).
- ***Cater to multiple users*** – Multi-sided companies deliver value for two or more user groups and have been shown to perform better than businesses based on binary producer consumer relationships. These business models build in different value creation mechanisms, financial and non-financial (e.g. reviews, reputation and ratings), and are more resilient to digital disruption and change (Skog et al., 2018). Available data suggest that such platforms accounted for around 7% of the global accommodation market in 2018, with a projected yearly growth rate between 2013 and 2025 that is six times faster than the projected annual growth rate of traditional accommodation providers (World Bank, 2018).
- ***Drive economies of scale through demand*** – Business ecosystems driven by demand tend to perform more strongly than the product-driven models that characterise traditional firms. In demand-driven models, users create diverse kinds of value for other users through a range of mechanisms (e.g. sharing goods, accessing idle services, ratings that generate trust, and so on). Instead of generating products and then trying to sell it as an industrial firm would do, digital firms shift production to the outside (i.e. they outsource to the apartment owner who wants to share their accommodation). Digital networks enable the scaling of production outside the firm shifting from traditional vertical integration to demand-product matching.

Supporting innovation is a key concern for all governments, and policy initiatives fostering innovation in general are widespread. In tourism, production systems are difficult to define, making targeted policy responses difficult. Not only are producers and consumers globally dispersed, but there are a growing

number of online intermediaries, and the production of tourism products and services can be quite complex. There are also many subsectors with different digitalisation challenges and opportunities.

Policy initiatives that support innovation more broadly are often not sufficiently targeted to deal with the particular barriers, opportunities and operational characteristics of tourism SMEs (Table 2.2). For instance, initiatives such as incubators and accelerators are often tech-centric and not necessarily focused on tourism. They might disrupt tourism markets and traditional business models but may not contribute to wider tourism development goals such as enhancing visitor experiences, destination sustainability, and community wellbeing. Airbnb, for example, initially viewed itself as an online marketplace, however it has more recently acknowledged a wider role in visitor experiences (Airbnb Trips).

This suggests that there is opportunity to position incubators, accelerators and other policy supports to develop tourism business models and value ecosystems that not only achieve tech-centric objectives but also benefit tourism SMEs, destinations, and the sector. Global companies such as Amadeus have programmes to support SMEs to digitalise (e.g. Amadeus for Startups) and large travel companies may provide partnership opportunities mentoring and investment opportunities, while universities may also have a role in supporting such initiatives. For example, TourismX was launched in Denmark in 2018, with the purpose of strengthening innovation in Danish tourism enterprises. The project links tourism business growth ideas with the latest research and knowledge in order to develop new innovative products and services within the tourism industry. The project is being implemented in a partnership between national tourism development organisations and universities.

Many countries responding to the survey, including Greece, Austria, Israel, Iceland, Spain, Denmark and France, have introduced hubs, incubators and accelerators targeting supports to the digital transformation needs of tourism businesses. The France Tourisme Lab is a national network of thematic incubators and accelerators specialised in tourism, which aims to boost innovation, promote new ideas and increase the visibility of innovative companies in the sector. The Lab caters to the specific needs of tourism start-ups, and promotes the development of the tourism offer in the destination: urban tourism, slow tourism, connected tourism, tourist mobility. While in 2018, the European Commission supported the first European network of incubators in tourism. The Creative Accelerators for Sustainable Tourism (CAST) Network aims to provide incubation and acceleration support to sustainable tourism start-ups and SMEs to grow and scale. Activities include helping generate new products, services and business models, facilitate access to finance and new markets, while also building new skills and resilience. The CAST consortium consists of partners from 8 countries: Ireland, Cyprus, Spain, Italy, UK, Belgium, Germany and Denmark (www.castnetwork.eu).

These initiatives are largely focused on supporting new digital start-ups and developing the wider digital ecosystem for tourism, however in some cases they also encourage digital entrepreneurship among existing tourism businesses. In Iceland, for example, the Iceland Tourism Cluster and the Innovation Center Iceland have partnered to create an incubator for established business owners, Ratsjáin, which focuses on improving the digital capacity of business managers and the use of data analytics for strategic decision making. The Icelandic Tourist Board is also in the starting phase of creating a Test Lab, Sandkassinn, in order to match tourism companies with tech companies and thereby lower the barriers between these two players.

In a few cases, these incubators and accelerators are one element of wider efforts to support the digital transformation of the sector. In Portugal, for example, Tourism 4.0 aims to build a digital ecosystem to support start-ups, promote entrepreneurship and foster innovation in tourism. Turismo de Portugal provides finance, training and advisory supports to tourism SMEs, and partners with a network of incubators and accelerators to support the development of new business models in tourism.

Concerns in the sector are raised as current supports to SMEs are often focussed on tech service providers. Certain types of businesses, such as small hotels, travel agencies, and activities providers may have difficultly qualifying to participate in labs, as these support measures do not typically assist existing

SMEs modify business models to participate in the digital ecosystem. However, by definition, existing businesses will also have to undertake digital transformation, and to do so they will need support to ensure they have the opportunity, and the tools necessary to reach their digital potential.

Designing regulation for the digital tourism economy

The rapid pace of change in digital transformation has created challenges for policy makers. The existing policy environment and processes have struggled to keep up with rapid change and restructuring of business models and ecosystems, work, and global investment. Existing policies and regulations have also at times stymied innovative solutions and adaptation of traditional businesses, while global digital platforms have avoided local regulations designed for the pre-digital era. This has given rise to an uneven playing field, and the inequitable application of existing policies and regulations on place-based businesses.

The UNWTO (2019b) examined the challenges and complexity associated with enforcing existing rules and regulations in a review of new business models in the accommodation sector. The review highlighted that implementation is often hindered by lack of capacity, clear division of responsibilities and co-operation between the different responsible entities. Some governments, such as Australia, Austria and Switzerland have undertaken inquiries into these issues and have sought to develop more agile, flexible and responsive solutions. For example, Australia examined the policy responses to digital disruption finding that governments must enable the creation and take-up of digital opportunities without favouring particular technologies; governments should review their institutional and regulatory arrangements ensuring new technologies can compete for market share; standards should support interoperability; and investment in infrastructure can help with technological diffusion (Australian Government, 2016).

The size and revenue earning capacity of tourism technology companies like Booking Holdings, AirBnB and Expedia enable these companies to develop new technologies and improve service offerings to travellers, and the intensely competitive nature of the sector will drive ongoing development. Facilitating access to low cost technology and digital solutions to enable uptake would help create the level playing field and fair competition crucial to SMEs and essential to the development of the digital ecosystem.

International exposure has been recognised as an important factor in competitiveness, allowing regions and countries to benefit from the gains of globalisation (OECD, 2013). In many industries, benefits from globalisation come from factor cost differences (primarily labour) or from differences in availability of specific resources, leading to relocation of activities. In tourism, many activities in the value chain are locally anchored.

The policy challenge is predicated on a two-pronged approach: to address the challenges and opportunities inherent in the existing policy environment; and to introduce new measures that enhance digital innovation, take up, and integration of tourism businesses into tourism value chains and ecosystems. Governments may wish to consider the impact of existing policies and work to reduce any barriers that may impede the digital transformation of tourism SMEs, including macro-economic issues, consumer protection and privacy issues, competition and regulation issues, information and education, and taxation.

Integrating traditional tourism businesses into digital ecosystems

In tourism, digital platforms have attracted much attention due to the innovation inherent in their business models. Online shopping has disrupted business to consumer practices because of its strong influence on customer shopping decisions and the incentive it gave to traditional “brick and mortar” shops to reshape their business models (OECD, 2019). These business models are often characterised by high productivity as a result of innovations in the way they have engaged multiple customer groups, co-create content, collect and use data to engage and expand markets, access underused resources, and share value across

multiple users or customers (Autio, 2017). While these firms represent the innovation frontier of digital tourism businesses, traditional tourism SMEs must find a place within these ecosystems, adapt and evolve their business models accordingly, or find their own path to the frontier. Support that governments provide SMEs to innovate new business models need to take into consideration the complex challenges that SMEs face, including:

Building and retaining human capital and digital capacity

Building human capital and digital capacity involves attracting talent, building expertise, implementing new technologies, understanding and exploiting opportunities offered through converging technologies and technologies and objects. It can extend to developing capabilities in e-commerce, social media and data analytics, as well as more advanced technologies. This includes businesses taking inventory of the digital capabilities of the current workforce and being open to adapting work practices. In other cases, it requires reviewing the local infrastructure to assess whether there is the possibility to increase digital capability, such as access to high-speed internet. For example, in Canada, the Universal Broadband Fund will support broadband projects across the country. Making high speed available internet for all Canadians will allow rural and remote tourism companies to extend their reach and potentially find new tourism companies.

In Chile, a key challenge to encouraging tourism businesses to adapt their business models for a digital tourism economy is a recent finding that 70% of tourism SMEs report having no need for digital technologies. In response, Chile has implemented a suite of measures to raise awareness of the benefits of digitalisation, and support tourism businesses to adopt and use new technologies. The Digitalise Your SME initiative, for example, encourages tourism SMEs to adopt digital technologies and train businesses in the many different aspects of digital marketing and management. It is complemented by a Tourism App for consumers, the Connect Tourism programme focusing on the digitalisation of the product across the entire country, and the wider Transform Tourism initiative which together seek to build the enabling environment for the digital transformation of tourism businesses.

Developing skills and training the workforce is also a critical issue in order to effectively use and finally adopt new digitally-enhanced business models. In this respect, the Ministry of Tourism of Greece has accordingly adapted tourism education provided by its institutions. Secondary schools specialised in Tourism Education and Institutes of Vocational Training, education curricula comprise courses dedicated to ICT in general and to systems used by hotels and accommodation units for data management, booking, organisation and management of food services. From 2019 onwards, Institutes of Vocational Training will comprise the specialty of “Management and Tourism Economy Executive”, training students to the use of all essential travel market digital applications.

Developing value ecosystems

The development of tourism business ecosystems involves taking a strategic approach to building networks and relationships though which products and services, and customer relationship management takes place over the customer journey including searching, booking, preparation, travel, arrival, destination while in the destination, and post-trip engagement. The shift has been from traditional product-facing, profit-oriented approaches of doing business towards user-facing digital models that produce and deliver shared value. In this shift, value is being generated and shared by consumers, communities, residents, hosts, businesses and governments all working together.

The challenge of developing these ecosystems varies across subsectors and depends on business location and access to technology. Policy conditions that enable increased participation of these businesses into tourism value ecosystems can have important flow on and induced impacts into the broader community and can help tourism transition to diverse, inclusive and green economies.

Box 2.7. Jurni digital tourism visitor information system in South Africa

The National Tourism Visitor Information System has been rebranded and transformed into Jurni, which is an online platform connecting travellers and travel experiences across the country. Jurni acts as a booking tool and business application to help tourism SMEs overcome knowledge and resource constraints to each global markets. It also acts as a central data hub providing insights to inform business strategies and decision-making across the tourism value chain. A consumer-facing app also provides location-tailored information for tourist during their trip, based on geo-localised information, data analytics and artificial intelligence. Jurni is an industry-led alliance between the public and private sector with the aim of transforming the tourism sector in South Africa. With the ultimate goal of collecting and showcasing meaningful travel and tourism data, Jurni aims to support sound, strategic decision-making by providing an unbiased centralised digital data platform and integrated digital solutions. Measures to achieve this include:

- Establishing consolidated, and comprehensive data hub that will deliver credible data that can subsequently be distilled to a local and regional level.
- A booking tool that is aimed at levelling the playing field for the entire tourism sector.
- An informative visitor portal that allows travellers to discover South Africa's tourism products and services.

The National Tourism Sector Strategy 2016-26 identified the need to provide critical tourism information for decision makers and to develop a clear picture of the size, nature, and characteristics of tourism sector. Eventually, the Jurni app and website aims to provide greater integration between the Jurni platform, data hub and booking tool, and aggregation and exposure of South Africa's travel and tourism products, services, and experiences, as well as serve as the country's travel and tourism directory.

Source: https://jurni.co.za/

In Finland, a Roadmap for Digitalisation of Finnish Tourism aims to build a nationwide digital tourism ecosystem, to support sustainable tourism growth and to make Finland become a smart and pioneering destination that provides smoothest customer journey. The digital Roadmap is built around 4 pillars to accelerate the digitalisation of the Finnish tourism sector: Data driven collaboration and management, utilising platform economy and developing multi-channel online distribution, promoting responsibility through digital means and scaling up from smaller regional digital pilots to national way of running the tourism business. In South Africa, the Government has taken a leadership role in developing a public-private partnership to accelerate the development of the digital tourism value ecosystem, as well as promoting open data sharing (Box 2.7).

Evolving business strategies and practices

The development of business acumen in the digital economy should be an integral component of SMEs business strategy in tourism. There is a proven relationship between business management capabilities and the capacity of a firm to attract capital investment (Andrews, Nicoletti and Timiliotis, 2018). This suggests that tourism SMEs that receive support to refine and innovate business strategies may be in a better position to raise capital. Traditional scientific management approaches, that see strategy and business planning as separate to the conduct of business operations, are increasingly outdated. Tourism businesses must develop business acumen, new agile ways of working, and undertake dynamic management if they are to compete in the global tourism system. Governments may assist with business strategy innovation and mentoring programmes.

New Zealand has recently completed a pilot initiative in the tourism sector, promoting sectoral partnerships to engage small tourism businesses about the opportunities of digital technologies and encourage their better use to improve productivity in the sector. The initiative aims to build a 'digital mindset' and encourage all tourism businesses to go on a digital journey. A sector-specific toolkit has been developed, to support digital workshops with small tourism business owners and develop a network of trusted intermediaries with tourism and digital expertise. The toolkit is a shared resource to support small businesses wanting to embrace digital tools and start to build professional networks. A key takeaway from the initiative was the importance of trusted intermediaries to accompany businesses on their journey to build a lifelong digital mindset. This is supported by research on SMEs in general, confirming community intermediaries are central to the adoption of critical e-aggregation applications provided by service providers (Lockett and Brown, 2006).

One potential approach to support SMEs may be in the form of a 'Chief Tourism Entrepreneur' to champion the digital transformation. Champions that are trusted intermediaries in the sector that have demonstrated success with digital tools, would have credibility, knowledge, and would likely increase policy effectiveness. For such initiatives to offer long term benefits, it is important that they sit within a broader innovation framework for the digital economy that encourages boundary spanning between tech, tourism and other sectors (Lockett and Brown, 2006). This approach has been successfully applied to support digital uptake more broadly, at the state level in Australia. In Queensland, the office of the Chief Entrepreneur aims to: support the development of the state's start-up ecosystem by working with incubators, accelerators and co-working spaces; connect with regional and remote areas to encourage and foster state-wide entrepreneurship; showcase the state's start-up and entrepreneurial talent; stimulate and attract investment and venture capital; and connecting local entrepreneurs, start-ups, and small businesses with the right opportunities, people, places and spaces to help them grow, scale and create jobs.

Adopting advanced technologies such as meta-search engines, social media, e-commerce, cloud technologies, and the collection, sharing and analysis of data are increasingly important in developing and maintaining competitive advantage. SMEs may lack resources, expertise and skills and must therefore consider in their business strategy making how to address such concerns. Governments may provide such assistance via co-operative funding mechanisms, talent attraction programmes and delivery of expertise through accelerators and incubators.

In Austria, digitalisation is a key part of the new Plan T – Masterplan for Tourism (Box 3.6). Under the Plan, a new central innovation hub has been established to support the development of technological applications and process for tourism enterprise, as well as for regions. The Next Level Tourism Austria hub will act as a future lab to encourage digital and digital-physical convergence. It will serve as an interface between traditional tourism enterprises and the technology sector, and will support the development of new technological applications and processes for tourism enterprises as well as regions.

The convergence of new technologies is having an impact not just on tourism businesses, but also destination. In Switzerland, based on an in-depth analysis of the implications of digitalisation for tourism destinations, highlighted the impact on destination marketing among other things, and this is the focus of the Swiss Innotour project Tourist Office 3.0 is an intra-industry support lab among tourist offices as well as a linkage with external service providers in the digital area. Further key elements are an exchange of experience, an empowerment to increase innovation and professional knowledge management.

In Malta, the Ministry for Tourism and the Malta Tourism Authority has introduced a Digital Tourism Platform to use AI to better target marketing activity and improve strategic planning by combining psychological characteristics with demographic data to enhance personalisation. This will be enhanced by machine learning as the platform matures. These developments are expected to generate positive benefits for businesses, including generating higher value added, improved business activity and cost mitigation through predictive analytics.

The Wallonia region of Belgium has focused on increasing the tourism offer through the use of digital facilitators. Five digital facilitators, each of one covering a part of the Walloon territory have responsibility for raising interest of tourist providers (tourist offices, accommodation providers, tourist attractions) to the use of digitalisation, and to help them to develop new ways of promotion and new quality (and customised) products according to the territory (and also increasing their turnover), in accordance with the digital strategies of Wallonia. The objective is to co-ordinate the administration and mutualisation of touristic information between operators. They aim to federating tourist providers to develop the digital Wallonia of tomorrow.

In Slovenia, a complete package of incentives for the digital transformation of companies is available, including to the tourism sector. Financial incentives are offered by the Ministry of Economic Development and Technology to support the creation of digital innovation hubs, e-commerce supports for companies entering new markets and public supports for the digital transformation of businesses. Digital vouchers of up to EUR 10 000 are a practical tool for use by SMEs to raise digital competencies, developing a digital business strategy, move to digital marketing and improve cyber security. Investment supports are also available.

Enhancing SME management through data

Data has important consequences for tourism SMEs in terms of how they build awareness, market their products and services, engage with customers, and facilitate purchases across multiple devices and platforms. Research shows that only 11% of small firms perform big data analysis, compared to 33% of large firms, and similarly on average, 56% of large businesses purchased cloud-computing services compared to 27% of small businesses (OECD, 2019b). Privacy and data protection issues can also arise with the collection and use of data by businesses themselves, including in relation to the General Data Protection Regulation (GDPR) in Europe.

Data is a key resource in the digital economy, and the ability of tourism businesses to use data to inform business planning, operations and service deliver is gaining importance. Data is particularly useful for business (accommodation) to enhance revenue management practices and employ dynamic pricing, common in larger firms. One issue for smaller tourism businesses is gaining access to this data, as the larger digital platforms can act as gatekeepers to large amounts of data collected about individual businesses, their customers and market transaction. This is an issue on the policy agenda of many countries, with some exploring ways to collect and share data openly with tourism stakeholders, including:

- In Croatia, the eVisitor system acts as a central platform for tourism data management (Box 1.15).
- In Portugal, a new business intelligence tool, TravelBI, is a data hub for the tourism sector, bringing together traditional data, new data sources, geodata and opendata services, as well as data analytics tools to transform the data into an easily digestible format for tourism businesses.
- In Denmark, the TourismTech Datalake initiative aims to support the development of new tourism business models by collecting and making data available to tourism stakeholders. This initiative is in its early stages, but further pilot projects have been proposed to test data analytics with various IoT solutions.
- In Poland, "Open Data Plus" aims to increase the quantity and improve the quality of open public data, and popularise their use. The project implementation in tourism sector includes: adaptation of registers to applicable law and amending of publicly available online central registers of the hotel and accommodation base, mountain guides, training organisers for Mountain Guides.

Box 2.8. Initiatives supporting the digital transformation of tourism, country approaches

France: France NUMerique is a government initiative launched early 2019 designed to help and support small businesses and SMEs in their digital transformation. It aims to support the digital transformation of micro and small businesses by providing information and tools through an online platform focused on business models, upgrading technology and understanding options for SMEs. An accompanying network - Activators France Num – with more than 1 500 business counsellors spread all over France are already mobilised to advise companies who want to achieve their digital transformation. For tourism, the platform aims to offer an innovative solution to raise awareness of the challenges of digital transformation, obtain targeted recommendations, find tourism-specialised *Activators France Num* advisors nearby, and identify events and meetings organised locally, as well as funding offers. It also provides a self-diagnosis tool for businesses to learn how to digitise their tourism business. Performance of the platform and associated network is being monitored and will inform future improvements to the initiative (www.francenum.gouv.fr/).

Luxembourg: Digitalisation is a major challenge for the tourism industry in Luxembourg; but it is also a huge opportunity. The Government is committed to supporting and promoting the digital transformation of the tourism sector, making use of new technology to enhance the promotion of the country, providing tourists with better information to help informed decisions and improve their experience while visiting. The Ministry of the Economy, as well as Luxembourg for Tourism and the regional tourist offices, analyse ways of digitalising their services on an ongoing basis, including:

- Developing a more efficient digitalised system for registering tourists in accommodation establishments. The new system will make it possible to collect fast and reliable statistical data relating to overnight stays and source markets.
- Planning a single national platform to connect as many services as possible. The platform will provide tourists with information and guidance, making the planning process easier.

The Fit 4 Digital initiative helps tourism SMEs to use on information and communication technology to become more competitive. The initiative provides consultancy, diagnostic services, support in devising and implementing digitalisation-oriented action plans and help with meeting associated costs, thus encouraging enterprises to take a step towards digital transformation. Open to all SMEs, the support includes intervention of a specialised private consultancy company chosen by the participating entity, 360-degree diagnosis of the company's organisation and its processes, definition and implementation of a digitalisation-oriented action plan, and financial assistance for the consultancy costs incurred.

An additional approach has been to aid decision-making by developing diagnostic platforms. Some countries have developed platforms with diagnostic tools to help traditional tourism SMEs determine where and how digital tools can be integrated, such as the "Fit4Digital" initiative in Luxembourg, the "Smart Destinations" Project in Spain, or France NUMerique (Box 2.8).

The "Smart Destination Reference Model" in Spain, for example, has been designed so that tourist destinations and businesses can successfully cope with transformations and challenges derived by the new economic, social and technological environment worldwide. Therefore, it proposes a voluntary procedure of comprehensive diagnosis and planning based on a complex methodology that covers up a set of 400 criteria, 24 fields of evaluation, all arranged under 4-core axis: innovation, technology, sustainability and accessibility.

Furthermore, shifts are occurring in the way consumers search, book, travel and engage in the destinations they travel to (WEF, 2017; García Sánchez, 2019), and governments are taking steps to utilise newly available data to maintain the quality of the tourism offer and market their country as a desirable destination

to visit. Consumer research reveals trends toward hyper-personalisation and customisation of travel products and services (Skift and Adobe, 2018; Visa, 2017). Data analytics, personal assistants and chatbots can make product suggestions in real time, channel digital customers towards preferred suppliers, and remind consumers of their searches and abandoned shopping carts.

VisitEngland, for example, has launched a Digital Marketing Toolkit to help tourism businesses improve their understanding of digital marketing and better promote their business. It also operates the Tourism Experience Great Britain (TXGB) platform, which is a one-stop exchange for tourism suppliers to manage live availability, pricing and bookings across multiple distributors via an online booking system, and connect with new customers. These initiatives will be complemented by the new Tourism Data Hub, which is designed to transform the way tourism analytics and data are used, providing tourism businesses access to data to better know their markets and tailor their products accordingly (Box 1.18).

Path forward for tourism policy makers

Governments have an important role to play in creating the right framework conditions for the digital transformation of tourism business models and the wider tourism ecosystem. Integrated and coherent policy approaches are needed to leverage the opportunities of digitalisation while also addressing challenges and minimising any negative consequences that may emerge. Policy work can also be positioned across a spectrum of tourism businesses (e.g. digital natives, hybrids and tourism SMEs with low levels of digitalisation).

A well-conceived policy approach involves a mix of short and long-term initiatives that foster conditions to increase digital technology uptake; it will encourage SME participation by reducing barriers and enhancing opportunities to digitalisation; and it will encourage new ways of working, new approaches to management and new digital cultures. Efforts can be framed along the following trajectories:

- **Actively champion the digital transformation of tourism.** The complexity of the policy environment combined with the unique characteristics of tourism SMEs can adversely affect the uptake of digital technologies, perceptions of risk, trust and confidence. Governments can take a leading role in establishing the framework conditions to support digitally-enhanced tourism business models, value chains and ecosystems. Policy measures might include:
  - Support for hands-on innovation and capacity development through travel-tech incubators, accelerators, mentoring opportunities and other non-tech initiatives (e.g. tourism networks) to encourage uptake, catalyse tourism business ecosystems, and promote a digital mindset.
  - Build a supportive environment by modernising regulatory frameworks to promote fair competition and encourage innovation.
  - Facilitate strategic leadership appointments such as ‘Chief tourism entrepreneurs’ with specific mandate to evolve tourism business ecosystems and span boundaries between tourism, tech and other sectors. These trusted intermediaries should be strong leaders and strategic thinkers.
- **Encourage uptake and investment in new digital technologies** by tourism businesses. A policy environment that supports and enables digital transformation of tourism SMEs and seeks to enhance productivity and innovation could include the following policy measures:
  - Enhance access to human resources, skills and information to improve awareness of opportunities and benefits, facilitate uptake of digital technologies, and strengthen capacity to participate in new and emerging digital ecosystems.
  - Build the evidence base on the key aspects and impacts of digitalisation for tourism SMEs. Targeted and nuanced approaches to regulation, funding, investment and incentives should be based on a better understanding of the different needs of digital native businesses and traditional tourism businesses with low levels of digital uptake.

- Support accessibility and affordability of digital technologies, tools and solutions for tourism SMEs, including initial investment and ongoing costs.

➢ **Encourage business model and ecosystem innovation** through convergence, interoperability and the adoption of data analytics and other enabling technologies. Innovative business models are a lever to optimise the benefits of digital transformation. Measures that help to innovate business models and management practices, and transform traditional work practices will complement other policy initiatives. A key objective in catalysing digitally-enhanced tourism is to encourage digital-physical convergence and to progress smart tourism objectives. Specific actions could include:

- Facilitate increased access to high-speed broadband and other digital infrastructure for tourism businesses and visitors in cities, regions and rural areas, to benefit the production and delivery of seamless tourism experiences, tourism management, data sharing and analytics.
- Encourage public-private partnerships and collaborations between traditional SMEs and digital native enterprises and education institutions to enhance knowledge sharing, innovation and diffusion.
- Bring together actors with diverse and complementary expertise spanning tech, tourism and other sectors, to create a dynamic digital business environment in which both start-ups and existing tourism businesses can thrive.

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Chapter 3. Rethinking tourism success for sustainable growth

This chapter explores the economic, social and environmental benefits and costs associated with tourism growth, and the need for policy makers and industry to better understand the potential implications for destinations striving to achieve more sustainable tourism growth. The analysis highlights that for many countries, regions and destinations, tourism growth remains economically, socially and environmentally unbalanced, often as a result of rapid and unplanned growth in visitor numbers. However, there is no one-size fits all solution, as the opportunities and challenges for tourism development will vary depending on the unique characteristics of individual destinations. A selection of key policy considerations are highlighted to help established and emerging destinations to strike a balance between the benefits and costs associated with tourism development and implement a sustainable vision for the future.

Tourism is one of the largest and fastest growing sectors in the global economy bringing new opportunities for many countries, cities, and regions, while at the same time presenting many new challenges. Continued growth is causing pressure on infrastructure, the environment, local communities, other economic sectors, and wider society. When unchecked, this growth can lead to significant impacts on sensitive cultural, heritage and environmental sites, as well as the day-to-day lives of residents, often resulting in negative perceptions or even resentment towards tourists and tourism more broadly.

Economic, social and environmental impacts are felt at every destination visited by tourists, regardless of the volume or the locality. While the effect (positive or negative) and magnitude of specific impacts might be possible to estimate at a point in time, they will also vary according to the unique characteristics of individual destinations. For example, the ability of sensitive natural and cultural sites to cope with visitor numbers, and the ability, or willingness, of those affected to adapt. There is a growing argument that tourism success should not be measured solely in visitor numbers, but rather its ability to contribute to local economies and the net benefits it provides to destinations.

This chapter explores the economic, social and environmental benefits and costs associated with tourism growth, and the need for policy makers and industry to better understand their potential implications for destinations, as they strive to achieve more sustainable tourism growth. Growth that not only takes into account current and future economic, social and environmental impacts, but also addresses the needs of visitors, the industry, the environment, and host communities. It draws upon responses to an OECD survey of Member and Partner countries, recent work by the OECD Tourism Committee, and feedback from participants of an OECD Workshop on Tourism as a Catalyst for Regional Development (co-hosted by Austria), bringing together national and regional policy-makers, international institutions, and representatives from industry and academia.

The chapter begins by outlining the key global trends driving continued global tourism growth over the coming decades, and seeks to better understand the implications for cities, regions and communities. The need to revisit the policy framework supporting tourism is then explored, in order to better address environmental and social sustainability at the destination level, and how tourism can better contribute to the sustainable growth agenda. A range of policy considerations are provided to not only respond to the increased pressure on destinations due to tourism growth, but also enable existing and emerging destinations to avoid potential pitfalls as they strive to strike a balance between the benefits and costs associated with tourism development and implement a sustainable vision for the future.

Tourism as a driver of sustainable and inclusive growth

Global tourism has experienced steady growth for over six decades, culminating in an estimated 1.5 billion international arrivals in 2019, representing an increase of 3.8% year-on-year, and well ahead of previous long-term forecasts. This strong growth is expected to continue, with arrivals in emerging markets in particular projected to grow at double the rate of advanced tourism economies. Demonstrating a similar pattern, global expenditures on travel more than tripled between 2000 and 2018, rising from USD 495 billion to USD 1.5 trillion and accounting for 7% of global exports in goods and services (UNWTO, 2019). In OECD countries, tourism directly accounts for, on average, 4.4% of GDP, 6.9% of employment and 21.5% of service exports.

The significant growth in global tourism has benefitted greatly from the rise of globalisation and technological advances that have led to cheaper airfares, making it easier for people to plan and book their own travel, and then to share their experiences with friends in real time. While growth is projected to continue, changing demographics, improved connectivity for destinations, technological innovations, and increased recognition of the need for more sustainable and inclusive growth, are likely to dramatically transform the face of tourism by 2040, representing a range of opportunities and challenges for destinations (OECD, 2018).

Box 3.1. Tourism improving the attractiveness of places

- **Diverse employment opportunities** – Tourism directly accounts for, on average, 6.9% of total employment in OECD countries. As a labour-intensive industry, tourism provides flexible working hours, with workers participating in many different sub-sectors and in a variety of locations. It requires a wide variety of types and levels of skill, ranging from low to high, and from technical to non-technical personal or social skills, and increasingly digital and green skills.
- **Benefits for urban, regional and rural economies** – In urban areas, tourism can promote the development of activities and attractions, infrastructure and equipment to accommodate and attract domestic and international visitors. In rural regions, tourism constitutes an important lever for economic development and growth, often articulated around local gastronomy, farming, culture (arts and crafts), and outdoor activities, and provides significant opportunities for rural businesses to diversify income opportunities (e.g. farm stays) and participate in local supply chains.
- **Opportunities for innovative small-scale business operations** – Tourism creates demand for specific goods and specialised services, including transport, accommodation, travel, and supporting services to meet the needs of niche and emerging travel markets (e.g. adventure, health and wellness, creative and sports tourism). When small and medium enterprise (SMEs) respond to opportunities to meet the specific needs of travellers, the cumulative effect on local communities and economies can be significant, particularly as SMEs represent around 85% of those enterprises with a major role in the delivery of tourism services in OECD countries (e.g. accommodation and food services, travel agencies, tour operators), compared to roughly two-thirds for the wider economy.
- **Support for the promotion of cultural authenticity and natural assets** – Cultural authenticity and natural assets are important tools for countries and destinations to leverage in their efforts to attract tourists. When built upon broad stakeholder engagement and sustainable development principles, tourism can raise awareness of cultural and environmental values, and help finance the protection and management of protected areas and sensitive sites. Tourism can also play an important role in demonstrating the economic value of environmental and cultural heritage conservation and authenticity of a destination, primarily through the level of activity that it can stimulate in the local, regional, and national economy.

  In many countries, including Australia, Canada, Finland, New Zealand, Sweden, and the US, tourism also plays an important role in promoting and maintaining indigenous traditions, art, and culture, which are typically major attractions for visitors. In turn, tourism represents a major source of revenue for many indigenous communities.
- **Support for infrastructure-related development and maintenance** – Improved transport infrastructure not only plays a significant role in attracting tourists, but also in improving the quality of life of the local population. Furthermore, it promotes the distribution of socio-economic benefits related to the tourists' expenses (e.g. incomes, jobs) and interactions with local residents (e.g. cultural heritage diffusion and maintenance, new languages skills). Tourism can also generate additional funding for the development and maintenance of transport systems (Albalate and Bel, 2010), public spaces, cultural attractions, and convention centres, which all contribute to the attractiveness of destinations.

While the specific impacts of these trends remain uncertain and will vary between countries and destinations, it is clear that in order to prepare and respond effectively, governments at all levels will need to have a clear strategic vision, with well-articulated objectives, and adopt an integrated approach bringing together key stakeholders. Developing a comprehensive long-term vision with short- to medium-term

action plans providing the flexibility to quickly identify and respond to emerging trends and evolving priorities, will provide a stable platform for sustainable and inclusive growth (OECD, 2018).

As one of the largest, fastest, and most consistent growth sectors in the world economy, tourism's key role in global economic activity, including significant contributions to job creation, export revenue, and domestic value added, are well recognised. In this context, tourism can play an important role in improving the attractiveness and well-being of places, not only as destinations to visit, but also to live, work and invest. This in turn helps attract the educated young professionals upon which high value-added sectors increasingly depend (Glaeser, 2010). As such, tourism has the ability to make a considerable contribution to socioeconomic development in urban and rural areas, and support inclusive economic growth by providing i) diverse employment opportunities, ii) benefits for urban and regional economies, iii) opportunities for innovative small-scale business operations, iv) support for the promotion of cultural authenticity and natural assets, and v) support for infrastructure-related development and maintenance (Box 3.1).

Sustainable tourism should not be considered a special form of tourism, but rather, all forms of tourism should strive to be more sustainable. Long-term sustainability requires a suitable balance to be struck between the environmental, economic and socio-cultural aspects of tourism development. It requires the informed participation of all relevant stakeholders, as well as strong political leadership to ensure wide participation and consensus building. Achieving sustainable tourism is an ongoing process that requires ongoing monitoring of impacts (economic, social and environmental) to capitalise on opportunities and respond to challenges as they arise, and inform future policy responses (OECD, 2018b; UNEP and UNWTO, 2005 and 2012).

Increasing pressure on destinations

Despite tourism's clear potential as a driver for positive change, it is widely accepted that rapid or unplanned tourism growth can result in a range of negative impacts. For example, overcrowding and congestion of tourism-related infrastructure, often referred to as overtourism or unbalanced tourism, can lead to the degradation of natural and historical sites, monuments, landscapes and public spaces. This in turn can lead to a loss of identity and authenticity for destinations, negatively affecting not only the tourist experience, but also the environment and host communities upon which tourism so clearly depends (OECD, 2018b; Peeters et al., 2018; UNWTO et al., 2018 and 2019; WTTC-McKinsey, 2017).

The magnitude and combination of environmental, socio-cultural, and economic impacts associated with increasing visitor numbers, will vary depending on the unique characteristics of individual destinations, and a variety of other factors (Box 3.2). These include the spatial and temporal distribution of visitors, the type and length of visitor stays, the ability of sensitive sites to cope with visitor volumes, and the ability, or willingness, of affected communities to adapt over time. Each will play a role in determining tourism's impact on a site or destination, with the most vulnerable often being coastal and mountain areas, islands, and cultural heritage sites.

In today's digital age, the pervasive use of social media and peer-to-peer platforms have the ability to accelerate both the growth and the temporal and geographical concentration of tourism flows in many of these locations (Peeters et al., 2018). As a result, tourist behaviour not in keeping with the cultural and social norms is becoming an issue in many city destinations, with 'meme' tourism a growing phenomenon driven by social media and the desire of many tourists to 'build their brand, rather than broaden their horizons', often resulting in claims by residents that it is 'disrespectful to treat communities as photo opportunities' and that tourists are more interested in taking pictures than contributing to the local economy (Mahdawi, 2019). The exponential growth in the tourism sharing economy is another case in point. Peer to peer platforms have the potential to drive economic growth and job creation, and generate added value by encouraging tourists to disperse to less well-known destinations, with the potential to support regional development. However, the benefits often come with various negative externalities. Accommodation

sharing services in particular can affect neighbours and local residents, due to noise and other disturbances, and by adding pressure on local housing markets and traditional accommodation providers. In worst-case scenarios, poorly managed growth of these services may also have a detrimental impact on the historical fabric of destinations, lead to gentrification, reducing their appeal and affordability as places to live, and ultimately damaging their sustainability as a tourism destination of choice (OECD, 2016b).

Box 3.2. Observed impacts associated with rapid or unplanned tourism growth

Environmental impacts from increased use are typically the result of steady growth in visitor numbers over time, significant peaks relating to seasonality, or more sudden, short-term shocks, such as the visit of a large cruise ship or the hosting of major events. High levels of *congestion* can lead to the deterioration of tourism-related infrastructure, facilities, and local flora and fauna, and exceed the capacity of support services to cope with demand, such as transport infrastructure, water and waste management (e.g. plastic, food, solid waste, water). *Visitor overcrowding* can create wear and tear on resources such as sensitive natural and historical sites. Other potential impacts include *increased air, light and noise pollution* and *green-house gas emissions* associated with the transport of tourists and supplies to/from/around destinations.

Socio-cultural impacts associated with increased demand and visitation include *impeding the day to day activities of local residents* as a result of overcrowding and congestion at attractions, in public spaces, and on public transport. Growth in visitor numbers beyond the natural carrying capacity of destinations can also add *pressure on existing infrastructure and services*, thus negatively impacting the experience for locals and visitors alike. In urban areas, the spread of tourists beyond traditional tourism 'zones' into formerly residential neighbourhoods can lead to the *alienation of local communities*, due to inappropriate behaviour of tourists, increased noise pollution and pedestrian and vehicular traffic, and the *degradation of community-specific infrastructure and facilities*.

Other impacts associated with increased visitor flows can include a *loss of authenticity and cultural identity/heritage*, for example an increase in hospitality, cultural and retail services for visitors, competing with and displacing resident-oriented services and facilities. In addition, the process of adapting and making adjustments to meet the needs, attitudes and values of tourists can lead to the *modification of events, activities or cultural sites*, or the loss or *weakening of cultural traditions and values*.

Economic impacts can occur from an *over-dependence on tourism income*, with destinations experiencing high levels of seasonality particularly vulnerable and exposed to economic stress in off-peak periods, while unexpected events or shocks (e.g. weather, outbreaks of disease, or terrorist events) also have the ability to disproportionately affect destinations highly dependent on tourism. High levels of seasonality can also lead to employment pressures in other sectors in peak periods. In addition, while able to provide extra capacity in peak periods and potentially spread the impacts beyond traditional tourism hotspots, the exponential growth in accommodation platforms such as Airbnb in many cities has contributed to *a disruption of the local real-estate market*. Impacts include *inflated real-estate prices, unfair competition for licenced accommodation providers*, and *gentrification* of tourism hotspots and inner-city areas, sometimes to the point of pushing locals out of the area.

The *invisible burden*, is a recently coined term to describe the unaccounted costs associated with providing local infrastructure and protecting environmental and socio-cultural systems for the benefit of both tourists and locals. Costs for each destination relate to the infrastructure required to transport, feed and accommodate, provide energy and water, and manage the waste of tourists and those employed in the sector (Epler Wood et al., 2019).

Sources: González et al., 2018; OECD, 2018; Peeters et al., 2018; Postma and Schmuecker, 2017; UNWTO et al., 2018; WTTC-McKinsey, 2017.

For example, in Iceland, the Government recognised the need for the tourism sector to grow in harmony with the local population to ensure its long-term sustainability. As such, legislation was introduced in 2017 requiring the home-sharing activities of individuals to be registered and monitored, with the number of days that a property can be rented during the course of a year limited to 90. Increased surveillance following introduction of the legislation indicates that registrations are on the rise, while the total supply and number of bed nights in such accommodation are on a downward trend.

Similar limits for 'entire home' listing and other restrictions have been introduced in many cities including Paris (120 days), London (90 days), San Francisco (90 days), and Amsterdam (30 days). In Barcelona, the City Council requires any accommodation to be offered as a tourist household to be registered, and enforces strict inspection and control measures to ensure they comply with local regulations – in 2017 the city requested that Airbnb remove 2 577 listings deemed to be operating without a city-approved license, or face a court case potentially leading to a substantial fine (O'Sullivan, 2018).

As outlined above, specific tourism impacts are dependent on the unique characteristics of individual destinations. A recent study examining 41 international cases of overtourism, included an analysis of 18 different potential impacts to determine how often specific types of impact were present (Peeters et al., 2018). The study included 29 EU and 12 non-EU destinations, evenly distributed over four types of destination (Rural, Urban, Coastal and Islands, Heritage and Attractions). Although focusing specifically on cases of overtourism and predominantly European destinations, this type of analysis is a useful proxy to understand the potential impacts that different destination types can experience when faced with rapid tourism growth. Outlined below are those impacts appearing in 40% or more of cases, categorised under the headings of environmental, economic, and socio-cultural impacts (Table 3.1).

Table 3.1. Potential tourism impacts by destination type

Potential impacts	Destination type				
	Urban	Heritage & Attractions	Coastal & Islands	Rural	Overall
Environmental					
Congestion (infrastructure)	X	O	O	O	X
Overcrowding (attractions)	X	X	X	O	X
Pollution			O	O	X
Damage to sites			O	O	X
Economic					
Inflation	X	X	X		X
Infrastructure cost	X				
Destination image			X	X	
Economic dependence				X	
Socio-cultural					
Marginalising residents	X	X	X		X
Degradation of perceived safety		X	X		
Spread into residential areas	X				
Infrastructure degradation	X				

Note: Based on an examination of 41 international case studies: X = impact appearing in 40% or more of cases; O = impact appearing in 70% or more of cases.
Source: adapted from Peeters et al., (2018).

Perhaps unsurprisingly, environmental impacts were those most often identified as being present in rural, and coastal and island destinations experiencing overtourism, while socio-cultural impacts were most common in urban destinations. Congestion associated with infrastructure, and overcrowding at attractions, including natural, historical, and architectural sites (both falling in the category of environmental impacts),

were the only impacts occurring across the four different destination types, demonstrating that this is a common issue for destinations under pressure, and should also be a consideration for developing destinations. An example of an initiative that has been employed with some success to address congestion at the the Cliffs of Moher, in Ireland, is outline below (Box 3.3).

While there is no 'one-size fits all' response, failure to adequately address the impacts associated with rising tourism numbers can lead to concerns over the value or worth of tourism for destinations, and even resentment towards visitors. It also has the potential to negatively impact long-term destination competitiveness, meaning that some destinations could become victims of their own success.

Box 3.3. Tackling congestion at the Cliffs of Moher in Ireland

The Cliffs of Moher are one of Ireland's most visited natural attractions. The *Cliffs of Moher Visitor Experience*, which opened 12 years ago is under increasing pressure and is at capacity for nine months of the year. Built largely underground to minimise the visual impact on the natural surroundings, the infrastructure and arrival facilities at the centre were originally designed to accommodate 400 000 visitors per year, however, in 2018 visitor numbers approached 1.6 million, and are projected to rise to almost 2 million a year by 2025.

In response, a number of measures are being implemented to address critical congestion and visitor management issues. A Cliffs of Moher Shuttle runs 8 times daily from June to August, providing direct services to the network of surrounding towns. The aim of the service is to encourage visitors to the Cliffs of Moher to increase dwell time in the wider area, reduce the environmental impact of tourism traffic on local roads and spread the economic benefits associated with the tourist attraction.

Furthermore, dynamic pricing has been introduced for coach operators, offering reduced admission rates during off-peak periods to reduce congestion, encourage overnight stays in county Clare, and contribute to reducing seasonality. While trade rates for admission to the *Cliffs of Moher Visitor Experience* are offered to local accommodation providers to include in their packages, to encourage overnights stays rather than day trips, and improve destination competitiveness.

The local authority is also preparing a visitor experience master plan for completion by late 2020, which will see a rejuvenated visitor hub, a new building, and site campus. A major challenge being to ensure a balance between delivering an excellent experience for visitors, safeguarding and conserving the site's natural assets, and minimising any adverse effects on the quality of life for those who live in the area.

Source: Department of Transport, Tourism and Sport, Ireland, 2019

Reviewing the policy framework supporting tourism growth

The recognition of the need for tourism activities to be more sustainable is not a new one. With international arrivals increasing by nearly 250% in the last two decades of the 20th century, and spreading geographically, beyond traditional destinations, to the benefit of emerging tourism economies, awareness about sustainability issues increased in parallel. After an initial focus on the natural environment, this expanded to include the social, economic and cultural spheres as well as the built environment (UNEP and UNWTO, 2005).

This increased awareness of the need to ensure that the positive impacts of tourism did not come at an unsustainable environmental and socio-economic cost, was the purpose of the widely acknowledged definition of sustainable tourism proposed by the UN Environment Programme and UNWTO in 2005. Expressed simply sustainable tourism is that which "takes full account of its current and future economic,

social and environmental impacts, addressing the needs of visitors, the industry, the environment and host communities".

Tourism is relatively unique as a sector in that it directly impacts and is impacted by the socio-economic and environmental dimensions of sustainability, including in relation to climate change (OECD/UNEP, 2011). Significant steps have been taken by countries over the past 10-15 years to better understand tourism's impacts on the natural environment and host societies, and to mainstream the concept of sustainability in tourism policy, with the aim of minimising tourism's potential impacts and improving destination competitiveness. This trend is reflected in the findings of a recent UNWTO and UN Environment (2019) report reviewing 73 national tourism policies, which noted that all included references to sustainability as part of their objectives or vision, while over half present more detailed references to sustainability, and most include references to resource efficiency. Indeed, many countries now leverage established environmental and sustainability credentials to differentiate themselves in an increasingly crowded marketplace (e.g. Costa Rica, Finland, New Zealand, Slovenia).

Despite this progress over the last decade, the emergence of negative impacts associated with rapid and unplanned growth in visitor numbers that exceed the environmental or social carrying capacity of a destination, indicates that for many, finding a balance between environmental, economic, and social impacts remains elusive.

The ability to more effectively deliver positive tourism growth for destinations will necessitate a greater focus on the environmental and socio-cultural pillars of sustainability. To effectively develop and implement sustainable policies and business practices, the UN Environment programme has identified five key areas of focus for policy makers: i) Strengthening sustainability policies and partnerships; ii) Enabling tourism SMEs access to financial mechanisms to support sustainable development; iii) Supporting evidence-based decision making; iv) Monitoring progress; and v) Diversifying to sustainable products and services. For example, promoting a destination's local gastronomy, arts, crafts and entertainment, and natural and cultural heritage encourages the participation of a wide cross-section of stakeholders, small-businesses, community groups and levels of government, creating new business opportunities and jobs (UNEP, 2017).

A specific challenge for policy makers will be providing the right incentives throughout the value chain to promote sustainability, and demonstrate clearly that policies promoting sustainable and inclusive growth can not only be business friendly, but are necessary. For such policies to be successful in the long run, businesses must be inspired to adopt them as a leading principle of their commercial activities, and they must create value for both the wider society and the businesses that serve it (Postma et al., 2017).

Evaluating tourism success – the need for a paradigm shift

With total international arrivals likely to exceed the long-standing estimate of 1.8 billion by 2030, and domestic arrivals potentially four times that figure, the need to transition to a low-carbon, resource efficient, and inclusive economy is more pressing than ever. As such, there is a need to rethink the policy framework supporting tourism growth, and to shift from a growth-paradigm that often values increasing visitor numbers as the primary objective, without considering the capacity of destinations to cope with increased tourism or other policy goals (Peeters et al., 2018), to one better reflecting the policy integration necessary to overcome significant interlinked policy challenges, and able to deliver a sustainable vision for the future. The desired objective is a future where tourism 'success', is not measured in visitor numbers alone, but rather one that focuses on the positive impacts that tourism can provide at the destination level and the benefits delivered to local economies and communities. The tourism sector needs to be judged not by demand but by its effectiveness in providing livelihoods, contributing to the local economy and the net benefits to destinations, communities and indigenous peoples (Goodwin, 2016).

For example, a recent analysis of urban tourism policy frameworks in 11 European cities, revealed that for the great majority, tourism policies remain primarily oriented towards increasing economic benefits,

attracting profitable visitors and targeting tourism market share, with limited environmental and social sustainability measures in place to mitigate negative tourism impacts. However, cities such as Amsterdam, Barcelona and Paris are taking steps to develop sustainable urban tourism policies based on land use planning, housing protection, retail regulation or mobility strategies. These cities are promoting new governance approaches by integrating urbanism, housing and mobility measures into their tourism strategies (González et al., 2018).

Box 3.4. Perspective 2030 – maximising the transformative power of tourism in the Netherlands

In 2018, the Netherlands Board of Tourism and Conventions (NBTC) went through a comprehensive process with over one hundred stakeholders from industry and beyond, to develop a new vision for tourism, to maximise its transformative power, and its contribution to the social challenges of the Netherlands.

While the Dutch government and hospitality industry have in the past focused primarily on promoting destination Holland with the aim of drawing more visitors, it became clear in recent years that 'more' is not always 'better'. Particularly in cities and iconic locations, excessive pressure has had a negative impact on liveability, whereas other places in Holland still benefit insufficiently from the opportunities and economic benefits that tourism can provide. To control visitor flow and leverage the opportunities that tourism brings it was recognised that a paradigm shift was needed – one that moved the focus from destination *promotion* to destination *management*.

Introduced in 2019, *Perspective 2030*, provides a new vision of *Destination Holland* with the ambition that by 2030, every Dutch citizen will benefit from tourism. In order to build a *loved*, *valuable* and *liveable* destination, *Perspective 2030* identifies five strategic pillars to guide tourism development:

- ***Balance of benefits and burdens*** – take steps to increase the benefits of visits for all Dutch citizens while actively and visibly reducing the burdens to an acceptable minimum.
- ***All of Holland attractive*** – distribute visitors more evenly across Holland at different times, by improving existing/developing new offerings, as well as highlighting unknown areas.
- ***Accessible and reachable*** – develop an integrated transport system (air, rail, road and water), with locals and visitors benefitting from sustainable mobility solutions and optimal accessibility.
- ***Sustainability a must*** – to safeguard the living environment for all Dutch citizens, the visitor economy has a responsibility to improve its sustainability, employ raw materials in a circular manner, prevent pollution and waste, and CO^2 emissions.
- ***A hospitable industry*** – invest in the image, professionalism and attractiveness of the industry as an employer through new forms of training and development, attracting new employees, and offering opportunities for future career development.

Perspective 2030 also identifies three prerequisites for success: ***i) Tourism as a policy priority***, ***ii) Joint action and investment agenda*** to promote investment in (regional) development, ***iii) National data alliance*** for sharing data and knowledge at both the regional and the national level.

Source: NBTC Holland Marketing (2019).

In response to the impacts of overcrowding experienced in and around Amsterdam, the Netherlands Board of Tourism and Conventions (NBTC), in 2019, introduced the *Perspective 2030* strategy as part of a shift from *promoting* visitation to *managing* visitors, for the benefit of all residents (Box 3.4).

While in Croatia, the City of Dubrovnik has launched a Respect the City initiative, which aims to reduce the negative effects of overtourism and deliver sustainable and responsible tourism development, through

close co-operation with key stakeholders. For this initiative, the City partners with the City Tourist Board, the Port Authorities, police, and industry. Tourism seasonality in Dubrovnik is particularly high with cruise ships making a significant contribution to overcrowding experienced in the UNESCO world heritage listed Old Town, and in the first year of the initiative, the emphasis was on better managing visitors from cruise ships and co-ordinating bus arrivals to the old city centre. Other areas of focus include working with industry to establish standards for a positive visitor environment, and taking steps to keep visitors updated with timely information and promote acceptable visitor behaviour, in order to minimise any negative impacts on the local community.

Towards an integrated approach to tourism policy

As discussed in chapter 1, an integrated approach to tourism policy, with input and support from industry and civil society, is necessary to both respond to the opportunities and address the multi-faceted challenges faced by the tourism sector. These include i) the complexity of tourism policy development due to its cross-cutting, multi-level, and fragmented nature; ii) the necessary infrastructure and skills needed to meet expected future demand, iii) the need to protect, manage and enhance natural and cultural resources (Box 3.5), and iv) the transformation of tourism services linked with emerging technologies and digitalisation of the economy. Such an approach will help to secure the longevity of tourism as an economic and social force by focusing on environmental sustainability, inclusiveness, diversification, innovation and strategic improvements to productivity; rather than simply reacting or seeking to meet short-term objectives to stabilise, adjust or shift towards new market opportunities.

Co-ordination in the development and delivery of tourism policy is required not only horizontally at a national level but also vertically between the central government, regions, and local destinations that receive the visitors and help create the experience on the ground. In Switzerland, for example, Tourism Forum Switzerland (TFS) has been developed to provide a platform for dialogue, co-ordination and co-operation across the sector. Working groups consisting of representatives of the private sector, cantons, communes, the national government and subject matter experts meet regularly, and often on a temporary basis. At the Forum's main annual event, the results of the working groups are presented and the steps for the following year are discussed. Sustainability is a central aspect of the platform and sustainable tourism will be the core topic at the Forum's main event in 2020.

The importance of effective governance and destination management, including marketing and product development, has been increasingly underlined in country strategies to promote sustainable tourism. This can be facilitated by the presence of regional and local bodies that are able to plan and take action within destinations. Again, there is a strong need for a partnership approach at this level, bringing together local government and private sector businesses and enabling representation by local communities and other interests (OECD, 2018). At the local and regional level, destination management organisations (DMOs) are a tool utilised in many countries to act as a local tourism broker bringing together a range of stakeholders – tourism firms, public sector bodies, business associations, regulatory bodies, universities and technical colleges, marketing associations, local NGOs, and media organisations – and mobilises them to work together to ensure that their co-ordinated and combined efforts produce a stronger and economically more valuable outcome for the tourism sector in the destination. Part of this process involves feeding impacts and experiences from the sub-national level into the development of national tourism plans and strategies, and then developing local and regional plans that align with and support the delivery of desired outcomes.

Box 3.5. Industry-led Tourism Sustainability Commitment initiative in New Zealand

The New Zealand Tourism Sustainability Commitment is an industry led initiative established by Tourism Industry Aotearoa, which aims to ensure that every New Zealand tourism business is committed to sustainability by 2025 (www.sustainabletourism.nz). Developed by industry for industry, it has established 8 industry-level sustainability Goals and 14 Commitments that individual businesses work towards to help reach the Goals, with a focus on four key areas:

- **Economic Sustainability** – Financially successful businesses are able to grasp the opportunities provided by the other elements of sustainability.
- **Visitor Sustainability** – Meeting and exceeding the expectations of our visitors is a key mechanism to create added value from tourism.
- **Sustainable Host Communities** – Welcoming, supportive communities are considered a vital part of the New Zealand visitor offer. Sustainable businesses have to find ways to add value to their communities to support the protection and enhancement of their social licence to operate in those communities.
- **Environmentally Sustainable Tourism** – The tourism industry must take a leading role in protecting and enhancing the environment on which it depends, for the benefit of future generations.

The Sustainability Commitment aims to ensure economic, environmental and social sustainability becomes a genuine ethical underpinning of the New Zealand tourism industry. All New Zealand tourism businesses and related organisations are eligible to sign up to the Commitment. As of December 2019, approximately 80% of Tourism Industry Aotearoa's 1 600 members had joined the initiative. Over the coming years, additional information and tools will be developed to support businesses to advance the 14 Commitments, with the aim being to raise industry standard over time, and make participation in the Sustainability Commitment a universal part of the New Zealand tourism industry. Ultimately, the goal is to mainstream sustainable practice so that it becomes the standard way the New Zealand tourism industry operates.

In Austria, for example, the *Plan T – Master Plan for Tourism*, was published in 2019, after a wide-reaching stakeholder consultation process with several hundred representatives from all sectors of the industry, to develop guidelines for the sustainable development of destination Austria that serves as a guide for political decisions at all levels (Box 3.6).

In Ireland, the Government's Tourism Policy Statement, *People, Place, and Policy: Growing Tourism to 2025*, affirms tourism as a key element of its economic strategy, with development in the tourism sector reflecting the highest standards of environmental and economic sustainability. The policy goals and objectives contained in the policy statement are delivered through a series of Action Plans. A Tourism Leadership Group, drawn from a cross-section of representative bodies in the tourism sector, including the tourism agencies, the local authority sector, retail, and tourism technology, oversee the development and implementation of these Action Plans. The current Plan sets out actions identified as priorities to be progressed between now and 2021, in order to maintain sustainable growth in overseas tourism revenue and employment. It aims to further build relationships within the tourism industry and encourage collaboration between all tourism stakeholders, and opportunities for convergence between tourism and other areas of Government policy. The Plan highlights that:

- Through its participation in interdepartmental fora, the Department of Transport, Tourism and Sport will continue to explore opportunities within the wider government policy environment to support sustainable tourism development; and

- Building on the effectiveness of the strategic partnerships and strong working relationships established between the tourism agencies and other State agencies, the national tourism development agency, Fáilte Ireland, will establish regional co-ordination groupings with the objective of developing a consistent structured approach for co-ordinating tourism development activities.

Other examples of an integrated approach include Latvia, where the current Tourism Development Guidelines 2014–20 incorporate actions and initiatives from the Ministry of Economics (the ministry in charge of tourism policy) and also other institutions that are fully or partly involved in tourism development. However, for the next policy planning period of 2021–27 tourism will be incorporated in National Industry Guidelines, where tourism will be linked with other tourism-related and non-tourism-related sectors. Within the Industrial Guidelines, there will be a separate development plan specifically for tourism (as an Annex to the Guidelines), so the industry will have both – a detailed plan with goals and activities in tourism and a broader view on how tourism collaborates with other industries within the National Industrial Guidelines.

Box 3.6. A new approach to sustainable tourism planning in Austria

The *Plan T – Master Plan for Tourism* defines sustainability in all its facets as the overarching guiding principle for tourism in Austria. In this regard, it aims to contribute to the implementation of the Agenda 2030 and the Sustainable Development Goals of the United Nations. Tourism destinations are living environments, which should be designed in a way that both guests and the local population can feel at ease and that enable the creation of regional value added and jobs while, at the same time, respecting nature and the environment.

The development of the Master Plan was undertaken with the motto “A dialogue on an equal footing with the industry”, in the belief that a participative process with an extensive stakeholder consultation improves the quality of the final product, but also promotes stakeholder *ownership* of the plan and lays the groundwork for joint implementation on a broad basis. The consultation process involved a survey of over 600 tourism enterprises, 30 qualitative stakeholder interviews, and nine workshops throughout Austria. The workshops brought together more than 500 participants in a dialogue-oriented environment to discuss ideas, proposals, measures and learning cases that would form the foundations for the future development of Austrian tourism.

The finalised Master Plan has three Guiding Objectives, and nine Fields of Action:

- **Thinking tourism anew:** strengthening the awareness of tourism, establishing a co-operation culture, using digital potential
- **Further developing the leading sector of the 21st century:** designing an attractive business environment, making training and labour market fit for the future, keeping Austria’s livelihood sustainable
- **Bundling forces:** creating a regional value-added for everybody, further developing tourism marketing, making financing and promotion more flexible

Source: www.bmnt.gv.at/english/Tourism0/Plan-T---master-plan-for-tourism

The State Secretariat for Tourism in Spain is currently developing the 2030 Strategy for Sustainable Tourism; a national agenda to address the challenges of the sector in the medium and long term, and with a focus on the socio-economic, environmental and territorial pillars of sustainability. In developing the Strategy, the Government has adopted a participatory process, involving the sector and the autonomous communities and local administrations, as an example of co-operation in a multi-level governance framework. The goal of the new Strategy is to lay the foundations for the transformation of tourism to a

model of sustainable growth, one that supports the equitable distribution of tourism benefits and impacts, and pursues a sustainable balance between tourists and residents in destinations.

In Australia, the Queensland Government's strategic plan for tourism, Advancing Tourism 2016-20, was developed in conjunction with the tourism industry and in partnership with key economic development and infrastructure agencies. It takes a whole-of-government portfolio approach to capitalise on the projected growth in tourism by targeting four priority areas: grow quality products, events and experiences; invest in infrastructure and access; build a skilled workforce and business capabilities and seize the opportunity in Asia.

The OECD Policy Statement on Tourism Policies for Sustainable and Inclusive Growth (OECD, 2018c), notes that moving towards coherent and comprehensive approaches to tourism policy-making will help countries to reframe tourism growth to better spread the benefits, address inequalities and improve the resilience of economies (Box 3.7):

Box 3.7. OECD guidance on moving towards coherent and comprehensive policy approaches

The OECD Policy Statement on Tourism Policies for Sustainable and Inclusive Growth highlights that for integrated policy responses to be effective, they should

- Take into account that tourism is not simply the preserve of central governments, but encompasses all levels of government, where different mandates and levels of autonomy apply in different countries.
- Have the support and leadership of policy makers, and adopt a medium- to long-term focus.
- Recognise the value of strong dialogue between government, industry, and civil society in the development, implementation and monitoring phases.
- Be evidence-based and clearly identify the roles, functions, and interactions of key public and private sector stakeholders and bring them together in an effective manner.
- Fully consider the trade-offs and complementarities with related policy areas, including transport, environment, culture, security, education, agriculture, new technologies, digital transformation, and wider economic policy.
- Identify win-win solutions that deliver stability for industry and promote economic growth, quality jobs, and prosperity for countries and regions.
- Promote environmentally sustainable growth and support country efforts to meet national and international commitments.
- Encourage tourism development and the creation of added value based on identified comparative advantages, diverse high quality tourism offerings, and sustainable management of natural and cultural resources.
- Use tourism as an engine for inclusive growth, to create quality jobs, business and regional development opportunities, mitigate the negative impacts on local communities, and better spread the benefits to all people and territories.

Source: OECD Policy Statement on Tourism Policies for Sustainable and Inclusive Growth (OECD, 2018c)

Strategies and policies promoting quality employment and job creation, skills development, entrepreneurship, innovation, effective investment, and integrated regional development, are integral to achieving sustainable and inclusive tourism growth. In order to develop a forward-looking agenda for the tourism sector, governments at all levels would benefit from developing comprehensive long-term plans that extend beyond the political cycle to provide the consistency and certainty the tourism industry requires.

Furthermore, in a sector dependent on effective multi-level governance, it is important to clarify how responsibilities are assigned to different government levels, and that this process is explicit, mutually understood and clear for all actors. Due to the evolving nature of multi-level governance systems, a periodic review of jurisdictional responsibilities should be made to ensure flexibility in the system (OECD, 2019).

Delivering sustainable tourism growth in destinations

The following section highlights specific areas of opportunity for tourism to make a significant contribution to the sustainable growth agenda. It explores the innovative steps that policy makers and industry can take to diversify and diffuse the benefits of tourism temporally and spatially, while minimising the potential negative impacts. Such approaches can help to reduce seasonality, counteract the pressures on sensitive sites and residents in destinations experiencing significant tourism inflows, and generate greater positive spill-over impacts in the wider economy. A selection of country initiatives to support more sustainable and inclusive tourism development are also provided.

Mainstreaming sustainable tourism policies and practices

As for many sectors, tourism is a relevant factor in the consumption of energy and the generation of greenhouse gas emissions (GHG). It has been estimated that tourism contributes around 5% to global GHG emissions (UNWTO and UNEP, 2008; OECD/UNEP, 2011; UNWTO and ITF, 2019), however, a more recent study suggests this contribution is closer to 8% (Lenzen, M., et al. 2018). Tourism also contributes to land use, the consumption of water and food, and degradation of the natural environment. Tourism's interrelationship with these resources can be direct or indirect, and even though all tourism activities are ultimately local, they add up to phenomena of global significance. It is clear, however, that strategic and well-planned tourism development can raise awareness of cultural and environmental values, help finance the protection and management of protected areas, increase their perceived and actual economic value and importance, and influence supply chain behaviour.

For example, hotels, due to their scale, have considerable power over food production processes, including waste minimisation, and can directly influence sustainable food production through regional or organic food purchasing policies (UNWTO and UNEP, 2008; OECD 2018b). In fact, due to tourism's cross-cutting nature and close connections to numerous sectors, even small improvements or changes towards more sustainable policies and practices, will have important impacts, stimulating changes in many different public and private actors beyond the direct and immediate impact of tourism activity.

The recognition of tourism's ability to drive positive change is also directly referenced in the 2030 Agenda for Sustainable Development, which sets out a broad and ambitious global poverty reduction strategy involving both advanced and emerging economies. While tourism has the potential to contribute to all of the 17 Sustainable Development Goals (SDGs), it has been included with specific targets in goals 8, 12, and 14 on inclusive and sustainable economic growth, sustainable consumption and production, and the sustainable use of oceans and marine resources, respectively. Achieving the SDGs will involve a strong component of public intervention, especially by providing the underlying conditions necessary for the private sector to flourish, but also in co-ordinating and disseminating policy approaches and education and capacity building at the national and sub-national level (OECD, 2018). For example, in Switzerland, as a principle for action, sustainability is a cross-sectional topic relevant to all objectives, funding instruments, action areas and action items of the Confederation's tourism strategy. The aim is to ensure that all tourism policy measures implemented contribute to meeting the targets of the UN's 2030 Agenda for Sustainable Development and its 17 Sustainable Development Goals (SDG) in a long-term perspective.

The rationale for linking SDG targets with tourism development objectives is based on the intrinsic local character of tourism activities, as tourism is driven by the attractiveness of local communities (culture,

heritage) and the environment (natural assets and facilities). For example, Turkey is implementing a range of sustainable projects and programmes at the local, regional and national level, including one with a focus on “Institutional Capacity Development in the Field of Sustainable Tourism”, which aims to contribute to achieving the SDGs related to tourism. It produces guidebooks for local tourism entrepreneurs and investors, disseminates global best practices, and informs local tourism partners concerning innovative financing schemes. Another similar initiative is the Future is in Tourism programme, which is jointly implemented by the UN Development Programme (UNDP), and aims to strengthen capacity of local tourism actors and NGOs by providing guidance, tools and resources to strengthen their capacities in order to contribute to sustainable tourism development through partnerships with public and private institutions.

Box 3.8. Transforming Tourism Value Chains – UN Environment

UN Environment with support of the German Federal Ministry for the Environment, Nature Conservation and Nuclear Safety is implementing a project on “Transforming tourism value chains in developing countries and small island developing states (SIDS) to accelerate more resource efficient, low carbon development". The project aims to reduce greenhouse gas emissions and increase resource efficiency in three tourism value chains: i) Food and beverage; ii) Accommodation; and iii) Meetings, Incentives, Conferences and Events (MICE).

Phase 1: The assessment phase involved ***mapping and analysis*** of the tourism value chains for participating countries (Philippines, Dominican Republic, Mauritius, and St. Lucia), identifying all relevant stakeholders, their activities, products and services, and upstream and downstream relationships. To complement the mapping exercise, a policy review and assessment of existing sustainable products and services as well as capacity building needs were undertaken. Tourism sector hotspots were identified relating to: the provision of services (e.g. water and energy supply); the built environment (e.g. powering and cooling hotels and restaurants); and the production, and consumption of food and beverage products.

Phase 2: In the implementation phase ***national roadmaps and action plans***, including specific targets and indicators for emission mitigation and resource efficiency will be developed for each country, with input from stakeholders. The project includes a monitoring, reporting and verification system for the roadmaps and action plans as well as for individual businesses, so as to measure the impact of taken actions. This will enable countries to account for the achieved emission reductions and resource efficiency increases, under multilateral commitments.

Communication campaigns promoting the use of sustainable products and services, as well as continuous capacity building for involved stakeholders, will complement project activities. The dissemination of case studies, reports and lessons learned from the project will enable similar activities to be replicated and scaled-up in other countries.

The project highlights that while a shift towards sustainable consumption and production in tourism offers vast opportunities, it requires work across the whole value chain, involving all stakeholders, and a commitment to using a life-cycle based approach to making products and services more sustainable.

Source: UN Environment (2018); www.oneplanetnetwork.org/transforming-tourism.

In addition, the official DMO of the Danish capital, Wonderful Copenhagen, has developed Copenhagen’s first strategy for sustainable tourism, Tourism for Good, which is built on the principle that tourism is not a goal in itself; but rather a means to a sustainable end – a reality where tourism contributes positively to society, to building better cities and destinations for locals and visitors alike and where tourism is a driver of positive change. Tourism for Good addresses sustainability from a triple bottom-line approach, and also

seeks to contribute directly to the UN's 17 SDGs. The strategy consists of four focus areas, all of which have defined targets and actions. The first focus area, for example, focuses on lessening the intensity of tourism pressure in inner-city areas, distributing tourism revenue more broadly and making more space for people in the city, whether locals or temporary locals (Wonderful Copenhagen, 2018). Furthermore, in 2020, the Danish National Tourism Forum will draft the new national strategy for sustainable tourism growth, working in close collaboration with the tourism industry and relevant stakeholders. The strategy will provide guidelines for tourism growth that balances environmental, economic and social sustainability, thus contributing directly to the UN's SDG's.

Switzerland has been taking steps to mainstream sustainable tourism policies through the activities of the national marketing tourism organization, Switzerland Tourism, which uses an impact model to measure its contribution to increasing productivity and resource efficiency in Swiss tourism. While through Innotour (Innovation promotion, cooperation and knowledge building in tourism), financial support is given to sustainable tourism initiatives, such as "cause we care" from the myclimate foundation. "Cause we care" is a customer- and company-based sustainability initiative for Alpine and outdoor tourism. Participating companies offer guests the opportunity to purchase a climate-neutral service, while promising to double their contribution and implement sustainability measures locally. The guest thus supports global and local climate protection and service providers receive additional funds for sustainability measures.

A key approach to addressing the challenge associated with decoupling natural resource use and environmental impacts from economic growth, in every economic sector, is promoting closed material loops and enhanced resource efficiency with a system-wide approach along the entire value chain. This is no different for tourism (Box 3.8). Embracing circularity implies the development of innovative business models that create value through restoration, regeneration and re-use of resources as well as new models of consumption that move away from traditional ideas of ownership towards sharing economies. Circularity represents an opportunity for tourism businesses and more specifically SMEs to increase their innovativeness for sustainability and as a consequence, their competitiveness, thus contributing to the long-term health and resilience of tourism activities and the sector as a whole (OECD, 2019b; UNWTO, 2018). The integration of local tourism-related SMEs into international value chains is another approach to contribute to the shift towards more sustainable consumption and production (OECD, 2018).

A key factor influencing purchasing decisions is brand trust, which is one reason why third-party certification programmes have become so common in the field of sustainable tourism. Another is that they provide a tool for businesses to understand and improve their environmental performance, reduce costs, and communicate a positive message to potential customers. Accreditation programmes such as TripAdvisor's GreenLeaders, and others including Green Key, Green Tourism, and Eco-Lighthouse, serve the dual purpose of encouraging accommodation providers to be more conscious about environmental sustainability and the environment, while increasing consumer confidence in the eco-credentials of accredited tourism businesses. The potential benefits of eco-labels and certification schemes as a tool to mainstream sustainable practices, meet national sustainable development goals, and encourage more sustainable consumer choices and behaviour, has led to countries developing tailored products to meet their unique requirements (Box 3.9).

Against the backdrop of the UN Sustainable Development Goals, sustainability is becoming a more central pillar of business. However, to achieve truly sustainable outcomes requires an integrated approach and a genuine commitment from industry. Examples of industry initiatives to mainstream sustainable tourism practices include the industry led New Zealand Tourism Sustainability Commitment which aims to ensure that every New Zealand tourism business is committed to sustainability by 2025 (Box 3.5), and the International Tourism Partnership, which provides a non-competitive platform for hotel industry leaders to share ideas, build relationships and work collaboratively to address critical social and environmental issues.

Accounting for around 75% of tourism's total global emission, airlines bear significant criticism about how carbon-intensive their operations are, and in response have set targets to cap net emissions by 2020, making international flights carbon neutral, and halving emissions by 2050 compared to 2005 levels through the UN's Corsia scheme (Bremner, 2019).

Box 3.9. Utilising tourism certification schemes to achieve sustainable development goals

Finland: To help the tourism industry in Finland adopt sustainable practices, Visit Finland has developed the Sustainable Travel Finland programme, designed to provide companies and destinations with a sustainable development path; a concrete toolkit for sustainable tourism that makes it easier to adopt sustainable practices and choices in the everyday business. Companies and destinations that undergo the entire programme are recognised with the Sustainable Travel Finland label and will have access to a continuous development model, the latest information on sustainable tourism development, and marketing support and visibility on Visit Finland channels. Although Sustainable Travel Finland programme aligns with internationally known sustainable tourism programmes and the UN Sustainable Development Goals (SDGs), it is built for regional and national development needs and to support country´s efforts to meet national and international commitments.

Norway: Innovation Norway's Sustainable destination standard includes 45 criteria and 108 indicators to be measured, registered and monitored. It is a tool to support the sustainable development of businesses and destinations and covers the environment, the local community, cultural heritage, the economy, and nature. Measurable and continuous development are ensured through performance counts and renewing the brand every three years. There are currently 16 destinations certified as 'sustainable', with several others taking steps to meet the certification criteria. Sustainable Destinations are marketed as offering more than a beautiful experience, in that visits by tourists will also help to preserve local communities and cultural heritage while making the destinations an enjoyable place to live and visit.

Other examples include TUI Group's Better Holidays, Better World strategy which is built around the four core pillars of i) Reducing the environmental impact of holidays, ii) Creating positive change for people and communities; iii) Pioneering sustainable tourism across the world; and iv) Creating a positive work environment where people are passionate about what they do. While the World Travel and Tourism Council (WTTC), has introduced a Sustainable Travel & Tourism Partners (STTP) initiative to generate mass engagement around sustainability within the travel and tourism sector. The objective is to bring all travel and tourism companies that engage in significant sustainability efforts under the same umbrella to further increase sustainable practices within the sector, raise awareness of those practices, and record progress with consumers and governments (TUI, 2019; International Tourism Partnership, 2019; WTTC, 2019).

Investment and financing for sustainable tourism

With the strong forecast growth in global tourism to 2030, significant investment will be required to provide the accommodation, transport and other tourism-related services and infrastructure necessary to meet expected demand, while enhancing economic, social and environmental outcomes. As is the case for tourism policy more generally, this will require an integrated approach across many departments (e.g. transport, environment, agriculture, innovation, education, tourism) and levels of government (national, regional, local), with input and support from industry.

Furthermore, in order to achieve more sustainable development and deliver on the ambitious targets to reduce poverty and combat climate change set out in Agenda 2030 and the Paris Agreement, investment in the green economy will need to take place on a far greater scale over coming decades. Due to its strong

local dimension, tourism has been identified as having a key role to play with its ability to create jobs, enhance social cohesion, improve productivity and foster economic growth across many portfolios.

Despite the need for increased investment to meet forecast tourism growth and tourism's potential to contribute to the global shift to a green economy, financing the transition to a more sustainable model of tourism development faces several challenges. These include the suitability of available finance instruments, information on the impact of green investment in tourism, (dis)incentives to adopt green business practices, and the extent to which the policy framework is supportive.

However, with growing awareness of the need and value of conserving unique natural, social and cultural assets, there is increasing motivation for both the private and public sectors to invest for more sustainable tourism. Examples of such investments include low carbon transport options and the construction of resource efficient tourism infrastructure, as well as initiatives to support innovation, promote the adoption of responsible business practices and encourage the integration of tourism businesses into low carbon and sustainable tourism supply chains.

Potential policy approaches to support investment and financing for sustainable tourism development, include the following (OECD, 2018):

- Promote access to finance for sustainable tourism investment projects of all sizes.
- Incentivise the transition towards low carbon, climate resilient investments and encourage more responsible business practices in tourism.
- Build capacity and better co-ordinate actions across government to support the shift to more sustainable tourism investment and financing practices.
- Improve data and analysis on finance and investment in sustainable tourism development, including the use of green finance in tourism.

To achieve greater resource efficiencies, green investment structures, and cross-sectoral synergies there is a need to consider various sustainability drivers (UNEP, 2011). These include, for i) energy – increased costs and carbon surcharges; government incentives; eco-labels; as well as regulations/legislation on energy efficiency; ii) water – price structures reflecting water scarcity and responsible water management; and iii) biodiversity – regulation regarding sensitive ecosystems, as well as national policies attracting revenue through tourism for protecting critical biological habitats. Under such a green investment scenario, tourism could make a larger contribution to GDP growth, while significantly reducing water consumption, energy use and CO^2 emissions, compared to a business-as-usual scenario.

Examples of country initiatives encouraging investment to support sustainable and inclusive tourism development include the REVIVE programme in Portugal (Box 1.10), which opens up properties to private investment to develop them as tourist attractions through a public tendering process. This joint initiative of the Ministries of Economy, Culture and Finance, aims to promote and streamline the processes of rehabilitation and valorisation of vacant public property to generate tourism-oriented economic activity. By enhancing the attractiveness of regional destinations this initiative can help spread demand and generate wealth and jobs, thus contributing to the economic and social cohesion of national territory. While in 2019 Canada, introduced its new tourism strategy, Creating Middle Class Jobs: A Federal Tourism Growth Strategy, with two of the three main pillars having a specific focus on investment to support sustainable growth (Box 3.10).

While the influx of tourism dollars and boost to jobs can have a positive impact on local economies, many local municipalities and destinations, often in remote or regional areas, lack the financial resources to maintain, let alone develop the necessary infrastructure to meet the needs of locals and visitors.

Box 3.10. Investment to support sustainable tourism growth in Canada

A current challenge for Canada's tourism sector is seasonal concentration. According to Canada's 2018 report on *Unlocking the potential of Canada's visitor economy*, 3.5 times more leisure visitors come to Canada during the summer than in the winter. In 2018, only 1% of visitor activities were winter-based, which creates challenges for tourism operators trying to optimise the use of talent and capital investments. Furthermore, seasonal concentration can result in overcrowding in and around major cities, as well as high prices for accommodation and visitor attractions due to constrained capacity.

Under Canada's new tourism strategy, *Creating Middle Class Jobs: A Federal Tourism Growth Strategy*, two of the three main pillars have a specific focus on investment to support sustainable growth, with one of the key objectives being to grow international visitation outside of gateway cities and the country's most iconic tourism destinations, and beyond the summer season. This will be supported by:

1. Providing CAD 58.5 million in funding through the *Canadian Experiences Fund*, to help communities create, improve or enhance tourism products, facilities and experiences. The Fund is managed by the six Regional Development Agencies that work closely with businesses and innovators to fuel local and regional economic growth;
2. Creating *Tourism Investment Groups* for each region of Canada to better align investments in tourism products across the federal government and other jurisdictions, meet local priorities, and strengthen the ability of destinations to attract more private sector investment;
3. Creating a new *Tourism Industry Economic Strategy Table* to provide a platform for government and industry leaders to collaborate on overcoming sector challenges.

The Canadian Experiences Fund will invest in winter and shoulder-season tourism by funding projects such as onsite experiences development, tours, excursions, special events and tourism facilities. By investing in winter and shoulder season offerings, the Fund will further develop Canada's competitive advantage in the winter months and provide more reasons to visit in the off-peak periods.

In response to this issue, New Zealand, introduced the Tourism Infrastructure Fund in 2017, which provides up to NZD 25 million in co-financing annually to develop tourism-related infrastructure such as walkways, carparks, toilets and responsible camping facilities. It targets local communities in regions disproportionately affected by visitor growth, that are unable to respond in a timely way without assistance – for example, areas with high visitor numbers but small ratepayer bases. In 2019, New Zealand introduced a new International Visitor Conservation and Tourism Levy on international visitors that will be invested in sustainable tourism and conservation projects (Box 1.7). The levy is considered an important tool to ensure that New Zealanders' lives are enriched by sustainable tourism growth by investing in projects that will substantively change the tourism system, helping to create productive, sustainable and inclusive tourism growth that protects and supports the environment.

In Iceland, infrastructure at tourist sites continues to be improved through the National Infrastructure Plan and the Tourist Site Protection Fund. The Infrastructure Plan, introduced in 2018, takes a long-term, holistic view on infrastructure development at public tourist sites of natural and cultural heritage importance that are under pressure from tourism. It consists of a 12-year strategic plan touching on issues such as general design and safety guidelines, and 3-year rolling investment plans for infrastructure development including paths, viewing platforms, parking, toilets etc. at locations all around the country.

The provision of robust infrastructure not only improves the attractiveness and resilience of popular sites, and contributes to quality experiences for visitors, it also maintains the social licence for the sector to operate, by helping to ensure locals can continue to enjoy their own spaces.

Infrastructure to support connectivity and sustainable mobility

Transport plays a vital role in moving tourists efficiently from their place of residence to their final destination and then on to supporting attractions in the area. Transport connects the markets in tourism generating regions to destinations and facilitates the internal movement of visitors between the various components of the tourist experience (e.g. accommodation, attractions, commercial services, etc.). Different forms of transport can be a major element of the attraction or an experience in their own right. The location, capacity, efficiency, and connectivity of transport can play a significant role in how destinations physically develop, by influencing visitor mobility and experiences within destinations. Good accessibility is instrumental to the overall competitiveness of destinations, and is necessary to spread the benefits of tourism beyond major centres. The provision of suitable infrastructure and adequate means of transportation are fundamental requirements to facilitate the mobility of tourists (OECD, 2018b).

Box 3.11. Improving access to facilitate regional tourism development

Greece: As part of a nation-wide initiative to improve transport throughout the country, Greece has prioritised transport infrastructure to facilitate visitor access to remote or previously inaccessible areas by land and/or water (roads, motorways and ports). Critical investments are underway to develop a number of regional airports. As part of a license agreement with Fraport – created in 2015 and responsible for maintaining, operating, managing, upgrading, and developing 14 regional airports in Greece. Five airports will be completed by the end of 2019, while the whole programme of airports upgrade is expected to conclude at the end of 2021. Improved access will support the national tourism strategy objective to promote less-known destinations and spread the benefits of tourism to the whole country.

While the Ministry of Tourism is co-operating with public and private sector actors including the Greek Marinas Association, the Hellenic Professional Yacht Owners Association, the National Association of Professional Tourist Day Boats, and port management authorities on the national network of tourist ports. Taking steps to more effectively connect the islands is key to better balancing the flow of visitors and spreading the benefits of tourism development.

Canada: Access to affordable air transportation is an important issue in Canada, both nationally and regionally, and all jurisdictions are considering how to improve access to remote areas. Provinces and territories are working towards addressing this challenge and launching new initiatives to improve access to tourism experiences in rural and remote parts of the country. For example, Québec's Ministry of Tourism is putting in place a CAD 9.5 million Explore Quebec programme, running until 2023. The programme will facilitate access for tourists to remote tourism regions by promoting competitively priced packages, in order to increase spending in targeted and less visited regions. It targets travel agencies, tour operators, and hosting agencies offering air transportation, a minimum of two nights accommodation, and visits to two attractions included in the thematic experiences promoted as part of the broader province's tourism promotion strategy. The initiative has three core objectives, being to: i) promote growth in demand, ii) promote lower air fares to targeted regions, and iii) contribute to extending the tourist season for regions with high seasonality.

The synergies between transport and tourism policy are significant and clear, and governments have an important role to play in leveraging the linkages between these policy areas. While destination choice for leisure tourists depends primarily on the perceived attractiveness (e.g. natural, cultural, and local resources) of destinations, an important component of this decision is the cost, time, and convenience necessary to reach one destination, compared to another. Ensuring that the medium- to long-term needs of the tourism industry are considered as part of transport access and infrastructure planning can help to

maximise and spread the socio-economic benefits of tourism more widely and manage visitor impacts over time (Box 3.11).

While transport has always been a key enabler of international tourism, inflows of tourists can place significant pressure on transport infrastructure and related services; an issue that will likely be exacerbated with projected growth in international arrivals in the coming decades. Even the most developed economies, with robust and reliable transport infrastructure will need to take steps to anticipate the impact that growing demand for travel could have on existing transport systems, and take steps to ensure that existing destinations are prepared to deal with higher tourist numbers (OECD, 2016; World Economic Forum, 2019).

Projected tourism growth will also present opportunities for cities and regions with aspirations to benefit from the expansion of the visitor economy. Indeed, air passenger traffic is expected to nearly double by 2035, expanding from 3.8 billion to 7.2 billion passengers (IATA, 2016). Similarly the International Transport Forum (ITF), forecasts that the number of passenger-kilometres will double to 9 trillion by 2030, pushed by the large growth in the Asia-Pacific region, which will represent 40% of global passenger traffic, up from 30% in 2015, with similarly strong growth forecast for road, rail, and cruise passenger numbers (OECD, 2018b; OECD/ITF, 2017).

In the case of cruise tourism, while only accounting for around 5% of total international arrivals, global passenger numbers in 2019 are expected to exceed 30 million; five years ahead of previous forecasts (CLIA, 2019; OECD, 2016). This strong growth has led to many port-cities developing cruise terminals to compliment other waterfront functions and develop urban tourism (e.g. Hamburg, Liverpool). However, many other destinations are experiencing pressure as a result of the growing size and number of ships, and the sheer volume of passengers disembarking (from one or multiple ships) for relatively short periods of time, and descending on city centres, leading to traffic congestion, and overcrowding in public spaces and at attractions (e.g. Barcelona, Bruges, Dubrovnik, Venice).

Similarly, the development of new airports to meet increasing demand will provide another opportunity to obtain crucial access to domestic and international markets for many emerging or aspiring destinations. However, recent research indicates that almost 50% of destinations identified as suffering from overtourism have an airport within 15 km, a figure that increases to 80% when within a 50 km radius (Peeters et al., 2018), and thus demonstrating the positive and (potentially) negative aspects of access to markets.

On the one hand, infrastructure developments such as cruise terminals and airports can improve market awareness, provide convenient access for tourists, and enhance opportunities for tourism and economic growth. On the other hand, however, care must be taken to ensure that growth is strategic; that tourism is considered as part of long-term transport infrastructure planning and there is a clear vision to deliver sustainable tourism development at the destination level – a vision with strong industry and community backing, that is horizontally and vertically aligned with broader economic and tourism development strategies, and has the political support and authority to deliver.

Due to tourism's highly seasonal nature, demand and supply for transport services do not always align, placing pressure on existing transport services and infrastructure, particularly at the local level and in the urban context. There can be overwhelming demand during high seasons, festivals or special events, followed by reduced demand in low seasons and non-event periods. Cities and regions are, therefore, faced with absorbing seasonal tourist flows while delivering adequate transport network performance. Many rural and particularly isolated tourism areas, with smaller populations and lower levels of year round travel demand, face additional challenges in the form of limited or no scheduled transport services from urban centres, and in providing and maintaining sustainable and seamless transport systems serving both locals and tourists in the long run.

Enhancing co-ordination between transport, tourism and other related policy areas can improve visitor mobility to and within destinations, reduce bottlenecks, enhance visitor satisfaction, and help to secure the

economic viability of local transport systems by servicing both residents and tourists. Furthermore, by promoting the development of intermodal hubs and gateways, transport policies can be used to attract, manage or direct visitor flows to particular destinations, and facilitate change to eco-friendly transport options, which can help consolidate a destination's reputation as sustainable (Box 3.12).

Box 3.12. Facilitating sustainable mobility in Switzerland

Established in 2008, and with virtually no detectible emissions, the extensive non-motorised transport network, SwitzerlandMobility has helped to enhance the perception of Switzerland as an "environmentally friendly" destination, offering tourism service providers access to a promising new market. Successful development of tourism utilising human powered mobility options, requires close collaboration between transport providers, and local and regional authorities to provide the appropriate infrastructure, services (including the provision of space for bicycles on trains and buses), connectivity, signage on walking and cycling routes, attractions and accommodation options. Ensuring good linkages (information and physical connections) with traditional transport services for intercity travel is fundamental to encouraging a sustainable and also memorable tourism experience

SwitzerlandMobility aims to provide leisure and tourism activities for both residents and visitors. It focuses on the development, co-ordination, communication, and preservation of national, regional and local hiking, cycling, mountain biking, roller-blading, and canoeing routes in Switzerland. In 2019 SwitzerlandMobility encompasses a total of 23 national routes, 154 regional routes and over 600 local routes. In addition, it provides visitors with the opportunity to plan their own tour routes online or utilising the SwitzerlandMobility app. At the core of this arrangement is a harmonised strategy for the development of non-motorised transport across Switzerland with standard guidelines regarding route planning, development standards, signage, environmental requirements, interconnection with the tourism industry, and communication.

Source: OECD (2016); www.switzerlandmobility.ch

Another area where governments at all levels can more efficiently utilise existing infrastructure to influence destination development, spread the economic benefits of tourism, and manage visitor impacts over time, is in the area of tourist routes. In their most basic guise, tourist routes are a relatively low-cost approach, with four main steps: i) identify routes with high levels of natural or cultural attraction; ii) develop branding and identity; iii) implement a way-finding strategy and signage; and iv) implement a marketing and communications strategy. From this position, and depending on their length, tourist routes can be further tailored by the development of rest areas, points of interest, and sub-route experiences.

One of the objectives for developing tourist routes is to invigorate villages and towns in those rural/regional areas with limited or no transport access other than by road, through increased demand for tourist services such as hotels and restaurants, and the wider supply chain opportunities to support these services. For example, the National Tourist Routes in Norway, The Wild Atlantic Way in Ireland, the New Zealand Cycle Trail *Nga Haerenga*, and EuroVelo Cycle Routes, a network currently comprised of 15 long-distance cycling routes connecting 42 countries across Europe. The routes promote economically, environmentally and socially sustainable travel and can be used by cycle tourists, as well as by local residents making daily journeys.

Technology as a tool to manage tourism and tourist flows

New technologies continue to reshape markets and sectors around the world, and the pace and scale of disruption is hastening. From the sharing economy to the Internet of Things, to autonomous vehicles and

artificial intelligence, and from blockchain technology to big data analytics, a range of new and emerging innovations are promising to unlock more opportunities for destinations and travellers around the world.

It is clear that digital and enabling technologies help connect people with more information, people and experiences, more quickly than ever before. As tourists search for more authentic travel experiences, technology will provide the opportunity to deliver highly customised products and experiences to travellers in existing and new destinations. Equally, tourists will have more transparent and comparable information available when making decisions about where to travel, how to get there (in the most environmentally friendly manner), what type of accommodation to choose, where and what to eat, what attractions to visit, and when is the best time to do so.

Technology will also progressively reshape tourism value chains, however, a greater focus on communication, networking and partnership management skills for businesses will be critical. The ongoing evolution of business models within the sector will offer new opportunities for many entrepreneurs while disrupting others (Box 3.13).

Similarly, technology offers opportunities for industry and local communities to inform consumer choices, and better manage tourism, and visitor flows at destinations. Approaches include, websites or apps that provide real-time information on congestion (e.g. Avoid-Crowds.com) and sustainable transport options, facilitate the introduction of dynamic pricing mechanisms that can spread demand and/or better reflect the true cost of tourism-related activities, and utilising technology to better manage visitor numbers at environmentally or culturally sensitive sites. An example of a digital tool to inform consumer choice is the Klimatsmart Semester (Climate Smart Vacation), which is the result of a collaboration between private and public partners under the banner of Climate Smart Vacation Network of West Sweden. Launched in 2018 to help consumers reduce their impact on climate change. Users can calculate the carbon footprint of a potential trip based on the level of CO_2 emissions, taking into account the distance of journey, mode of transport and number of nights in accommodation. The calculated emissions are then compared to the optimum emissions required to limit global warming to 2ºC, and in terms of the ice that would melt in the Arctic (in cubic metres) as a direct result of the trip (Bremner, 2019).

At the destination level, a Think Sustainably service helps locals and visitors to choose more sustainable ways of living in or enjoying the city of Helsinki. Launched in 2019, the service filters content from the MyHelsinki.fi website to suggest sustainable restaurants, shops, sights, events and accommodation, and will be further developed to include sustainable mobility options. While on the island of Santorini, Greece, a Berth Allocation System run by the Municipal Port Fund of Thira, and utilising an algorithm based on 14 critical factors, has been in place since 2018, in order to control and organise cruise ship arrivals and departures. The goal is to regulate the flow of visitors on the island during the day and disperse visitors to the whole of the island, suggesting less well-known locations compared to the overcrowded Oia and Fira. The Berth Allocation System allows the Municipality to organise the cruise ships schedule for a period of two years and will be crucial in order to keep the flows in line with the island's carrying capacity (Peeters et al., 2018).

Another innovative application of technology to preserve valuable cultural artefacts can be observed in the Cloned Cultural Property project in Japan. By combining new-age technology such as 3D scanning and printing with traditional artistry, the cultural properties that are reproduced are complete clones, using not only the same materials and textures but also recreating artistic DNA by including the cultural backgrounds and techniques used in the originals. The philosophy and technology behind Clone Cultural Property is useful in resolving the dilemma between the simultaneous need to preserve and exhibit cultural properties, while also serving as a method of maintaining artistic culture and traditional techniques. For example, clones of the Japanese national treasure Shaka Triad Statue and wall paintings at Horyuji Temple, the originals of which are difficult to move, travel across the country to be displayed to the public as part of a Silk Road exhibition. In addition to the above, it is plausible that cultural clones could play a role in

managing visitor flows at the attraction and/or destination level by providing a realistic 'alternative' experience of cultural artefacts, without the long queues, large crowds and short dwell times.

Box 3.13. Technology is reshaping tourism value chains

Blockchain: The potential of blockchain to act as a disrupter in travel and tourism has been acknowledged for some time. The decentralised, permanent, time stamped and unalterable nature of the data recorded in the blockchain means that data is more secure, traceable and transparent. As such, it is well placed for use in tracking luggage; identification services; secure, traceable payments; and customer loyalty schemes (Barten, 2019). However, blockchain can also be used to provide more tailored travel experiences, whilst putting more money in the pockets of those delivering services to tourists at the local level.

Launched in 2016 in Tel Aviv, Israel, and today used by over 500 000 travellers worldwide, Cool Cousin is an app-based service that seeks to revolutionise travel with a sharing economy powered by blockchain. The company's blockchain-based ecosystem incentivises local guides to monetise their unique knowledge to offer a more accountable and authentic tour opportunity for the application's users. This community of travellers and local 'Cousins' participate in a completely decentralised travel agency whereby value flows between users instead of being extracted by intermediaries along a chain. The system's feedback and ratings are considered more reliable due to the trustworthiness of the content and transparency inherent in blockchain-based systems (Liebkind, 2019).

Smart Destinations: A Smart Destination (SD) is an innovative tourist destination using state-of-the-art technology for the sustainable development of a tourist area, accessible to everyone, that facilitates the visitors' interaction with and integration into their surroundings, increases the quality of the experience at the destination while also improving the quality of life of its residents.

In Spain, the Smart Destinations initiative fosters innovation, sustainability and competitiveness at a local level through the development and deployment of ICT with the aim of creating differentiated and highly competitive services. Those seeking to become Smart Destinations must implement a strategy aimed at increasing competitiveness through more sustainable use of their natural and cultural attractions, the creation of additional innovative resources, and improvements in the efficiency of their production and distribution processes. Issues considered as part of the Smart Destinations initiative include, ensuring sustainable development, managing the carrying capacity of destinations, contributing to the seasonal and territorial distribution of tourism flows, increasing profitability, ensuring that residents share in the wealth generated by the tourist activity, and increasing tourist satisfaction (*www.segittur.es/en/inicio/index.html*).

Moving forward, if destinations are able to co-ordinate activities and establish the necessary digital infrastructure to connect the ticketing platforms of major attractions, this would provide a valuable tool to support the effective management of visitor flows on a daily and/or seasonal basis. Selling time-ticketed entry to attractions utilising an API (an application-programming interface is a software-to-software interface), would provide destinations the flexibility to respond to situations of peak demand, by working with attractions to modify ticket prices in real time in order to shift tourist demand from one location to another – not dissimilar to demand management methods adopted by some large theme parks. In addition, time-ticketed entry would provide tourists with the necessary information to inform decisions on when to visit a destination based on ticket availability on certain days (Sorrells, 2019).

Geographic information systems (GIS) and positioning data from mobile networks are two other tools that provide significant opportunities to more effectively manage tourism development and understand visitor flows. For example, tourism master planning – the tool used worldwide to prepare regions for development

and growth, to guide government policy on the management of tourism, and lay out the vision and strategic plan for the future of tourism in their regions – is one area where GIS could be utilised more effectively. GIS uses geographical data as well as data sets to visualise, analyse, and assess multilayers of information in a synthesized model of the real world. GIS maps allow researchers, academics and policy makers to identify and monitor key areas. The objective of geographic analysis is to transform data into useful information to satisfy the requirements of decision makers at all levels. GIS-driven master plans that track the social, environmental and economic impacts of tourism will become increasingly essential to cities and regions experiencing rapidly growing tourism demands on local resources in the future (Epler Wood et al., 2019).

Similarly, as mobile communication and positioning technologies continue to advance rapidly, they demonstrate great potential as a method to track individual mobility and travel behaviour, particularly when combined with more traditional methods of data collection. For example, in Israel, the Ministry of Tourism is developing a cellular network monitoring programme that will enable the monitoring of congestion levels of the most visited attractions throughout the year. In the future, when cross-referenced with other available data including ticket sales from tourist attractions, hotel data, and residential complaints data etc., this will help build a better understanding of not only the economic impacts of tourist flows on specific areas, but also the potential impacts on the daily lives of residents. While in the Czech Republic, CzechTourism, has extensive experience in monitoring events using positioning data from mobile networks, combined with traditional face-to-face interviews. As this approach is further developed, it will enable those undertaking impact assessments to conduct surveys for longer periods and provide more accurate data on the spatial and temporal frameworks of travellers (OECD, 2017).

In Indonesia, the Ministry of Tourism has developed a digital dashboard to monitor Indonesia's tourism reputation on social media on a daily basis (at national and destination levels). The system compares the country with its nearby competitors to assess its relative performance. In addition, mobile positioning systems are utilised to monitor the number and distribution of tourists. This information allows decision makers to better understand visitor flows and perceptions, respond to issues as they arise and make better informed marketing decisions (Ollivaud and Haxton, 2018).

Finally, it is worth noting that while the growing pervasiveness of social media presents a diverse range of opportunities for destination management and marketing organisations, it can also pose a threat for vulnerable destinations (communities, cultural or environmental attractions) unprepared or unsuited to rapid growth in tourist traffic due to sudden popularity on one or more platforms. However, as conservation efforts become more agile in order to respond to emerging challenges, the innovative use of technology may also provide solutions to help manage visitor flows and mitigate negative impacts.

Spreading the benefits of tourism

The topic of how to effectively spread the benefits of tourism beyond traditional destinations with high visitor flows and address seasonality, is one that has been on the agenda of tourism policy makers for decades but remains very relevant today. For an increasing number of tourism destinations, continued growth in visitor numbers is causing pressure on infrastructure, the environment, local communities, other economic sectors, and wider society. For other communities outside of urban centres and often in remote or regional areas, the prospect of tapping into the growing visitor economy, with the economic and other benefits that would bring, is a highly attractive proposition, and one that is also high on the agenda for many policy makers. The diversification of the tourism product, to spread demand away from existing tourism hubs and tackle seasonality, often serves the dual purpose of tackling overcrowding in popular existing destinations/attractions, whilst also playing an important, stimulating role, in regional economies.

However, decentralisation, or the spreading of visitors temporally or geographically to promote economic development and/or tackle overcrowding, is not a panacea. Such measures have the potential to simply relocate problems to other areas less prepared for sudden growth in tourist numbers that may exceed their

natural carrying capacity, resulting in significant costs to provide local infrastructure and protect environmental and socio-cultural systems for the benefit of both tourists and locals. As a result, policy makers must take an integrated approach, working closely with other relevant policy areas, industry and local communities, ideally as part of wider economic and regional development strategies, to not only better manage tourism flows within destinations, but also to encourage appropriate tourism development in new or emerging destinations and spread demand beyond peak periods (Box 3.14).

Box 3.14. Tourism as a catalyst for local and regional development

Australia: In Australia the Government has allocated AUD 70 million for tourism projects as part of the Building Better Regions Fund to help move tourist beyond the major cities. In 2018, Tourism Australia launched the AUD 10 million *UnDiscover Australia* campaign targeting India, Malaysia, Indonesia and Singapore with the aim of challenging travellers' perceptions and stereotypes of Australia as a tourism destination by showcasing unusual, unfamiliar and unexpected attractions and experiences on offer. In addition, the Queensland state government has introduced the Adventure and Nature Based Tourism Opportunities (ANBTO) programme to increase tourism visitor and expenditure in regional areas across Queensland. Part of the ANBTO Program is the Ecotourism Trails Project, which aims to develop low-impact, ecologically sustainable opportunities aimed at delivering environmental, social and economic benefits to Traditional Owners, regional communities and the wider Queensland economy.

Peru: Since 2007, the Ministry of Foreign Trade and Tourism has been supporting entrepreneurship through the Community-Based Tourism Strategy, increasing quality in tourism services, matching them with market demand, strengthening individual and collective competencies, and promoting the conservation of natural and cultural heritage in 72 communities and 11 regions across the country. As a result, community-based organisations have evolved into the main promoters of tourism within their territories, with the capacity to develop strategic alliances with both private and public actors. The visitors and income generated by entrepreneurs taking part in the Strategy have had a direct positive impact on the quality of life of the families involved, contributing to the sustainable development of their communities. After 12 years of growth, a set of 'Guidelines for the Development of Community Tourism in Peru', were ratified in 2019 to define a new approach taking into account evolving market trends and community needs, and to guide the development of Community-Based Tourism in Peru.

Other approaches employed to achieve a more geographically and temporally diverse tourism sector that is also more inclusive, include (Box 3.15):

- *Thematic tourism* which can be used to promote local gastronomy, wine, and produce, or leverage natural, cultural and industrial heritage.
- *Community-based* and *indigenous* tourism which can play an important role in promoting and maintaining traditional arts, handicrafts, and culture, including indigenous culture and traditions, which are typically major attractions for visitors.
- Niche and regional *festivals and events*, often with close links to the host destination (e.g. literary, culinary, adventure sports, music – e.g. Glastonbury music festival), which are used by many countries as a tool to enhance destination attractiveness/competitiveness, spread the benefits of tourism to regional areas, and reduce seasonality.
- The development of *tourism clusters* and *regional tourism incubators*, to facilitate co-operation between tourism SMEs and research, education and knowledge transfer organisations, and to build capacity through the provision of professional advisory services.
- *Tourist routes* (road, bicycle, walking, pilgrimage, etc.) which are a relatively low-cost approach to influence destination development through the more efficient use of existing infrastructure.

- *Advance purchase* and *dynamic pricing* mechanisms (Box 3.3) to reduce congestion and spread demand within destinations during peak periods, while providing tools to better reflect the true cost of tourism-related activities.

Box 3.15. Country approaches to spread the benefits of tourism

Culinary tourism: The destination-based approach of Hungary's National Tourism Development Strategy 2030, is adopted in a current project titled "The Taste Map of Hungary". With the use of a dynamic food maps, tourists are able to filter and search for local foods and produce in a given region. The map helps to find unique and traditional tastes in the regions, therefore driving tourism and supporting local supply chains. Tourism and culinary experiences have been an integral part of the Swedish food strategy since 2017. The government has also identified culinary tourism as priority for action within the EU Rural Development Programme, which has dedicated SEK 40 million to develop tourism in rural areas and SEK 60 million to develop culinary tourism in rural areas. The partly government-owned marketing company Visit Sweden AB runs works with the Swedish regions to develop the culinary offer within destinations and develop the marketing.

Indigenous tourism: The Canadian Experiences Fund is helping Indigenous peoples present their histories, traditional stories, creative arts and contemporary values to the world, while creating new economic opportunities in their communities. It supports the growth of Indigenous tourism in Canada and addresses the demand for market development and export-ready Indigenous tourism products. While in Finland, the Principles for Responsible and Ethically Sustainable Sámi Tourism were adopted by the Plenum of the Sámi Parliament in 2018. These principles recognise the Sámi as having the right to decide by whom, what and how the varying elements of their culture are used and portrayed in tourism.

Festivals and events: Held every three years, the Setouchi International Art Festival in Japan aims to leverage contemporary art on the islands in the Seto Inland Sea in order to attract visitors to museums in the wider region, traditional cultural sites such as shrines and temples, natural sites in coastal cities, and restaurants serving local specialties. A main aim of the Festival is regional revitalisation, and a clear outcome of the project has been a strengthened belief that interaction between elderly residents, young tourists, artists and volunteers through art activities can contribute to revitalising local communities.

Tourism clusters and accelerators: The *Arctic 365* tourism cluster in Norway was developed to solve challenges related to season-dependent economic activities in the north of the country, by promoting and facilitating co-operation across industries. The cluster has created pilot packages for international markets, developed new tourism products and services, co-ordinated educational programmes, and participated in several research and development projects (Teräs et al., 2018). In Latvia, as part of a national Cluster Programme to support SMEs, two tourism clusters have been created, a regional cluster based around a national park outside of Riga (ENTER Gauja) and the other, a national cluster on health tourism. In destinations with high contrast between city and regions, the cluster approach is a good way to foster regional development and increase tourism activities in less-known areas. Finally, in Israel, the Ministry of Tourism has established a variety of regional Tourism Accelerators, with the aim of assisting SME's to: i) develop new tourism businesses (for domestic or incoming tourism); ii) adapt their domestic tourism products and services to incoming tourism; and iii) increase the scope of their operations, income and employment.

Decentralisation, or spreading the benefits, if developed and implemented as part of wider strategic vision for a destination or region can provide positive outcomes for policy makers, industry and local communities. From the perspective of policy makers, decentralisation can reduce negative impacts on any destinations

and local communities under pressure, and promote economic development opportunities in regions and rural areas, with positive impacts on local supply chains and agriculture and rural sectors more broadly. For industry, reducing pressure at popular destinations and attractions can ensure they do not become less attractive or 'ruined' in the eyes of tourists, due to overcrowding and a perceived loss of authenticity. In addition, it can contribute to diversifying destination/regional attractiveness, while also potentially, extending the season. For affected communities, a reduction in visitor numbers can help reduce overcrowding and the impact of tourism as they undertake their day to day activities, while for new destinations there is the prospect of jobs and revenue from increased visitation.

Better measurement for better management

It is clear that tourism has an important territorial dimension, with uneven spatial distribution between and within countries, delivering localised impacts. These impacts can also vary substantially throughout the day, month and year, which in turn can result in significant socioeconomic and environmental implications that vary between destinations. Together, the spatial and temporal dimensions of tourism are fundamental in any effort to characterise and study tourism in a given territory (Batista et al., 2018).

A main challenge for governments, at the national and sub-national level, is to better understand the impacts of tourism on destinations and local communities, in order to more effectively inform the decision-making process concerning tourism, and inform the development and implementation of evidence-based, long-term strategic plans with the aim of developing tourism in a sustainable manner.

To do so, countries require a system of tourism information and statistics that produces robust and timely data that is sufficiently disaggregated and comparable at the regional and national level. Particularly problematic for tourism 'destinations' – the geographical area chosen by the visitor due to its mix of attractions, accommodation, catering and entertainment/activities – is that data are often limited in terms of spatial and temporal resolution, thus limiting potential analyses and applications relevant for tourism management and policy. Furthermore they are often difficult to capture in terms of statistical measurement, as they don't necessarily align with the administrative boundaries for which the data are usually available (OECD, 2016c).

In addition to the need for a greater focus on the environmental and socio-cultural pillars of sustainability, it is clear that delivering sustainable tourism growth is a continuous process requiring a commitment from policy makers, industry and local communities, and ongoing monitoring of progress and impacts. It is also clear, however, that there is no one-size fits all solution, due to the unique characteristics and requirements of individual destinations, and tailored approaches to impact measurement and destination management, are needed.

One area with potential to address these challenges is by combining conventional statistical data, with emerging, big data sources, to enhance its spatial and temporal granularity. A recent of example of this approach, was applied in a study of spatio-temporal patterns of tourism in Europe (Batista et al., 2018). Through the integration of data from conventional statistical sources and two major online booking services containing the precise location and capacity of tourism accommodation establishments, a complete and consistent dataset describing tourist density at high spatial resolution and monthly breakdown for the whole of the European Union was produced. The applications for spatio-temporal 'heat maps' of this kind are clear, in that can be used identify potential hotspots for unbalanced tourism development, and inform policy responses.

Despite these limitations, and in an effort to tackle social, cultural, economic, and environmental challenges, countries are now taking steps to better understand the impacts of tourism on destinations and host communities, determine their relevant carrying capacity, and assess the sustainability of the sector more broadly. For example, Iceland experienced exceptional tourism growth between 2010 and 2017, generating immense economic benefits while adding pressure on the country's infrastructure, environment

and wider society. In response, in 2017 the Minister of Tourism, Industry and Innovation developed a Tourism Impact Assessment (TIA) tool to attempt to assess the carrying capacity of Iceland as a tourist destination (Box 3.16).

Box 3.16. Tourism Impact Assessment in Iceland

Operating under the auspices of the Ministry of Industries and Innovation, the Tourism Impact Assessment project was developed by the Tourism Task Force, in collaboration with various expert advisors. The task was to measure the capacity of key elements of infrastructure that tourists move through during their trip. Based on available data, these elements were assessed and thresholds established to determine whether tolerance limits have been reached or were likely to be reached in the foreseeable future according to growth scenarios of 2% and 5% until 2030. An assessment was then made of how flexible and capital-intensive the elements were for improvement. More than 60 indicators in categories including economy, infrastructure, support services and society were formulated and assessed to perform the assessment.

Preliminary results indicate that several components have already reached or are approaching their tolerance limits. The Tourism Impact Assessment will, together with a new Tourism Policy Framework for 2020-30, guide work on a new action-oriented tourism strategy that will take effect in 2020. It will also serve as a tool for future decision-making regarding infrastructure investment and policy revision.

The results will be regularly reassessed and updated as data sets improve. The data-centred approach of the Impact Assessment is considered an important first step in developing a holistic management system for tourism. It has the potential to become a foundation for optimising tourism's contribution to Iceland's economy and society whilst taking the carrying capacities of the resources that tourism builds on into account, contributing towards the sustainable development of the tourism industry in the future.

The European Tourism Indicators System (ETIS) for sustainable destination management, was developed by the European Commission, with the aim of encouraging destinations to adopt a more intelligent approach to tourism planning. It is designed to be a management tool, supporting destinations who want to take a sustainable approach to destination management; a monitoring system, to facilitate the collection of data and detailed information and enable destinations to monitor performance; and an information tool, useful for policy makers, tourism enterprises and other stakeholders. Based on ETIS and UNWTO guidelines, Croatia has developed the Croatian Sustainable Tourism Observatory (CROSTO) as part of the International Network of Sustainable Tourism Observatories (INSTO), to support the vision set by Croatia for the future of its tourism sector. Through regular and timely monitoring of sustainable tourism in the Adriatic Croatia, the observatory helps to raise awareness of the possible positive and negative impacts of tourism development in the region. One of the major aims for CROSTO is that it will help create better policies and propose adequate, necessary measures that will also inform the development of Croatia's new tourism strategy for 2021.

In the case of Portugal's Tourism Strategy 2027, the implementation of the action plan required the development of a monitoring system to respond to the strategic goals, enable tourism policy evaluation and provide the private sector with necessary instruments for decision-making. In this context, a set of indicators covering the three pillars of sustainability were developed to encourage the adoption of sustainability principles throughout the industry – informed by UNWTO guidelines and ETIS. The development of indicators common to all regions, allows comparability and the ability to measure progress over time.

At a more local level, a Smart Monitoring Pilot Scheme is being progressed for three tourist attractions in County Donegal, Ireland (Malin Head, Sliabh Liag and Fanad Head). The purpose of which is to work and

collaborate with a range of stakeholders committed to the sustainable development of the Wild Atlantic Way coastal route, and anticipate and avoid potential negative environmental impacts. The smart monitoring project will comprise of counters/sensors installed at key points at each of these sensitive sites. A dashboard will enable the monitoring of visitor numbers in real time, the mode of arrival, and visitor movement within and around the site. Additional monitoring of water and air quality will also take place, with all collected data used to inform visitor management at various levels.

Finally, in order to ensure the long-term sustainability of the sector, it is critical that tourism grow in harmony with the local population. For example the Social Progress Index in Costa Rica was launched in March 2016. It measures the well-being of people in tourist destinations, serving as an indicator to better promote and establish public-private partnerships, and to foster social progress and sustainable, inclusive economic growth. A key aspect of the project is the use of new methodologies to measure the sustainability of destinations. Tailor-made indicators reflect the integral and multidimensional nature of tourism and the particularities of each territory. The Social Progress Index enables the Tourism Board to not only assess the areas of strengths and weaknesses of each tourist destination, but also to develop collaborative and cross-sectional strategies in order to align social investments, focus resources, and co-ordinate interventions, with local governments, other ministries and national institutions, firms, touristic businesses and civil society. Therefore, this platform is a milestone for the tourism sector of Costa Rica, in that it generates a data-based decision-making platform geared towards inclusive growth aligned with the 2030 global agenda.

Another important element of this process is understanding resident perceptions on the impact and value of tourism. For example, in 2019, UNWTO and Ipsos undertook a global survey of 12 000 respondents from 15 countries, to better understand residents' perceptions towards city tourism, its impacts and management strategies. Key findings from the survey show that 47% of respondents think they live in cities with high numbers of tourists, with 52% indicating that tourism has a moderate or big impact in generating wealth and income. Conversely, nearly half (46%) thought tourism 'creates overcrowding', while a similar number (49%) indicating that measures should be implemented to better manage tourism, including improved infrastructure and facilities (72%), creating experiences and attractions that benefit both residents and visitors (71%), and ensuring that the local community benefits from tourism (65%). Similar 'mood of the nation' surveys are being undertaken at the country level (e.g. Australia and New Zealand) to assess resident perceptions concerning the size and value of tourism and feed into development and management plans.

Moving forward, a more analytical approach to understanding i) the impact and total cost of managing each tourist during their stay in a destination, and ii) resident perceptions of tourism's impact and value, should be a priority consideration for communities and policy makers. Adopting such an approach would enable more informed decisions as destinations strive to determine the appropriate or desired balance between the short-term economic opportunities afforded by the rapidly growing travel and tourism sector, and the long-term resilience of its human, natural and cultural resources (WEF, 2019).

Policy solutions to meet tourism's potential

Based on the above analysis, it is clear that for many countries, regions and destinations, tourism growth remains economically, socially and environmentally unbalanced, often as a result of rapid and unplanned growth in visitor numbers, which can negatively affect not only the tourist experience, but also the environment and host communities upon which tourism depends. It is also clear, however, that there is no one-size fits all solution, as the opportunities and challenges for tourism development will vary depending on the unique characteristics of individual destinations within and between countries.

Building on the analysis within the chapter, outlined below are a selection of key policy considerations to address increased pressure on those destinations experiencing unbalanced tourism growth. Such

considerations can provide existing and emerging destinations with the tools to help avoid potential pitfalls as they strive to strike a balance between the benefits and costs associated with tourism development, and implement a sustainable vision for the future.

- **Rethink tourism success.** A paradigm shift in perceptions of tourism 'success' is required across all levels of government and on behalf of all stakeholders, with a greater focus on the environmental and socio-cultural pillars of sustainability. Success should not be judged on visitor numbers alone, but rather from a more holistic perspective that considers the positive impacts that tourism can deliver at the destination level. In addition to economic benefits, adopting such a philosophy would help to deliver net benefits to local communities and indigenous peoples, contribute to achieving the SDGs, and combat climate change.
- **Adopt an integrated policy-industry-community approach**. It is imperative that tourism is treated as only one component of a diverse economy. Policy makers need to ensure that efforts to grow tourism are pursued within the wider context of relevant city, regional, and wider economic development strategies, and in close co-operation with industry and civil society. Horizontal and vertical policy co-ordination, and closer integration of multiple policies to support a more strategic and co-ordinated approach to sustainable tourism growth is needed to spread the benefits of tourism both spatially and temporally. Due to the evolving nature of multi-level governance systems, a periodic review of jurisdictional responsibilities should be made to ensure flexibility in the system.
- **Mainstream sustainable policies and practices**. Policy makers should take additional steps to mainstream the concept of sustainability in tourism policies and industry practices, to better support the transition to a green, low-emissions and climate-resilient tourism economy. Long-term strategies and objectives should have a clear sustainability focus and clear linkages to the SDG targets. A more comprehensive understanding of tourism value chains will help to identify opportunities for incremental improvement and capacity building needs. Adopting a circular economy approach presents an opportunity for tourism businesses and more specifically SMEs to enhance innovation and achieve resource efficiency with a system-wide approach along the entire value chain, and there is a clear role for governments to play in facilitating this process.
- **Better measurement for better management**. Together, the spatial and temporal dimensions of tourism are fundamental in any effort to characterise and study tourism in a given territory. Countries require a system of tourism information and statistics that produces robust and timely data that is sufficiently disaggregated and comparable at the regional and national level. Moving forward, countries should adopt a more analytical approach to understanding short and long term environmental, social and economic impacts of tourism development, including the financial costs of managing tourists during their stay, in order to more effectively inform the decision-making process and to determine the desired type and scale of tourism appropriate for individual destinations. As part of this process, policy makers should continue to explore opportunities to combine conventional statistical data, with emerging, big data sources, to enhance its spatial and temporal granularity.
- **Develop a forward looking agenda**. To achieve long-term sustainable tourism development, governments at all levels would benefit from developing comprehensive long-term plans that extend beyond the political cycle. These strategies should provide the certainty that businesses require, while being agile enough to emerging realities. They should consider the potential impacts of policies on future generations and take responsible actions in the present. An ongoing dialogue between government, local communities and industry, utilising regular feedback mechanisms can play an important role in identifying opportunities and challenges as they arise, and in developing policy responses to adapt as necessary. Finally, as the world becomes increasingly globalised and enabling technologies continue to facilitate connections, policy makers cannot operate in silos and must collaborate internationally to ensure that the gains from tourism are inclusive and equitable, and that policies and decisions are globally sustainable.

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Part I OECD country profiles

Australia

Tourism in the economy

Tourism contributed AUD 60.8 billion to Australia's GDP in 2018-19 – representing 3.1% of total GDP. The sector directly employed around 666 000 people or 5.2% of total employment, more than the agricultural and mining industries combined. Travel exports accounted for 65.5% of total service exports in 2018.

International tourist arrivals were up 3% to 9.3 million for the year ending June 2019. These international visitors spent a record AUD 44.6 billion, representing a 5% growth on the previous year. Domestic overnight visitor spend also reached a record high of AUD 77.5 billion over the same period, up by 15%.

Australia's top inbound market by spending is China, followed by the United States and the United Kingdom. Chinese visitors spent AUD 11.9 billion in the year ending June 2019, which is up 5.9 % on the previous year and account for 27% of total visitor spending by international visitors in Australia. This share has increased strongly over the last decade, and is up from 10% in 2008–09. Tourism Research Australia forecasts that by 2028–29, 2.6 million Chinese will visit Australia annually and spend AUD 27.4 billion.

Domestic tourism experienced significant growth in 2018-19, with Australians taking a total of 340.1 million trips over this period (up 12% compared to 2017-18), of which 33.3% were overnight visits and 66.7% were same-day trips.

Tourism governance and funding

The Australian Trade and Investment Commission (Austrade) works closely with Tourism Australia, the Department of Foreign Affairs and Trade, and state and territory governments to co-ordinate the delivery of whole-of-government tourism objectives. Austrade is responsible for tourism policy, projects, programmes and research. Within Austrade, Tourism Research Australia provides international and domestic tourism intelligence, including statistics and analysis.

Tourism Australia is the Government agency responsible for attracting international visitors to the country. Formed under the Tourism Australia Act of 2004, it delivers partnership marketing to targeted global consumers in key markets to grow demand and foster a competitive and sustainable Australian tourism industry. The Department of Foreign Affairs and Trade works to strengthen bilateral tourism relationships and to leverage key multilateral tourism bodies. All state and territory governments in Australia incorporate tourism into their portfolios to ensure effective international and domestic tourism promotion and industry development.

Tourism Ministers' Meetings (TMM) bring together tourism ministers from the Australian, state and territory governments to discuss tourism policy matters of mutual interest. Chaired by the Australian Government Minister for Trade, Tourism and Investment, the Tourism Ministers' Meetings has collective responsibility for implementing the national tourism strategy, Tourism 2020. Its work is supported by the Australian Standing Committee on Tourism (ASCOT), which is chaired by Austrade and includes representatives from Tourism Australia, the Department of Foreign Affairs and Trade and each state and territory tourism

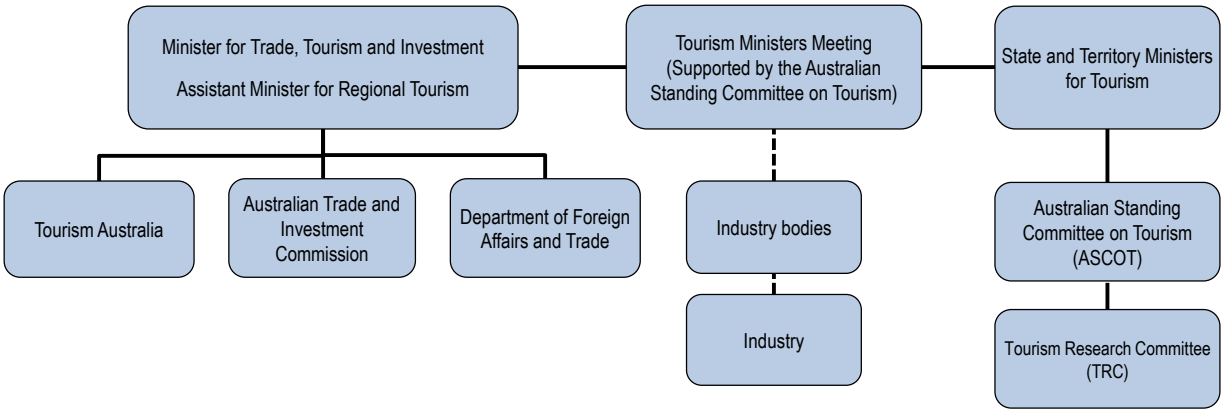
organisation, and relevant state departments with responsibility for tourism policy. Representatives from the tourism industry can be invited to attend ASCOT and TMM meetings as requested.

In 2019-20, Tourism Australia was allocated a budget of AUD 154.1 million. This includes AUD 14 million for the Asian Marketing Fund, AUD 2.5 million for the Working Holiday Maker campaign, and AUD 2 million for promotion of the T20 World Cup cricket in India.

At the beginning of 2019, the Australian Government announced a number of new funding initiatives to support tourism, including:

- AUD 50 million over three years for Tourism Icons projects in five locations to help drive tourism demand into regional Australia.
- AUD 40 million over four years for an Indigenous Tourism Fund to further develop this important sector of the Australian tourism industry.
- AUD 11 million over four years to attract more Chinese tour group tourists to Australia.

Australia: Organisational chart of tourism bodies



Source: OECD, adapted from the Australian Government, 2020.

Tourism policies and programmes

Tourism 2020 is the long-term strategy to build the resilience and competitiveness of Australia's tourism industry and grow its economic contribution. Launched in December 2011 and running until December 2020, it was the first time that national, state and territorial strategies to drive tourism demand and policies to grow the supply side were brought together in a co-ordinated manner. In terms of roles at the federal level:

- Austrade co-ordinates at the federal level to ensure policy settings support the supply side.
- Tourism Australia drives international demand through marketing and industry development activities.
- Department of Foreign Affairs and Trade leads and manages Australia's bilateral and multilateral tourism relationships.
- Tourism Research Australia underpins the strategy with data and insight.

Tourism 2020 set the ambitious target of doubling overnight visitor spend to between AUD 115 billion and AUD 140 billion by 2020. Thanks to strong co-operation between industry and all levels of government,

overnight visitor spend reached AUD 122.1 billion in 2018-19, and is on track to achieve AUD 134 billion by the end of 2020.

Since 2009, total overnight spend has increased by AUD 51.1 billion (up 72%) and an additional 40 400 rooms have been added to the accommodation stock in Australia's top ten tourism cities. International aviation capacity has grown by 67%, while domestic capacity has grown by 21%. Linked with this, 159 500 additional employees have joined the tourism workforce. Tourism 2020 has been an unifying force within the sector, with states and territories setting their own targets for overnight expenditure, with the strategy continuing through multiple changes of federal government. The development and ongoing industry ownership of Tourism 2020 has been recognised as policy best practice, and Australia is looking to re-create this as the next strategy is developed to come into force at the beginning of 2021.

The challenges facing Australia's tourism sector are to continue to drive sustainable growth of increased visitation and yield from a balanced portfolio of markets while at the same time managing key supply side issues such as increasing investment in tourism infrastructure, building the capacity and capability of the tourism workforce, and appropriately growing air connectivity:

- Growing demand for visitation to and within Australia is vital to reaching the upper range of the Tourism 2020 spend targets. To achieve this, Tourism Australia maintains a balanced portfolio approach in its international marketing, with investment in 15 core markets reflecting the greatest opportunities for sustained growth.
- Since making tourism a national investment priority, Australia has achieved record levels of international investment in tourism infrastructure. The Government has in recent times shifted its focus from investment attraction to project facilitation to ensure the pipeline of tourism infrastructure comes to fruition.
- In 2015, there were 38 000 unfilled tourism positions across Australia, which restricted the sector's ability to meet growing demand for Australia's tourism products, services and experiences. This is being tackled by: working with the industry-led Tourism and Hospitality Labour and Skills Roundtable; establishing a Skilling Australians Fund, which provides funding to states and territories to grow the number of apprentices and trainees to support Australia's future productivity, jobs and growth; and delivering the Tourism Employment Plans (TEPS) in partnership with states and territories. These TEPS are three-year plans that outline tailored strategies for a region to meet its specific labour and skills needs.
- A key pillar of the Tourism 2020 strategy is the goal of increasing international aviation capacity to Australia by 50% to 26 million annual inbound seats in total. This target was met four years early, however work has continued to ensure aviation capacity increases ahead of demand. In June 2019 there were around 58 international airlines and 1 954 international flights into Australia per week, which equates to a capacity of 26.9 million seats per annum.

Improving regional dispersal is a focus to grow the Australian tourism industry. While 44 cents in every tourism dollar is spent in regional Australia, regional dispersal remains challenging, particularly for international visitors. To this purpose the Government appointed an Assistant Minister for Regional Tourism in May 2019, and is providing funding for regional tourism infrastructure through the Building Better Regions Fund (Box 1.10).

In 2018, the Government commenced the process of developing its next 10 year tourism strategy, which is being progressed under the working title of Tourism 2030. An industry steering committee was established, which reported to Government in December 2018 on its vision for the future of the tourism industry. Challenges highlighted by the steering committee included: maintaining Australia's competitiveness, the sharing economy, technology, ultra-long haul travel, emerging markets, international education, and social licence. Priorities included: drive visitor demand through marketing, aggregated and segmented data analytics capability, addressing capacity constraints, technology, providing a suitably skilled and available workforce, and building a sustainable tourism industry. Building on the work of the

steering committee's report, it was identified that further consultation and opportunities for direct input by state and territory governments and the broader tourism industry would help build shared ownership of the strategy. This will also ensure that the national strategy aligns with individual state and territory strategies. Development work is continuing with the intention that the strategy is considered by Ministers during 2020 with a commencement date of 1 January 2021.

Statistical Profile

Australia: Domestic, inbound and outbound tourism

	2014	2015	2016	2017	2018
TOURISM FLOWS, THOUSAND					
Domestic tourism					
Total domestic trips	251 611	261 132	277 269	280 432	303 348
Overnight visitors (tourists)	80 332	85 317	89 071	93 362	101 487
Same-day visitors (excursionists)	171 279	175 815	188 198	187 070	201 861
Nights in all types of accommodation	296 189	312 136	325 711	336 054	362 533
Hotels and similar establishments	76 085	80 795	80 371	85 052	92 128
Other collective establishments	70 014	73 614	89 488	88 159	94 414
Private accommodation	150 129	157 727	155 852	162 843	175 991
Inbound tourism					
Total international arrivals	6 725	7 138	7 853	8 558	9 072
Overnight visitors (tourists)	..	..	..	..	..
Same-day visitors (excursionists)	..	..	..	..	..
Top markets					
China	774	936	1 146	1 259	1 422
New Zealand	1 227	1 271	1 325	1 353	1 371
United States	538	585	665	759	788
United Kingdom	671	667	704	726	742
Japan	331	333	380	429	442
Nights in all types of accommodation	217 921	235 483	247 157	264 515	269 272
Hotels and similar establishments	22 561	24 482	26 683	28 655	28 822
Other collective establishments	105 164	113 671	116 972	126 879	132 244
Private accommodation	90 196	97 330	103 501	108 981	108 207
Outbound tourism					
Total international departures	8 987	9 263	9 665	10 297	10 759
Overnight visitors (tourists)	..	..	..	..	..
Same-day visitors (excursionists)	..	..	..	..	..
Top destinations					
New Zealand	1 186	1 225	1 293	1 412	1 419
Indonesia	1 016	1 126	1 148	1 223	1 211
United States	970	999	1 062	1 086	1 084
United Kingdom	564	571	601	611	644
Thailand	616	565	558	558	581
TOURISM RECEIPTS AND EXPENDITURE, MILLION AUD					
Inbound tourism					
Total international receipts	42 209	48 220	52 574	57 356	63 253
International travel receipts	39 802	45 585	49 827	54 450	60 276
International passenger transport receipts	2 407	2 635	2 747	2 906	2 977
Outbound tourism					
Total international expenditure	43 015	45 394	47 990	51 727	56 597
International travel expenditure	36 869	38 897	41 437	44 896	49 258
International passenger transport expenditure	6 146	6 497	6 553	6 831	7 339

.. Not available
Source: OECD Tourism Statistics (Database).

StatLink http://dx.doi.org/10.1787/888934076267

Australia: Enterprises and employment in tourism

	Number of establishments[1]	Number of persons employed				
	2016	2014	2015	2016	2017	2018
Total	**..**	**575 900**	**593 300**	**617 600**	**646 000**	**..**
Tourism industries	**288 907**	**556 200**	**573 100**	**597 100**	**625 100**	**..**
Accommodation services for visitors	12 868	84 300	83 600	85 000	86 000	..
Hotels and similar establishments	..	..	..	..	..	..
Food and beverage serving industry	79 878	181 400	191 300	203 100	212 900	..
Passenger transport	31 860	62 000	62 600	66 000	70 500	..
Air passenger transport	4 855	37 400	36 300	38 900	40 200	..
Railways passenger transport	78	2 200	2 600	2 700	2 700	..
Road passenger transport	26 927	22 400	23 700	24 400	27 600	..
Water passenger transport	..	..	..	..	..	..
Passenger transport supporting services	..	..	..	..	..	..
Transport equipment rental	..	..	..	..	..	..
Travel agencies and other reservation services industry	6 666	40 400	38 400	42 600	43 500	..
Cultural industry	14 191	15 100	14 900	14 600	16 500	..
Sports and recreation industry	13 060	26 900	28 000	27 100	30 700	..
Retail trade of country-specific tourism characteristic goods	130 384	100 300	104 500	103 300	107 200	..
Other country-specific tourism industries	..	45 800	49 900	55 500	57 900	..
Other industries	**..**	**19 700**	**20 200**	**20 500**	**20 900**	**..**

.. Not available
1. Data refer to number of enterprises.
Source: OECD Tourism Statistics (Database).

StatLink http://dx.doi.org/10.1787/888934076286

Australia: Internal tourism consumption

Million AUD

	2017		
	Domestic tourism expenditure	Inbound tourism expenditure	Internal tourism consumption
Total	**..**	**..**	**..**
Consumption products	**105 982**	**37 391**	**143 372**
Tourism characteristic products	66 501	17 541	84 042
Accommodation services for visitors	13 433	5 730	19 163
Food and beverage serving services	17 748	3 752	21 501
Passenger transport services	19 978	4 745	24 723
Air passenger transport services	..	..	..
Railways passenger transport services	..	..	..
Road passenger transport services	..	..	..
Water passenger transport services	..	..	..
Passenger transport supporting services	..	..	..
Transport equipment rental services	1 380	542	1 922
Travel agencies and other reservation services industry	7 002	1 596	8 598
Cultural services	..	..	..
Sports and recreation services	6 959	1 176	8 135
Country-specific tourism characteristic goods	..	..	..
Country-specific tourism characteristic services	..	..	..
Other consumption products	39 481	19 850	59 331
Tourism connected products	38 255	18 427	56 682
Non-tourism related consumption products	1 226	1 423	2 649
Non-consumption products	**..**	**..**	**..**

.. Not available
Source: OECD Tourism Statistics (Database).

StatLink http://dx.doi.org/10.1787/888934076305

Austria

Tourism in the economy

The direct value-added effect of tourism to the Austrian economy in 2018 is calculated to be EUR 25 billion (excluding business trips), or 6.5% of GDP, according to the Austrian Tourism Satellite Account (TSA). Based on the TSA, some 244 000 full-time job equivalents were directly attributed to tourism related industries in 2017, contributing 6.4% of overall employment in Austria. Travel exports represented 30.9% of total service exports in 2018.

The number of international tourist arrivals in all accommodation establishments (commercial and private) was 30.8 million in 2018, which was up 4.6% over 2017, and the number of bednights amounted to 110.4 million (up 4.2%). The fastest growing source markets compared with 2017 were Germany (up 2.7 million bednights), the Netherlands (up 0.3 million) and Czech Republic (up 0.2 million). Declines were registered from Switzerland and Liechtenstein (down 89 000 bednights), Italy (down 35 000) and Turkey (down 21 000).

For 2018, there was a positive balance of payments from tourism of approximately EUR 9.3 billion, an increase of EUR 660 million when compared to 2017. Income from inbound tourism totalled EUR 19.5 billion, a rise of 7.4%, while spending by Austrian residents abroad also increased by 7.3% to EUR 10.1 billion.

Domestic tourist arrivals in paid accommodation totalled 14.0 million in 2018 (up 3.0%) with 39.4 million bednights registered (up 2.2%). Record highs were registered during both the winter and summer seasons with 5.9 million and 8.2 million arrivals respectively.

Tourism governance and funding

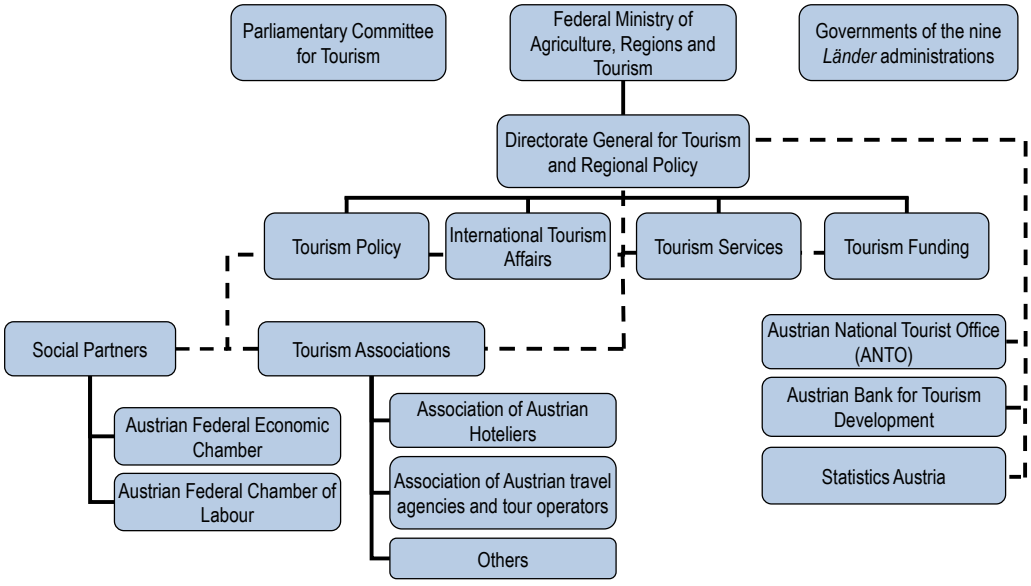
Under the Austrian Federal Constitution, the nine Länder (federal provinces) have legislative and executive responsibility for tourism affairs. As tourism is a cross cutting sector, Federal and European laws also apply.

At a national level, from January 2020 on tourism policy is the responsibility of the Federal Ministry of Agriculture, Regions and Tourism. In addition, there is a Parliamentary Committee for Tourism within the Austrian Parliament. Synergies between the national and regional levels continue to be strengthened via a Tourism Steering Group, which is chaired by the Ministry and brings together representatives of the regional tourism administrations.

Co-operation with other ministries, departments, institutions and the tourism industry is organised for specific topics either via permanent groups or for short term issues dealt with by round tables. This includes, for example, the Expert Council supporting the implementation of Plan T - Master Plan for Tourism, as well as sustainable mobility, visas and tourism ethics issues. Other issues are considered on a case-by-case basis - such as new funding schemes and legislation affecting tourism. These permanent groups and roundtables are also established to future proof policies, and enable a thorough horizon scanning process.

The Austrian National Tourist Office (ANTO) is the national tourism marketing organisation. It is funded by the Ministry (75%) and the Austrian Federal Economic Chamber (25%), and co-operates closely with the Austrian tourism trade, including the tourist boards of the Länder and tourism businesses. The core responsibilities of Austrian National Tourist Office are market research, brand management, marketing, tourism networking and information provision.

Austria: Organisational chart of tourism bodies



Source: OECD, adapted from the Federal Ministry of Ministry for Agriculture, Regions and Tourism, 2020

In 2018, the national tourism administration's budget was EUR 69.8 million. Of this total, EUR 39.6 million was administered by the Austrian Bank for Tourism Development, a specialist bank acting in a public-private partnership with the Ministry. This included EUR 23.9 million dedicated to financial support for SMEs. In addition, two special funding programmes for investments in tourism enterprises resulted in further spending of EUR 15.7 million, which explains the relatively sharp singular increase compared to previous years.

Almost EUR 24.4 million was directed to the annual budget of the Austrian National Tourist Office and a further EUR 5.8 million was disbursed by the Ministry in the form of individual subsidies for co-financing tourism projects and service contracts. Also, EUR 50 million from European Recovery Programme funds were made available for loans to tourism SMEs. In addition to the national budget, all nine Länder have their own tourism budgets to support their specific tourism development programmes.

Tourism policies and programmes

In 2019, the Ministry published a new national tourism strategy, the Plan T – Master Plan for Tourism, which was reemphasised by the government programme of January 2020. It lays down guidelines for the sustainable development of tourism and serves as a guide for political decisions. Sustainability in all its dimensions and a culture of co-operation are central considerations to achieve a new quality of tourism policy (Box 3.6). The Plan is supplemented by an annual action plan, which contains concrete implementation measures and facilitates a rapid response to changes in a dynamic environment. Implementation involves widespread participation of public and private actors overseen by an Expert Council together with steering groups of the Länder. This is underpinned by annual Tourism Days, which

are industry events organised by the Ministry, the Federal Economic Chamber and the Austrian National Tourist Office.

Key aspects of the Plan include:

- Designing tourism in a way that allows for the harmonious co-existence of both tourists and the local population, such as surveys to fully understand impacts at the local level.
- Improving the dialogue and initiating stronger co-operation with Länder, destinations, businesses, interest groups and stakeholders from other sectors.
- Supporting digital transformation, such as by supporting tourism businesses to adapt, creating data alliances and expanding e-government services (Box).
- Creating appropriate framework conditions for the tourism sector, including in the fields of taxation, business succession and new business models.
- Optimising the quality of training and better exploiting the potential for inter-business measures to improve the attractiveness of working in tourism by for example developing employee benefit schemes or better accommodation facilities.
- Working towards greater levels of sustainability, including by improving climate-friendly mobility and promoting further use of renewable energy by businesses and regions.
- Intensifying co-operation between tourism and agriculture, including in the culinary sector.
- Further developing tourism marketing, such as by rethinking destination management and optimising the use of new technologies.
- Strengthening family-run and owner-managed enterprises by providing tailor-made financing and subsidy mechanisms as well as developing new financing mechanisms with a focus on equity.
- Creating a future-oriented system of statistical indicators covering all three dimensions of sustainability.

Fostering digitalisation in Austria

Digitalisation constitutes a major challenge for the tourism sector and affects the entire tourism value chain. At the same time, it offers manifold opportunities for innovation, productivity and tailor-made solutions for both demand and supply. The Federal Ministry has therefore put a major emphasis on digitalisation in its new tourism strategy Plan T – Masterplan for Tourism. A key measure is the establishment of a new future lab at the Austrian National Tourist Office: Next Level Tourism Austria (NETA). As a central innovation hub for the tourism sector, it will focus on complex technological applications and processes for single enterprises as well as regions, and thus be a frontrunner to respond to societal and technological developments triggered by digitalisation. Due to the different levels of digitalisation across the tourism sector, it is essential to support SMEs to adapt to these new technologies. In 2019, the Ministry sought innovative flagship projects involving the co-operation of SMEs in rural areas. The transformation of SMEs to a digital economy is also supported by the horizontal programme “KMU-Digital” of the Federal Ministry for Digital and Economic Affairs.

A related initiative on R&D Competences for Industry by the Austrian Research Promotion Agency was opened for the first time to tourism stakeholders in 2018. Focusing on supporting the development of digital expertise for SMEs, a total of EUR 1.2 million was awarded to four projects bridging higher education and research institutions, and tourism SMEs. The SMEs (and their employees) benefit from developing better digital understanding and qualifications, while education and research institutions get a closer insight into practical knowhow required by businesses for their day-to-day operations. Bringing both sides closer together also helps to improve the educational offer in the field.

More and more visitors consider sustainability, climate change and the active promotion of environmentally compatible tourism to be matters of great importance. Therefore, a number of activities have been implemented by the Federal Ministry. One specific measure is the use of the Climate and Energy Fund by the regions, in co-operation with the Ministry, to support communities to implement projects in the field of renewable energy, reduction of energy consumption and sustainable mobility. Since 2009, a number of "climate and energy model regions" have been established in Austria. In 2019, for the first time, a specific call was launched for tourism with a budget of EUR 1 million supporting the establishment of a showcase region for climate-friendly tourism within the next three years.

Beyond this, there are ongoing efforts to improve the regulatory framework and to reduce the administrative burden on tourism enterprises. For example, one measure taken in 2018 was to reduce VAT on overnight stays from 13% to 10%. Another measure foreseen in Plan T is the creation of a modern regulatory and organisational framework relating to the sharing economy.

Statistical Profile

Austria: Domestic, inbound and outbound tourism

	2014	2015	2016	2017	2018
TOURISM FLOWS, THOUSAND					
Domestic tourism					
Total domestic trips	..	..	..	..	..
Overnight visitors (tourists)	12 265	12 697	13 343	13 619	14 033
Same-day visitors (excursionists)	..	..	..	..	..
Nights in all types of accommodation	35 668	36 425	38 014	38 523	39 390
Hotels and similar establishments	23 482	23 941	24 841	24 971	25 559
Other collective establishments	8 860	9 122	9 718	10 112	10 376
Private accommodation	3 326	3 362	3 455	3 441	3 454
Inbound tourism					
Total international arrivals	..	..	..	..	..
Overnight visitors (tourists)	25 291	26 728	28 121	29 460	30 816
Same-day visitors (excursionists)	..	..	..	..	..
Top markets					
Germany	11 750	12 141	12 986	13 443	14 092
Netherlands	1 672	1 735	1 863	1 935	2 001
Switzerland and Liechtenstein	1 310	1 400	1 446	1 454	1 445
Italy	1 051	1 123	1 102	1 102	1 099
United Kingdom	803	876	920	942	996
Nights in all types of accommodation	96 233	98 824	102 863	105 977	110 430
Hotels and similar establishments	61 830	63 355	65 244	66 642	68 331
Other collective establishments	16 269	16 981	18 155	19 403	20 962
Private accommodation	18 134	18 489	19 465	19 933	21 136
Outbound tourism					
Total international departures	13 544	13 002	14 246	14 068	14 628
Overnight visitors (tourists)	10 994	10 628	11 534	11 491	11 883
Same-day visitors (excursionists)	2 549	2 374	2 712	2 577	2 745
Top destinations					
Italy	2 033	1 971	2 178	2 221	2 330
Germany	2 347	2 297	2 324	2 189	2 196
Croatia	1 085	965	1 416	1 413	1 353
Spain	576	592	628	620	615
Greece	380	352	369	375	420
TOURISM RECEIPTS AND EXPENDITURE, MILLION EUR					
Inbound tourism					
Total international receipts	17 444	18 351	18 952	19 952	21 403
International travel receipts	15 676	16 435	17 401	18 112	19 559
International passenger transport receipts	1 768	1 916	1 551	1 840	1 844
Outbound tourism					
Total international expenditure	10 189	10 195	10 462	11 300	12 091
International travel expenditure	8 329	8 408	8 800	9 454	10 143
International passenger transport expenditure	1 860	1 787	1 662	1 846	1 948

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Source: OECD Tourism Statistics (Database).

StatLink http://dx.doi.org/10.1787/888934076324

Austria: Enterprises and employment in tourism

	Number of establishments[1]	Number of persons employed				
	2017	2014	2015	2016	2017	2018
Total	**..**	**..**	**..**	**..**	**..**	**..**
Tourism industries	**87 973**	**..**	**227 705**	**234 152**	**243 969**	**..**
Accommodation services for visitors	..	..	..	..	..	..
Hotels and similar establishments	16 526	..	..	..	68 028	..
Food and beverage serving industry	30 948	..	..	..	112 075	..
Passenger transport	12 266	..	..	..	24 472	..
Air passenger transport	161	..	..	..	6 521	..
Railways passenger transport	32	..	..	..	3 442	..
Road passenger transport	11 973	..	..	..	14 310	..
Water passenger transport	100	..	..	..	199	..
Passenger transport supporting services	..	..	..	..	..	..
Transport equipment rental	2 543	..	..	..	287	..
Travel agencies and other reservation services industry	2 462	..	..	..	11 660	..
Cultural industry	21 589	..	..	..	17 302	..
Sports and recreation industry	1 639	..	..	..	10 146	..
Retail trade of country-specific tourism characteristic goods	..	..	..	..	..	..
Other country-specific tourism industries	..	..	..	..	..	..
Other industries	**..**	**..**	**..**	**..**	**..**	**..**

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1. Data refer to number of enterprises.
Source: OECD Tourism Statistics (Database).

StatLink http://dx.doi.org/10.1787/888934076343

Austria: Internal tourism consumption

Million EUR

	2017		
	Domestic tourism expenditure	Inbound tourism expenditure	Internal tourism consumption
Total	**18 330**	**20 517**	**40 147**
Consumption products	**18 262**	**20 205**	**39 767**
Tourism characteristic products	15 383	17 399	32 782
Accommodation services for visitors	4 827	8 036	12 863
Food and beverage serving services	4 952	5 453	10 405
Passenger transport services	3 771	1 786	5 557
Air passenger transport services	2 185	1 480	3 665
Railways passenger transport services	845	277	1 121
Road passenger transport services	618	17	635
Water passenger transport services	123	13	136
Passenger transport supporting services	..	..	..
Transport equipment rental services	249	6	254
Travel agencies and other reservation services industry	105	0	105
Cultural services	1 087	832	1 919
Sports and recreation services	394	1 287	1 680
Country-specific tourism characteristic goods	..	..	..
Country-specific tourism characteristic services	..	..	..
Other consumption products	2 879	2 806	6 985
Tourism connected products	..	..	..
Non-tourism related consumption products	..	..	..
Non-consumption products	**68**	**312**	**380**

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Source: OECD Tourism Statistics (Database).

StatLink http://dx.doi.org/10.1787/888934076362

Belgium

Tourism in the economy

In Belgium, tourism is under the respective authority of three regions: Flanders, Wallonia, and Brussels. This section provides a national overview of the impact of tourism in the country, followed by detail of the respective governance and policy initiatives of the Flanders and Wallonia regions. Tourism directly contributes 2.3% of total GVA in Belgium, while employment in tourism sectors represents 6.7% of the total employment, according to the Tourism Satellite Account. Travel exports accounted for 7.2% of total service exports in 2018. In Flanders, the tourism sector accounted for 4.5% of GDP (EUR 11.7 billion), and 5.5% of employment. In 2017 in Wallonia, tourism made up 4.1% of GVA (EUR 3.6 billion) and supported 84 000 jobs, including 59 000 full-time equivalents, representing 7.5% of employment in the region.

In 2018, Belgium received 6.7 million international tourists (up 6.1% over 2017), who spent a total of 12.4 million nights (+6.8%). Of this figure, 3.2 million visited Flanders (47.2%), 2.7 million visited Brussels (40.6%) and 815 000 visited Wallonia (12.2%). Between 2017 and 2018, Brussels experienced the fastest growth in international arrivals (+8.5%), followed by Flanders (+5.1%), and Wallonia (+2.7%). The leading international markets for Belgium include the Netherlands, France, the United Kingdom and Germany, which together account for over half (52.7%) of total arrivals. Domestic tourism has also experienced growth in Belgium, with resident overnight visitors reaching a total of 4.8 million in 2018, up 6.9% over 2017. Of this, 60.1% visited Flanders, 23.5% Wallonia and 16.4% Brussels. In total, domestic tourists spent some 7.9 million nights in hotels and similar establishments.

Flanders Region

Tourism governance and governance

In Flanders, tourism is the responsibility of the Flemish Minister for Justice and Enforcement, Environment and Spatial Development, Energy and Tourism. The Tourism Unit of the Flemish Department of Foreign Affairs is responsible for international tourism policy and relations.

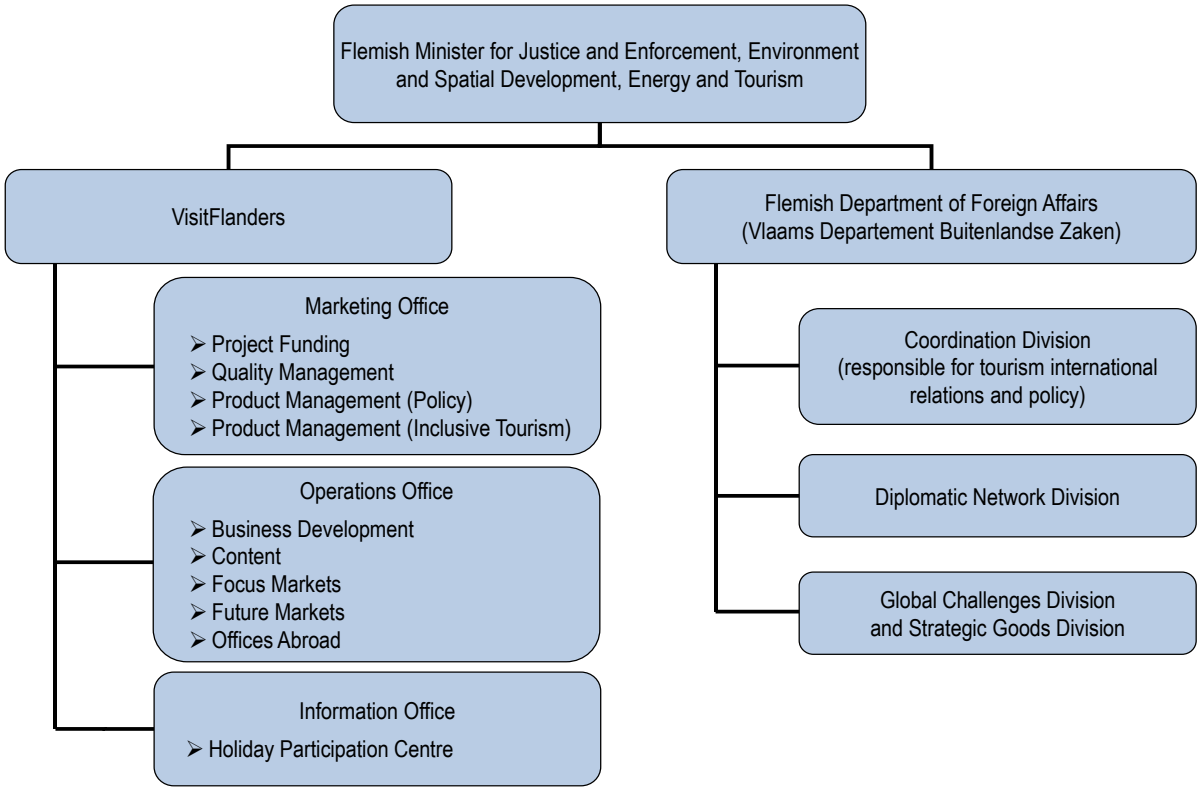
The Flemish tourist board, VisitFlanders, has the following objectives and functions:

- Investing in the sustainable development and promotion of Flanders and Brussels.
- Providing investment and support to make Flanders tourism more attractive.
- Promoting Flanders as a tourist destination to attract more visitors.
- Making sure that residents can enjoy and have a holiday, including people with disabilities or those with limited economic means.
- Stimulating professionalism in the sector in order to guarantee visitors a quality offer and experience.
- Recognising tourism accommodation providers.

Visit Flanders co-operates closely with the private sector, including Horeca Vlaanderen, Brussels Airport, Recread, CiB and Logeren Vlaanderen. This co-operation is facilitated by the Visit Flanders Advisory Committee, a legally-constituted body that advises the Minister and the CEO of Visit Flanders on tourism issues and policy.

In 2018, the overall budget for VisitFlanders was EUR 69.6 million. The provinces and the local authorities also invest in the domestic promotion of Flanders.

Belgium, Flanders region: Organisational chart of tourism bodies



Source: OECD, adapted from the Flemish Department of Foreign Affairs, 2020.

Tourism policies and programmes

For the period 2019-2024, the policy of Flanders aims to strengthen the positive power of tourism so that the region can flourish as an innovative, inspiring and high quality destination for the benefit of its residents, entrepreneurs and visitors. To this end, Flanders has three major objectives:

- Improving support to the tourism sector by policy makers and stakeholders.
- Identifying and developing narratives to tell the Flanders-wide story to visitors.
- Developing tourism that has sustainability and accessibility as core elements of the offer.

Over the last two years, Visit Flanders and the Flanders Department of Foreign Affairs have begun a journey towards “Travel to Tomorrow”. Working together with various tourism partners and stakeholders, through this co-creative thinking process Flanders is undertaking an in-depth reflection on the wider transformative power of tourism, and the structure and processes that are needed to ensure that interactions between visitors, residents and places generate net benefit for all parties, going beyond economic growth (Box 1.6).

Wallonia Region

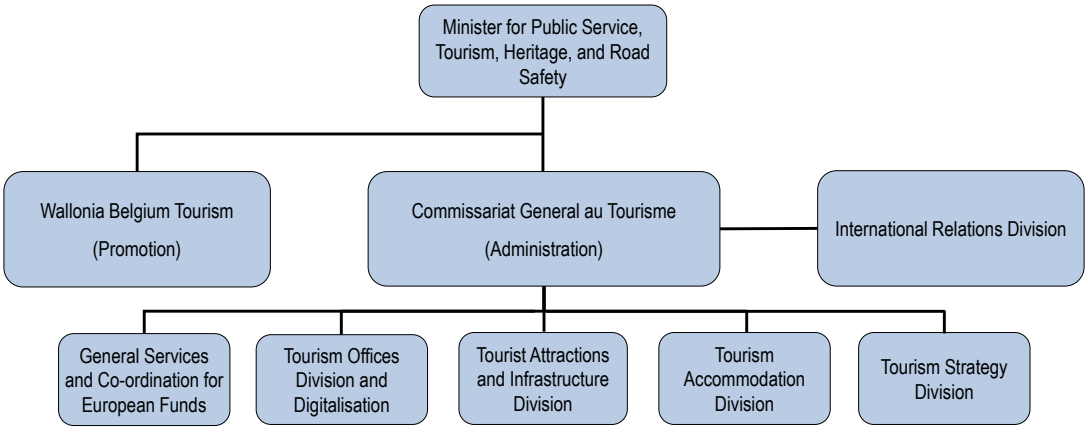
Tourism governance and funding

In Wallonia, tourism is the responsibility of the Minister for Public Service, Tourism, Heritage and Road Safety. Three bodies support the tourism sector:

- The Walloon Tourism Administration (CGT) is responsible for implementing the Walloon Government's tourism policy, improving the tourism offer, and organising and professionalising the sector.
- Wallonia-Belgium Tourism (WBT) is the tourism marketing body for the Walloon region, which works to attract tourists from overseas, boosting image and reputation, undertaking marketing campaigns and developing product with key partners.
- Wallonia Tourism Engineering Centre (CITW) is a joint economic and tourism research centre focused on tourism policy development and the co-ordination of research studies.

Engagement with the private sector is a priority for these bodies. Support measures provided include investment in facilities, assistance and financial support, the assessment of accommodation, visitor attractions and tourist guides, and the establishment of marketing partnerships to promote Wallonia. The 2019 budget allocated to tourism was EUR 58.8 million, not including funding for projects co-financed by the EU.

Belgium, Wallonia region: Organisational chart of tourism bodies



Source: OECD, adapted from the Commissariat General au Tourisme (Walloon administration for Tourism), 2020.

Tourism policies and programmes

Tourism policy in Wallonia is focused around two main objectives:

- **Developing and building on the assets of the region:** This includes measures to develop the tourism offer around the region's natural areas, world heritage sites, gastronomy, and major events, as well as creating packages for specific segments and improving service in major visitor attractions with multi-lingual staff, greater accessibility and longer opening hours.

- **Upgrading skills and competences to improve efficiency:** Priorities here include improving training in languages, quality of service and sustainable tourism, as well as the provision of financial support and innovation tools to the tourism sector.

Developing accessible cycle tourism in Wallonia

With more than 1 300 km of greenways, Wallonia aims to become a cycling tourism destination of excellence for all types of cyclists. To this end, it has developed the Wallonia-by-Bike Cycling Strategy, one component of which is developing accessible cycle tourism. The non-profit body, Access-I, has undertaken preliminary work to identify accessible routes, including analysis of various different adapted bicycles and meeting cyclists with specific needs to better understand their expectations. Six routes have been developed so far, with two different levels of difficulty. Through this work, the following elements have been identified as important when developing accessible cycle tourism:

- Availability of secure parking close to the start of the route.
- Accessibility of the path between the car park and the start of the route.
- Accessibility of the entrance to the route.
- Adequate width along the whole route.
- Limiting inclines.
- Regular rest areas.
- Adequate signage that allows for a stress-free ride without the risk of getting lost.
- Route design so that the cyclists never have to dismount.
- Possibility to turn back at designated areas.

During the project's development, special attention was paid to visual and cultural appeal. Like everybody, people with specific needs go cycling to enjoy moments of discovery. The quality and aesthetics of the cycle route are just as important as its accessibility. Another important part is the existence of related services such as restaurants, tourist offices and leisure activities, which is a condition for certification. The certification process of accessible cycling routes is now formalized.

Source: www.access-i.be.

The Walloon Tourism Administration has also prioritised measures including:

- Development of an official database and digital projects in collaboration with tourism offices.
- Improvement and updating of existing data. The Wallonia Tourism Observatory produces statistics and a Tourism Satellite Account. Current priorities include economic statistics on accommodation, museums and visitor attractions, and the analysis of rural tourism impacts.
- Continued roll-out of the Wallonia Quality Destination label, which is a quality management tool that gathers tourism professionals from across the region in a process to continually improve the quality of services on offer for tourists.
- Proactive land use planning according to tourism development requirements with the construction of three new resorts
- Product development that meet the demands of the sector, including a Wallonia-by-Bike Cycling Strategy, with over 1 900 km of route now in place and 608 certified operators (see box).
- Establishment of the *Ulysse* network lab dedicated to tourism training in schools.

Statistical profile

Belgium: Domestic, inbound and outbound tourism

	2014	2015	2016	2017	2018
TOURISM FLOWS, THOUSAND					
Domestic tourism					
Total domestic trips	..	..	..	..	..
Overnight visitors (tourists)	4 175	4 304	4 326	4 492	4 801
Brussels	702	676	634	728	790
Flanders	2 420	2 582	2 590	2 639	2 885
Wallonia	1 053	1 046	1 102	1 124	1 127
Same-day visitors (excursionists)	..	..	..	..	..
Nights in all types of accommodation	..	..	..	..	..
Hotels and similar establishments	6 926	7 048	6 968	7 313	7 858
Brussels	1 232	1 182	1 030	1 236	1 366
Flanders	4 032	4 260	4 240	4 333	4 736
Wallonia	1 661	1 607	1 698	1 744	1 756
Other collective establishments	..	..	..	..	..
Private accommodation	..	..	..	..	..
Inbound tourism					
Total international arrivals	..	..	..	..	..
Overnight visitors (tourists)	6 389	6 440	5 557	6 313	6 700
Brussels	2 546	2 534	2 101	2 510	2 723
Flanders	3 051	3 107	2 736	3 009	3 162
Wallonia	791	799	720	794	815
Same-day visitors (excursionists)	..	..	..	..	..
Top markets for Belgium					
Netherlands	1 053	1 044	966	1 032	1 037
France	1 007	957	883	963	1 010
United Kingdom	880	873	702	717	753
Germany	667	698	614	701	726
United States	343	362	275	335	383
Nights in all types of accommodation	..	..	..	..	..
Hotels and similar establishments	12 082	12 035	10 215	11 632	12 424
Brussels	5 058	4 987	3 962	4 772	5 254
Flanders	5 647	5 711	5 023	5 505	5 788
Wallonia	1 377	1 337	1 230	1 355	1 383
Other collective establishments	..	..	..	..	..
Private accommodation	..	..	..	..	..
Outbound tourism					
Total international departures	..	..	..	..	..
Overnight visitors (tourists)	13 272	12 499	15 773	14 638	15 626
Brussels	2 226	1 879	2 295	2 342	2 605
Flanders	7 256	7 344	9 253	8 077	8 514
Wallonia	3 790	3 277	4 225	4 219	4 507
Same-day visitors (excursionists)	..	..	..	..	..
TOURISM RECEIPTS AND EXPENDITURE, MILLION EUR					
Inbound tourism					
Total international receipts	11 483	8 091	7 937	8 518	8 803
International travel receipts	10 486	7 090	6 909	7 419	7 549
International passenger transport receipts	997	1 001	1 028	1 099	1 254
Outbound tourism					
Total international expenditure	19 907	14 292	14 910	15 721	17 673
International travel expenditure	17 935	12 309	13 029	13 738	15 687
International passenger transport expenditure	1 972	1 983	1 881	1 983	1 986

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Source: OECD Tourism Statistics (Database).

StatLink http://dx.doi.org/10.1787/888934076381

Belgium: Enterprises and employment in tourism

	Number of establishments	Number of persons employed				
	2018	2014	2015	2016	2017	2018
Total	..	..	..	..	..	..
Tourism industries	..	..	..	..	..	..
Accommodation services for visitors	9 211	..	..	..	..	..
Brussels	362	..	..	..	..	..
Flanders	5 628	..	..	..	..	..
Wallonia	3 221	..	..	..	..	..
Hotels and similar establishments	..	..	..	..	..	..
Food and beverage serving industry	..	..	..	..	..	..
Passenger transport	..	..	..	..	..	..
Air passenger transport	..	..	..	..	..	..
Railways passenger transport	..	..	..	..	..	..
Road passenger transport	..	..	..	..	..	..
Water passenger transport	..	..	..	..	..	..
Passenger transport supporting services	..	..	..	..	..	..
Transport equipment rental	..	..	..	..	..	..
Travel agencies and other reservation services industry	..	..	..	..	..	..
Cultural industry	..	..	..	..	..	..
Sports and recreation industry	..	..	..	..	..	..
Retail trade of country-specific tourism characteristic goods	..	..	..	..	..	..
Other country-specific tourism industries	..	..	..	..	..	..
Other industries	..	..	..	..	..	..

.. Not available
Source: OECD Tourism Statistics (Database).

StatLink http://dx.doi.org/10.1787/888934076400

Canada

Tourism in the economy

Tourism is an important part of the Canadian economy and is a source of jobs and growth in every region of the country. It accounts for 2.1% of Canada's GDP and 3.1% of total exports, directly supports 739 700 jobs, or 3.9% of total employment, and generates over CAD 100 billion in tourism spending each year. Travel exports represented 26.6% of total service exports in 2018.

In 2018, Canada welcomed a record 21.2 million international tourists, up 1.2% over 2017. Canada's largest tourism source market is the United States, which accounts for over two-thirds of overnight tourists, with over 14.7 million tourist arrivals in 2018. Among tourists from other source markets, visitors from China, France, Mexico and India set country records.

In 2018, 278 million total domestic trips were recorded, down from 328.5 million in 2017, of which 95.4 million were overnight trips. Domestic tourism accounted for 268.3 nights in 2018, down 2.5% over 2017.

Tourism governance and funding

In Canada, the Federal Government, ten provincial governments, three territorial governments and numerous municipalities all play a role in supporting the tourism sector. The Federal Ministry of Innovation, Science and Economic Development is responsible for tourism.

Destination Canada is the national destination marketing organisation. As a Crown corporation, it reports to Parliament through the Minister responsible for tourism. Destination Canada works with partners in both the public and private sectors, which include provincial, territorial, regional and municipal destination marketing organisations, and private companies, including airlines, to promote Canada abroad as a premier tourism destination. The federal government also holds exclusive responsibility for air policy and visa policy.

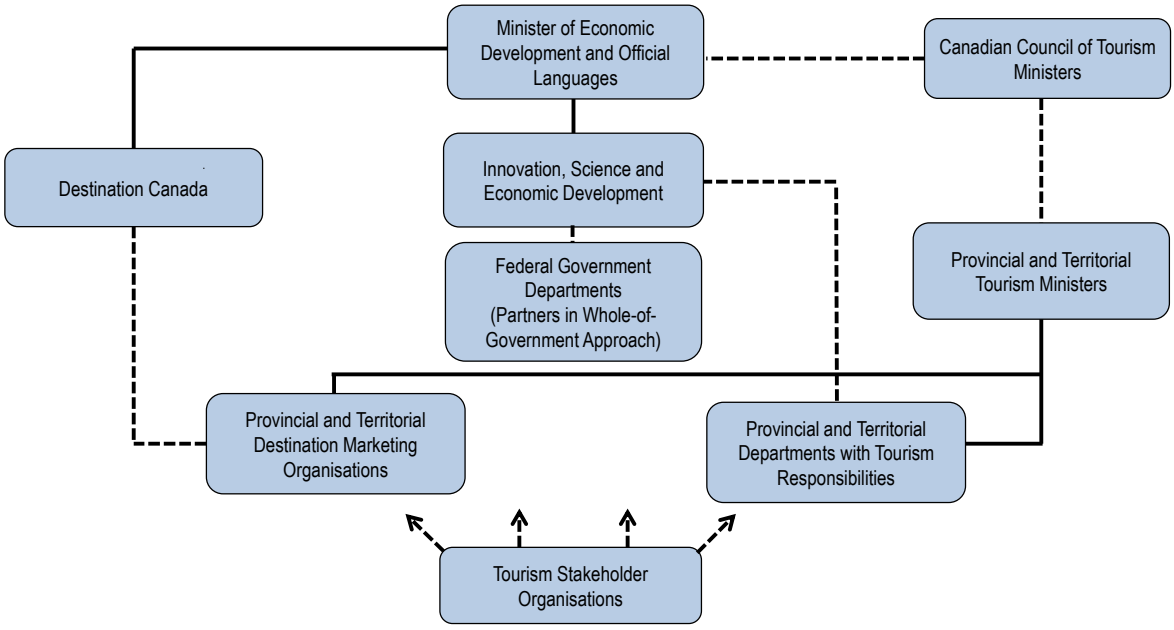
Provincial and territorial governments are responsible for domestic (and some international) tourism promotion, destination and product development, the regulation of accommodation, and hospitality and tourism education. At the municipal level, tourism activities generally involve attracting meetings and conventions, and promoting festivals and events.

Canada has various mechanisms to ensure horizontal and vertical co-ordination and collaboration on tourism. Chief among these is the Canadian Council of Tourism Ministers, which annually gathers federal, provincial and territorial tourism ministers to discuss trends and issues facing Canada's tourism sector and to identify opportunities for collaboration.

In 2017, Destination Canada's funding levels were stabilised and made permanent at CAD 95.5 million. In addition, in 2019 a one-year infusion of CAD 5 million for a domestic tourism marketing campaign was allocated to help Canadians discover new destinations such as less visited national parks, and promote off-peak seasonal travel and Indigenous experiences. The 2019 Federal Budget recognised tourism as an

important source of jobs and growth, and also provided CAD 58.5 million over two years, starting in 2019 - 20, for the Canadian Experiences Fund (Box 3.10), which supports investments in tourism-related infrastructure – such as accommodation or local attractions – and the development of tourism products and experiences.

Canada: Organisational chart of tourism bodies



Source: OECD, adapted from Department of Innovation, Science and Economic Development, 2020

Tourism policies and programmes

The Government of Canada's main policy priorities with respect to tourism are threefold: creating jobs; diversifying and dispersing tourism offerings; and attracting investment to the sector.

In December 2018, Destination Canada released a report titled *Unlocking the Potential of Canada's Visitor Economy* that identified the following key challenges facing Canada's tourism sector:

- Concentrated demand: Demand for Canada's tourism offerings is concentrated in Canada's major cities and a few key tourism destinations, and during the summer season.
- Labour shortage and skills development: Access to skilled labour is a challenge, preventing the sector from maintaining sustainable business growth.
- Access: The long-haul nature of much of the market and high cost of travel to Canada and between Canadian destinations.
- Investment: The tourism sector has difficulty accessing investment and financing that is a barrier to new tourism business development.
- Governance: Collaboration among governments is ad hoc and could be more strategic.

In May 2019, Canada's Minister responsible for tourism launched *Creating Middle Class Jobs: A Federal Tourism Growth Strategy*. This new initiative is built around three pillars: building tourism in communities, attracting investment, and promoting public-private collaboration (Box 1.4).

Pillar 1: Building tourism in communities recognises that all communities have the potential to be a tourism destination. It seeks to enable communities in every region of the country to realise that potential by investing in infrastructure and tourism products. It is supported by the Canadian Experiences Fund, which was established to help improve Canada's tourism product offering through investment in five priority categories:

- *Winter and shoulder-season tourism* – with investments where Canada has an advantage, to provide more reasons to visit in off-peak periods.
- *Indigenous tourism* – with investments to help Indigenous peoples present their unique histories, traditional stories, creative arts and contemporary values to the world. Over a third of visitors to Canada are interested in Indigenous experiences.
- *Rural and remote tourism* – with investments in rural and remote areas to create jobs and economic opportunities in these communities, and to entice tourists to lesser-known parts of the country.
- *Farm-to-table and culinary tourism* – with investments in projects like culinary trails, Indigenous culinary experiences, food festivals and farmers' markets, as well as onsite experience development such as breweries, wineries, farms, fisheries and maple syrup producers.
- *Inclusive Tourism* – with investments to expand LGBTQ2 diversity training and market readiness programmes, and support Pride festivals.

Pillar 2: Attracting investment to the visitor economy includes the establishment of Tourism Investment Groups in every region of the country, with the objectives of better aligning investments in tourism products across the national government and other jurisdictions, and strengthening the ability of tourism destinations to attract more investment. These Groups are made-up of a network of core departments and agencies responsible for national parks, culture, and SME financial support, led by Destination Canada and the country's regional economic development agencies. A broader network of local and regional partners from government, private, and not-for-profit sectors are expected to be involved to identify potential tourism projects, attract private investment, and catalyse impactful tourism projects, iconic attractions, and clusters.

Pillar 3: Renewed focus on public-private collaboration recognises the long-standing barriers to growing Canada's tourism sector, which are not easily overcome in the short term. Stronger partnerships with industry leaders are needed to tackle those challenges over the long term. To support this, in 2019, the Government committed to establish an Economic Strategy Table for Tourism. This new model for industry-government collaboration was created in 2017 and was focused on turning Canadian economic strengths into global advantages. Each Table promotes development in high-growth and high-potential sectors, and consists of industry leaders who set ambitious growth targets, identify sector-specific challenges and bottlenecks, and lay out an actionable roadmap to making the country an innovation leader in these sectors. The Economic Strategy Table for Tourism is expected to enable new ways of working in close collaboration with the private sector. This new initiative will ensure that tourism is on the front lines of economic policy-making, so that challenges are effectively addressed and strategic opportunities are seized to grow the visitor economy and create jobs. The Table will allow the Government to better identify medium-term tourism trends and any policy blind spots. Critical areas the Table is likely to address include the cost of travelling to and within Canada, labour shortages and the lack of investment. It may also look at competitiveness, sustainability, the sharing economy and digital platforms, and destination development.

The Federal Government has set ambitious but achievable targets to determine how well the Growth Strategy is performing, and three metrics will help measure its economic impact. Taking 2018 as a baseline and 2025 as the target year, the Federal Government will track:

- Revenue (total spending by tourists on goods and services), with a target end value of CAD 128 billion (+25%).
- Number of jobs created, with a target of 54 000 new jobs created (+7.3%).
- Tourism GDP growth, with the aim of outpacing national economic growth.

The Strategy also sets targets for the seasonal dispersal of tourists, to increase by 1 million international tourist arrivals from November to April, and for geographic dispersion, aiming at growth in spending outside Canada's top three major tourism regions, Greater Toronto Area, Montréal, and Vancouver.

Statistical Profile

Canada: Domestic, inbound and outbound tourism

	2014	2015	2016	2017	2018
TOURISM FLOWS, THOUSAND					
Domestic tourism					
Total domestic trips	..	..	..	328 454	278 060
Overnight visitors (tourists)	108 647	109 805	113 053	117 368	95 445
Same-day visitors (excursionists)	..	..	..	211 086	182 615
Nights in all types of accommodation	292 569	306 212	344 706	356 977	268 258
Hotels and similar establishments	..	..	..	..	..
Other collective establishments	..	..	..	..	..
Private accommodation	..	..	..	..	..
Inbound tourism					
Total international arrivals	25 557	27 555	30 142	31 081	31 274
Overnight visitors (tourists)	16 537	17 971	19 822	20 652	21 153
Same-day visitors (excursionists)	9 020	9 584	10 320	10 429	10 122
Top markets					
United States	11 508	12 669	13 892	14 238	14 650
United Kingdom	659	686	805	794	762
China	448	483	591	674	719
France	465	477	515	547	593
Germany	324	325	359	385	386
Nights in all types of accommodation	..	..	..	..	..
Hotels and similar establishments	..	..	..	..	..
Other collective establishments	..	..	..	..	..
Private accommodation	..	..	..	..	..
Outbound tourism					
Total international departures	..	..	..	..	..
Overnight visitors (tourists)	33 518	32 267	31 278	32 730	26 033
Same-day visitors (excursionists)	..	..	..	..	..
Top destinations					
..	..	..	..	..	..
..	..	..	..	..	..
..	..	..	..	..	..
..	..	..	..	..	..
..	..	..	..	..	..
TOURISM RECEIPTS AND EXPENDITURE, MILLION CAD					
Inbound tourism					
Total international receipts	27 155	29 519	34 049	36 846	34 175
International travel receipts	23 800	25 996	29 961	32 446	34 175
International passenger transport receipts	3 355	3 523	4 088	4 400	..
Outbound tourism					
Total international expenditure	49 655	51 578	51 935	54 386	44 574
International travel expenditure	41 568	43 223	43 360	45 010	44 574
International passenger transport expenditure	8 087	8 355	8 575	9 376	..

.. Not available
Source: OECD Tourism Statistics (Database).

StatLink http://dx.doi.org/10.1787/888934076419

Canada: Enterprises and employment in tourism

	Number of establishments	Number of persons employed[1]				
	2018	2014	2015	2016	2017	2018
Total	**..**	**700 300**	**710 400**	**721 400**	**735 800**	**739 700**
Tourism industries	**223 231**	**551 200**	**560 100**	**569 300**	**580 400**	**583 300**
Accommodation services for visitors	21 299	140 700	142 700	143 900	146 500	149 400
Hotels and similar establishments	..	..	..	..	..	..
Food and beverage serving industry	87 420	216 400	221 100	227 200	233 500	235 500
Passenger transport	48 803	84 700	84 800	85 800	87 300	85 600
Air passenger transport	..	..	..	..	..	..
Railways passenger transport	..	..	..	..	..	..
Road passenger transport	..	..	..	..	..	..
Water passenger transport	..	..	..	..	..	..
Passenger transport supporting services	..	..	..	..	..	..
Transport equipment rental	..	..	..	..	..	..
Travel agencies and other reservation services industry	8 778	44 700	44 800	44 900	44 300	43 800
Cultural industry	..	..	..	..	..	..
Sports and recreation industry	56 931	64 800	66 800	67 500	68 900	69 100
Retail trade of country-specific tourism characteristic goods	..	..	..	..	..	..
Other country-specific tourism industries	..	..	..	..	..	..
Other industries	**..**	**149 100**	**150 300**	**152 100**	**155 400**	**156 400**

.. Not available
1. Data refer to number of jobs.
Source: OECD Tourism Statistics (Database).

StatLink http://dx.doi.org/10.1787/888934076438

Canada: Internal tourism consumption

Million CAD

	2018		
	Domestic tourism expenditure	Inbound tourism expenditure	Internal tourism consumption
Total	**..**	**..**	**..**
Consumption products	**80 044**	**22 179**	**102 223**
Tourism characteristic products	48 797	17 191	65 988
Accommodation services for visitors	9 127	5 507	14 634
Food and beverage serving services	12 788	4 010	16 798
Passenger transport services	18 984	5 258	24 242
Air passenger transport services	..	..	..
Railways passenger transport services	..	..	..
Road passenger transport services	..	..	..
Water passenger transport services	..	..	..
Passenger transport supporting services	..	..	..
Transport equipment rental services	..	..	..
Travel agencies and other reservation services industry	4 435	232	4 667
Cultural services	3 463	2 184	5 647
Sports and recreation services	..	..	..
Country-specific tourism characteristic goods	..	..	..
Country-specific tourism characteristic services	..	..	..
Other consumption products	31 247	4 988	36 235
Tourism connected products	..	..	..
Non-tourism related consumption products	..	..	..
Non-consumption products	**..**	**..**	**..**

.. Not available
Source: OECD Tourism Statistics (Database).

StatLink http://dx.doi.org/10.1787/888934076457

Chile

Tourism in the economy

Tourism is a growth sector for Chile. In 2018, the direct contribution of tourism was estimated to make up 3.3% of GDP, or CLP 6.4 trillion, and 4.4% of employment. When the indirect contribution is included, it is estimated that tourism accounts for 10.1% of GDP and 9.9% of total employment. In the five years to 2018, tourism-related employment grew by 26.3%, well ahead of overall employment growth, which grew at 7.7%. Tourism generated exports to the value of around CLP 2.4 trillion, which makes tourism the most important service export for the country. Travel exports represented 28.8% of total service exports in 2018.

Chile welcomed 5.7 million international tourists in 2018, a reduction of 11.3% compared with 2017. This fall was due in large part to a drop in visitors from Argentina, which is a key source market, representing more than half of all international visitors in 2017. Beyond Argentina, Chile is targeting marketing resources to attract visitors from other priority markets: Australia, Brazil, China, France, Germany, Spain, United Kingdom and United States. China had the highest growth in 2018 at 12.4% while the Brazilian market grew by 8.1%.

As far as domestic tourism is concerned, 24.5 million overnight trips were taken in 2018, up 6.3% compared with 2017, with a further 25.2 million same-day trips. Income generated by domestic tourism is estimated at CLP 3.9 trillion.

Tourism governance and funding

Tourism in Chile comes under the responsibility of the Undersecretary for Tourism within the Ministry of Economy, Development and Tourism, which is in charge of designing and implementing national tourism policies and strategies.

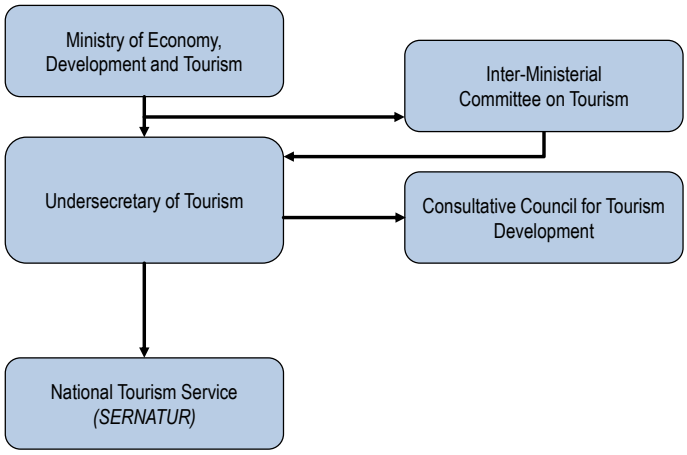
A variety of initiatives have been taken by the Ministry to improve the institutional structure and strengthen the governance of tourism. New co-ordination mechanisms between key ministries have been actioned to enable tourism development, including the establishment of the Board of Concessions in Protected Wild Areas together with the Ministries of Agriculture, National Properties and Environment. Legislation is also being prepared to improve the functions of tourism-related institutions and increase the opportunities for collaboration. The two lead institutions, the Undersecretary of Tourism, responsible for developing tourism policy, and the National Tourism Service (SERNATUR), will likely be merged into one single institution, which can efficiently design public policy and also execute it effectively at the regional level. This is a legal innovation with little precedent in Chile, and a sign of modernisation in public administration. Such a merger is seen as a logical development that would increase efficiencies with no financial implications.

The Undersecretary of Tourism oversees the National Tourism Service, SERNATUR, which is responsible for executing tourism policies and strategies. SERNATUR has regional offices in each of Chile's 16 administrative regions, headed by a Regional Director. It also has provincial offices in special territories, including Easter Island, San Pedro de Atacama, Chiloe and Puerto Natales.

Through this regional network, SERNATUR co-ordinates activities with regional governments, which finance programmes for tourism promotion and contribute to tourism development initiatives through SERNATUR, and other central government services including the Chilean Economic Development Agency (CORFO), which supports entrepreneurship, innovation and competitiveness, and the Technical Co-operation Service (SERCOTEC). Most local administrations have tourism offices that support the sector, and SERNATUR has also established a network with 309 municipalities with local tourism offices.

In 2019, the Undersecretary of Tourism received a budget of CLP 5.7 billion, while SERNATUR had a budget of CLP 20.2 billion, drawn from the Ministry of Economy. Funding to support tourism projects is also available through the National Fund for Regional Development.

Chile: Organisational chart of tourism bodies



Source: OECD, adapted from the Ministry of Economy, Development and Tourism, 2020

Tourism policies and programmes

Action under the Responsible Tourism Plan 2020-24 focuses on three areas: strengthening public and private governance, increasing competitiveness of the tourism ecosystem, and promoting responsible tourism.

Planning is now underway for a new National Tourism Strategy covering the period 2020-30. Principal issues to be addressed include improving the structure of institutions, establishing better connections between industry interests, addressing seasonality, and increasing competitiveness. The Strategy is likely to prioritise action on innovation and digital transformation, support a national airports plan, strengthen inter-ministerial co-ordination, develop specific market opportunities, and improve standards and training. It will also update existing legislation and seek increases to the marketing budget.

Fostering new tourism experiences and developing the tourism offer to tap into new market segments is a key area of focus, with actions being taken in a number of priority areas, including:

- Astro-tourism: the 2020 total solar eclipse will be particularly visible in Chile, and under the 2016-25 Astro-tourism Roadmap the country has set ambitious targets to triple visitor numbers by improving the quality, attractiveness and diversity of the offer. An Inter-sectoral Commission led by the Cabinet of the President and the Ministry of Science is co-ordinating actions for future solar eclipses, working closely with the Undersecretary of Tourism.
- Wine and gastronomy tourism: the Multi-regional Strategic Programme of Sustainable Wine Tourism is a public-private initiative bringing major wine producing regions together with the tourism

industry, while a series of Taste of Chile seminars are stimulating dialogue and connecting key interests to exchange information and facilitate the development of gastronomy tourism.

- Indigenous tourism: work is underway to develop a pilot project in co-operation with, and based on the national guidelines for developing authentic indigenous experiences of, the Canadian Indigenous Tourism Association. A co-ordination with the Office of Indigenous Affairs (CONADI) is also in place.
- Routes development: a new product development programme focused on linear touring routes has highlighted the opportunities to draw on a rich culture and landscape, with ten routes now defined under the Routes Chile project. This complements work undertaken by the Ministry of National Properties on Heritage Trails of high landscape value where routes with potential as tourism assets are being developed. Ten routes are prioritised for the period 2018-22.
- Adventure and sports tourism: a joint programme between the Undersecretary of Tourism and the Ministry of Sport seeks to build on Chile's strength in this area.
- Rural tourism: under a collaboration agreement between the Undersecretary of Tourism and the Ministry of Agriculture, a joint action plan to strengthen rural tourism has been developed.

A range of other future oriented policy approaches have been implemented recently. Working together with Invest Chile, the Invest Tourism initiative (*Invierte Turismo*), which maps tourism investment opportunities at regional level, was updated in 2019, has highlighted tourism investment opportunities throughout the country (www.invierteturismo.cl). While a major CLP 1.5 million Strategic Plan for Human Capital has, drawn funding from various parts of Government with 16 specific goals delivered to upskill the workforce in 2019.

Work is also underway to develop a Digital Transformation and Innovation in Tourism Policy, building on the Transform Tourism (Transforma Turismo) programme, which is a public-private initiative with the following objectives:

- Promote the uptake of new technology to increase industry competitiveness,
- Encourage continuous improvement of the industry, its institutions and companies,
- Incorporate digital know-how from other sectors into the tourism industry,
- Ensure Chile is a regional leader in digital transformation in tourism.

Established in collaboration with the Chilean Economic Development Agency, as well as representatives of the private sector. This initiative has created a Tourism App for consumers, developed the Connect Tourism programme (Conecta Turismo) focusing on the digitalisation of the product across the entire country, and runs the Digitalise Your SME initiative (Digitaliza tu Pyme*),* which aims to encourages tourism SMEs to uptake digital technologies and train businesses in the many different aspects of digital marketing and management. The Government has also sought to deregulate existing laws to allow an easier route to register a new tourism business. It aims to benefit small companies, especially from local communities, indigenous people, local guides and other groups.

Statistical Profile

Chile: Domestic, inbound and outbound tourism

	2014	2015	2016	2017	2018
TOURISM FLOWS, THOUSAND					
Domestic tourism					
Total domestic trips	44 585	46 927	45 911	46 737	49 682
Overnight visitors (tourists)	22 823	24 512	22 622	23 029	24 480
Same-day visitors (excursionists)	21 762	22 415	23 289	23 708	25 202
Nights in all types of accommodation	..	..	..	..	..
Hotels and similar establishments	..	..	..	..	..
Other collective establishments	..	..	..	..	..
Private accommodation	..	..	..	..	..
Inbound tourism					
Total international arrivals	4 601	5 487	6 712	7 621	6 603
Overnight visitors (tourists)	3 674	4 478	5 641	6 450	5 723
Same-day visitors (excursionists)	926	1 009	1 072	1 171	880
Top markets					
Argentina	1 326	1 947	2 901	3 324	2 422
Brazil	408	456	439	545	589
Bolivia	395	420	437	480	541
Peru	344	360	404	394	389
United States	162	187	209	212	222
Nights in all types of accommodation	..	..	..	..	..
Hotels and similar establishments	..	..	..	..	..
Other collective establishments	..	..	..	..	..
Private accommodation	..	..	..	..	..
Outbound tourism					
Total international departures	3 841	4 103	4 269	4 367	4 605
Overnight visitors (tourists)	3 169	3 359	3 553	3 620	3 825
Same-day visitors (excursionists)	673	744	716	747	780
Top destinations					
Peru	858	919	915	1 100	1 055
Argentina	1 275	1 269	1 271	1 014	780
United States	225	259	299	292	306
Brazil	197	202	224	248	301
Spain	54	65	90	81	82
TOURISM RECEIPTS AND EXPENDITURE, MILLION USD					
Inbound tourism					
Total international receipts	3 202	3 413	3 744	4 372	3 972
International travel receipts	2 259	2 482	2 665	3 383	2 956
International passenger transport receipts	943	931	1 079	989	1 016
Outbound tourism					
Total international expenditure	2 706	2 519	2 733	3 063	3 085
International travel expenditure	2 089	1 963	2 124	2 304	2 333
International passenger transport expenditure	618	555	609	759	753

.. Not available
Source: OECD Tourism Statistics (Database).

StatLink http://dx.doi.org/10.1787/888934076476

Chile: Enterprises and employment in tourism

	Number of establishments[1]	Number of persons employed[2]				
	2017	2014	2015	2016	2017	2018
Total	**141 755**	**537 667**	**559 007**	**578 117**	**590 473**	**..**
Tourism industries	**105 255**	**446 396**	**466 263**	**477 809**	**481 678**	**..**
Accommodation services for visitors	..	..	..	..	..	..
Hotels and similar establishments	10 690	77 581	82 957	82 117	80 402	..
Food and beverage serving industry	39 919	182 011	194 660	202 830	203 589	..
Passenger transport	35 529	125 970	125 048	125 299	127 261	..
Air passenger transport	180	5 792	5 213	4 994	4 847	..
Railways passenger transport	53	6 246	6 253	6 674	7 200	..
Road passenger transport	34 996	110 641	110 216	110 418	111 448	..
Water passenger transport	300	3 291	3 366	3 213	3 766	..
Passenger transport supporting services	561	812	893	1 253	1 235	..
Transport equipment rental	4 525	24 542	24 612	24 905	25 193	..
Travel agencies and other reservation services industry	2 610	7 908	8 665	9 233	9 447	..
Cultural industry	229	3 159	3 465	3 912	4 607	..
Sports and recreation industry	5 418	19 909	21 642	23 693	25 336	..
Retail trade of country-specific tourism characteristic goods	5 774	4 504	4 321	4 567	4 608	..
Other country-specific tourism industries	..	..	..	..	..	..
Other industries	**36 500**	**91 271**	**92 744**	**100 308**	**108 795**	**..**

.. Not available
1. Data refer to number of enterprises.
2. Data refer to number of employees.
Source: OECD Tourism Statistics (Database).

StatLink http://dx.doi.org/10.1787/888934076495

Chile: Internal tourism consumption

Million USD

	2018		
	Domestic tourism expenditure	Inbound tourism expenditure	Internal tourism consumption
Total	**6 090**	**3 785**	**9 875**
Consumption products	**..**	**..**	**..**
Tourism characteristic products	..	..	..
Accommodation services for visitors	..	..	..
Food and beverage serving services	..	..	..
Passenger transport services	..	..	..
Air passenger transport services	..	..	..
Railways passenger transport services	..	..	..
Road passenger transport services	..	..	..
Water passenger transport services	..	..	..
Passenger transport supporting services	..	..	..
Transport equipment rental services	..	..	..
Travel agencies and other reservation services industry	..	..	..
Cultural services	..	..	..
Sports and recreation services	..	..	..
Country-specific tourism characteristic goods	..	..	..
Country-specific tourism characteristic services	..	..	..
Other consumption products	..	..	..
Tourism connected products	..	..	..
Non-tourism related consumption products	..	..	..
Non-consumption products	**..**	**..**	**..**

.. Not available
Source: OECD Tourism Statistics (Database).

StatLink http://dx.doi.org/10.1787/888934076514

Czech Republic

Tourism in the economy

The Czech Republic has seen relatively stable but incremental tourism growth in recent years. Tourism accounted for 2.9% of GDP in 2017, while the number of people employed in tourism totalled 238 800, or 4.5% of total employment. Travel exports accounted for 24.5% of total service exports in 2018.

The country welcomed an estimated 36.3 million international visitors in 2018, based on the Tourism Satellite Account. Of these, approximately 39.4% were overnight visitors and 60.6% same-day visitors. Some 10.6 million international tourists stayed in tourism-related accommodation in 2018, up from 10.2 million in 2017 (an increase of 4.4%).

International tourism receipts totalled EUR 6.3 billion in 2018 (up 1.6 % on 2017), while expenditure by Czech residents on outbound trips reached EUR 5.0 billion (up 3.7%), resulting in a positive balance of payments on the travel and tourism account of EUR 1.3 billion.

Residents took a total of 82.6 million domestic trips in 2018, of which 36.9% were tourism trips including an overnight stay. Domestic tourists declined 6.4% in 2018 compared to 2017, after experiencing growth of 6.1% between 2016 and 2017.

Tourism governance and funding

The Ministry of Regional Development is responsible for co-ordinating and setting guidelines in the field of tourism. Within the Ministry, the Tourism Department develops and implements tourism policy, and tourism-related strategies. It undertakes activities to enhance recognition of tourism as an important sector of the national economy and strengthen international co-operation. The Ministry is also responsible for preparing relevant legislation, as well as monitoring and collecting tourism statistics, developing tourism in the regions, and supporting the quality and structure of tourism services.

The Czech National Tourist Board, CzechTourism, is charged with promoting the destination in co-operation with the private sector, and delivering the marketing strategy for tourism products in both domestic and international markets. It is a grant-aided organisation supported by the Ministry whose main partners are regional tourism organisations, municipalities and the private sector.

The organisation of tourism is strongly influenced by the respective administrative systems of the 14 self-governing regions in the country. Co-operation between national and regional tourism organisations is defined by the marketing strategy of CzechTourism and follows a Balanced Scorecard approach, taking into account the perspectives of both stakeholders and residents. The Ministry oversees the negotiation, communication and feedback from the regions on both marketing activities and product development. In each region, a co-ordinator is appointed to harmonise marketing activities of the region’s tourism organisations, working closely with CzechTourism.

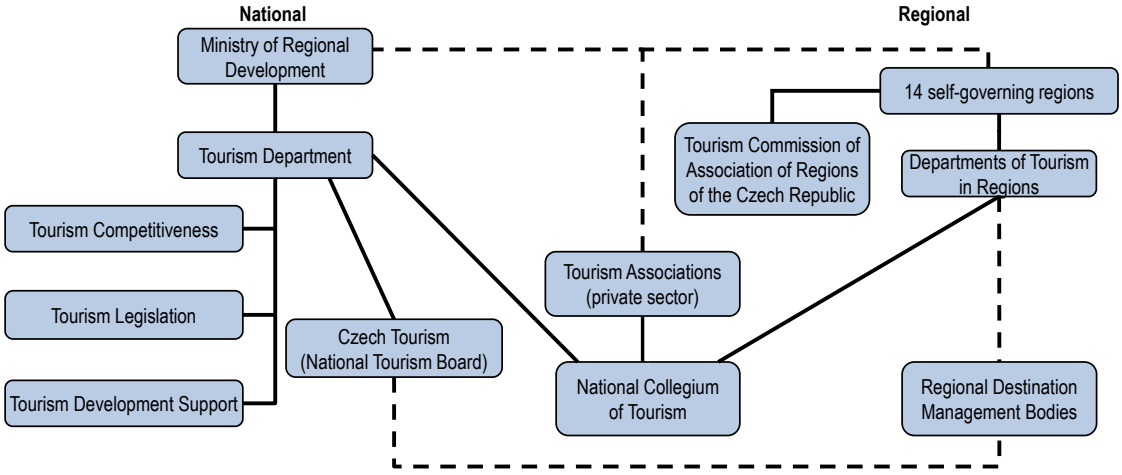
The National Collegium of Tourism is the consultative and advisory body of the Ministry. It facilitates co-operation between state departments and agencies, professional associations, the academic sector,

unions and other stakeholders. Ad-hoc working groups are established to support the development of tourism policies and programmes.

The budget of the Tourism Department was EUR 9.1 million in 2018, a reduction of 11.3 % year-on-year. CzechTourism's budget in 2018 was EUR 19.4 million, an increase of 14.8 % against 2017. In addition, EUR 9.7 million was allocated in 2018 to fund the National Support Programme for Tourism in Regions 2017-20.

The budget for tourism has generally been under pressure since 2014, linked with a reduction in EU funding under the operational programme for tourism over the period 2014-20. This has affected investment in tourism infrastructure, marketing activities, statistics and market research.

Czech Republic: Organisational chart of tourism bodies



Source: OECD, adapted from the Ministry of Regional Development, 2020.

Tourism policies and programmes

The overall objective of the National Tourism Policy 2014-20 is to increase the competitiveness of the tourism sector at national and regional levels, maintain its economic performance while also achieving a balance between economic, socio-cultural and environmental considerations.

Specific aims of the policy include:

- Building sound institutional structures to effectively implement policy.
- Enhancing the quality of tourism supply, including measures to assist the business environment.
- Improving workforce skills.
- Improving access to tourism markets by service providers.
- Strengthening the role of tourism in other economic and sectoral policies.

Linked with this, the marketing strategy 2013-20 seeks to expand national product themes and better reflect the potential of regions, including through the promotion of regional products, gastronomy, eco- and agro-tourism, and wellness tourism. A new tourism strategy for the period 2021-30 is currently being prepared.

Current high-priority challenges include raising service quality, improving statistical data and developing a programme to support regional tourism development. Actions to address these challenges include:

Continued implementation of the Czech Service Quality System. This innovative system of certification is primarily aimed at tourism SMEs, to support businesses to improve the quality of their services and gain further expertise. It is undertaken by the Ministry, in co-operation with CzechTourism and different tourism stakeholders.

Implementation of a project on tourism statistics, aimed at improving and expanding statistical data concerning inbound tourism to the Czech Republic. This project includes an inbound tourism survey using mobile derived big data and consists of analysing residual data of mobile operators and thus improving data collection relating to the Czech Republic's Tourism Satellite Account. It is undertaken by the Ministry in co-operation with the Czech Statistical Office, with results expected in early 2020.

Implementation of the National Support Programme for Tourism in Regions 2017-20, and its sub-programmes: development of basic and supporting tourism facilities, and marketing activities in tourism.

- Tourism infrastructure sub-programme has supported a wide variety of small scale projects. These are often of a public nature contributing to making destinations more attractive and improving the quality of tourism products and services in the region. Projects include navigation and information systems relating to tourist attractions, tourist rest areas, public toilets, and infrastructure along hiking trails. Projects that complement and widen the overall offer and improve the attractiveness of destinations are prioritised, with success assessed using a broad set of measures reflecting the small scale of the projects financed and difficulties in evaluating the impact on a purely financial or usage measures, especially for public realm projects developing the supporting infrastructure.
- Marketing activities sub-programme is targeted at destination management organisations, and has brought benefits relating to increased awareness among both domestic and international visitors, enabling marketing of the wider offer, as well as promoting specific tourism products in core destinations.

Co-financing grants for tourism facilities and marketing activities under this programme support the development of regional tourism businesses, with a maximum of 50% of project costs supported with the applicant providing the balance. A wide range of grant recipients are eligible, including regional authorities, municipalities, businesses and not-for-profit organisations, while the sub-programme to support marketing activities is targeted towards destination management organisations.

Statistical Profile

Czech Republic: Domestic, inbound and outbound tourism

	2014	2015	2016	2017	2018
TOURISM FLOWS, THOUSAND					
Domestic tourism[1]					
Total domestic trips	76 059	77 817	85 375	90 164 p	82 611 e
Overnight visitors (tourists)	29 412	28 325	30 691	32 562 p	30 476 e
Same-day visitors (excursionists)	46 646	49 492	54 684	57 603 p	52 135 e
Nights in all types of accommodation	20 837	23 807	25 429	26 962	28 754
Hotels and similar establishments	11 716	13 290	14 624	15 897	16 974
Other collective establishments	9 121	10 517	10 805	11 066	11 780
Private accommodation	..	..	..	..	..
Inbound tourism					
Total international arrivals	27 166	29 604	32 519	34 701 p	36 268 e
Overnight visitors (tourists)	10 649	11 619	12 808	13 665 p	14 283 e
Same-day visitors (excursionists)	16 518	17 985	19 711	21 036 p	21 986 e
Top markets					
..	..	..	..	..	..
..	..	..	..	..	..
..	..	..	..	..	..
..	..	..	..	..	..
..	..	..	..	..	..
Nights in all types of accommodation	35 132	38 341	42 322	44 893 p	46 077 e
Hotels and similar establishments	21 124	22 185	22 694	24 136 p	24 427 e
Other collective establishments	2 460	2 664	2 639	2 692 p	2 931 e
Private accommodation	11 548	13 492	16 989	18 064 p	18 720 e
Outbound tourism					
Total international departures	10 141	10 383	10 827 p	11 431 p	12 380 e
Overnight visitors (tourists)	7 393	7 654	7 923 p	8 893 p	9 700 e
Same-day visitors (excursionists)	2 748	2 729	2 904 p	2 538 p	2 680 e
Top destinations					
Slovak Republic	941	1 386	1 151	1 271 p	1 504 e
Croatia	785	721	828	850 p	813 e
Austria	570	492	589	657 p	676 e
Italy	553	497	552	636 p	607 e
Greece	291	253	265	371 p	472 e
TOURISM RECEIPTS AND EXPENDITURE, MILLION CZK					
Inbound tourism					
Total international receipts	158 164	166 448	172 047	178 956	180 150
International travel receipts	141 783	148 995	154 183	162 071	161 907
International passenger transport receipts	16 381	17 453	17 864	16 886	18 243
Outbound tourism					
Total international expenditure	107 567	118 530	121 261	128 782	131 879
International travel expenditure	106 721	117 382	120 220	127 210	129 653
International passenger transport expenditure	845	1 148	1 041	1 572	2 226

.. Not available; e Estimated value; p Provisional data
1. Trips from demand side surveys; Nights from supply side surveys.
Source: OECD Tourism Statistics (Database).

StatLink http://dx.doi.org/10.1787/888934076533

Czech Republic: Enterprises and employment in tourism

	Number of establishments	Number of persons employed				
	2017	2014	2015	2016	2017	2018
Total	**..**	**225 006**	**229 197**	**233 299 p**	**238 843 p**	**..**
Tourism industries	**..**	**221 691**	**225 831**	**229 882 p**	**235 375 p**	**..**
Accommodation services for visitors	9 307	..	..	..	..	..
Hotels and similar establishments	..	39 042	40 998	41 932 p	42 239 p	..
Food and beverage serving industry	48 778	65 658	66 266	67 936 p	71 256 p	..
Passenger transport	..	..	..	..	..	..
Air passenger transport	..	2 334	2 122	2 163 p	2 295 p	..
Railways passenger transport	..	13 192	13 146	12 899 p	12 616 p	..
Road passenger transport	..	11 627	11 940	12 081 p	12 229 p	..
Water passenger transport	..	50	52	49 p	48 p	..
Passenger transport supporting services	..	3 403	3 643	3 793 p	3 997 p	..
Transport equipment rental	..	117	122	134 p	135 p	..
Travel agencies and other reservation services industry	..	12 341	12 885	12 966 p	13 742 p	..
Cultural industry	..	11 381	11 759	12 060 p	12 525 p	..
Sports and recreation industry	..	2 579	2 682	2 746 p	2 871 p	..
Retail trade of country-specific tourism characteristic goods	..	..	..	..	..	..
Other country-specific tourism industries	..	59 968	60 215	61 123 p	61 421 p	..
Other industries	**..**	**3 315**	**3 366**	**3 417 p**	**3 468 p**	**..**

.. Not available; p Provisional data
Source: OECD Tourism Statistics (Database).

StatLink http://dx.doi.org/10.1787/888934076552

Czech Republic: Internal tourism consumption

Million CZK

	2017		
	Domestic tourism expenditure	Inbound tourism expenditure	Internal tourism consumption
Total	**..**	**..**	**..**
Consumption products	**120 411 p**	**164 899 p**	**292 456 p**
Tourism characteristic products	78 222 p	110 456 p	195 824 p
Accommodation services for visitors	16 201 p	31 901 p	55 249 p
Food and beverage serving services	24 595 p	32 908 p	57 502 p
Passenger transport services	15 477 p	33 653 p	49 131 p
Air passenger transport services	9 104 p	29 509 p	38 613 p
Railways passenger transport services	1 040 p	1 171 p	2 211 p
Road passenger transport services	5 202 p	2 973 p	8 176 p
Water passenger transport services	130 p	.. p	130 p
Passenger transport supporting services	3 772 p	4 611 p	8 383 p
Transport equipment rental services	260 p	473 p	734 p
Travel agencies and other reservation services industry	6 967 p	967 p	7 934 p
Cultural services	6 844 p	4 426 p	11 270 p
Sports and recreation services	3 080 p	1 516 p	4 596 p
Country-specific tourism characteristic goods	..	..	..
Country-specific tourism characteristic services	1 027 p	..	1 027 p
Other consumption products	42 189 p	54 443 p	96 631 p
Tourism connected products	42 189 p	54 443 p	96 631 p
Non-tourism related consumption products	..	..	..
Non-consumption products	**..**	**..**	**..**

.. Not available; p Provisional data
Source: OECD Tourism Statistics (Database).

StatLink http://dx.doi.org/10.1787/888934076571

Denmark

Tourism in the economy

Tourists spent a total of DKK 128.0 billion in Denmark in 2017, of which DKK 54.8 billion – or 43% of total tourism spend – came from inbound tourists, representing 4.6% of Danish exports. Including indirect effects, tourism GVA generated by tourist spending represented 4.2% of the Danish economy. Of this, the direct contribution of tourism to the economy amounted to 2.4% GVA. The effect on employment from tourist spending was 161 000 full-time jobs. In 2017 there were 257 000 jobs in tourism industries, equivalent to 8.8% of total employment in Denmark. Travel exports accounted for 11.6% of total service exports in 2018.

Total bed-nights grew by 3.0% between 2017 and 2018 with a total of 53.9 million tourist bed-nights in 2018. Bed-nights from inbound tourists grew by 3.4%, with inbound tourists accounting for 51% of total bed-nights.

Since 2017, expenditure by visitors in private sharing accommodation has been included in the Danish Tourism Satellite Account. Estimates show a significant increase in the private sharing accommodation economy in recent years, with bed-nights up 14% from 2017 to 2018. Inbound tourists accounted for 79% of these bed-nights in 2018, down from 82% in 2017.

According to accommodation statistics, the top three inbound markets in 2018 were Germany, Norway and Sweden. Together, these three markets accounted for 72% of all inbound bed-nights in Denmark, with Germany alone accounting for more than half (57%). The three main growth markets from 2017 to 2018 were Germany (contributing 58% of the growth in all inbound bed-nights), United States (9%) and France (5%).

Tourism governance and funding

Tourism policy falls under the direct responsibility of the Ministry of Industry, Business and Financial Affairs. The Ministry also co-operates with other ministries on issues related to tourism, including the Ministry of Environment and Food, Transport and Housing, Foreign Affairs, and Culture.

The role of the Danish National Tourism Forum is to lead and co-ordinate tourism policy, working in close collaboration with the Danish tourism industry. Established in 2015 and chaired by the State Secretary of the Ministry of Industry, Business and Financial Affairs, the Forum is also responsible for drafting national tourism strategies and reporting on the state of tourism nationally.

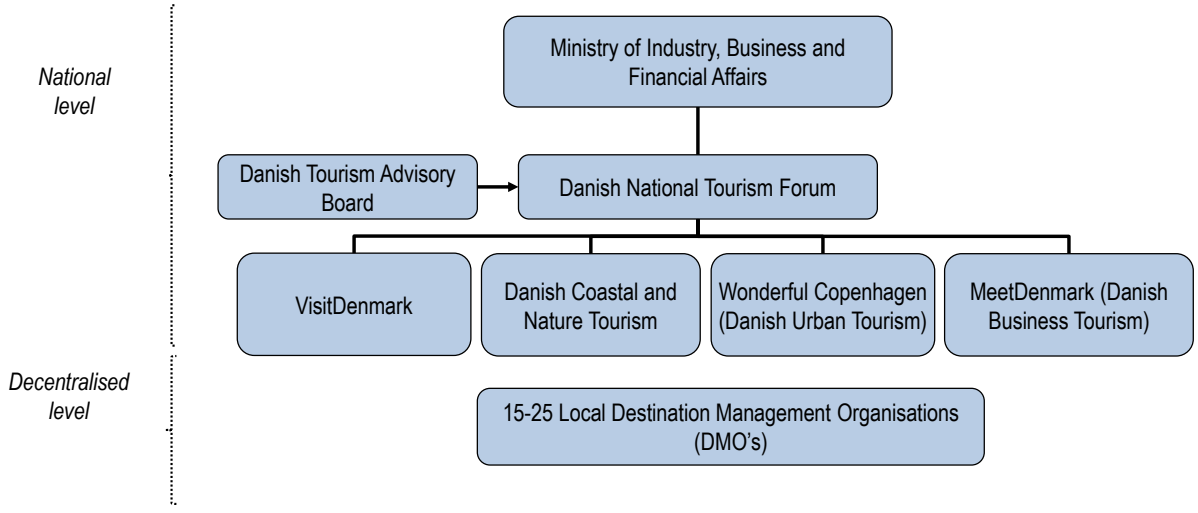
The Danish Tourism Advisory Board advises the Danish National Tourism Forum on current and future opportunities and challenges, and brings together a broad selection of tourism stakeholders from public, private and civil society.

The international branding and marketing of Denmark is managed by VisitDenmark, which is also responsible for market research and monitoring trends and activity. Three national tourism development organisations complete the national tourism administration structures: Danish Coastal and Nature Tourism,

Danish Business and Conferencing Tourism, and Wonderful Copenhagen, which includes Danish City Tourism. These agencies are responsible for developing their respective business areas through strategic development plans aligned with the existing national tourism strategy.

A decentralised network of destination management organisations develop, co-ordinate and operate strategic local business support activities. In 2018-2019, an important policy initiative has been reforming the public tourism administrative system as part of a wider reform of Denmark's business support system (Box 1.2). By the end of 2020, the reform shall result in 15-25 local destination management organisations.

Denmark: Organisational chart of tourism bodies



Source: OECD, adapted from the Ministry of Industry, Business and Financial Affairs, 2020

Tourism policies and programmes

In December 2019, the Danish government announced the development of a national strategy for sustainable growth in Danish tourism. The Danish National Tourism Forum will draft the new national strategy working in close collaboration with the tourism industry and relevant stakeholders. As part of the work, the Danish National Tourism Forum will, among other duties, focus on opportunities and challenges for the Danish tourism industry as result of the need for a more sustainable tourism sector, digitalisation and increased international competition. The National Tourism Forum will also suggest guidelines for sustainable growth in Danish tourism that balances environmental, economic and social sustainability, thus contributing to the UN Sustainable Development Goals. Likewise, the Danish National Tourism Forum will suggest initiatives to strengthen Danish tourism.

The existing National Tourism Strategy (2016) has been the framework guiding the industry's development since 2016. Starting from the common vision of being an engaging tourism destinations and creating a variety of quality experiences, the strategy sets out ten policy priorities:

- The tourism industry should have a robust framework to enable continued growth.
- Efforts made to promote tourism should be effective and the use of public funds in marketing activity should add value.
- Denmark should be marketed in a co-ordinated manner with an emphasis on digital channels.
- Strong destinations should drive growth in tourism.

- Tourists should enjoy high quality experiences in Denmark.
- The digitalisation of Danish tourism should be strengthened.
- It should be easy for tourists to get to and to get around Denmark.
- The tourist industry should be competent and innovative.
- The development of Danish tourism should be evidence-based.
- All of Denmark should welcome tourists.

The Strategy sets out three goals to 2025:

- Grow visitation by a third, equivalent to 17 million more bed-nights compared with 2015: progress is on track, with 2018 bed-nights (0.6 million ahead of target).
- Grow tourism spending to DKK 140 billion, equivalent to an additional DKK 45 billion compared to 2014: progress on track, with 2017 tourism spending of DKK 128 billion ahead of target.
- Visitor satisfaction scores in line with Northern European average: on target.

In 2019, the Danish Board for Local Business Promotion launched two new funds to: i) support local efforts to develop strong and attractive destinations, high-quality tourist experiences and effective international marketing; and ii) support the consolidation of existing tourist information organisations into stronger destination management organisations. With a total budget of DKK 50 million, destination management organisations can apply for the destination development fund, while public entities, enterprises and local organisations can apply for the broader cross-geographical tourism development fund.

In 2017, VisitDenmark launched the first national data strategy for Danish tourism. A core element of this strategy is the TourismTech Data Lake project, to collect data from tourism stakeholders, develop new tourism business models, and create insights into what attracts international tourists to Denmark. In 2019, a pilot project was launched together with private partners to develop a travel prediction model by testing hypotheses about why tourists visit Denmark. In the first stage, hypotheses are tested in each partners own data-pool. At a later stage, a data lake may also be developed.

Statistical Profile

Denmark: Domestic, inbound and outbound tourism

	2014	2015	2016	2017	2018
TOURISM FLOWS, THOUSAND					
Domestic tourism					
Total domestic trips	57 700 e	56 964 e	64 365 e	64 888 e	63 160
Overnight visitors (tourists)	14 620 e	14 954 e	15 208 e	16 333	16 619
Same-day visitors (excursionists)	43 080 e	42 010 e	49 157 e	48 555 e	46 541
Nights in all types of accommodation	63 727	64 664	65 250 |	66 222	67 017
Hotels and similar establishments	11 193	11 861	12 464	12 823	13 176
Other collective establishments	8 913	8 920	8 411	8 148	8 180
Private accommodation	43 620	43 884	44 375 |	45 251	45 661
Inbound tourism					
Total international arrivals	27 607 e	27 764 e	28 121 e	29 766 e	30 089 e
Overnight visitors (tourists)	10 267 e	10 424 e	10 781 e	12 426 e	12 749 e
Same-day visitors (excursionists)	17 340 e	17 340 e	17 340 e	17 340 e	17 340 e
Top markets					
Germany	2 687	2 821	3 048	3 312	3 452
Norway	1 786	1 801	1 767	1 892	1 886
Sweden	1 443	1 438	1 432	1 560	1 572
United Kingdom	744	787	822	937	942
United States	507	514	523	746	780
Nights in all types of accommodation	48 734	50 187	51 729 |	54 914	55 931
Hotels and similar establishments	8 335	8 744	9 039	9 395	9 654
Other collective establishments	2 900	2 920	2 852	2 797	3 121
Private accommodation	37 499	38 524	39 837 |	42 722	43 156
Outbound tourism					
Total international departures	..	..	..	..	..
Overnight visitors (tourists)	8 445	8 920	8 033	8 087 |	7 475
Same-day visitors (excursionists)	..	..	..	..	..
Top destinations					
..	..	..	..	..	..
..	..	..	..	..	..
..	..	..	..	..	..
..	..	..	..	..	..
..	..	..	..	..	..
TOURISM RECEIPTS AND EXPENDITURE, MILLION DKK					
Inbound tourism					
Total international receipts	58 463	60 122	66 357	71 889	73 390
International travel receipts	42 790	44 959	50 455	56 114	57 470
International passenger transport receipts	15 673	15 164	15 902	15 775	15 920
Outbound tourism					
Total international expenditure	69 277	72 109	73 655	76 294	78 269
International travel expenditure	58 655	60 439	61 769	64 659	66 239
International passenger transport expenditure	10 622	11 669	11 886	11 635	12 030

.. Not available; e Estimated value; | Break in series
Source: OECD Tourism Statistics (Database).

StatLink http://dx.doi.org/10.1787/888934076590

Denmark: Enterprises and employment in tourism

	Number of establishments[1]	Number of persons employed				
	2017	2014	2015	2016	2017	2018
Total	..	..	..	..	..	..
Tourism industries	**22 755**	**232 823**	**241 569**	**250 526**	**257 560**	..
Accommodation services for visitors	1 882	19 156	19 684	20 270	20 800	..
Hotels and similar establishments	893	..	..	..	..	..
Food and beverage serving industry	13 821	97 011	101 878	108 408	113 586	..
Passenger transport	3 217	53 828	55 914	55 969	55 266	..
Air passenger transport	90	4 459	4 355	4 603	4 457	..
Railways passenger transport	121	6 278	6 199	6 121	6 097	..
Road passenger transport	2 893	24 771	24 563	24 801	24 994	..
Water passenger transport	113	18 320	20 797	20 444	19 718	..
Passenger transport supporting services	10	..	..	..	..	..
Transport equipment rental	248	..	..	..	..	..
Travel agencies and other reservation services industry	603	5 933	6 092	6 411	6 666	..
Cultural industry	1 034	26 965	27 322 |	..	..	..
Sports and recreation industry	1 940	29 930	30 679 |	59 467	61 243	..
Retail trade of country-specific tourism characteristic goods	..	..	..	..	..	..
Other country-specific tourism industries	..	..	..	..	..	..
Other industries	..	..	..	..	..	..

.. Not available; | Break in series
1. Data refer to number of enterprises.
Source: OECD Tourism Statistics (Database).

StatLink http://dx.doi.org/10.1787/888934076609

Denmark: Internal tourism consumption

Million DKK

	2017		
	Domestic tourism expenditure	Inbound tourism expenditure	Internal tourism consumption
Total	..	..	..
Consumption products	**73 241**	**54 796**	**128 037**
Tourism characteristic products	43 299	24 293	67 592
Accommodation services for visitors	7 704	7 063	14 766
Food and beverage serving services	11 072	9 886	20 958
Passenger transport services	15 697	5 123	20 820
Air passenger transport services	..	..	..
Railways passenger transport services	..	..	..
Road passenger transport services	..	..	..
Water passenger transport services	..	..	..
Passenger transport supporting services	..	..	..
Transport equipment rental services	..	..	..
Travel agencies and other reservation services industry	3 497	837	4 334
Cultural services	..	..	..
Sports and recreation services	5 265	1 318	6 583
Country-specific tourism characteristic goods	..	..	..
Country-specific tourism characteristic services	..	..	..
Other consumption products	29 942	30 503	60 445
Tourism connected products	21 630	19 237	40 868
Non-tourism related consumption products	8 312	11 266	19 578
Non-consumption products	..	..	..

.. Not available
Source: OECD Tourism Statistics (Database).

StatLink http://dx.doi.org/10.1787/888934076628

Estonia

Tourism in the economy

Tourism is recognised as an important contributor to Estonia's competitiveness, exports and economic growth, in addition to being an important employment provider. Tourism is estimated to contribute 7.8% of total GDP and 4.3% of employment. In 2018, the share of tourism services for all Estonian exports was 10.2% with the share of service sector related exports amounting to 30.0%. In 2018, Estonian tourism receipts reached a new record of EUR 2.0 billion, of which international tourists generated EUR 1.5 billion, continuing the positive trend seen over recent years.

Overall, 3.2 million international tourists visited Estonia in 2018, down 0.6% on the previous year, recording 4.2 million nights. In 2018, the trend was supported by an increase in business tourism, which now makes up 23% of total inbound volumes. Top source markets for Estonia are Finland, Russia, Latvia, Germany, and Sweden. Finland is by far the largest market with 35.5% of all inbound visits and the top three (Finland, Russia and Latvia) make up 57.5%. In terms of growth markets, the United States, Russia, United Kingdom and Japan have all increased recently.

There has been a continuous and steady increase over the past decade in domestic tourism, which now accounts for 37% of nights in all means of accommodation. In 2018, domestic tourists spent 2.5 million nights, up 4.1% on 2017, and up 77.7% over the decade from 2009.

Tourism governance and funding

National tourism policy is co-ordinated by the Ministry of Economic Affairs and Communications, in close co-operation with the Estonian Tourist Board at Enterprise Estonia. The Ministry is tasked with: setting tourism policies and programmes and overseeing their implementation; drafting tourism-related legislation and regulations; applying funding for tourism development programmes and projects from both State and EU budgets; participating in activities with international tourism organisations; and co-operating with national and regional level tourism organisations, industry stakeholders and networks to facilitate tourism policy development in the long term.

Policy implementation is carried out by the Estonian Tourist Board, which has a key role in strengthening destination management organisations and co-ordinating tourism product development and activities to ensure a high quality customer journey experience.

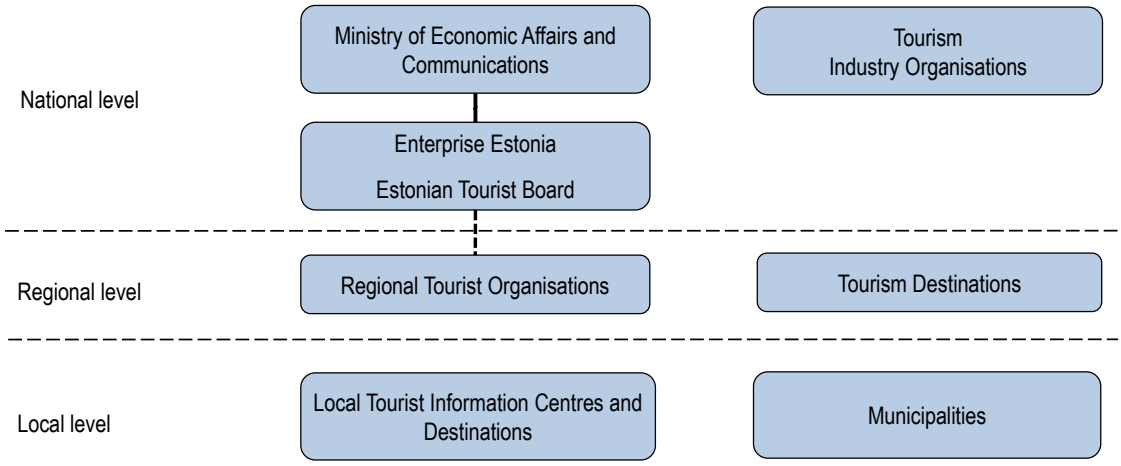
At regional level, County Development Centres engage in the management, dissemination and development of information on tourism, as part of a broader business support and advisory remit. In some counties, the Centres run Tourist Information Centres and employ special tourism co-ordinators. The Centres co-operate with the Estonian Tourism Board, regional tourism foundations and local businesses. In the larger cities like Tallinn, some local governments have developed specific structures for tourism development.

The principal private sector organisations regularly involved in policy development include the Estonian Travel and Tourism Association, the Estonian Hotel and Restaurant Association, the non-profit Estonian Rural Tourism Organisation, the Estonian Spa Association, and the Estonian Convention Bureau.

The overall budget for tourism development for the period of the National Tourism Development Plan 2014-2020 is EUR 116 million, of which EUR 47 million is for destination promotion and product development, and EUR 67 million is for investment in new visitor attractions and international events. The majority of tourism development is financed via the Estonian Tourist Board, and evaluated based on a pre-defined set of indicators.

The main sources of funding for tourism development are EU structural funds and the State budget. Local municipalities and businesses as well as major ports of entry, such as the Port of Tallinn and Tallinn Airport, also invest in tourism infrastructure and services development. Additional funding opportunities are available under the Regional Development Strategy and the Rural Development Strategy.

Estonia: Organisational chart of tourism bodies



Source: OECD, adapted from the Ministry of Economic Affairs and Communications, 2020.

Tourism policies and programmes

The current National Tourism Development Plan 2014-20, and its Implementation Plan, is coming to an end. Preparatory work is now being undertaken with the private sector and other partners on the next programme which will run from 2021-2024. Government policy is to reduce the number of national development plans significantly. The new Tourism Programme 2021-24 will include an agreed longer term vision. The four year period will make it more flexible and adaptable as and when there is a need to react to market trends and other developments.

The Programme will have direct links to the Estonia 2035 strategy, the new 2030 Transport and Mobility Strategy, and a number of other key future policies, including rural development and culture. As the tourism sector is so interlinked with other policy areas, it remains a government objective to co-operate between different ministries and secure a fully co-ordinated policy response. Private sector stakeholders are regularly consulted in this policy planning process.

Some of the policy priorities for the future strategy are likely to include:

- Supporting the development of new business models for tourism SMEs, focusing on adding value through business competitiveness and extending tourism growth across the regions.

- Increasing the uptake of digital technologies, solutions and competences to support innovation and create a competitive edge, with activity particularly directed towards SMEs.
- Promoting effective data management for both businesses and public authorities.
- Strengthening destinations, and destination management organisations, to support the conservation and creation of a valuable and attractive environment, and to underpin activity with sustainable development principles.
- Improving the diversity of the offer, to increase the attractiveness to international visitors of destinations beyond Tallinn, by creating quality products and services across the country.
- Securing better direct flight connections to Estonia, improving connectivity and diversifying markets away from a current over-reliance on Finland and Russia.
- Continuing to focus on development of the meeting, incentive, conference and events (MICE) sector, including likely investment of a major conference centre in Tallinn via the regeneration of an existing concert hall.
- Simplifying regulations connected to the accommodation sector and reducing the reporting requirements for businesses. The policy objective is to have similar requirements for both traditional accommodation providers and those operating in the sharing economy.

The number and function of regional co-ordinating structures is under review. One of the key issues for the coming years will be to strengthen the capacity of destination management organisations (DMOs), moving them from tourism marketing and information providers to a role in destination management. Strong DMOs are seen as key to fostering sustainable and integrated tourism development. Ideally, the DMO of the future will be increasingly responsible for: strategic development; product and customer journey development; community, business and local government co-operation; quality development; tourism information services; and communications.

Looking ahead, digital visitor registration is being developed with an online information system to be operating in all accommodation establishments by 2021-22. Better and more up-to-date data will also enable the Government to make informed decisions on the development of policy. The expected benefits for both tourism businesses and government include: a faster solution that reduces the administrative burden relating to registration and the handling of paper based data; simplified communication with the Government and Statistics Estonia; better quality data for monitoring and analysis to assist with destination management, marketing decisions and tourism flow management; and tourism businesses will receive updated data on tourist traffic and accommodation capacities, as well as detailed analyses to assist business decisions and improve competitiveness.

In order to have better and more accurate tourism data, Estonia now uses mobile positioning big data to inform official tourism statistics. The Bank of Estonia uses international travel statistics to calculate the import and export of travel services for Balance of Payments. Data are calculated by statistical models, using input data on passenger travel over the Estonian border, based on anonymous mobile positioning. This is supported by an Estonian company, Positium, which has provided a number of innovative solutions including measuring demand and impacts of major international events on tourism destinations.

Statistical Profile

Estonia: Domestic, inbound and outbound tourism

	2014	2015	2016	2017	2018
TOURISM FLOWS, THOUSAND					
Domestic tourism					
Total domestic trips	..	10 259	..	..	12 616
Overnight visitors (tourists)	2 572	2 704	3 254	3 277	4 399
Same-day visitors (excursionists)	..	7 555	..	..	8 217
Nights in all types of accommodation	1 291	1 649	2 163	2 245	2 709
Hotels and similar establishments	..	..	..	..	..
Other collective establishments	..	..	..	..	..
Private accommodation	..	..	..	..	..
Inbound tourism[1]					
Total international arrivals	6 193	5 729	5 964	6 147	6 033
Overnight visitors (tourists)	2 918	2 989	3 147	3 245	3 226
Same-day visitors (excursionists)	3 276	2 740	2 817	2 902	2 807
Top markets					
Finland	916 |	1 234	1 280	1 223	1 145
Russian Federation	275 |	388	412	460	464
Latvia	113 |	246	265	292	298
Germany	113 |	211	221	220	245
Sweden	72 |	117	121	121	119
Nights in all types of accommodation	3 919	3 770	4 015	4 150	4 175
Hotels and similar establishments	3 919	3 770	4 015	4 150	4 164
Other collective establishments	..	..	..	..	11
Private accommodation	..	..	..	..	..
Outbound tourism					
Total international departures	3 841	3 596	3 564	3 606	3 607
Overnight visitors (tourists)	2 712	3 078	3 053	3 137	3 088
Same-day visitors (excursionists)	1 129	518	512	469	520
Top destinations					
Finland	576	566	574	561	520
Latvia	247	358	347	351	301
Russian Federation	233	214	219	220	255
Sweden	164	217	237	240	219
Germany	139	223	221	230	213
TOURISM RECEIPTS AND EXPENDITURE, MILLION EUR					
Inbound tourism					
Total international receipts	1 714	1 697	1 727	1 874	1 979
International travel receipts	1 401	1 347	1 390	1 465	1 516
International passenger transport receipts	313	350	337	409	464
Outbound tourism					
Total international expenditure	1 014	1 054	1 174	1 236	1 400
International travel expenditure	890	925	1 050	1 106	1 246
International passenger transport expenditure	124	129	123	130	155

.. Not available; | Break in series
1. Arrivals from demand side surveys; Nights from supply side surveys.
Source: OECD Tourism Statistics (Database).

StatLink http://dx.doi.org/10.1787/888934076647

Estonia: Enterprises and employment in tourism

	Number of establishments[2]	Number of persons employed				
	2017	2014	2015	2016	2017	2018
Total	..	..	..	..	..	..
Tourism industries	..	..	..	..	..	..
Accommodation services for visitors[1]	1 500	6 500	6 900	7 200	7 300	..
Hotels and similar establishments	..	..	..	..	..	..
Food and beverage serving industry	2 248	16 100	17 000	17 600	19 100	..
Passenger transport	..	..	..	..	..	..
Air passenger transport	..	..	..	..	..	..
Railways passenger transport	..	..	..	..	..	..
Road passenger transport	..	..	..	..	..	..
Water passenger transport	..	..	..	..	..	..
Passenger transport supporting services	..	..	..	..	..	..
Transport equipment rental	..	..	..	..	..	..
Travel agencies and other reservation services industry	442	1 600	1 600	1 600	1 800	..
Cultural industry	..	..	..	..	..	..
Sports and recreation industry	..	..	..	..	..	..
Retail trade of country-specific tourism characteristic goods	..	..	..	..	..	..
Other country-specific tourism industries	..	..	..	..	..	..
Other industries	..	..	..	..	..	..

.. Not available
1. Data for accommodation service for visitors refer to number of establishments.
2. Data refer to number of enterprises.
Source: OECD Tourism Statistics (Database).

StatLink http://dx.doi.org/10.1787/888934076666

Estonia: Internal tourism consumption

Million EUR

	2014		
	Domestic tourism expenditure	Inbound tourism expenditure	Internal tourism consumption
Total	..	..	..
Consumption products	**203**	**1 489**	**2 007**
Tourism characteristic products	170	960	1 420
Accommodation services for visitors	38	299	447
Food and beverage serving services	35	311	346
Passenger transport services	45	236	445
Air passenger transport services	21	42	123
Railways passenger transport services	1	1	7
Road passenger transport services	11	27	56
Water passenger transport services	11	155	221
Passenger transport supporting services	..	7	7
Transport equipment rental services	0	5	31
Travel agencies and other reservation services industry	45	43	98
Cultural services	3	52	55
Sports and recreation services	2	9	10
Country-specific tourism characteristic goods	..	..	..
Country-specific tourism characteristic services	3	10	19
Other consumption products	33	529	587
Tourism connected products	15	50	79
Non-tourism related consumption products	18	479	507
Non-consumption products	..	..	..

.. Not available
Source: OECD Tourism Statistics (Database).

StatLink http://dx.doi.org/10.1787/888934076685

Finland

Tourism in the economy

Tourism is recognised as an important growth sector and contributor to the Finnish economy. In 2017, tourism amounted to 2.6% of Finland's GDP and tourism consumption reached EUR 15 billion. Tourism exports have grown steadily and amounted to 18% of service exports in 2017 – the third largest service export. Tourism industries directly employed 123 500 people in 2017, equivalent to 5.5% of total employment, and it is estimated that this will reach 164 000 by 2028. Around 28 500 tourism-related businesses, many of which are micro in size, recorded a turnover of EUR 9.7 billion.

International visitor numbers have doubled since 2000, and these spent EUR 4.6 billion in 2017 in Finland. In 2018, 5.6 million tourists visited Finland, up 12.4% over 2017, and nights in all means of accommodation reached 6.8 million (+1.5%). The Russian Federation continued to be the largest inbound market (826 000 nights), followed by Germany (628 000 nights) and the United Kingdom (593 000 nights), which replaced Sweden in third place. High growth markets include the Netherlands (up 8.4% on 2017), Spain (up 8.3%) and the United States (up 7.5%). Domestic leisure trips reached 38 million.

In 2018, accommodation establishments in Finland recorded over 22 million overnight stays, up 1.5% on the previous year, of which domestic tourists accounted for around 15.4 million and international tourists 6.8 million. In 2018, 8.7 million domestic tourists were recorded, up 1.5% over 2017.

Tourism governance and funding

The Ministry of Economic Affairs and Employment is responsible for tourism policy. It takes part in drafting legislation on tourism, maintains international relations and works closely with other ministries. Visit Finland is tasked with promoting Finland as a tourist destination, and is responsible for promoting inbound tourism and helping Finnish travel companies to internationalise, develop and market high-quality travel products. It is part of Business Finland, an umbrella body responsible for promoting innovation funding, exports, investment and tourism.

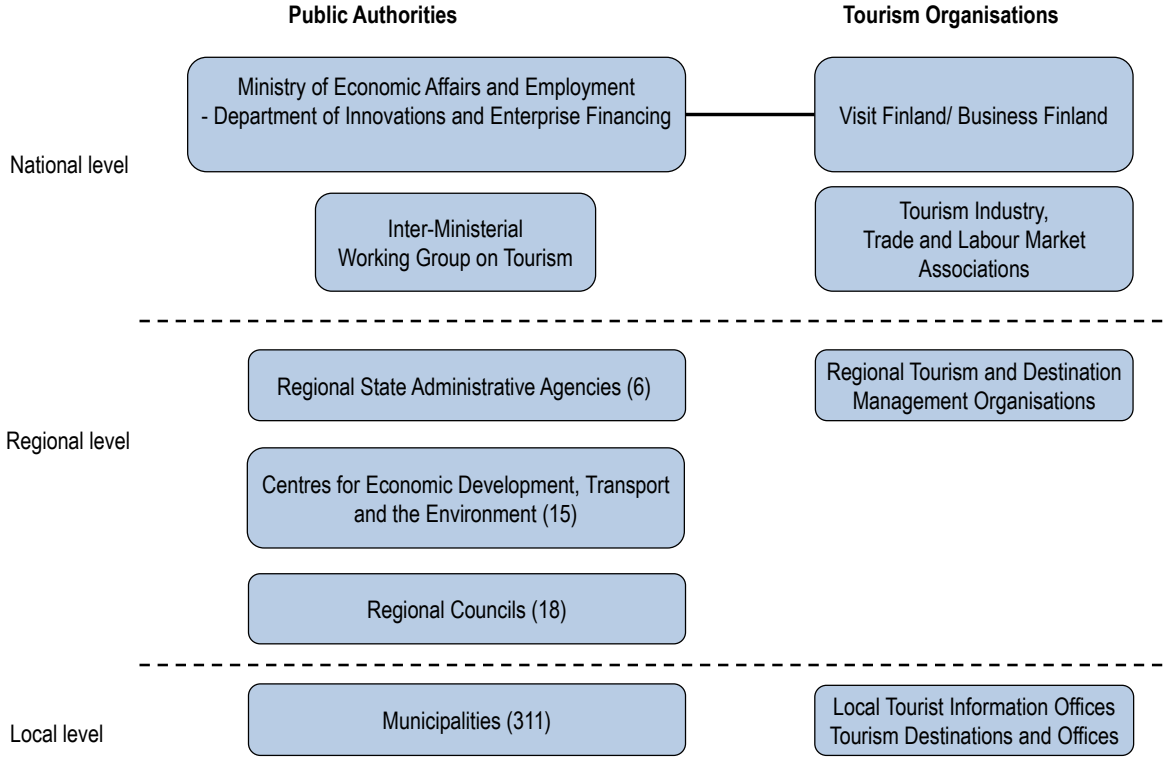
An Inter-Ministerial Working Group on Tourism, chaired by Ministry of Economic Affairs and Employment, acts as a monitoring body for the implementation of tourism policy. It facilitates the effective exchange information on tourism and the preparation of tourism-related matters for decision-makers. It meets several times a year and includes the ministries of Transport and Communication, Environment, Agriculture and Forestry, Foreign Affairs, and Education and Culture, together with organisations under the remit of the participating ministries. These include Business Finland, Visit Finland, *Metsähallitus*, a state-owned enterprise that plays a key role in the management of Finland's physical environment and related outdoor and nature based tourism, Finnish National Agency for Education, Finnish Food Authority, and the Finnish Safety and Chemicals Agency.

A Working Group to discuss tourism statistical issues meets twice a year, chaired by Statistics Finland.

Collaboration with the private sector is facilitated through the Business Finland Tourism Advisory Board, which guides the work of Visit Finland and consists of industry leaders from different branches of tourism,

and other tourism organisations and representative bodies. Private sector collaboration also takes place in regular bilateral meetings between the Ministry and trade and labour market organisations.

Finland: Organisational chart of tourism bodies



Source: OECD, adapted from the Ministry of Economic Affairs and Employment, 2020.

At regional level, the Centres for Economic Development, Transport and the Environment (ELY Centres) provide financial, advisory, consulting and training services to tourism businesses, as part of their remit to promote regional competitiveness, well-being and sustainable development. Regional Councils also provide support for tourism development projects, general marketing, advisory services, training and research. There are also some 70 regional tourism organisations, which have varied objectives, tasks and ownership structures. Locally, tourism issues are handled by municipalities and local tourist information offices. The amount of funding provided by public sources varies from year to year. Visit Finland is funded from the State budget, receiving EUR 11.9 million in 2017. In 2018-19, the budget was increased to EUR 16 million in order to deliver the Tourism 4.0 Action Programme. In addition, in 2018 tourism-related projects received around EUR 25 million from Finland's Structural Funds Programme 2014-20, and EUR 12.3 million from the Rural Development Programme for Mainland Finland 2014-20.

Tourism policies and programmes

Recognised trends affecting inbound tourism are sustainability and its impact on tourism and travel behaviour, digitalisation, new potential tourist markets as well as increased international interest in some of Finland's key strengths: nature, security, cleanliness and authenticity. A major challenge faced by tourism in Finland is its price competitiveness, with high taxes and labour costs as contributing factors. Other challenges include seasonality, difficulties in finding skilled workers, connectivity issues and relatively few travel businesses to support tourism growth.

Under the new Tourism Strategy 2019-28 and Action Plan 2019-23, Achieving More Together - Sustainable Growth and Renewal in Finnish Tourism, Finland aims to double tourism exports and be the most

sustainable destination in the Nordic region. The Strategy identifies four key priorities to promote growth and renewal in the sector: support activities that foster sustainable development, respond to digital change, improve accessibility, and ensure an operating environment that supports competitiveness. Co-operation with relevant stakeholders also plays a major role. A range of recent cross-cutting policy initiatives are aligned with the Strategy. The Finnish Food Policy, Food 2030, includes an objective to strengthen food tourism. Strategies to protect high value natural environments and resources, including the Strategy for the Arctic Region, the Baltic Sea Strategy, the updated National Forest Strategy 2025, and the new Maritime Policy Guidelines, closely align to the 2030 Agenda goals, embed sustainability as a core component, and seek to develop new market opportunities, such as nature tourism.

The Digital tourism roadmap in Finland

In 2018, the Roadmap for Digitalisation of the Finnish Tourism Sector was developed, to steer the sector towards greater digital competence, such as the uptake of digital solutions and platforms and management with data. The goal is to create nation-wide digital ecosystems and to have Finnish travel products and services available in multiple digital channels locally and globally. The vision is to become a smart, pioneering destination that provides the best customer journey. The key steps to reach these are i) Data management and collaboration that enables a seamless purchase path and real time information for travellers, and ii) Multi channel online bookability by utilising platform economy and API's. iii) Starting with pilots and scaling up to nation-wide ways of working iv) Supporting sustainable development of Finnish travel industry with digital tools. The Roadmap was developed with a team of industry and digital experts and is updated annually to keep up with the fast moving changes in the industry.

Pilot projects focusing on digital customer experience and data were carried out in four travel destinations. The pilots enabled tailored, cost effective development of digital know-how and services, specifically developing initiatives to help travellers find and get to hidden destinations like Turku and the archipelago, to handle scattered destination information (Lake Saimaa, Kuopio Tahko, North Karelia), to design the ideal digital customer journey (Visit Rovaniemi & Finnair) and to share and analyse data (Helsinki, House of Lapland, Finnair). In 2020, the focus is to scale up the work to national level, improving data driven tourism marketing and sales and deploying national travel data hub. There is also e-learning and Visit Finland academy digital training available to the travel trade. Based on the work undertaken, a digital inventory of tourism assets is the main priority to be developed in the future years.

The importance of tourism for the growth of Finland's economy is recognised by the Finnish Government. Government support for tourism was strengthened with the allocation of additional funding support for the Tourism 4.0 Action Programme for period 2018-19. This initiative supported the implementation of the national tourism strategy, and aimed to continue recent growth with investment in marketing, enhancing digitalisation, measures to tackle seasonality, and steps to enhance the sustainability of tourism businesses. The latter goal is supported by the Sustainable Arctic Travel Destination programme implemented by Business Finland/Visit Finland. One of the principal measures is to create the Sustainable Travel Finland label for both businesses and destinations. The concept has three aims: to be a low threshold sustainable development tool for tourism destinations and businesses; a marketing communication tool for Visit Finland; and a label to identify sustainable travel businesses and destinations to both travel trade and consumers.

In January 2018, the Ministry launched a two-year programme *Matkailudiili* to ease the shortage of skilled workers in the tourism sector, with measures to improve awareness and perceptions of employment opportunities in tourism, strengthen co-operation between tourism actors, and pilot tourism employment projects (Box 1.14). A Roadmap for the Digitalisation of the Finnish Tourism Sector originally launched in

2018 sets out the vision to make Finland a smart, pioneering tourism destination that provides the best customer journey (see box).

Statistical Profile

Finland: Domestic, inbound and outbound tourism

	2014	2015	2016	2017	2018
TOURISM FLOWS, THOUSAND					
Domestic tourism					
Total domestic trips	..	..	..	..	45 280
Overnight visitors (tourists)	28 850	29 160	29 790	30 160	29 130
Same-day visitors (excursionists)	..	..	..	..	16 160
Nights in all types of accommodation	78 838	78 890	80 730	80 460	78 360
Hotels and similar establishments	..	..	13 750	13 610	13 210
Other collective establishments	..	..	9 570	10 050	11 060
Private accommodation	..	..	57 390	56 790	54 070
Inbound tourism					
Total international arrivals	..	..	..	..	..
Overnight visitors (tourists)	2 731	2 622	2 789	3 180	3 224
Same-day visitors (excursionists)	..	..	..	..	..
Top markets					
Russian Federation	615	352	307	382	378
Germany	248	266	268	297	304
United Kingdom	181	190	200	229	230
China	85	121	158	210	203
United States	93	95	108	126	139
Nights in all types of accommodation	5 710	5 510	5 771	6 743	6 843
Hotels and similar establishments	4 795	4 677	4 973	5 726	5 777
Other collective establishments	915	834	798	1 017	1 066
Private accommodation	..	..	..	..	..
Outbound tourism					
Total international departures	9 780	10 020	10 280	10 480	10 480
Overnight visitors (tourists)	8 730	8 900	9 130	9 330	9 450
Same-day visitors (excursionists)	1 050	1 120	1 150	1 160	1 030
Top destinations					
Sweden	1 830	1 630	1 830	1 680	1 790
Estonia	2 010	2 090	2 170	2 070	1 670
Spain	790	700	830	820	880
Germany	420	540	470	530	500
Russian Federation	310	310	390	340	300
TOURISM RECEIPTS AND EXPENDITURE, MILLION EUR					
Inbound tourism					
Total international receipts	4 115	3 614	3 628	4 593	4 883
International travel receipts	2 745	2 318	2 392	3 002	3 102
International passenger transport receipts	1 370	1 296	1 236	1 591	1 781
Outbound tourism					
Total international expenditure	4 764	5 219	5 604	5 893	6 133
International travel expenditure	3 992	4 325	4 693	4 945	5 151
International passenger transport expenditure	772	894	911	948	982

.. Not available
Source: OECD Tourism Statistics (Database).

StatLink http://dx.doi.org/10.1787/888934076704

Finland: Enterprises and employment in tourism

	Number of establishments	Number of persons employed				
	2017	2014	2015	2016	2017	2018
Total	**..**	**..**	**..**	**..**	**..**	**..**
Tourism industries	**32 216**	**121 500**	**121 600**	**122 400**	**123 500 p**	**..**
Accommodation services for visitors	..	..	..	..	..	..
Hotels and similar establishments	2 207	12 700	13 000	12 900	13 000 p	..
Food and beverage serving industry	12 238	59 400	60 700	63 000	64 100 p	..
Passenger transport	8 601	32 000	31 900	29 600	29 200 p	..
Air passenger transport	78	3 200	3 200	3 300	3 500 p	..
Railways passenger transport	62	4 400	3 900	2 400	2 300 p	..
Road passenger transport	8 267	21 500	21 000	21 000	20 500 p	..
Water passenger transport	194	2 900	2 800	2 900	2 900 p	..
Passenger transport supporting services	..	..	..	..	..	..
Transport equipment rental	344	1 300	1 400	1 400	1 500 p	..
Travel agencies and other reservation services industry	1 554	1 700	1 700	1 700	1 500 p	..
Cultural industry	3 460	5 200	5 100	5 000	5 200 p	..
Sports and recreation industry	3 812	9 200	8 800	8 800	9 000 p	..
Retail trade of country-specific tourism characteristic goods	..	..	..	..	..	..
Other country-specific tourism industries	..	..	..	..	..	..
Other industries	**..**	**..**	**..**	**..**	**..**	**..**

.. Not available; p Provisional data
Source: OECD Tourism Statistics (Database).

StatLink http://dx.doi.org/10.1787/888934076723

Finland: Internal tourism consumption

Million EUR

	2016		
	Domestic tourism expenditure	Inbound tourism expenditure	Internal tourism consumption
Total	**8 092**	**3 599**	**13 979**
Consumption products	**7 878**	**3 528**	**13 694**
Tourism characteristic products	4 803	2 573	9 359
Accommodation services for visitors	742	436	1 993
Food and beverage serving services	1 505	591	2 096
Passenger transport services	1 709	1 253	4 012
Air passenger transport services	663	991	2 410
Railways passenger transport services	172	22	267
Road passenger transport services	547	146	911
Water passenger transport services	327	94	424
Passenger transport supporting services	..	..	..
Transport equipment rental services	76	19	97
Travel agencies and other reservation services industry	367	0	482
Cultural services	185	94	279
Sports and recreation services	221	180	401
Country-specific tourism characteristic goods	..	..	..
Country-specific tourism characteristic services	..	..	..
Other consumption products	3 074	955	4 335
Tourism connected products	1 279	122	1 707
Non-tourism related consumption products	1 795	833	2 628
Non-consumption products	**214**	**71**	**285**

.. Not available
Source: OECD Tourism Statistics (Database).

StatLink http://dx.doi.org/10.1787/888934076742

France

Tourism in the economy

Tourism plays a major role in the French economy. Traditional tourism sectors such as accommodation and food services, account for approximately 6% of GDP, but tourism also acts as an engine of growth for many other sectors. Total internal tourism consumption, which combines tourism-related spending by both French residents and non-residents, represents over 7% of GDP, with two-thirds of the total impact of tourism is accounted for by French residents. Direct tourism employment accounts for 1.4 million jobs, and over 2 million when considering indirect jobs. Tourism contributes positively to the balance of payments, with the tourism balance typically contributing between EUR 14 - 17 billion annually. Travel exports accounted for 22.2% of total service exports in 2018.

Inbound tourism arrivals stood at just under 90 million in 2018, an increase of 3.0% from 2017. Thanks to heightened security measures and additional marketing efforts, visitor numbers have recovered from the drop that occurred in 2016 as a consequence of the 2015 terrorist attacks. In 2018, international tourism revenues were estimated at EUR 57 billion. EU countries account for 69% of all international arrivals, with the top three countries (United Kingdom, Germany and the Benelux countries) accounting for over 46%. A further 10% of visitors come from the Americas and 6.8% come from Asia.

Domestic tourism accounted for 897.6 million nights in 2018, up 0.2% over 2017. 268.2 million domestic trips were taken in the same year, of which 189.8 million were overnight.

Tourism governance and funding

Since 2014, responsibility for tourism policy is shared between the Ministry of Europe and Foreign Affairs, which promotes France abroad as a tourist destination, and the Ministry of the Economy and Finance, which is responsible for the regulatory framework.

An Inter-Ministerial Tourism Council meets twice a year under the chair of the Prime Minister, with the aim of encouraging ministries and departments working in tourism-related areas to move forward with priority projects. It is supported by a Steering Council chaired by the Minister for Europe and Foreign Affairs, which meets in the intervening period.

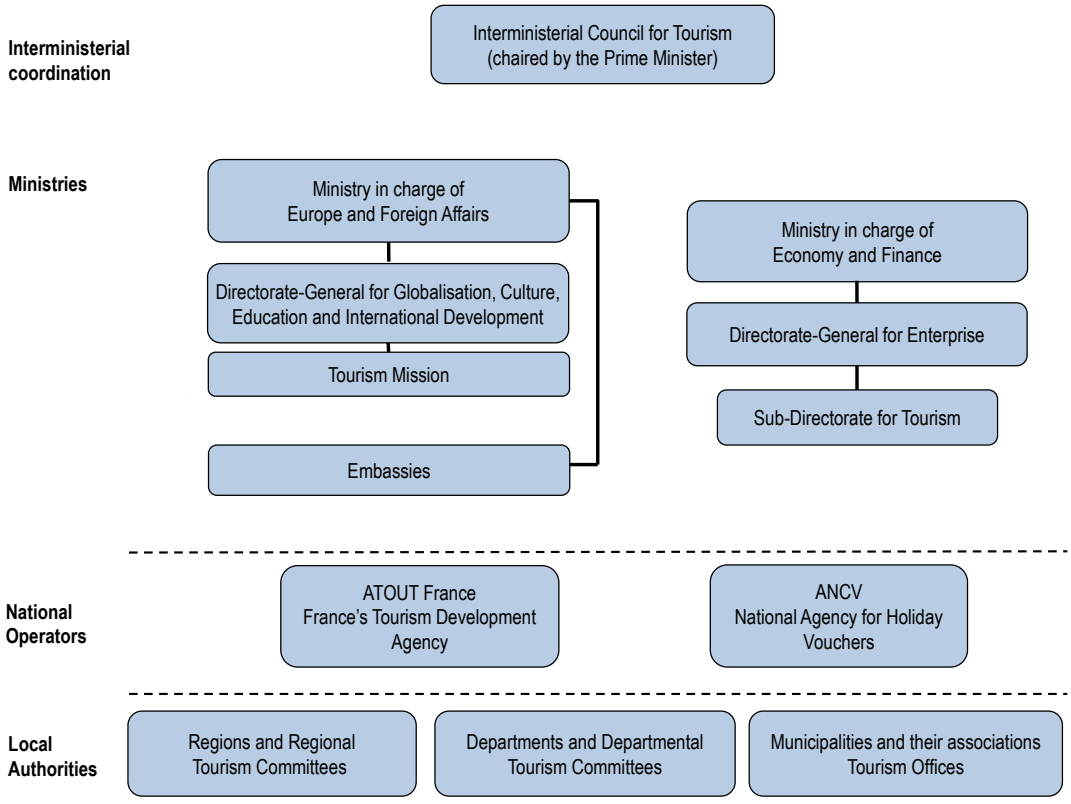
Policy implementation involves two agencies under state control. Atout France, which is responsible for promoting France abroad, has the legal form of a group of economic interests which brings additional flexibility to its mission and sourcing of funds. Its budget is typically between EUR 70 - 75 million, with around half of this figure being state subsidy. The National Agency for Holiday Vouchers is an agency responsible for broadening access to holidays.

At a territorial level, public governance of tourism concerns all levels. Each region is required to set up a Regional Tourism Committee, as well as preparing a regional tourism development plan setting out medium-term objectives and the terms governing policy implementation. Regions are also responsible for collecting tourism-related data, and for co-ordinating public and private initiatives in the fields of tourist information, development and promotion. Departmental tourism development schemes are prepared

based on the guidelines outlined in the plans produced by regions, and Departmental Tourism Committees must also be established. At local level, municipalities granted powers to act in tourism-related fields can set up tourist offices to provide tourist information and promote the tourism offering, and may also market tourist services.

To improve the co-ordination of tourism, a Strategic Tourism Committee was established as a framework for sharing information between sectors and for constructive collaboration on public policy (particularly as regards the mobility of employees in the sector). Stakeholders from all tourism-adjacent sectors are invited to join.

France: Organisational chart of tourism bodies



Source: OECD, adapted from the Directorate-General for Enterprise, 2020

Tourism benefits indirectly from state spending in other policy areas, including culture and heritage, transport infrastructure and environmental enhancement. Estimated total financial resources applied to tourism amounts to approximately EUR 5 billion.

Tourism policies and programmes

The pattern of increasing tourist flows represents a key challenge in terms of the sustainability of tourism and its public acceptance. A high proportion of international tourist travel is concentrated in three French regions - the greater Paris area, the French Riviera, and the ski resorts of the Alps. In addition, the majority of French residents go on holiday to coastal regions, while the country's mountain regions are seeking new areas of growth to mitigate the adverse impacts of global warming on winter pursuits. France's tourism offer must therefore be structured more effectively, with target markets made more aware of its diversity.

During the 2017 Inter-ministerial Tourism Council meeting (CIT), the roadmap for tourism development was set and the Government agreed to focus action on six key areas:

- Welcome and security - improvements in service standards have been achieved in particular through reduced visa waiting times and border crossing times at airports, while quality-related efforts are focused on modernising and promoting the Government's Tourism Quality label (*Qualité Tourisme*TM).
- Dispersal - in order to attract and disperse international tourists across France, including its overseas territories. Key elements include the destination contracts policy, which brings together all parties involved in delivering a local tourist offer.
- State support for investment - a major pillar of the Government's strategy for improving the quality of the tourist offer and promoting better connectivity. This is achieved through deployment of the France Tourism Development Fund (*France développement tourisme*).
- Training and employment - crucial in terms of service quality and playing a major role in combating unemployment given the number of jobs created by the industry.
- Supporting digitalisation and information – specifically to increase the global competitiveness of France's tourism industry. Key elements include development of the *DATAtourisme* portal, France NUMerique (Box 2.8), Tourisme Lab incubator network and economic intelligence observatory, *Veille Info Tourisme*.
- Broader access to holidays - in particular for people living with a disability, represents a social objective and a way to enhance the competitiveness of destinations;

The Inter-Ministerial Tourism Council meetings have subsequently be organised around these priority areas. At its January 2018 meeting, which covered topics relating to promotion and investment, the Council approved an increase in funding for the tourism industry from the government-backed guarantor agency, *Caisse des dépôts,* and public investment bank, *Bpifrance*, and agreed permanent arrangements for transferring a portion of visa revenues to *Atout France* to fund advertising targeted at international markets. The Council acknowledged at its meeting in July 2018 that progress had been made in the digital sector, and examined proposals for improving synergies between sport and tourism. The meeting held in May 2019 focused on employment and training and related governance issues. Topics discussed included schemes to help local authorities, including, organisational support for the development of tourism-related economic activities at heritage sites, a VAT refund scheme, and a new project aimed at simplifying the regulatory framework for tourism. A meeting scheduled for late 2019 will focus, in particular, on broadening access to holidays and sustainable tourism.

To bring forward co-ordinated action at the local level, destination contracts were formed in 2014 and are designed to encourage public-private partnerships around specific themes, with the aim of creating and promoting a clear and attractive offer for both national and international audiences. Each contract constitutes a commitment on the part of all interests to a shared tourism strategy, by means of actions which focus on the attractiveness of the offer and improved service quality. Destination contracts are a way of offsetting the disadvantages that arise from the very large number of public and private actors in the tourism industry and of bringing together local and national tourism strategies. While the investment of state funding is modest, this concept exercises considerable leverage. Twenty-three destination contracts were signed between 2015 and 2018, while a further eight were renewed in 2018.

France has responded to the development of digital platforms, which is particularly relevant to tourist accommodation. Accommodation in private homes has become a major component of the national offer, especially in cities, but does not always further the objectives of housing policy. In an effort to avoid obstructing the development of a dynamic new economy in furnished tourist rentals, while preserving housing market equilibrium, France has opted to take a regulatory approach, in particular through the adoption of the 2018 Law on Changes in Housing, Land Management and Digital Technology, or ELAN Law. Under this Law, in areas severely affected by rising housing prices, municipalities will be able to

impose restrictions on second-home rentals and limit the length of time for which a primary residence can be rented to 120 days per year (this 120-day limit is also imposed on platforms).

Statistical Profile

France: Domestic, inbound and outbound tourism

	2014	2015	2016	2017	2018
TOURISM FLOWS, THOUSAND					
Domestic tourism					
Total domestic trips	263 859	260 038	255 498	276 537	268 152
Overnight visitors (tourists)	196 232	191 644	187 942	191 636	189 755
Same-day visitors (excursionists)	67 627	68 394	67 555	84 901	78 397
Nights in all types of accommodation	989 828	961 651	938 608	895 659	897 591
Hotels and similar establishments	..	..	..	..	..
Other collective establishments	..	..	..	..	..
Private accommodation	..	..	..	..	..
Inbound tourism					
Total international arrivals	206 599	203 302	203 042	207 274	211 998
Overnight visitors (tourists)	83 701	84 452	82 682	86 758	89 322
Same-day visitors (excursionists)	122 898	118 851	120 360	120 516	122 676
Top markets					
United Kingdom	11 751	12 236	12 019	12 698	13 008
Germany	12 909	11 478	11 753	12 256	12 272
Belgium	9 257	9 614	9 110	10 448	10 507
Italy	7 358	7 594	6 992	6 601	6 963
Switzerland	6 480	6 010	6 353	7 013	6 772
Nights in all types of accommodation	571 651	577 211	561 037	582 100	596 784
Hotels and similar establishments	..	..	..	..	..
Other collective establishments	..	..	..	..	..
Private accommodation	..	..	..	..	..
Outbound tourism					
Total international departures	31 942	30 608	29 636	44 265	44 474
Overnight visitors (tourists)	27 919	26 648	26 483	29 055	26 914
Same-day visitors (excursionists)	4 023	3 960	3 153	15 209	17 560
Top destinations					
Spain	4 182	4 430	4 206	4 429	4 526
Italy	2 948	3 175	3 027	3 192	3 311
Great Britain	1 965	1 668	1 813	1 989	1 804
Belgium	1 824	1 822	1 613	1 660	1 727
Portugal	1 140	1 243	1 397	1 555	1 627
TOURISM RECEIPTS AND EXPENDITURE, MILLION EUR					
Inbound tourism					
Total international receipts	50 518	59 901	57 266	59 805	62 030
International travel receipts	43 769	52 584	49 834	52 097	55 450
International passenger transport receipts	6 749	7 317	7 432	7 708	6 580
Outbound tourism					
Total international expenditure	43 996	43 011	44 241	46 307	49 130
International travel expenditure	36 701	35 627	36 476	37 867	40 527
International passenger transport expenditure	7 295	7 384	7 765	8 440	8 603

.. Not available
Source: OECD Tourism Statistics (Database).

StatLink http://dx.doi.org/10.1787/888934076761

France: Enterprises and employment in tourism

	Number of establishments[1]	Number of persons employed[2]				
	2017	2014	2015	2016	2017	2018
Total	**..**	**1 266 421**	**1 282 702**	**1 318 006**	**1 361 019**	**1 382 831**
Tourism industries	**298 414**	**1 251 408**	**1 268 217**	**1 303 487**	**1 344 350**	**1 367 134**
Accommodation services for visitors	50 123	211 126	210 805	212 122	214 866	216 623
Hotels and similar establishments	23 222	170 996	170 424	171 100	173 445	176 046
Food and beverage serving industry	196 032	611 070	628 151	658 636	691 794	710 313
Passenger transport	4 660	272 474	270 406	271 535	271 747	274 683
Air passenger transport	575	63 669	61 331	60 577	60 867	60 809
Railways passenger transport	19	166 167	164 864	165 589	165 708	167 493
Road passenger transport	3 192	32 718	34 318	35 349	35 461	36 202
Water passenger transport	874	9 920	9 893	10 020	9 711	10 179
Passenger transport supporting services	..	..	..	..	..	..
Transport equipment rental	6 420	13 540	13 838	13 949	14 197	14 518
Travel agencies and other reservation services industry	8 539	45 865	45 469	44 958	45 210	45 549
Cultural industry	780	12 660	12 907	12 933	12 904	13 000
Sports and recreation industry	31 860	84 673	86 641	89 354	93 632	92 448
Retail trade of country-specific tourism characteristic goods	..	..	..	..	..	..
Other country-specific tourism industries	..	..	..	..	..	..
Other industries	**..**	**15 013**	**14 485**	**14 519**	**16 669**	**15 697**

.. Not available
1. Data refer to number of enterprises.
2. Data refer to number of employees.
Source: OECD Tourism Statistics (Database).

StatLink http://dx.doi.org/10.1787/888934076780

France: Internal tourism consumption

Million EUR

	2018		
	Domestic tourism expenditure	Inbound tourism expenditure	Internal tourism consumption
Total	**89 277**	**64 059**	**173 299**
Consumption products	**82 446**	**62 661**	**165 070**
Tourism characteristic products	56 548	46 427	122 938
Accommodation services for visitors	13 904	19 823	53 690
Food and beverage serving services	8 110	9 200	17 310
Passenger transport services	19 402	11 308	30 710
Air passenger transport services	10 265	7 891	18 155
Railways passenger transport services	7 179	1 309	8 488
Road passenger transport services	1 582	1 589	3 171
Water passenger transport services	376	520	896
Passenger transport supporting services	..	..	..
Transport equipment rental services	1 663	1 014	2 677
Travel agencies and other reservation services industry	7 402	1 230	8 632
Cultural services	1 226	1 399	2 625
Sports and recreation services	4 842	2 452	7 295
Country-specific tourism characteristic goods	..	..	..
Country-specific tourism characteristic services	..	..	..
Other consumption products	25 898	16 234	42 132
Tourism connected products	..	..	..
Non-tourism related consumption products	..	..	..
Non-consumption products	**6 831**	**1 399**	**8 229**

.. Not available
Source: OECD Tourism Statistics (Database).

StatLink http://dx.doi.org/10.1787/888934076799

Germany

Tourism in the economy

Tourism in Germany continues to grow. The Tourism Satellite Account shows the sector directly generated over EUR 105 billion in the German economy, or 3.9% of total GVA in 2015. Indirect effects are estimated to account for an additional EUR 76.1 billion. Over 2.9 million are directly employed in the sector, equivalent to 6.8% of total employment. Travel exports represented 12.5% of total service exports in 2018.

In 2018, 87.0 million international visitors stayed overnight in Germany, an increase of 4.5% from 2017. In total, 185.1 million tourist arrivals were recorded in 2018 (3.8% more than in 2017), of which 22% were international. The three main source markets for Germany in 2018 were the Netherlands (12% of international overnight stays), Switzerland (8.5%) and the United States (7.7%). In 2018, there were 419.6 million overnight stays recorded in accommodation facilities with ten beds or more, an increase of 4% on the previous year. International tourism receipts accounted for 3% of total exports in 2015. Visitor spending exceeded EUR 287 billion, with EUR 224.6 billion (78%) of tourism revenue attributed to domestic tourism, whereas visitors from abroad spent EUR 39.6 billion (14%).

Domestic tourism has by far the largest share of overnight stays (332.6 million or 82%), with a growth of 3.9% in comparison to 2017.

Tourism governance and funding

The Federal Government is primarily responsible for establishing an appropriate policy environment for tourism. The Federal Minister for Economic Affairs and Energy has lead responsibility for tourism policy, and is supported by the Advisory Council on Tourism Issues which brings together the interests of government, tourism industry, academia and others. The Commissioner for Tourism is responsible for co-ordinating tourism policy within the Federal Government and with the German Parliament, in particular with the Parliamentary Tourism Committee.

The 16 Federal States (*Länder*) are responsible for developing, shaping and promoting tourism policy. The *Länder* ministries are charged with designing, implementing and funding policies to promote tourism development. Each Federal State has a destination management organisation that represents the interests of regional and local/municipal organisations. Local tourism offices co-ordinate the work of small, local enterprises, promote product design and undertake relevant marketing activities.

The Federal-*Länder* Committee on Tourism meets twice a year, fostering the exchange of information and the co-ordination of measures involving two or more *Länder*.

The German National Tourist Board is responsible for marketing Germany abroad, working closely with the tourism marketing organisations of the *Länder* and with the German Chambers of Commerce Abroad.

Support for tourism remains a focal point of the Federal Government's regional policy, including through the Joint Federal-*Länder* Scheme for the Improvement of Regional Economic Structures (GRW), which provides funding in the form of investments in trade and industry (including the tourism economy), and

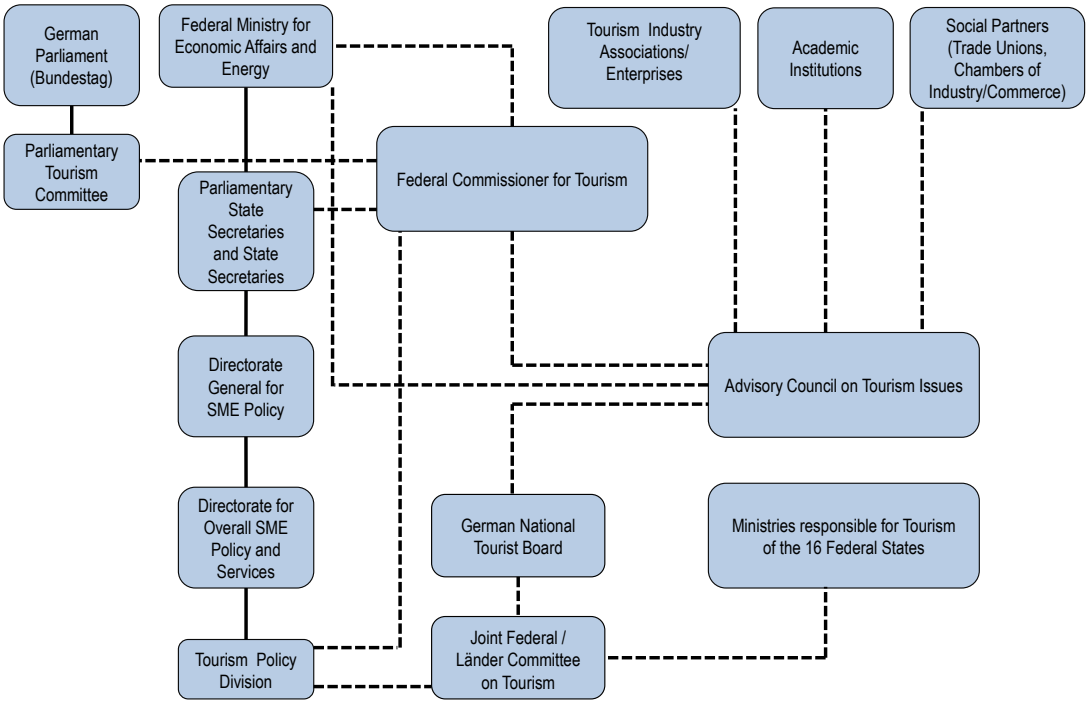
municipal investments in economic infrastructure (including basic infrastructure for tourism, developing land for tourism and public tourist facilities). The GRW budget for tourism was EUR 909 million over the period 2014-18, divided evenly between Federal and *Länder* contributions.

The Federal Ministry for Economic Affairs and Energy budget for tourism in 2018 included EUR 32.6 million for institutional support for the German National Tourist Board (up 7% on 2017), together with EUR 26.1 million for marketing activities (up 4.4%).

Tourism businesses also have access to funding from the Federal Government to support investment through, for example, the Joint Federal-*Länder* Scheme for the Improvement of Regional Economic Structures, and the European Recovery Programme. Tourism also benefits from funding measures and project supports offered by other federal ministries in their respective policy fields.

Financing for tourism in Germany at municipal, regional and *Länder* levels derives from a range of different sources. In addition to public funds, revenue is also generated from *Länder* based spa and tourism taxes as well as from regional bed taxes.

Germany: Organisational Chart of tourism bodies



Source: OECD, adapted from the Federal Ministry for Economic Affairs and Energy, 2020

Tourism policies and programmes

The main issues, challenges, and policy priorities for tourism development in Germany focus on supporting SMEs to develop their competitive position and unlock potential for growth and employment. Other tourism policy priorities include:

- Accessibility - making services and information available for people with reduced mobility and families with small children.
- Strengthening rural tourism - rural regions account for 60% of Germany's territory and 32% of holiday accommodation capacity, but only 12% of tourism value added.

- Labour and skills - competition for skilled professionals has intensified across the entire economy and is impacting the development of tourism. Many tourism firms are registering declining numbers of trainees, comparatively high training drop-out rates and high staff turnover.
- Digitalisation - an increasingly important issue, where smaller businesses in particular are struggling to keep up. The digital transformation of tourism, or Tourism 4.0, is included as a key priority for the Federal Government in its National Tourism strategy.
- Influx from new source markets - management of congestion caused by increase in visitors.
- Economic, social and environmental sustainability.

The 2019 National Tourism Strategy aims to strengthen tourism in the economy and to prepare the entire sector for the future. The Strategy has three overarching policy goals: to raise domestic value creation, to improve the quality of life for the people living in Germany, and to play a part in helping to ensure global stability. In order to achieve these goals, the Federal Government has worked closely with partners from business and government to develop a set of six strategic goals for tourism policy:

- Exploit the many different areas of economic potential in tourism, including creation of employment opportunities in rural areas.
- Strengthen the competitiveness of Germany as a tourism destination, and bolster the tourism industry which is largely made up of SMEs, providing it with the room it needs to develop.
- Create modern, accessible, reliable and sustainable digital infrastructure that takes account of tourists' needs, and of the challenges associated with an increase in visitor numbers.
- Seek to develop quality tourism that preserves valuable natural and cultural habitats, contributes to providing a high quality of life for visitors and local residents, and creates a positive image of Germany abroad.
- Utilise the potential of tourism to boost economic development in other parts of the world, and to foster peace, tolerance and international understanding,
- Support tourism development that is environmentally and climate friendly.

Through a dialogue process led by the Federal Ministry for Economic Affairs and Energy, the Federal Government collaborates with individual federal ministries to develop an Action Plan covering the priorities defined in the National Tourism Strategy and detailing specific measures for each of the fields of action. Other actors, such as *Länder* and business associations, also develop action plans setting out specific measures.

Ongoing actions in support of the Strategy include:

- Tourism for All project, providing information on barrier-free tourism offerings. Measures include the creation of a nationwide certification system and database, which is made available by the Germany National Tourist Board.
- Development of sustainability guidelines for tourism destinations, dissemination of information on sustainable tourism offerings through the German National Tourist Board, the Green Travel Transformation project to sensitise consumers and the travel trade on sustainability issues, and work on measuring sustainability of tourism.

The Federal Ministry for Economic Affairs and Energy has also established a Centre of Excellence for Tourism, which mainly supports the implementation of tourism policy objectives by monitoring and analysing economic, technical and social developments in the sector. An important part of the Centre's work is the Tourism 2030 project, which brings together various industry players and academics to look at long-term scenarios and prospects for tourism in Germany. The Centre of Excellence has an Advisory Board and a Supervisory Body whose membership includes representatives of national tourism associations (Box 1.5).

The National Tourism Strategy also considers the impact of German outbound tourism on developing nations. The Federal Ministry of Economic Co-operation and Development supports over 90 tourism projects in developing countries that contribute to achieving the Sustainable Development Goals and Agenda 2030.

Statistical Profile

Germany: Domestic, inbound and outbound tourism

	2014	2015	2016	2017	2018
TOURISM FLOWS, THOUSAND					
Domestic tourism					
Total domestic trips	..	..	..	..	726 728
Overnight visitors (tourists)	153 902	164 139	164 682	151 175	159 338
Same-day visitors (excursionists)	..	..	..	..	567 391
Nights in all types of accommodation	570 010	611 975	589 172	551 346	587 419
Hotels and similar establishments	214 421	221 242	217 997	220 102	235 441
Other collective establishments	131 224	139 304	129 471	107 981	136 487
Private accommodation	224 365	251 430	241 704	223 263	215 491
Inbound tourism					
Total international arrivals	..	..	..	..	..
Overnight visitors (tourists)	32 860	34 831	35 405	37 307	38 748
Same-day visitors (excursionists)	..	..	..	..	..
Top markets					
Netherlands	4 228	4 315	4 466	4 574	4 703
Switzerland	2 758	3 008	3 096	3 167	3 295
United States	2 365	2 528	2 553	2 803	2 964
United Kingdom	2 410	2 554	2 545	2 596	2 674
Italy	1 637	1 708	1 645	1 702	1 781
Nights in all types of accommodation	74 805	78 828	79 947	83 111	86 962
Hotels and similar establishments	61 312	64 890	65 861	68 653	71 418
Other collective establishments	13 493	13 938	14 086	14 458	15 543
Private accommodation	..	..	..	..	..
Outbound tourism					
Total international departures	183 238	181 216	192 957	194 276	208 172
Overnight visitors (tourists)	83 008	83 737	90 966	92 402	108 542
Same-day visitors (excursionists)	100 230	97 479	101 991	101 874	99 630
Top destinations					
Austria	10 575	10 544	11 380	11 275	14 396
Italy	9 485	10 646	11 548	10 973	13 573
Spain	9 143	10 242	10 393	11 093	11 672
Netherlands	..	4 839	6 763	5 673	7 413
France	5 472	4 838	5 159	6 231	6 143
TOURISM RECEIPTS AND EXPENDITURE, MILLION EUR					
Inbound tourism					
Total international receipts	43 779	45 682	47 154	49 753	50 642
International travel receipts	32 609	33 265	33 838	35 282	36 391
International passenger transport receipts	11 170	12 417	13 316	14 471	14 251
Outbound tourism					
Total international expenditure	76 381	76 953	78 853	85 943	88 141
International travel expenditure	70 261	69 861	72 084	78 839	80 934
International passenger transport expenditure	6 120	7 092	6 769	7 104	7 207

.. Not available
Source: OECD Tourism Statistics (Database).

StatLink http://dx.doi.org/10.1787/888934076818

Germany: Enterprises and employment in tourism

	Number of establishments[2]	Number of persons employed				
	2017	2014	2015	2016	2017	2018
Total	**..**	**..**	**..**	**..**	**..**	**..**
Tourism industries	**249 009**	**1 651 162**	**1 728 462**	**1 840 602**	**2 122 014**	**..**
Accommodation services for visitors	..	1 560	1 621	1 720	1 760	..
Hotels and similar establishments[1]	32 031	..	..	..	..	..
Food and beverage serving industry	171 613	1 079 064	1 136 031	1 216 356	1 482 155	..
Passenger transport	..	..	..	..	..	..
Air passenger transport	500	57 381	58 382	59 449	55 786	..
Railways passenger transport	..	..	..	..	..	..
Road passenger transport	31 500	411 706	423 307	448 828	465 354	..
Water passenger transport	552	8 373	8 867	9 253	9 732	..
Passenger transport supporting services	..	..	..	..	..	..
Transport equipment rental	..	..	..	..	..	..
Travel agencies and other reservation services industry	12 813	93 078	100 254	104 996	107 227	..
Cultural industry	..	..	..	..	..	..
Sports and recreation industry	..	..	..	..	..	..
Retail trade of country-specific tourism characteristic goods	..	..	..	..	..	..
Other country-specific tourism industries	..	..	..	..	..	..
Other industries	**..**	**..**	**..**	**..**	**..**	**..**

.. Not available
1. Data for hotels and similar establishments refer to number of establishments.
2. Data refer to number of enterprises.
Source: OECD Tourism Statistics (Database).

StatLink http://dx.doi.org/10.1787/888934076837

Germany: Internal tourism consumption

Million EUR

	2015		
	Domestic tourism expenditure	Inbound tourism expenditure	Internal tourism consumption
Total	**..**	**..**	**..**
Consumption products	**224 649**	**39 555**	**287 207**
Tourism characteristic products	133 193	29 860	177 443
Accommodation services for visitors	26 820	9 003	39 457
Food and beverage serving services	43 819	7 422	51 241
Passenger transport services	31 182	10 393	41 575
Air passenger transport services	13 168	8 702	21 870
Railways passenger transport services	4 081	348	4 429
Road passenger transport services	12 802	928	13 730
Water passenger transport services	1 131	415	1 546
Passenger transport supporting services	..	..	..
Transport equipment rental services	1 494	153	1 647
Travel agencies and other reservation services industry	12 408	..	12 408
Cultural services	..	..	..
Sports and recreation services	17 470	2 889	31 115
Country-specific tourism characteristic goods	..	..	..
Country-specific tourism characteristic services	..	..	..
Other consumption products	91 455	9 697	109 764
Tourism connected products	..	..	..
Non-tourism related consumption products	..	..	..
Non-consumption products	**..**	**..**	**..**

.. Not available
Source: OECD Tourism Statistics (Database).

StatLink http://dx.doi.org/10.1787/888934076856

Greece

Tourism in the economy

Tourism is one of the most important sectors of the Greek economy and a key pillar of economic growth. Tourism GDP accounted for 6.8% of total GVA in 2017. The sector directly employed 381 800 people in 2018, accounting for 10.0% of total employment in the country. Tourism is an export champion in the Greek economy. Travel exports accounted for 43.3% of total service exports in 2018.

In 2018, inbound tourism to Greece was at an all-time high with a record 33.1 million international tourist arrivals, an increase of 9.7% over 2017. Tourists from other EU countries accounted for almost two-thirds of total visits, an increase of 15.1% over the previous year. The volume markets of Germany (+18.2%) and France (+7.3%) grew significantly, recording a total of 4.4 million and 1.5 million visits respectively, as did arrivals from the United States which reached 1.1 million visits, representing an annual growth of 26.9%. Nights in all means of accommodation rose by 8.1% compared with 2017, to reach 230.7 million.

Domestic tourists made 5.7 million trips in 2018, up 3.6% over 2017. Only 4.7% of domestic trips were for business purposes in 2017, with the vast majority being leisure orientated. The majority of domestic visitors stayed with friends or relatives or in other non-rented accommodation, with only 34.2% of visits using paid accommodation.

Tourism governance and funding

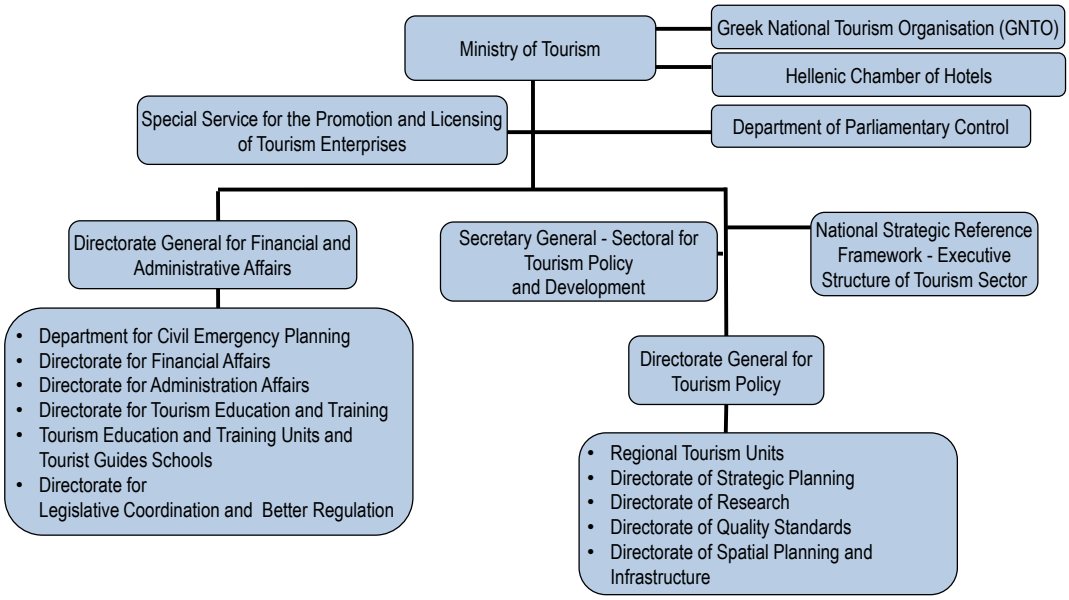
The Ministry of Tourism is responsible for tourism policy making and development in Greece. It introduces legislation on tourism, agrees the strategic marketing plan, stimulates investment and works to improve the quality and competitiveness of Greek tourism. The Ministry co-operates closely with other interested ministries and tourism bodies, such as the Association of Greek Tourism Enterprises and the Research Institute for Tourism.

The implementation of the Marketing Strategy is carried out by the Greek National Tourism Organisation (GNTO), which operates a network of 16 offices overseas. The Hellenic Chamber of Hotels is the Government's statutory advisor on tourism, as well as the competent authority responsible for the official classification of hotels, rooms and apartments.

The Ministry of Tourism operates a network of 14 Regional Tourism Offices that licence and inspect tourism businesses, conduct quality control, monitor official classifications and regulate the sector. At the regional and local level, regions and municipalities plan and implement programmes and activities for tourism development and promotion. All promotional activities require the approval of the Greek National Tourism Organisation, to ensure that these campaigns align with the national strategy for tourism promotion.

The total budget for the Ministry of Tourism rose by 6.3% in 2018 to EUR 63.7 million, up from EUR 59.9 million in 2017. Of this, EUR 20.6 million was allocated to support the marketing and promotional activities of the Greek National Tourism Organisation.

Greece: Organisational chart of tourism bodies



Source: OECD, adapted from the Ministry of Tourism, 2020

Tourism policies and programmes

The National Strategic Reference Framework for the Tourism Sector guides the sector's development for the period 2014-20. Greece's tourism strategy aims to promote the country as a global and attractive year round destination offering unique and authentic travel experiences. Tourism is at the centre of Government policy for national development, innovation and openness.

The main priorities for national tourism policy are to improve the competitiveness, quality, authenticity, resilience and sustainability of the tourism product, and to boost investment in high quality accommodation and other tourism developments with a low environmental footprint. It also takes into consideration the UN Sustainable Development Goals.

The five axes of the National Tourism Strategic Plan are as follows:

- High-standards of infrastructure, with improvements to the licensing regime in order to attract high-quality investments, eliminate red tape and optimise the spatial distribution of tourism (Box 1.20).
- Respect for sustainability principles.
- Improved accessibility and connectivity, by enhancing the country's aviation route network and by expanding and upgrading the national network of marinas.
- Better management of the tourism experience, to increase quality and attractiveness via a focus on sustainable destination management and tourism education.
- Redesign of the tourism product, and redefinition of the brand and communications to reflect the focus on quality, authenticity, resilience, sustainability and value for money.

Within this framework, the Ministry of Tourism is implementing policy to diversify the tourism product, upgrade tourism infrastructure and embed the tourism sector in the local economy. These actions aim to create high quality jobs, increase visitor expenditure, disperse demand and protect and improve natural and cultural resources, as well as create positive spill-over effects into the wider national economy.

To improve connectivity throughout the country, Greece has prioritised interventions that facilitate access by visitors to remote or hard to reach areas on both land and water (roads, motorways and ports). Investments are also progressing with a number of regional airports. In particular, five airports will be completed by the end of 2019 under an agreement with German investment partner *Fraport*, while the whole programme of airport upgrades is expected to be concluded at the end of 2021. Improved access along with the promotion of lesser known destinations is expected to spread the benefits of tourism to many other parts of the territory (Box 3.11).

A top policy priority is to develop a new strategic plan for sustainable tourism with a long-term horizon, providing guidelines for policy implementation, stimulating development projects and creating partnerships, and for these actions to be strengthened by adopting a whole-of-government approach.

Other policy initiatives currently being developed include a range of cross-cutting activities with other ministries and the private sector such as:

- A major public-private sector collaboration to stimulate the development of maritime tourism by improving and enhancing the national network of tourist ports.
- Implementation of practical traineeships in the tourism sector for students in post-secondary education and the operation of vocational training programmes to boost skills and employability.
- Improvements to tourist guides' education and licencing.
- A new Inter-Ministerial Working Group to improve co-operation and co-ordination between the Ministry of Tourism and the Ministry of Culture and Sports on issues of common interest.
- A partnership with the Hellenic Statistical Authority to improve inbound tourism statistics and other data on occupancy, industry structure.

A key challenge for the tourism sector in Greece is congestion caused by excessive volumes of tourists, especially during the peak summer season. New legislation relating to the development of thematic products creates the institutional framework to enable product differentiation, with the ultimate strategic goal of reducing acute seasonality. Working closely alongside major tour operators, the plan aims to highlight emerging destinations and attract visitors to experience lesser known places and assets during the shoulder months. The new legislation recognises sea, spa, sports, rural, religious, meetings incentives conferences and events (MICE), and health tourism as key growth opportunities. Recent legislation has also helped modernise the operation of the tourism value chain - by supporting entrepreneurship and improving skills in order to capitalise on new markets that demand authentic and sustainable experiences.

The Greek National Tourism Organisation's Tourism Marketing Plan 2019-20 distinguishes the competitive advantages of each of the 13 Regions, and proposes a range of dynamic packages combining well known destinations with new, emerging destinations, offering travellers a variety of choices throughout the year. The Marketing Plan showcases the hidden attractions of each region, raises the awareness of both domestic and inbound visitors to result in the dispersal of tourism demand throughout the year. Furthermore, the Ministry of Tourism has worked closely with the European Bank for Reconstruction and Development to roll out management plans to promote sustainable tourism in two of the country's most popular holiday islands: Rhodes and Santorini. The plans aim to help the islands' businesses and local communities to ensure that the destinations are developed, managed and promoted in a sustainable, inclusive and integrated way, with a clear focus on residents. In addition, a training guide will lay the foundations for extending relevant practices across the country.

Embracing digital transformation is a further key priority, and planned development will create a digital ecosystem for Greek tourism using four strategic pillars: digital transformation of services to citizens and enterprises; digital upgrading of tourism education; an integrated system of online data collection and processing; and utilisation of new technologies in tourism promotion.

Statistical Profile

Greece: Domestic, inbound and outbound tourism

	2014	2015	2016	2017	2018
TOURISM FLOWS, THOUSAND					
Domestic tourism					
Total domestic trips	..	19 025	17 154	24 650	..
Overnight visitors (tourists)	5 622	5 111	4 873	5 492	5 691
Same-day visitors (excursionists)	..	..	..	..	..
Nights in all types of accommodation	..	..	..	..	..
Hotels and similar establishments	..	..	..	..	..
Other collective establishments	..	..	..	..	..
Private accommodation	44 089	39 104	39 373	44 999	48 398
Inbound tourism					
Total international arrivals	24 272	26 114	28 071	30 161	33 072
Overnight visitors (tourists)	..	..	..	..	..
Same-day visitors (excursionists)	..	..	..	..	..
Top markets					
Germany	2 459	2 810	3 139	3 706	4 381
Bulgaria	1 535	1 901	2 523	2 546	3 135
United Kingdom	2 090	2 397	2 895	3 002	2 943
Italy	1 118	1 355	1 387	1 441	1 667
France	1 463	1 522	1 314	1 420	1 524
Nights in all types of accommodation	186 927	188 012	193 419	213 516	230 727
Hotels and similar establishments	..	..	..	..	..
Other collective establishments	..	..	..	..	..
Private accommodation	..	..	..	..	..
Outbound tourism					
Total international departures	5 802	6 291	7 235	7 685	7 961
Overnight visitors (tourists)	..	..	..	..	..
Same-day visitors (excursionists)	..	..	..	..	..
Top destinations					
Bulgaria	751	1 109	1 557	2 186	2 371
Former Yugoslav Republic of Macedonia	1 800	1 979	1 923	1 787	1 352
Turkey	716	652	803	810	967
Germany	469	400	444	421	500
Italy	292	297	364	351	405
TOURISM RECEIPTS AND EXPENDITURE, MILLION EUR					
Inbound tourism					
Total international receipts	14 652	15 824	15 086	16 621	18 444
International travel receipts	13 393	14 126	13 207	14 630	16 086
International passenger transport receipts	1 259	1 698	1 879	1 991	2 359
Outbound tourism					
Total international expenditure	3 014	3 189	3 081	2 920	3 314
International travel expenditure	2 076	2 037	2 005	1 905	2 191
International passenger transport expenditure	937	1 151	1 076	1 015	1 123

.. Not available
Source: OECD Tourism Statistics (Database).

StatLink http://dx.doi.org/10.1787/888934076875

Greece: Enterprises and employment in tourism

	Number of establishments	Number of persons employed				
	2018	2014	2015	2016	2017	2018
Total	**..**	**..**	**..**	**..**	**..**	**..**
Tourism industries	**62 973**	**320 003**	**347 756**	**365 892**	**374 417**	**381 819**
Accommodation services for visitors	49 346	75 931	75 068	79 615	87 294	95 363
Hotels and similar establishments	10 040	69 617	67 851	72 238	78 450	87 027
Food and beverage serving industry	..	220 539	249 681	261 484	263 222	266 227
Passenger transport	..	..	..	..	..	..
Air passenger transport	..	..	..	..	..	..
Railways passenger transport	..	..	..	..	..	..
Road passenger transport	7 782	..	..	..	..	..
Water passenger transport	..	..	..	..	..	..
Passenger transport supporting services	..	..	..	..	..	..
Transport equipment rental	..	2 205	4 002	3 921	3 762	6 094
Travel agencies and other reservation services industry	5 770	21 328	19 005	20 872	20 138	14 136
Cultural industry	..	..	..	..	..	..
Sports and recreation industry	..	..	..	..	..	..
Retail trade of country-specific tourism characteristic goods	..	..	..	..	..	..
Other country-specific tourism industries	75	..	..	..	..	..
Other industries	**..**	**..**	**..**	**..**	**..**	**..**

.. Not available
Source: OECD Tourism Statistics (Database).

StatLink http://dx.doi.org/10.1787/888934076894

Hungary

Tourism in the economy

Tourism has outperformed growth in the wider economy over the last decade. The sector directly contributed 6.5% of Hungarian GDP in 2017, rising towards 10.2% of GDP when indirect impacts are included. The same year, tourism directly accounted for over 418 000 jobs, or 9.6% of total employment. Travel exports represented 23.5% of total service exports in 2018.

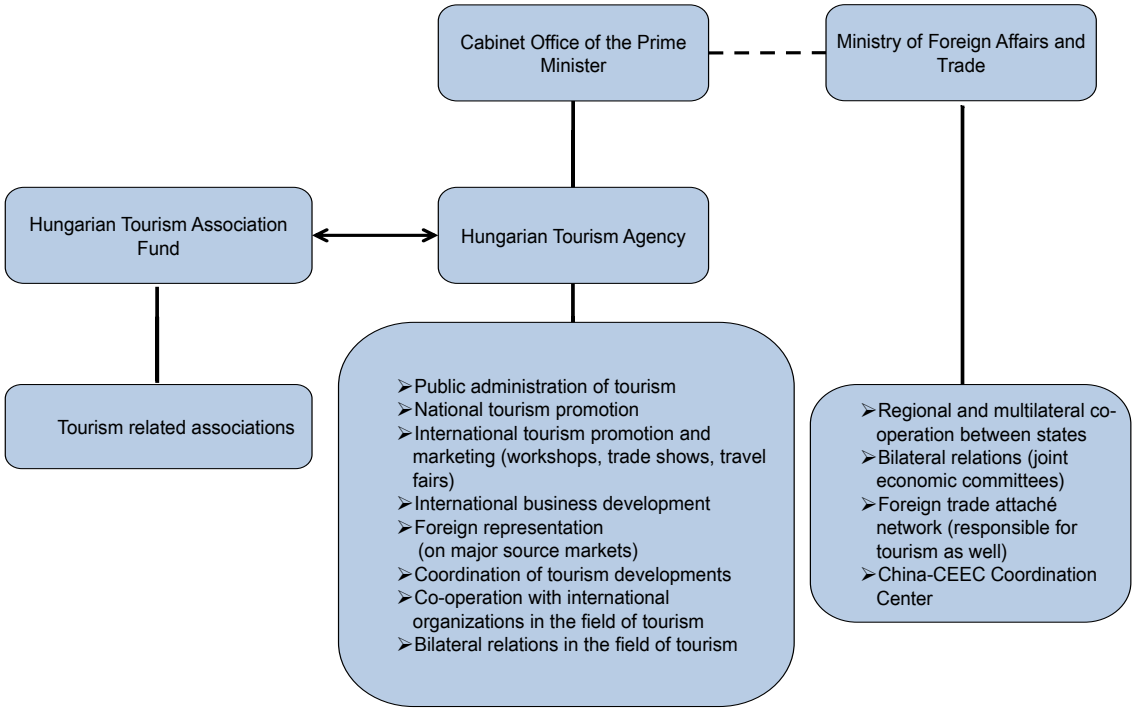
Hungary welcomed a record number of visitors in 2018, following years of steady growth. International tourist arrivals totalled 14.9 million, an increase of 5.7% on 2017. The top source markets for inbound tourists are Germany (13.5% share), Romania (11.1%), Austria (9.3%) and Slovakia (8.7%), which collectively made up 42.7% of arrivals in 2018. Other markets of significant volume include the Czech Republic (5.5%), United Kingdom (5.2%) and Poland (3.3%). Bed-nights from international tourists reached 20.2 million. The domestic tourism economy is also significant, with 14.4 million domestic tourists recorded in 2018, similar to the previous year. Domestic bed-nights in all types of accommodation reached 22.1 million, a growth of 6.1% from the previous year.

Tourism governance and funding

Overall responsibility for tourism was recently transferred from the Ministry of National Development to the Cabinet Office of the Prime Minister, demonstrating the importance the Government attaches to tourism.

The Hungarian Tourism Agency is responsible for the development and management of tourism. Established in 2016 to maximise the contribution of tourism to broader national policies, the Agency defines the tourism strategy, draws up the budget, supervises the allocation of European funds and manages the country's brand. It promotes the country abroad, increases quality by developing related quality systems, and invests in priority tourism projects. In addition, the Agency is responsible for developing new products, allocating grants and providing advice on tourism education. It also plays a pivotal role in tourism-proofing any draft legislation that may potentially impact on the sector, and co-ordinates the work of different parts of government, as well as engaging with the private, academic and civil society sectors.The Ministry of Foreign Affairs and Trade also plays an important role in relation to bilateral dealings on tourism matters with other countries, including oversight of the China-Central and Eastern European Countries (CEEC) Co-ordination Centre. The Hungarian Tourism Association Fund is the umbrella organisation that co-ordinates across the activities of all the different tourism-related associations.

Hungary: Organisational chart of tourism bodies



Source: OECD, adapted from the Hungarian Tourism Agency, 2020.

Tourism policies and programmes

The National Tourism Development Strategy 2030 defines the short, medium and long term goals for the sector, and the tasks to achieve these, it identifies key intervention points, establishes delivery measures, and allocates resources. The Strategy also provides a framework where public and private actors can develop a common vision for the future of tourism in Hungary. It is a policy document that is fully informed by the national context and also aligns to EU development norms. The emphasis of the Strategy is a co-ordinated approach to destination-led development. Destinations are encouraged to develop the entire visitor experience, while drawing on support from the Hungarian Tourism Agency for development, branding and marketing expertise. Related infrastructure and facilities are also considered in context of the wider destination plan, which is designed to provide internationally competitive tourism products and services across the country.

The following principles underpin delivery of the Strategy:

- Tourism developed in balance with local communities and the natural environment.
- An emphasis on family-friendly tourism facilities and experiences.
- A focus on accessible tourism, particularly for visitors with disabilities.
- A clear offer and comprehensive guidance for visitors, including multi-lingual information, signage etc.
- The creative and innovative use of technology through digital applications and support to businesses.

The Government has identified high priority tourism development areas with the greatest potential for scalable, highly profitable tourism that will attract international visitors. A current issue is the successful

oversight of the development, management and marketing of a range of complex, high quality tourism experiences in these newly defined tourism development areas. Launched in 2018, the Kisfaludy Tourism Development Programme outlines the development path for destinations, products and attractions. To support this initiative, a new national Accommodation Development Framework is being piloted, which seeks ultimately to target the renovation of over 30 000 rooms nationwide, along with facilities such as lakeside beaches and adventure parks. Applicants for funds must comply with specific requirements relating to product development, training, promotional activities and collaboration with other local service providers. The aim is to ultimately help strengthen both the competitiveness and sustainability of the destination.

Improving the opportunities open to domestic tourists is another priority with the aim of more even distribution over time and space, and the development of coherent, sustainable and profitable regional destinations. By 2030, the objective is for tourism to be a leading sector of economic growth, offering quality, accessible experiences, employing innovative solutions, and offers a favourable and inclusive career path, as well as contributing to local communities and national values.

Creation of the National Tourism Data Supply Centre in Hungary

The National Tourism Data Supply Centre (NTAK) aims to support the digitisation of the tourism sector, and enhance its competitiveness, by providing robust and timely data. This will contribute to Hungary's overall target of reaching 50 million guest nights by 2030. The initiative is a new digital data supply system that gathers and presents data from all types of accommodation in real time. The objectives are to:

- Accurately measure traffic data for the entire accommodation sector, including anonymised data for the number of guests, their place of origin, and time spent.
- Use the data to plan and measure sectoral strategies, developments and campaigns more effectively.
- Prepare projections on guest traffic based on occupancy data.
- Reduce the administrative and tax liabilities of accommodation providers.
- Build a single national accommodation database of providers.
- Legitimise and expose the total value of the sector, upon which the Government will consider reducing the VAT rate as for the catering industry.

NTAK makes it possible to measure marketing activities more effectively, allows for better targeting of campaigns and interventions to increase interest in Hungary. The Hungarian Tourism Agency uses the data to prepare reports and analysis for the tourism industry. The data can be used as a strategic aid to make projections and comparisons with the results of other countries. The Agency also provides summary reports back to the accommodation sector to enable benchmarking and business performance assessment. Other authorities, such as the National Tax and Customs Administration and local government, will also have access to the data to improve efficiency and administration.

A range of legislation has been introduced that affects and benefits the tourism sector. For example, legislation now encourages employers through the use of quotas to positively discriminate when hiring staff in favour of people with disabilities. Employers with more than 25 employees are required to pay contributions if the number of disabled employees is less than 5% of the total. If the above quota is met, however, the contribution is waived and the employer may also be eligible for additional benefits. Such legislation has been beneficial for the tourism sector, which typically offers flexible and diverse employment opportunities for different types of people and is used to providing a welcoming environment for all visitors and employees. The principle of accessibility is fully reflected in actions set

out in the Strategy. In addition, the National Tourism Data Supply Centre (NTAK) is currently in development, and aims to increase competitiveness through the digitalisation of accommodation data (see box). The initiative directly collects up-to-date and accurate statistical information from accommodation businesses to support better planning, measurement, and targeted marketing and traffic projections.

Statistical Profile

Hungary: Domestic, inbound and outbound tourism

	2014	2015	2016	2017	2018
TOURISM FLOWS, THOUSAND					
Domestic tourism					
Total domestic trips	..	..	..	..	..
Overnight visitors (tourists)	5 515	5 985	6 346	6 809	7 171
Same-day visitors (excursionists)	..	..	..	..	..
Nights in all types of accommodation	16 404	17 716	18 945	20 790	22 053
Hotels and similar establishments	9 419	10 126	10 937	11 553	12 302
Other collective establishments	4 259	4 455	4 552	5 114	5 188
Private accommodation	2 726	3 135	3 456	4 123	4 563
Inbound tourism[1]					
Total international arrivals	17 253	20 189	21 444	22 371	23 893
Overnight visitors (tourists)	10 158	12 410	13 474	14 102	14 905
Same-day visitors (excursionists)	7 095	7 778	7 970	8 270	8 988
Top markets					
Germany	1 898	1 899	1 783	1 865	2 009
Romania	758	1 583	2 299	2 076	1 662
Austria	976	1 088	997	1 254	1 391
Slovak Republic	1 024	1 533	1 476	1 562	1 302
Czech Republic	748	792	833	862	822
Nights in all types of accommodation	14 103	15 144	16 789	19 077	20 162
Hotels and similar establishments	10 653	11 093	11 802	12 754	13 094
Other collective establishments	1 698	1 870	2 000	2 188	2 246
Private accommodation	1 752	2 182	2 987	4 135	4 822
Outbound tourism					
Total international departures	8 933	9 705	10 168	10 874	12 419
Overnight visitors (tourists)	4 927	5 720	6 303	6 707	7 595
Same-day visitors (excursionists)	4 006	3 985	3 865	4 167	4 824
Top destinations					
Germany	686	812	956	1 007	899
Slovak Republic	476	642	674	769	876
Austria	741	818	848	897	808
Romania	437	619	793	705	774
Czech Republic	522	473	544	572	641
TOURISM RECEIPTS AND EXPENDITURE, MILLION HUF					
Inbound tourism					
Total international receipts	1 740 630	1 936 973	2 102 563	2 299 013	2 602 621
International travel receipts	1 365 085	1 487 597	1 594 604	1 694 330	1 870 832
International passenger transport receipts	375 546	449 376	507 959	604 683	731 789
Outbound tourism					
Total international expenditure	629 799	686 340	769 662	831 196	888 874
International travel expenditure	472 913	511 531	608 585	672 179	715 494
International passenger transport expenditure	156 887	174 809	161 077	159 016	173 381

.. Not available
1. Arrivals from demand side surveys; Nights from supply side surveys.
Source: OECD Tourism Statistics (Database).

StatLink http://dx.doi.org/10.1787/888934076913

Hungary: Enterprises and employment in tourism

	Number of establishments[1]	Number of persons employed				
	2018	2014	2015	2016	2017	2018
Total	..	..	..	..	..	..
Tourism industries	**185 963**	**368 056**	**411 914**	**427 715**	**418 017**	..
Accommodation services for visitors	37 347	36 419	40 115	41 488	35 838	..
Hotels and similar establishments	2 425	26 972	30 152	32 694	30 588	..
Food and beverage serving industry	34 570	125 090	135 265	145 424	146 096	..
Passenger transport	11 332	87 002	92 752	93 983	98 840	..
Air passenger transport	112	..	..	..	..	..
Railways passenger transport	3	28 904	32 801	28 531	33 138	..
Road passenger transport	11 071	52 747	54 094	58 587	60 186	..
Water passenger transport	146	..	..	..	..	..
Passenger transport supporting services	4 969	20 352	25 487	26 595	25 163	..
Transport equipment rental	4 864	..	..	..	..	..
Travel agencies and other reservation services industry	3 352	10 171	7 660	7 413	8 087	..
Cultural industry	44 056	38 068	45 704	48 831	39 466	..
Sports and recreation industry	21 124	24 056	31 950	28 264	27 339	..
Retail trade of country-specific tourism characteristic goods	..	..	..	..	..	..
Other country-specific tourism industries	24 349	26 660	30 872	33 916	29 546	..
Other industries	..	..	..	..	..	..

.. Not available
1. Data refer to number of enterprises.
Source: OECD Tourism Statistics (Database).

StatLink http://dx.doi.org/10.1787/888934076932

Hungary: Internal tourism consumption

Million HUF

	2017		
	Domestic tourism expenditure	Inbound tourism expenditure	Internal tourism consumption
Total	..	..	..
Consumption products	**614 607**	**1 386 151**	**2 000 759**
Tourism characteristic products	359 588	994 127	1 353 715
Accommodation services for visitors	113 465	297 785	411 250
Food and beverage serving services	120 332	200 372	320 703
Passenger transport services	48 826	180 597	229 423
Air passenger transport services	36 402	158 660	195 062
Railways passenger transport services	6 393	2 174	8 567
Road passenger transport services	6 031	18 683	24 714
Water passenger transport services	0	1 081	1 081
Passenger transport supporting services	5 321	20 066	25 387
Transport equipment rental services	73	1 766	1 839
Travel agencies and other reservation services industry	32 012	8 866	40 877
Cultural services	6 934	55 760	62 694
Sports and recreation services	25 399	128 298	153 697
Country-specific tourism characteristic goods	..	..	..
Country-specific tourism characteristic services	7 227	100 618	107 845
Other consumption products	255 020	392 024	647 044
Tourism connected products	242 758	357 896	600 654
Non-tourism related consumption products	12 262	34 128	46 390
Non-consumption products	..	..	..

.. Not available
Source: OECD Tourism Statistics (Database).

StatLink http://dx.doi.org/10.1787/888934076951

Iceland

Tourism in the economy

Tourism is the major export earner in Iceland, accounting for ISK 520 billion in 2018 – equivalent to 39% of total export revenue. The sector directly contributed 8.6% of GDP in 2017, and employed some 30 000 people – representing 15.7% of the workforce. Travel exports represented 47.7% of total service exports in 2018.

After nine consecutive years of growth in tourism arrivals, the trend has recently slowed. International tourist arrivals totalled 2.0 million in 2019, representing a 14.2% decline from 2018. This is due mainly to reduced air access but also a strong Icelandic krona. The top three source markets by volume are the United States (23.4% of international tourists), the United Kingdom (13.2%), and Germany (6.7%). Together, these three markets account for 43.3% of total tourist arrivals.

Domestic tourism is relatively stable, with domestic overnight stays totalling 1.1 million in 2018, representing 13% of total overnight stays.

Tourism governance and funding

The Ministry of Industries and Innovation is responsible for developing tourism policy and co-ordinating the work of governmental bodies. The recently merged Department of Tourism and Innovation, is the lead department and it oversees the operation and performance of the national tourism board, the Icelandic Tourist Board.

The Icelandic Tourist Board's responsibilities include the implementation of government tourism policy, planning and support for regional development, licencing and monitoring of licenced activities, data collection, processing and presentation, safety, quality and consumer protection in relation to tourism, and administration of the Tourist Site Protection Fund.

Visit Iceland is the official destination marketing office, charged with attracting visitors to the country. It is part of Promote Iceland, which is a public-private partnership established to promote Icelandic exports, foreign direct investments and Iceland as a tourism destination. Promote Iceland is overseen by the Ministry of Foreign Affairs.

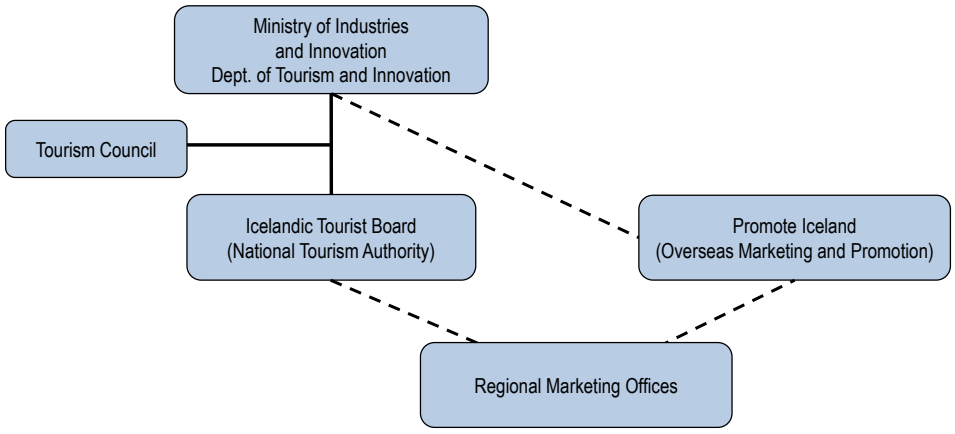
A Tourism Task Force established in 2015 was charged with implementing the Road Map for Tourism in Iceland covering the period to 2020. The Task Force includes different representatives of ministries responsible for tourism, finance, environment and natural resources, and transport and local authorities. The Task Force has served as a co-ordinator in Iceland's efforts to address tourism's impacts. When its mandate comes to an end in 2020, a revised Tourism Council, with wider membership, will continue much of the Task Force's work.

Local municipalities are responsible for the planning and management of many visitor attractions. With the support of the Icelandic Regional Development Institute, associations of municipalities operate Development Agencies, which have delivered a variety of tourism projects, including the newly launched

Arctic Coast Way touring route. Seven regional marketing offices collaborate extensively with both Promote Iceland and the Icelandic Tourist Board, which provides financial support.

The overall public budget allocated to tourism in 2019 was ISK 2.2 billion, allocated as follows: ISK 714.4 million to the Icelandic Tourist Board, ISK 544 million to the Tourist Site Protection Fund, and ISK 1 billion to tourism services, of which ISK 405 million was for marketing and promotion.

Iceland: Organisational chart of tourism bodies



Source: OECD, adapted from the Ministry of Industries and Innovation, 2020.

Tourism policies and programmes

The key challenge for Iceland is to maximise the gains from tourism while protecting the assets upon which tourism depends. Tourism growth has increased pressure on nature, infrastructure and society. Tourism planning, infrastructure investment, data collection, tourist safety and visitor flow management remain priorities. Improved skills and quality (Box 1.13), and increased digitalisation of the sector are also important to maintain competitiveness. Reducing carbon emissions from tourism related activities is a further area of focus as part of the Government's plan for Iceland to become carbon-neutral by 2040.

A new long-term Tourism Policy Framework 2020-30 with a strong focus on sustainability was published in 2019. This will guide the work on a new action-oriented tourism strategy from 2020, together with a new Tourism Impact Assessment model, which takes the carrying capacity of the environment, infrastructure, society and economy into account and is fundamental to the future development of Icelandic tourism. Data from a new Environmental Assessment tool launched in 2019, to assess the status of protected areas and natural attractions, feeds into the Tourism Impact Assessment framework (Box 3.16).

Infrastructure at tourist sites is improved through the strategic National Infrastructure Plan, featuring 3-year rolling investment plans, and the Tourist Site Protection Fund. Criteria are being defined for the establishment of a Model Tourism Sites programme that will promote an exceptional tourist experience at selected natural attractions. Legislation is underway to enable a concessions regime for private tour operators to operate on public land. There are also plans to improve co-ordination in the field of nature conservation, with the establishment of a new National Park Institute.

Regional co-ordination is centred on seven regional Destination Management Plans developed in 2018-19, supported by the planned establishment of destination management organisations (DMOs) in each region by the end of 2021. The new DMOs will have a broader remit than the regional marketing offices currently in existence, and will co-ordinate tourism priorities and regional development with a broad mandate including data collection, innovation, product development, skills, digitalisation and marketing.

Marketing efforts under the Inspired by Iceland banner continue to focus on responsible travel behaviour. Tourism-specific policy actions to reduce carbon emissions include plans to increase the proportion of rental cars running on alternative fuels and the electrification of harbours.

Other areas of policy focus include:

- A Route Development Fund established in 2015 to encourage air access into regional airports.
- Development of the Arctic Coast Way long distance road route.
- Improvement of data collection arrangements via the Icelandic Tourist Board, including the recently established Tourism Data Dashboard.
- Development of a digital toolbox to make it easier for tourism businesses to analyse their technology needs and find solutions.
- Startup Tourism accelerator programme to encourage innovation in tourism, support new companies, create more recreational opportunities, and encourage tourist distribution across seasons and around the country.
- Tourism Cluster Initiative to promote competitiveness and value creation within the Icelandic tourism industry and to develop a co-operative network.
- Legislation on sharing accommodation economy, which limits home sharing to 90 days per year per household.
- Improvements to the regulatory framework of the tourism sector, following on from an OECD Competition Assessment Review of Laws and Regulations.

Statistical Profile

Iceland: Domestic, inbound and outbound tourism

	2014	2015	2016	2017	2018
TOURISM FLOWS, THOUSAND					
Domestic tourism					
Total domestic trips	..	..	..	..	..
Overnight visitors (tourists)	700	587	647	686	701
Same-day visitors (excursionists)	..	..	..	..	..
Nights in all types of accommodation	1 085	909	1 044	1 098	1 105
Hotels and similar establishments	500	496	598	599	661
Other collective establishments	510	366	397	451	402
Private accommodation	75	47	49	49	42
Inbound tourism[1]					
Total international arrivals	1 250	1 587	2 146	2 690	..
Overnight visitors (tourists)	998	1 289	1 792	2 225	2 344
Same-day visitors (excursionists)	252	298 e	354 e	466 e	..
Top markets					
United States	152	243	415	576	695
United Kingdom	181	241	316	323	298
Nordic Countries	164	160	175	182	165
Germany	94	103	133	156	139
France	59	66	85	100	97
Nights in all types of accommodation	4 405	5 561	6 764	7 277	7 444
Hotels and similar establishments	2 787	3 613	4 571	4 974	5 200
Other collective establishments	1 107	1 260	1 438	1 527	1 519
Private accommodation	511	688	754	776	724
Outbound tourism					
Total international departures	..	..	..	..	..
Overnight visitors (tourists)	413	467	558	638	668
Same-day visitors (excursionists)	..	..	..	..	..
Top destinations					
..	..	..	..	..	..
..	..	..	..	..	..
..	..	..	..	..	..
..	..	..	..	..	..
..	..	..	..	..	..
TOURISM RECEIPTS AND EXPENDITURE, MILLION ISK					
Inbound tourism					
Total international receipts	304 641	369 554	462 542	501 446	340 021 p
International travel receipts	160 079	213 349	289 343	321 721	340 021 p
International passenger transport receipts	144 562	156 205	173 199	179 725	..
Outbound tourism					
Total international expenditure	120 744	139 278	159 587	184 233	199 253 p
International travel expenditure	113 605	131 407	152 025	177 049	199 253 p
International passenger transport expenditure	7 139	7 871	7 561	7 184	..

.. Not available; e Estimated value; p Provisional data
1. Arrivals from demand side surveys; Nights from supply side surveys.
Source: OECD Tourism Statistics (Database).

StatLink http://dx.doi.org/10.1787/888934076970

Iceland: Enterprises and employment in tourism

	Number of establishments[1]	Number of persons employed[2]				
	2018	2014	2015	2016	2017	2018
Total	..	..	..	..	..	..
Tourism industries	**2 164**	**19 205**	**21 734**	**25 667**	**28 552**	**30 090**
Accommodation services for visitors	568	4 187	4 945	5 940	6 535	6 602
Hotels and similar establishments	451	3 834	4 542	5 517	6 075	6 186
Food and beverage serving industry	614	7 489	8 264	9 209	9 866	9 737
Passenger transport	200	3 794	4 149	4 963	5 736	7 167
Air passenger transport	16	..	..	..	..	..
Railways passenger transport	0	0	0	0	0	0
Road passenger transport	163	..	..	..	..	..
Water passenger transport	21	..	..	..	..	..
Passenger transport supporting services	..	..	..	..	..	..
Transport equipment rental	62	592	749	1 012	1 199	1 191
Travel agencies and other reservation services industry	559	2 018	2 507	3 388	3 966	4 063
Cultural industry	54	418	464	472	529	555
Sports and recreation industry	107	707	656	683	722	775
Retail trade of country-specific tourism characteristic goods	..	..	..	..	..	..
Other country-specific tourism industries	..	..	..	..	..	..
Other industries	..	..	..	..	..	..

.. Not available
1. Data refer to number of enterprises.
2. Data refer to number of employees.
Source: OECD Tourism Statistics (Database).

StatLink http://dx.doi.org/10.1787/888934076989

Iceland: Internal tourism consumption

Million ISK

	2017		
	Domestic tourism expenditure	Inbound tourism expenditure	Internal tourism consumption
Total	**130 558**	**376 578**	**534 009**
Consumption products	**130 558**	**376 578**	**534 009**
Tourism characteristic products	104 781	320 833	452 256
Accommodation services for visitors	30 256	85 627	124 560
Food and beverage serving services	5 853	38 698	49 460
Passenger transport services	22 306	79 859	113 951
Air passenger transport services	19 771	64 968	95 718
Railways passenger transport services	..	..	..
Road passenger transport services	1 636	14 233	16 522
Water passenger transport services	899	658	1 711
Passenger transport supporting services	..	..	..
Transport equipment rental services	8 429	36 013	45 118
Travel agencies and other reservation services industry	25 588	71 418	97 603
Cultural services	4 003	3 447	7 451
Sports and recreation services	8 346	5 770	14 116
Country-specific tourism characteristic goods	..	..	..
Country-specific tourism characteristic services	..	..	..
Other consumption products	25 777	55 746	81 753
Tourism connected products	23 207	51 266	74 472
Non-tourism related consumption products	2 571	4 480	7 280
Non-consumption products	..	..	..

.. Not available
Source: OECD Tourism Statistics (Database).

StatLink http://dx.doi.org/10.1787/888934077008

Ireland

Tourism in the economy

With strong growth in recent years, tourism has reinforced its position as an important economic sector in Ireland, bringing jobs and revenue to all parts of the country. In 2018, revenue from overseas tourists exceeded EUR 5 billion for the first time and the total value of tourism expenditure to the economy amounted to EUR 9.4 billion, some 3% of GDP. Tourism industries directly employ 225 500 people, accounting for 10.3% of total employment. Travel exports accounted for 2.9% of total service exports in 2018.

Over the 2016-18 period, spending by North American visitors was the main driver, behind overseas revenue growing by 30% from EUR 1.3 million to EUR 1.7 million. Ireland received 9.3 million international tourists in 2018, up 6.3% over 2017. Mainland European and long-haul markets also performed well and while revenues from Great Britain declined, it continues to be an important volume market. Examining the purpose of trip for overseas visitors in 2018 shows that 49.3% were holidaymakers, 13.5% travelled on business while 25% visited friends and relatives.

Domestic tourism expenditure has also grown totalling EUR 2.0 billion in 2018 a rise of 11.6% over 2016 values. Domestic tourists significantly increased by 13.4% to total 10.9 million overnight visitors in 2018 up from 9.6 million in 2017. A total of 28.4 million bed-nights were recorded in 2018, reflecting an increase of 11.2% from the 25.5 million bed-nights recorded in 2017.

Tourism governance and funding

The Tourism Division within the Department of Transport, Tourism and Sport sets national tourism policy and provides the strategic direction to support the growth of a competitive and sustainable tourism industry. Two agencies overseen by the Department deal with the administration of that policy:

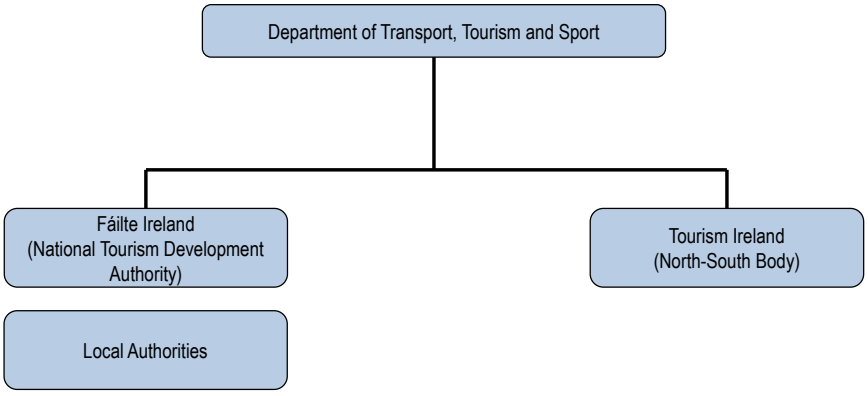
- Fáilte Ireland, the National Tourism Development Authority, was established under the National Tourism Development Authority Act 2003 to support the tourism sector and work to sustain Ireland as a high-quality and competitive tourism destination. It provides a range of practical support measures to help tourism businesses better manage and market their products and services and develop experiences in line with Fáilte Ireland's experience brands (Wild Atlantic Way, Ireland's Ancient East, Ireland’s Hidden Heartlands, and Dublin: Surprising by Nature). Fáilte Ireland also works with other state agencies and representative bodies, at local and national levels, to implement and champion positive and practical strategies that will benefit Irish tourism and the Irish economy.
- Tourism Ireland Ltd, the all-island tourism marketing company, was formally incorporated in 2000 following the Good Friday Agreement with the responsibility for marketing the island of Ireland overseas as a holiday and business tourism destination.

Local authorities are also active in tourism, working closely with Fáilte Ireland. All have published a Tourism Statement of Strategy, setting tourism objectives and a programme of investment and promotion, and have

an officer with responsibility for the co-ordination of tourism development in the area. These plans form part of the Local Economic and Community Plans, the delivery of which is driven by local authorities.

The central budget allocated to tourism amounted to EUR 134.3 million in 2018 rising to EUR 168.7 million in 2019. Of that figure, EUR 15.1 million is allocated to the Department, EUR 89.8 million to Fáilte Ireland and EUR 63.7 million to Tourism Ireland. These amounts do not include any local authority funds.

Ireland: Organisational chart of tourism bodies



Source: OECD, adapted from the Department of Transport, Tourism and Sport, 2020.

Tourism policies and programmes

The Government's national tourism policy, *People, Place and Policy: Growing Tourism to 2025* is implemented by way of action plans. The Tourism Action Plan 2019-2021 sets out 27 actions aimed at helping tourism to continue to grow sustainably to 2025. This latest action plan, published in December 2018, focuses on the following areas: policy and research, marketing Ireland as a visitor destination, enhancing the visitor experience, supporting local communities and co-ordinating the industry. In general, the actions address the potential for more sustainable tourism, regional growth, season extension, enhanced experiences and also reflect the need for a whole-of-government approach in support of tourism. Specific focus is currently being given to the development of principles for sustainable tourism, the identification of new and emerging markets, best practice as regards accessible tourism and a review of data and tools to improve understanding of tourism trends.

A number of wider challenges relating to the United Kingdom's withdrawal from the European Union and the world economy are of current concern, with both potentially having impacts on Ireland's tourism sector. Domestically, there is a risk that strong demand for tourism accommodation coupled with a tightening labour market could exacerbate competitiveness pressures in the sector. Additionally, any reduction in air access would pose a major risk for tourism given Ireland's reliance on overseas tourism.

In May 2019, Fáilte Ireland launched *Platforms for Growth,* a EUR 150 million four year capital investment programme. Major new visitor attractions of scale will be developed and existing attractions enhanced. This is the largest investment programme of its kind to benefit tourism with individual grants available for major visitor attractions of EUR 2.5 million upwards. It specifically targets 'platforms' or project types that have the greatest potential to grow tourism across Ireland and throughout the year. The first 'Platform' focuses on developing *Immersive Heritage and Cultural Attractions* that appeal to overseas visitors looking for experiences that help them to connect with Ireland and bring the country's culture, heritage and people to life. This call for proposals is part of a suite of tourism capital grants programmes envisaged under the

Fáilte Ireland's Tourism Investment Strategy for the period 2016-2022 and is part of the Grants Scheme for Large Tourism Projects 2016-2020.

More broadly, other future policy initiatives include the *Climate Action Plan* published in June 2019 which sets out a whole-of-Government approach to climate action and maps a potential pathway to meet Ireland's 2030 emission reduction commitments. Whilst the Plan does not address tourism directly it is clear that many related sectors, such as transport, will be subject to significant change and adaptation. As a tourism focused sustainability initiative, a long term strategy was launched in 2018 for the development of Greenways across the country with the aim of increasing the number, length and regional spread of Greenways over the next ten years (Box 1.22).

In 2019, the Government also developed *Future Jobs Ireland* and *Global Ireland*, two frameworks that seek to strengthen the economy and develop and reposition Ireland's international presence with both strategies having a tourism dimension. The *Global Ireland* Strategy sets out ambitious targets to grow tourism from new and emerging markets, as well as established markets such as the United States and Germany, based on market strategies for growth. *Future Jobs Ireland* commits to delivering key business development programmes to senior and middle managers across the tourism sector. These strategies, together with *Project Ireland 2040*, the Government's long-term investment strategy, represent an integrated approach to prepare for the opportunities and challenges of the future economy.

Statistical Profile

Ireland: Domestic, inbound and outbound tourism

	2014	2015	2016	2017	2018
TOURISM FLOWS, THOUSAND					
Domestic tourism					
Total domestic trips	..	..	..	..	..
Overnight visitors (tourists)	8 991	9 125	9 359	9 626	10 919
Same-day visitors (excursionists)	..	..	..	..	..
Nights in all types of accommodation	26 086	25 267	25 589	25 539	28 393
Hotels and similar establishments	..	..	..	..	..
Other collective establishments	..	..	..	..	..
Private accommodation	..	..	..	..	..
Inbound tourism					
Total international arrivals	..	..	..	..	..
Overnight visitors (tourists)	6 824	7 747	8 425	8 722	9 273
Same-day visitors (excursionists)	..	..	..	..	..
Top markets					
Great Britain	2 789	3 119	3 394	3 239	3 253
Other Europe	1 521	1 787	1 965	2 081	2 203
United States/Canada	1 121	1 271	1 447	1 682	1 924
Germany	533	604	619	637	755
France	418	469	490	508	521
Nights in all types of accommodation	..	..	..	..	..
Hotels and similar establishments	..	..	..	..	..
Other collective establishments	..	..	..	..	..
Private accommodation	..	..	..	..	..
Outbound tourism					
Total international departures	6 515	6 965	7 405	7 939	8 276
Overnight visitors (tourists)	6 326	6 781	7 224	7 728	8 085
Same-day visitors (excursionists)	189	184	181	211	191
Top destinations					
..	..	..	..	..	..
..	..	..	..	..	..
..	..	..	..	..	..
..	..	..	..	..	..
..	..	..	..	..	..
TOURISM RECEIPTS AND EXPENDITURE, MILLION EUR					
Inbound tourism					
Total international receipts	8 351	10 355	11 396	12 541	12 455
International travel receipts	3 656	4 315	4 685	4 972	5 237
International passenger transport receipts	4 695	6 040	6 711	7 569	7 218
Outbound tourism					
Total international expenditure	4 912	5 227	5 707	5 897	6 352
International travel expenditure	4 827	5 143	5 623	5 814	6 270
International passenger transport expenditure	85	84	84	83	82

.. Not available
Source: OECD Tourism Statistics (Database).

StatLink http://dx.doi.org/10.1787/888934077027

Ireland: Enterprises and employment in tourism

	Number of establishments[1]	Number of persons employed				
	2017	2014	2015	2016	2017	2018
Total	**..**	**..**	**..**	**..**	**..**	**..**
Tourism industries	**46 132**	**194 805**	**204 887**	**216 816**	**225 542**	**..**
Accommodation services for visitors	18 554	142 907	151 681	161 351	169 926	..
Hotels and similar establishments	..	..	..	..	..	..
Food and beverage serving industry	..	..	..	..	..	..
Passenger transport	15 783	20 463	20 843	21 386	21 841	..
Air passenger transport	..	..	..	..	..	..
Railways passenger transport	..	..	..	..	..	..
Road passenger transport	..	..	..	..	..	..
Water passenger transport	..	..	..	..	..	..
Passenger transport supporting services	..	..	..	..	..	..
Transport equipment rental	..	..	..	..	..	..
Travel agencies and other reservation services industry	1 503	7 088	7 311	7 705	8 172	..
Cultural industry	10 292	24 347	25 052	26 374	25 603	..
Sports and recreation industry	..	..	..	..	..	..
Retail trade of country-specific tourism characteristic goods	..	..	..	..	..	..
Other country-specific tourism industries	..	..	..	..	..	..
Other industries	**..**	**..**	**..**	**..**	**..**	**..**

.. Not available
1. Data refer to number of enterprises.
Source: OECD Tourism Statistics (Database).

StatLink http://dx.doi.org/10.1787/888934077046

Ireland: Internal tourism consumption

Million EUR

	2007		
	Domestic tourism expenditure	Inbound tourism expenditure	Internal tourism consumption
Total	**..**	**..**	**..**
Consumption products	**3 142**	**3 637**	**6 779**
Tourism characteristic products	2 337	2 875	5 212
Accommodation services for visitors	228	672	900
Food and beverage serving services	983	932	1 915
Passenger transport services	762	1 062	1 824
Air passenger transport services	..	..	..
Railways passenger transport services	..	..	..
Road passenger transport services	..	..	..
Water passenger transport services	..	..	..
Passenger transport supporting services	..	..	..
Transport equipment rental services	..	..	..
Travel agencies and other reservation services industry	155	12	167
Cultural services	209	197	406
Sports and recreation services	..	..	..
Country-specific tourism characteristic goods	..	..	..
Country-specific tourism characteristic services	..	..	..
Other consumption products	805	762	1 567
Tourism connected products	..	..	..
Non-tourism related consumption products	..	..	..
Non-consumption products	**..**	**..**	**..**

.. Not available
Source: OECD Tourism Statistics (Database).

StatLink http://dx.doi.org/10.1787/888934077065

Israel

Tourism in the economy

Tourism directly accounts for 2.8% of Israel's GVA and 3.6% of total employment, equivalent to 141 000 jobs. Taking into account the indirect impact, the total number of tourism-related jobs is estimated at 230 000, approximately 6% of total employment. International tourism receipts are estimated at USD 5.8 billion, accounting for 5% of total exports. Travel exports accounted for 14.5% of total service exports in 2018.

Israel welcomed 4.1 million international tourist arrivals in 2018, a growth of 14.1% over 2017. The most important international source markets are the United States (898 000 arrivals), France (346 000), the Russian Federation (316 000), Germany (263 000) and the United Kingdom (218 000). Together, these markets account for around 50% of all international tourist arrivals.

Domestic tourism accounted for around 17.1 million bednights, equivalent to 55.2% of total bednights across all means of accommodation. In total, 8.1 million domestic overnight trips were recorded in 2018, similar to in 2017.

Tourism governance and funding

Tourism policy, development and marketing are the responsibility of the Ministry of Tourism, which has undergone significant recent reorganisation to improve its ability to handle upcoming challenges in marketing and product development. This has seen a new departmental focus on brand development, new market development, and promotion of direct foreign investment.

The Ministry collaborates on a regular basis with the Prime Minister's Office and other ministries on issues relevant to tourism policy, including the ministries of Religious Services, Economy, Transportation and Environmental Protection. In such cases, the Ministry of Tourism usually contributes part of the budget to tourism related projects and policies that are directed by the above ministries.

Regional and local organisations promoting tourism have the following powers and responsibilities:

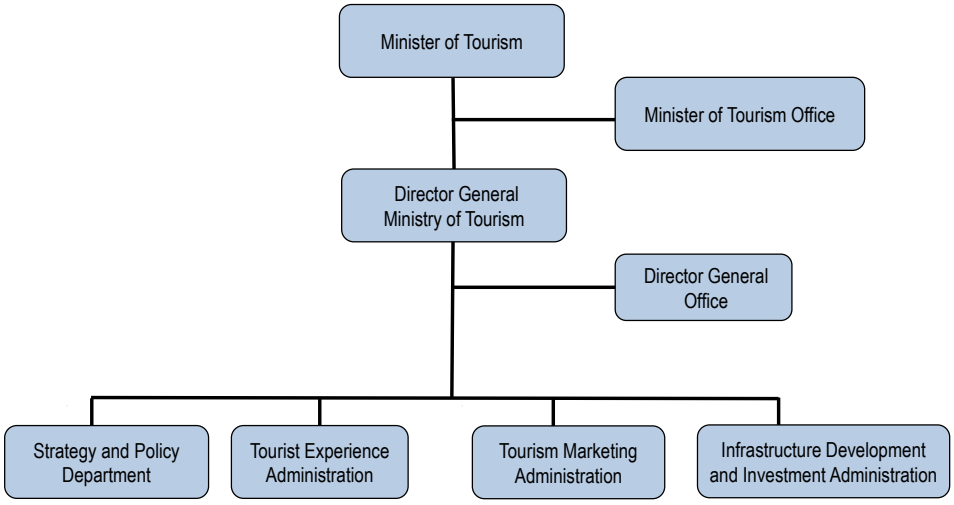
- Developing and operating joint ventures with the Ministry of Tourism, including developing tourism infrastructure, domestic tourism marketing campaigns and local events and festivals.
- Examination by local planning/zoning committees of tourism projects, with recommendations to the National Planning Committee.
- Collecting local taxes, issuing construction permits and maintaining tourist sites.

The statistical data for Israel are supplied by and under the responsibility of the relevant Israeli authorities. The use of such data by the OECD is without prejudice to the status of the Golan Heights, East Jerusalem and Israeli settlements in the West Bank under the terms of international law.

Government Development Companies established in resort cities and regions operate under the Ministry's authority and usually according to a charter detailing specific objectives and its scope of operations, a geographical area. These include the Dead Sea Preservation Government Company, which was established to plan and implement development for the Dead Sea area, including coastal and tourism infrastructure. It and has recently been authorised to expand its operations to the Negev Desert and Eilat. The Old Acre Development Company was tasked with developing the UNESCO World Heritage Site as a tourism city, including boardwalks, public facilities, attractions, planning, zoning, administration and operations. Funding is usually provided by the responsible ministry, although there are additional sources of funding, such as local authorities, rent of premises, and ticket sales for attractions.

In 2018, The general budget of the Ministry of Tourism was ILS 1.2 billion in 2018. Of this, some 44% was allocated to marketing, 23% to public tourist infrastructure, and 13% to investment incentives.

Israel: Organisational chart of tourism bodies



Source: OECD, adapted from the Ministry of Tourism, 2020.

Tourism policies and programmes

There are a number of current challenges for tourism in Israel, not least the development of new visitor markets while at the same time consolidating existing markets. New investment is needed in both the tourism product and related public infrastructure, particularly to cater for visitors from emerging markets. Creating easier access to tourism information underpinned by digital platforms that can be a channel for marketing is also a priority. Work is also needed to develop the competitiveness of tourism SMEs and the opportunities of the sharing economy with training and marketing support, as well as improving skills levels and the creation of high quality jobs across the sector.

To address these challenges, policy priorities include:

- Encouraging investment in tourism, including actively identifying and engaging entrepreneurs and negotiating with a range of online travel agents and airlines.
- Expanding accommodation and hotel supply through new capital investment, construction of new hotels, and conversion of existing buildings into accommodations facilities.
- Raising the competitiveness of Israel as a destination, in particular by lowering prices through easing hotel regulations and promoting alternative types of accommodation.

- Improving access, mainly through incentivising airlines to include the country's main Ben-Gurion airport and the new Ilan Ramon airport in their itineraries, in close co-operation with the Israel Airport Authority and the Ministry of Transportation.
- Co-operation with travel agents, offering incentives to include Israel in tours and packages.
- Improving the tourist experience, making information accessible via digital channels, and supporting and motivating innovators and start-ups to create digital services aimed at tourists.
- Developing new products, such as the desert tourism product in the Negev Desert, and upgrading existing products, such as the Dead Sea Valley project by refreshing and expanding the existing resort.
- Developing a marketing strategy that leads with sub-brands instead of Israel as the main brand, for example cities and other destinations.
- Placing renewed emphasis on developing the tourism experience, building specific facilities such as cycle tracks and camp sites, lowering prices and upgrading tourism information offices. This includes developing national walking and cycle trails infrastructure in co-operation with the Israel Parks Authority.
- Diversifying types of accommodation and increasing the overall number of hotel beds.
- Consolidating research tools and programmes, and monitoring performance.

Work is underway to update the Tourism Services Law, which is 40 years old. Many provisions will be revised to reflect today's customer trends but others will be maintained, relating to, for example, tax refunds and hotel grading arrangements. The most significant modification is deregulation connected to tour guiding. As a result, the new law will integrate the issues of tour guide education, licensing and working requirements, as well as putting a duty on inbound tourists to use an Israeli licensed tour guide.

The Ministry of Tourism has undertaken to update the 20 year old National Tourism Outline Plan due to recent growth trends and an acute shortage of accommodation and other tourism related businesses. The old Plan regulated different land uses by zones, but over time, zoning procedures have become laborious and expensive, affecting many aspects of tourism. Updating the Plan will speed up development for both private businesses and public authorities. A major change is to allow a more flexible definition of tourism usage/products nationwide. This will allow for different types of hotels and new accommodation businesses geared towards independent travellers. A more diversified accommodation offering at all price levels, combined with greater zoning flexibility to allow development in commercial areas, for example, will unlock the opportunity for much needed development.

The updated Plan is expected to reduce the regulatory burden, simplify and expedite zoning procedures and allow more planning flexibility for private sector investors. It is also likely to increase the approval rate for developments and enable SMEs to grow. The objective is to enable tourism to be a much more lucrative investment opportunity with beneficial effects for communities and the wider economy. It is also estimated that change would lead to more efficient usage of land, thereby reducing waste and unnecessary usage of open areas, leading to a more environmentally friendly, inclusive and sustainable development of tourism infrastructure and businesses.

Statistical profile

Israel: Domestic, inbound and outbound tourism

	2014	2015	2016	2017	2018
TOURISM FLOWS, THOUSAND					
Domestic tourism					
Total domestic trips	..	..	..	..	..
Overnight visitors (tourists)	7 300	7 946	8 183	8 043	8 071
Same-day visitors (excursionists)	..	..	..	..	..
Nights in all types of accommodation	16 453	17 066	17 315	17 264	17 105
Hotels and similar establishments	13 762	14 368	14 549	14 531	14 482
Other collective establishments	2 035	1 977	2 063	2 038	2 005
Private accommodation	655	720	703	695	618
Inbound tourism[1]					
Total international arrivals	3 251	3 109	3 070	3 863	4 390
Overnight visitors (tourists)	2 927	2 799	2 900	3 613	4 121
Same-day visitors (excursionists)	325	309	170	250	269
Top markets					
United States	686	637	672	806	898
France	289	300	293	312	346
Russian Federation	411	415	285	398	316
Germany	162	198	180	229	263
United Kingdom	165	198	197	212	218
Nights in all types of accommodation	10 967	9 973	10 412	12 940	13 862
Hotels and similar establishments	10 276	9 335	9 713	12 177	13 018
Other collective establishments	636	590	637	698	770
Private accommodation	55	48	62	65	75
Outbound tourism					
Total international departures	5 181	5 891	6 781	7 597	8 473
Overnight visitors (tourists)	..	..	..	..	..
Same-day visitors (excursionists)	..	..	..	..	..
Top destinations					
..	..	..	..	..	..
..	..	..	..	..	..
..	..	..	..	..	..
..	..	..	..	..	..
..	..	..	..	..	..
TOURISM RECEIPTS AND EXPENDITURE, MILLION USD					
Inbound tourism					
Total international receipts	6 495	6 500	6 587	7 578	8 073
International travel receipts	5 766	5 794	5 883	6 810	7 245
International passenger transport receipts	729	706	704	768	828
Outbound tourism					
Total international expenditure	6 534	7 507	8 211	8 986	9 765
International travel expenditure	5 189	6 012	6 447	7 057	7 668
International passenger transport expenditure	1 345	1 495	1 764	1 929	2 097

.. Not available
1. Arrivals from demand side surveys; Nights from supply side surveys.
Source: OECD Tourism Statistics (Database).

StatLink http://dx.doi.org/10.1787/888934077084

Israel: Enterprises and employment in tourism

	Number of establishments	Number of persons employed				
	2018	2014	2015	2016	2017	2018
Total	**..**	**130 800**	**134 400**	**135 000**	**142 300**	**141 140**
Tourism industries	**21 096**	**126 800**	**130 600**	**131 200**	**138 400**	**137 550**
Accommodation services for visitors	1 590	39 600	41 400	41 800	45 000	45 000
Hotels and similar establishments	419	..	..	..	..	..
Food and beverage serving industry	13 977	14 100	14 400	15 100	15 400	15 790
Passenger transport	..	15 300	16 800	17 400	17 300	18 080
Air passenger transport	..	10 200	12 000	12 500	11 900	12 900
Railways passenger transport	..	..	..	..	..	..
Road passenger transport	..	5 100	4 800	4 900	5 400	5 180
Water passenger transport	..	..	..	..	..	..
Passenger transport supporting services	..	..	..	..	..	..
Transport equipment rental	..	7 100	5 600	5 800	5 100	5 490
Travel agencies and other reservation services industry	1 529	20 200	21 300	19 200	22 100	20 330
Cultural industry	..	..	..	..	..	..
Sports and recreation industry	..	10 300	9 800	10 000	11 900	12 250
Retail trade of country-specific tourism characteristic goods	4 000	20 200	21 300	21 900	21 600	20 610
Other country-specific tourism industries	..	..	..	..	..	..
Other industries	**..**	**4 000**	**3 800**	**3 800**	**3 900**	**3 590**

.. Not available
Source: OECD Tourism Statistics (Database).

StatLink http://dx.doi.org/10.1787/888934077103

Israel: Internal tourism consumption

Million ILS

	2018		
	Domestic tourism expenditure	Inbound tourism expenditure	Internal tourism consumption
Total	**..**	**..**	**..**
Consumption products	**30 274**	**24 787**	**55 061**
Tourism characteristic products	..	..	..
Accommodation services for visitors	..	..	..
Food and beverage serving services	..	..	..
Passenger transport services	..	..	..
Air passenger transport services	..	..	..
Railways passenger transport services	..	..	..
Road passenger transport services	..	..	..
Water passenger transport services	..	..	..
Passenger transport supporting services	..	..	..
Transport equipment rental services	..	..	..
Travel agencies and other reservation services industry	..	..	..
Cultural services	..	..	..
Sports and recreation services	..	..	..
Country-specific tourism characteristic goods	..	..	..
Country-specific tourism characteristic services	..	..	..
Other consumption products	..	..	..
Tourism connected products	..	..	..
Non-tourism related consumption products	..	..	..
Non-consumption products	**..**	**..**	**..**

.. Not available
Source: OECD Tourism Statistics (Database).

StatLink http://dx.doi.org/10.1787/888934077122

Italy

Tourism in the economy

Tourism continues to make an important contribution to the Italian economy. Including indirect effects, in 2017 it accounted for 13.0% of GDP and employed 14.7% of the workforce. Tourism industries directly employed 2.0 million people in 2018, accounting for 8.3% of employment. An estimated 216 100 businesses were operating in the accommodation sector in 2018. Travel exports represented 39.9% of total service exports in 2018.

In line with global trends, arrivals data for 2018 shows steady and positive growth. According to accommodation statistics, the number of inbound visitors totalled 63.2 million up from 60.5 million, (growth of 4.4%). International overnight stays rose by 33.2% between 2011 and 2018. The top inbound markets were Germany (19.3% of tourists), United States (9.0%), France (7.5%), United Kingdom (6.0%) and China, with the United States exhibiting strong growth, up 15.7% over 2017. The number of German visitors on the other hand was flat over the same period. Almost 60% of international arrivals head to just four regions: Veneto, Lombardy, Lazio and Tuscany. A total of 62.9 million domestic overnight trips were made in 2018.

Tourism governance and funding

The legislative framework for tourism in Italy has seen recent change as tourism was transferred from the Ministry of Culture to the Ministry of Agriculture in 2018/19 coinciding with the post-electoral Government of 2018. Further changes in 2019 has seen tourism return to the Ministry of Cultural Heritage, Activities and Tourism. It is expected that the Directorate-General for Tourism will be reinstalled with competence including agritourism, food and wine tourism, agricultural fairs and forestry policies.

The Directorate-General for Tourism in the Ministry sets the strategic policy agenda in co-ordination with regions and autonomous provinces, and supervises the National Italian Tourism Agency (ENIT) and the Italian Alpine Club. It provides aid and incentives to develop the tourism sector, certifies foreign professionals, manages relations with international organisations, and participates in the development of EU legislation. The role of ENIT is to market and promote Italy as a tourist destination. A 2015 statute transformed ENIT from a public body into a public economic entity.

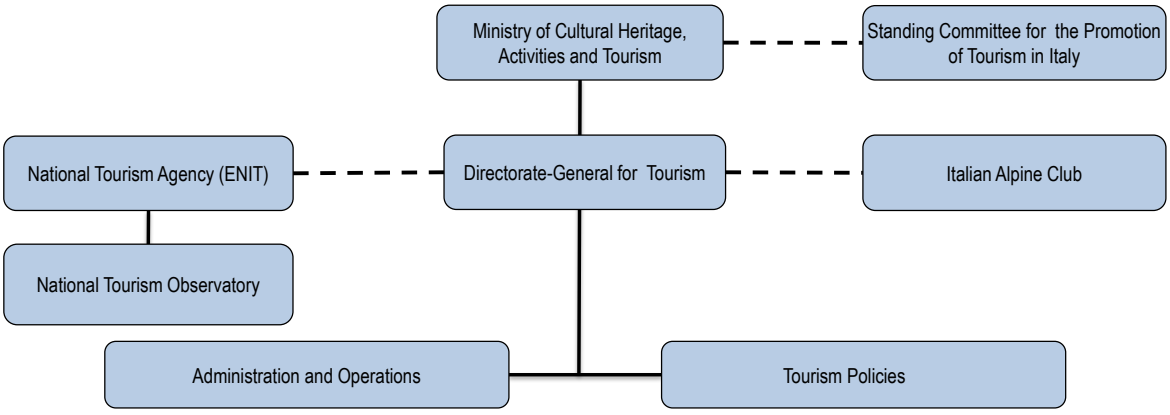
The Italian Constitution devolves several key activities to the regions, including regulating tourism businesses, developing strategic marketing activities and managing the EU Structural Funds. Provinces and municipalities can also issue local regulations relating to the tourism sector.

Tourism receives support from the 2014-20 Culture and Innovation programme financed by EU Structural Funds. Of the total budget of EUR 490 million, a large proportion is allocated to the development of 60 cultural centres in five southern regions: Campania, Apulia, Basilicata, Calabria and Sicily.

The government-controlled Tourism Investment Fund, launched in 2014, and managed by the National Investment *Bank Cassa Depositi e Prestiti*, has an increased ceiling of EUR 250 million, of which EUR 100

million had been invested by 2016. The fund operates as a bridge between public assets in need of development and the private real estate market.

Italy: Organisational chart of tourism bodies



Source: OECD, adapted from the Ministry of Cultural Heritage, Activities and Tourism, 2020.

Tourism policies and programmes

The current policy framework is the National Strategic Plan for Tourism 2017-2022, which is based around four themes:

- Culture and heritage: cultural and natural heritage should be enhanced through sustainable management practices and the innovative use of assets.
- Competitiveness and employment: tourism competitiveness should be boosted to generate added value and increase the quantity and quality of employment.
- Putting the tourist at the centre: the Italian tourism experience should respond to the demands and expectations of the market.
- Integration and interoperability: the system of tourism associations and operators should be fully integrated, encouraging interoperability and partnership working.

Three strategic principles cut across all of the Plan's targets and measures:

- Sustainability: a key element of competitiveness in tourism, which must conserve natural resources and landscapes and attract investment for their protection. A sustainable vision for tourism is geared towards sharing opportunities throughout the country and throughout the year, and bringing employment to new as well as established destinations.
- Innovation: in relation to tourist destinations, business models, professional profiles, marketing, and the quality of services and products. Digitalisation is at the forefront of innovation, relating to the distribution of information, decision making by travellers and the expansion of information tools,
- Accessibility: includes widening access to less-visited areas and giving all types of visitor the chance to benefit from tourism and fully appreciate the uniqueness of the destinations visited.

In 2016, the Ministry signed protocols with the Ministry of Economic Development and AGID, the Government's digital agency, for the creation of new digital services for tourism, including Wi-Fi and large bandwidth networks. In a new commitment to tourism mobility, the Ministry has agreed a Special Plan for Tourist Mobility with the Ministry of Infrastructure and Transport, with EUR 372 million available over the period 2016-2024, including EUR 90 million for investment in a 'soft mobility' network (e.g. cycle tracks,

tourist rail services) and EUR 60 million for touring routes (Cammini), such as the Via Francigena and the Via Appia. This further develops the work begun during the 2016 Year of the Italian Routes, which had the objective to enhance the value of cultural routes.

The Tax Credit system for the tourism sector, namely the 'Art Bonus Decree', approved in 2014 and refinanced with EUR 460 million until 2020 aims to refurbish and modernise tourism establishments, is due to expire in 2020. It is hoped that this will continue into the future. A new hotel classification system with a special focus on sustainability and accessibility is in the process of being approved.

Greater emphasis has recently been placed from a promotional perspective on extending the national offer away from major attractions towards lesser known destinations. The objective is to diversify away from the popular iconic destinations and spread the economic benefits of tourism in both time and space by drawing on the inherent resources, history and uniqueness of places right across Italy. This strategy will develop products to meet niche interests, such as wine, sport, adventure and well-being, with new experiences offering local communities the opportunity to develop smaller scale tourism offers rooted in the place. This reflects market trends that see many visitors motivated to travel for a more personal experience centred around personal growth and self-actualisation as well as contributing positively to the places they visit.

ENIT's 2020 marketing plan, therefore, draws on sustainable tourism principles to show the breadth of the offer. Some product strategies have been particularly successful such as cultural tourism linked to small Italian centres and smaller cities of art.

Value Growth to enhance the sustainability of tourism

The future vision for Italian tourism development for the next few years focuses on value growth. This aims to generate sustainability in economic, social and cultural terms by drawing on the value of the wider tourism offer underpinned by local businesses. The vision sees the following as important:

- An underpinning requirement for environmental sustainability.
- Well co-ordinated promotion (national / regional / local level) based on common objectives,
- Enhancement of local products and brands through "brand positioning" to fit the national system.
- Respect for local communities and social responsibility.
- Increasing the use of local airports and other transport hubs.
- Building economic value by attracting events.
- Supporting the competitiveness of the tourism offer with investment and product development.
- Improving the quality of the service and product and the identification of segments / countries with the greatest potential.

This vision sees a broader definition of cultural tourism to be of potential value. In Italy, there are 5 568 municipalities with a population of less than 5 000, the so-called Borghi villages. These places offer 51 000 accommodation businesses with 1.4 million bed spaces and attract over 21 million arrivals staying 90 million nights. Moreover, 64% of the 55 UNESCO sites in Italy are represented in these locations and the seasonality of cultural tourism does not coincide with times of peak demand but rather encourages shoulder and off-season demand.

Statistical Profile

Italy: Domestic, inbound and outbound tourism

	2014	2015	2016	2017	2018
TOURISM FLOWS, THOUSAND					
Domestic tourism					
Total domestic trips	126 515	112 860	127 858	121 851	145 307
Overnight visitors (tourists)	50 155	47 093	54 714	53 647	62 861
Same-day visitors (excursionists)	76 359	65 767	73 143	68 203	82 446
Nights in all types of accommodation	182 349	150 993	167 453	192 808	194 501
Hotels and similar establishments	..	..	..	..	..
Other collective establishments	..	..	..	..	..
Private accommodation	182 349	150 993	167 453	192 808	194 501
Inbound tourism					
Total international arrivals	77 694	81 068	84 925	89 931	93 229
Overnight visitors (tourists)	48 576	50 732	52 372	58 253	61 567
Same-day visitors (excursionists)	29 118	30 336	32 552	31 678	31 661
Top markets					
Germany	9 451	10 016	11 161	12 451	13 518
France	5 358	6 483	6 394	7 202	7 641
United Kingdom	3 768	4 153	4 356	4 932	5 659
Austria	3 244	3 417	3 513	3 690	4 020
United States	2 961	3 159	2 928	3 361	3 694
Nights in all types of accommodation	322 696	331 997	345 837	365 939	384 426
Hotels and similar establishments	141 331	146 744	160 438	170 412	177 738
Other collective establishments	49 762	50 390	52 058	56 659	66 547
Private accommodation	131 604	134 863	133 341	138 868	140 141
Outbound tourism					
Total international departures	55 169	57 418	57 480	60 042	61 195
Overnight visitors (tourists)	26 862	27 494	29 067	31 805	33 347
Same-day visitors (excursionists)	28 307	29 925	28 413	28 237	27 848
Top destinations					
France	5 411	5 769	5 532	5 525	5 787
Spain	2 365	2 526	2 703	3 120	3 567
Germany	2 287	2 281	2 587	2 769	3 048
Austria	1 420	1 551	2 192	2 219	2 191
United Kingdom	1 459	1 526	1 777	1 739	1 606
TOURISM RECEIPTS AND EXPENDITURE, MILLION EUR					
Inbound tourism					
Total international receipts	35 964	37 437	38 250	41 038	43 860
International travel receipts	34 241	35 556	36 359	39 155	41 712
International passenger transport receipts	1 723	1 881	1 890	1 884	2 148
Outbound tourism					
Total international expenditure	26 781	27 346	27 613	30 649	31 972
International travel expenditure	21 713	22 012	22 546	24 557	25 485
International passenger transport expenditure	5 068	5 334	5 067	6 091	6 487

.. Not available
Source: OECD Tourism Statistics (Database).

StatLink http://dx.doi.org/10.1787/888934077141

Italy: Enterprises and employment in tourism

	Number of establishments	Number of persons employed				
	2018	2014	2015	2016	2017	2018
Total	**..**	**..**	**..**	**..**	**..**	**..**
Tourism industries	**..**	**..**	**1 953 792**	**..**	**..**	**..**
Accommodation services for visitors	216 141	..	488 785	..	..	..
Hotels and similar establishments	213 529	..	287 740	..	..	..
Food and beverage serving industry	..	..	994 580	..	..	..
Passenger transport	..	..	160 823	..	..	..
Air passenger transport	..	..	13 774	..	..	..
Railways passenger transport	..	..	33 664	..	..	..
Road passenger transport	..	..	95 823	..	..	..
Water passenger transport	..	..	17 562	..	..	..
Passenger transport supporting services	..	..	..	..	..	..
Transport equipment rental	..	..	8 746	..	..	..
Travel agencies and other reservation services industry	..	..	46 172	..	..	..
Cultural industry	..	..	121 454	..	..	..
Sports and recreation industry	..	..	133 232	..	..	..
Retail trade of country-specific tourism characteristic goods	..	..	..	..	..	..
Other country-specific tourism industries	..	..	..	..	..	..
Other industries	**..**	**..**	**..**	**..**	**..**	**..**

.. Not available
Source: OECD Tourism Statistics (Database).

StatLink http://dx.doi.org/10.1787/888934077160

Italy: Internal tourism consumption

Million EUR

	2015		
	Domestic tourism expenditure	Inbound tourism expenditure	Internal tourism consumption
Total	**..**	**..**	**..**
Consumption products	**64 230**	**48 148**	**146 334**
Tourism characteristic products	38 190	28 833	100 463
Accommodation services for visitors	14 134	14 880	52 460
Food and beverage serving services	10 116	8 429	19 470
Passenger transport services	9 250	2 999	17 462
Air passenger transport services	3 910	1 632	10 133
Railways passenger transport services	1 455	370	2 242
Road passenger transport services	2 021	683	2 909
Water passenger transport services	1 864	314	2 178
Passenger transport supporting services	..	..	..
Transport equipment rental services	291	379	1 011
Travel agencies and other reservation services industry	2 976	298	5 332
Cultural services	257	334	1 357
Sports and recreation services	1 166	1 514	3 371
Country-specific tourism characteristic goods	10 632	7 117	18 265
Country-specific tourism characteristic services	..	..	..
Other consumption products	15 408	12 198	27 607
Tourism connected products	..	..	..
Non-tourism related consumption products	..	..	..
Non-consumption products	**..**	**..**	**..**

.. Not available
Source: OECD Tourism Statistics (Database).

StatLink http://dx.doi.org/10.1787/888934077179

Japan

Tourism in the economy

In 2017, tourism GDP accounted for 2.0% of total GDP and 9.6% of total employment, or 6.5 million employees. Recent growth in tourism to Japan has been very significant with international arrivals rising from 28.7 million in 2017 to 31.2 million in 2018, up 8.7%, and another record high for the sixth consecutive year. Revenues from international tourists rose 18% from JPY 3.8 trillion to JPY 4.5 trillion between 2016 and 2018. Travel exports accounted for 21.8% of total service exports in 2018.

To put this growth into perspective, there were 6.2 million international arrivals in 2011 and this five-fold increase in visitor numbers makes Japan one of the fastest growing inbound tourism economies in the OECD. This performance also extends to individual markets where highs were also recorded in 19 of the 20 principal inbound markets, the only exception being visits from Hong Kong.

Domestic tourism by Japanese citizens is also of major economic importance with residents taking 561.8 million trips, down 13.2% over 2017, spending JPY 20.5 trillion in 2018 – representing some 80% of total revenues from tourism. This was a decrease of 3.0% compared with the previous year due to the incidence of typhoons and other natural disasters.

Tourism governance and funding

Established in 2008 as an external body of the Ministry of Land, Infrastructure, Transport and Tourism, the Japan Tourism Agency takes a leading role in tourism policy and its coordination, representing the Government on issues relating to tourism and the promotion of Japan as a tourist destination. The Agency is in charge of executing the *Visit Japan* campaign and other marketing activities.

A Ministerial Council for the *Promotion of Japan as a Tourism-Oriented Country* attended by all ministers was established in 2013 to unify government efforts on tourism. A cross-ministerial budget has enabled numerous projects to be delivered and this budget has been maintained, and now includes a subsidy to support historic landscapes. The private sector is invited to regular “Tourism Strategy Promotion Council” meetings (with Cabinet Ministers in attendance) as experts in the field to give their opinion on relevant topics.

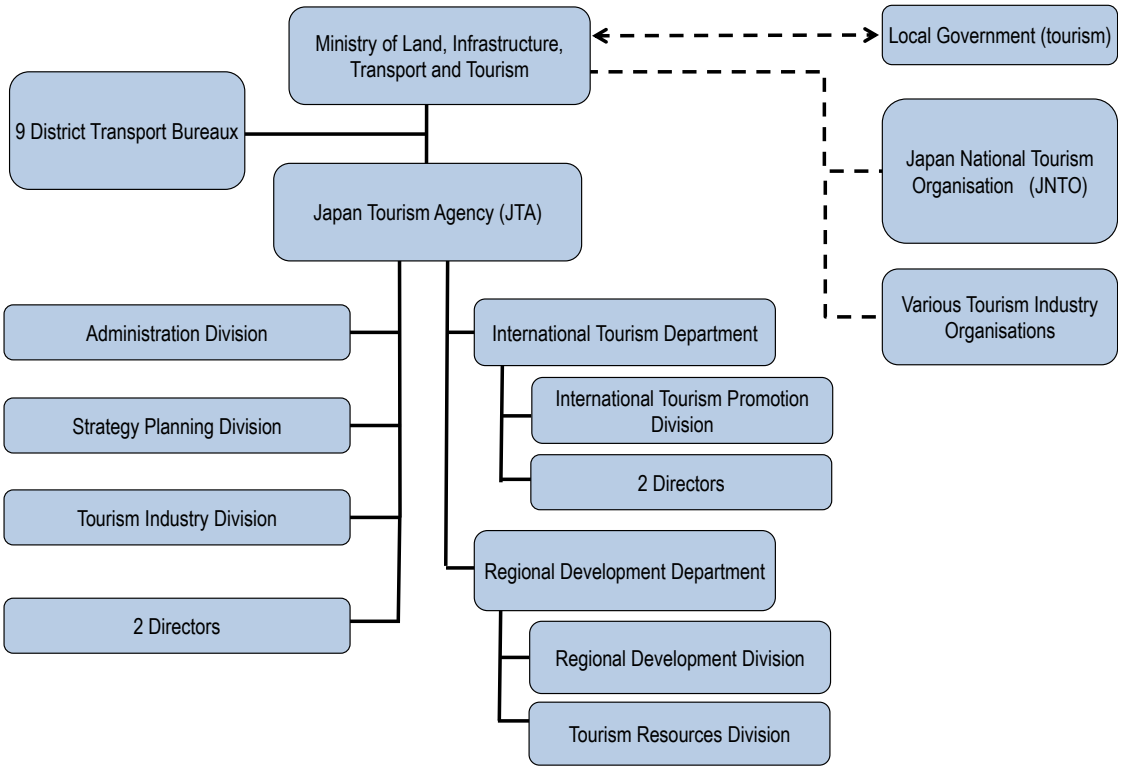
Local government’s role is to improve the attractiveness of local destinations. The national government offers support to boost regional initiatives by providing statistical data, initiating area-wide co-operation and supporting regional development.

The Japan Tourism Agency’s budget for 2019 is JPY 71.1 billion. The budget is 2.8 times more than the 2017 budget of JPY 25.6 billion, due to the inclusion of a contribution of JPY 48.5 billion as a result of a new international tourist tax established in January 2019 after a planning and consultation period of 18 months.

The budget is broken down as follows:

- JPY 27.9 billion allocated to creating an environment that is stress-free and suitable for travellers including improved border procedures and higher quality public transport.
- JPY 14.9 billion towards easier access to information emphasising the appeal of travelling in Japan and strengthening tourism and other related industries.
- JPY 22.4 billion towards improving quality of visitor experience and welcome in regional areas by maintaining local cultural and natural tourism resources.
- JPY 4.5 billion to help revitalise the Tohoku region.

Japan: Organisational chart of tourism bodies



Source: OECD, adapted from the Ministry of Land, Infrastructure, Transport and Tourism, 2020

Tourism policies and programmes

While Japan's proximity to Asian tourism markets is undoubtedly a factor in its recent growth, the Government has also been instrumental in supporting the sector. Proactive policy measures have included easing visa requirements, enabling tax free shopping, enhancing infrastructure and improving visitor services. Japan also introduced the Private Lodging Business Act in 2018, requiring anyone operating a peer-to-peer accommodation rental business must notify the prefectural governor and register their interest (Box 1.17). Tourism contributes to the country's economic and structural challenges, aids the regeneration of local areas and is an important means to revitalise areas struck by natural disasters. Some of the current challenges faced by Japan include the development of internationally competitive destinations which have a critical mass of quality visitor attractions; putting in place training and skills frameworks to enable more appropriately qualified staff to sustain a high quality industry; and strengthening marketing and promotional mechanisms for greater effectiveness. The 2020 Olympic and Paralympic Games in Tokyo present a

further opportunity for international profiling. A further structural challenge is Japan's declining and ageing population.

Another principal concern is encouraging tourism development that is both inclusive and sustainable given recent growth trends. While Japan has not yet experienced the 'problems of success' that have affected other high profile global destinations, it has nevertheless recognised the need for focussed and sustainable policies and related measures to effectively develop and manage a dynamic sector.

All regional and local governments have recognised these issues alongside the Government which in 2016 developed a long term strategy to 2030. The *New Tourism Strategy to Invigorate the Japanese Economy* is complemented by a medium term plan entitled the *Tourism Nation Promotion Basic Plan* which sets out a comprehensive and agreed set of measures to be taken by ministries across government from 2017. Collectively these documents represent the agreed tourism policies and measures to be delivered by the Government and its agencies. The Government reviews all regulations for their impact on tourism and accommodates any changes as necessary, setting and adapting goals with reference to UNWTO forecasts and other experts to shape and modify the plans as necessary.

Partnership with the private sector is considered vital with regular dialogue with business groups such as the Japan Travel and Tourism Association. The Government is promoting the establishment and development of these private sector-led DMOs (including with subsidies for staff costs, training) in order to develop local tourism policies, after the establishment of the Japanese version of DMO registration system in 2015. DMOs play an increasingly central role in tourism related regional development in collaboration with local government.

In October 2019, reflecting the importance of the UN Sustainable Development Goals, the JTA hosted the G20 Tourism Ministers' Meeting in Hokkaido, with the theme of maximising tourism's contribution to the UN Sustainable Development Goals.

The Government of Japan has established the *Sustainable Tourism Promotion Headquarters* that deals with the implementation of the Sustainable Development Goals. In 2019, *Towards the Advancement of Sustainable Tourism* was published; this comprehensive approach to the development of the sector also defines the nature and scope of future initiatives. These include co-operation between local governments and the Japan Tourism Agency at major tourist destinations, such as Kyoto, to develop measures to control overcrowding and related social impacts. The Agency will promote sustainable tourism by developing a more widespread use of its *Sustainable Tourism Index* based on international standards and encouraging local government and DMOs to manage destinations using the Index to gain a fuller understanding of what is a complex and dynamic sector.

Statistical Profile

Japan: Domestic, inbound and outbound tourism

	2014	2015	2016	2017	2018
TOURISM FLOWS, THOUSAND					
Domestic tourism[1]					
Total domestic trips	595 221	604 715	641 079	647 510	561 779
Overnight visitors (tourists)	297 343	312 985	325 658	323 328	291 052
Same-day visitors (excursionists)	297 878	291 730	315 421	324 182	270 727
Nights in all types of accommodation	428 677	438 464	423 096	429 906	443 726
Hotels and similar establishments	419 998	430 108	414 939	421 781	435 959
Other collective establishments	8 679	8 356	8 157	8 126	7 767
Private accommodation	..	..	..	..	..
Inbound tourism[2]					
Total international arrivals	13 413	19 737	24 040	28 691	31 192
Overnight visitors (tourists)	..	..	..	..	..
Same-day visitors (excursionists)	..	..	..	..	..
Top markets					
China	2 409	4 994	6 374	7 356	8 380
Korea	2 755	4 002	5 090	7 140	7 539
Chinese Taipei	2 830	3 677	4 168	4 564	4 757
Hong Kong, China	926	1 524	1 839	2 232	2 208
United States	892	1 033	1 243	1 375	1 526
Nights in all types of accommodation	44 825	65 615	69 389	79 691	94 275
Hotels and similar establishments	44 705	65 285	69 159	79 401	93 892
Other collective establishments	119	330	230	289	383
Private accommodation	..	..	..	..	..
Outbound tourism					
Total international departures	16 903	16 214	17 116	17 889	18 954
Overnight visitors (tourists)	..	..	..	..	..
Same-day visitors (excursionists)	..	..	..	..	..
Top destinations					
..	..	..	..	..	..
..	..	..	..	..	..
..	..	..	..	..	..
..	..	..	..	..	..
..	..	..	..	..	..
TOURISM RECEIPTS AND EXPENDITURE, MILLION JPY					
Inbound tourism					
Total international receipts	2 206 705	3 304 571	3 631 816	4 146 454	4 999 528
International travel receipts	1 997 479	3 023 970	3 337 661	3 819 713	4 648 360
International passenger transport receipts	209 226	280 601	294 156	326 741	351 168
Outbound tourism					
Total international expenditure	3 023 332	2 814 762	2 812 638	2 890 814	3 104 527
International travel expenditure	2 041 869	1 933 762	2 011 010	2 040 138	2 232 293
International passenger transport expenditure	981 463	881 000	801 628	850 677	872 234

.. Not available
1. Trips from demand side surveys; Nights from supply side surveys.
2. Arrivals from demand side surveys; Nights from supply side surveys.
Source: OECD Tourism Statistics (Database).

StatLink http://dx.doi.org/10.1787/888934077198

Japan: Enterprises and employment in tourism

	Number of establishments[1]	Number of persons employed				
	2014	2014	2015	2016	2017	2018
Total	**842 359**	**..**	**..**	**..**	**..**	**..**
Tourism industries	**842 359**	**6 431 130**	**6 346 990**	**6 440 900**	**6 483 850**	**..**
Accommodation services for visitors	..	..	..	..	..	..
Hotels and similar establishments	52 387	623 250	581 020	579 830	610 560	..
Food and beverage serving industry	619 711	3 443 750	3 464 980	3 521 170	3 505 440	..
Passenger transport	36 811	1 045 760	975 980	966 490	973 690	..
Air passenger transport	897	46 980	46 910	47 050	46 780	..
Railways passenger transport	5 054	305 890	260 600	284 250	272 040	..
Road passenger transport	25 204	622 430	598 100	564 610	584 710	..
Water passenger transport	5 656	70 460	70 370	70 580	70 160	..
Passenger transport supporting services	71 424	598 950	633 290	646 940	654 870	..
Transport equipment rental	..	..	..	..	..	..
Travel agencies and other reservation services industry	..	..	..	..	..	..
Cultural industry	..	..	..	..	..	..
Sports and recreation industry	62 026	719 420	691 720	726 470	739 290	..
Retail trade of country-specific tourism characteristic goods	..	..	..	..	..	..
Other country-specific tourism industries	..	..	..	..	..	..
Other industries	**4 847 007**	**59 502 870**	**59 873 010**	**60 411 100**	**61 017 150**	**..**

.. Not available
1. Data refer to number of enterprises.
Source: OECD Tourism Statistics (Database).

StatLink http://dx.doi.org/10.1787/888934077217

Japan: Internal tourism consumption

Million JPY

	2017		
	Domestic tourism expenditure	Inbound tourism expenditure	Internal tourism consumption
Total	**..**	**..**	**..**
Consumption products	**22 519 868**	**4 146 454**	**27 117 447**
Tourism characteristic products	13 855 753	2 705 868	17 012 746
Accommodation services for visitors	3 714 472	1 076 939	5 242 536
Food and beverage serving services	2 748 162	766 037	3 514 198
Passenger transport services	5 677 561	131 293	6 382 513
Air passenger transport services	2 145 451	34 545	2 490 900
Railways passenger transport services	2 829 756	29 195	3 121 706
Road passenger transport services	590 561	60 715	651 276
Water passenger transport services	111 793	6 838	118 631
Passenger transport supporting services	..	..	..
Transport equipment rental services	301 844	43 027	344 871
Travel agencies and other reservation services industry	449 165	22 462	471 627
Cultural services	327 185	35 371	362 556
Sports and recreation services	637 363	57 081	694 444
Country-specific tourism characteristic goods	..	..	..
Country-specific tourism characteristic services	..	..	..
Other consumption products	8 664 115	1 440 586	10 104 700
Tourism connected products	8 092 770	1 418 344	9 511 114
Non-tourism related consumption products	571 345	22 242	593 587
Non-consumption products	**..**	**..**	**..**

.. Not available
Source: OECD Tourism Statistics (Database).

StatLink http://dx.doi.org/10.1787/888934077236

Korea

Tourism in the economy

Tourism is a significant driver of economic growth in Korea. In 2018, it accounted for 4.7% of GDP and is estimated to support 1.4 million jobs, representing 5.3% of total employment. Travel exports represented 15.5% of total service exports in 2018.

International visit arrivals increased by 15.1% to 15.3 million in 2018. The largest visitor flows are from neighbouring countries, including China (up 14.9% over 2017) and Japan (up 27.6% over 2017). Together, these two inbound markets generated 50.4% of total international arrivals to Korea. Chinese Taipei outnumbered the United States for the first time as the third major source market.

Increased volumes were reflected in solid expenditure growth in 2018, with international visitor expenditure up 14.6% to KRW 16.7 trillion. Expenditure by Chinese visitors, now Korea's leading market by value as well as volume, amounted to KRW 6.2 trillion in 2018. Other large markets showing strong growth included the United States (KRW 1.9 trillion) and Japan (KRW 1.7 trillion).

Total domestic trips totalled 311.2 million, an increase of 9.2% on 2017. Same day trips decreased by 14.1% to 147.9 million, while overnight travel rose by 44.7% to 163.2 million. The number of nights spent by domestic visitors in collective accommodation establishments totalled 408.9 million in 2018.

Tourism governance and funding

Chaired by the Prime Minister, the national tourism strategy meeting was established in December 2017. The meeting brings together not only the tourism minister but also related Ministers including those for foreign affairs, transport, law and justice, and maritime. In April 2019, the third meeting discussed ways to attract more international tourists and boost domestic travel to stimulate regional economies.

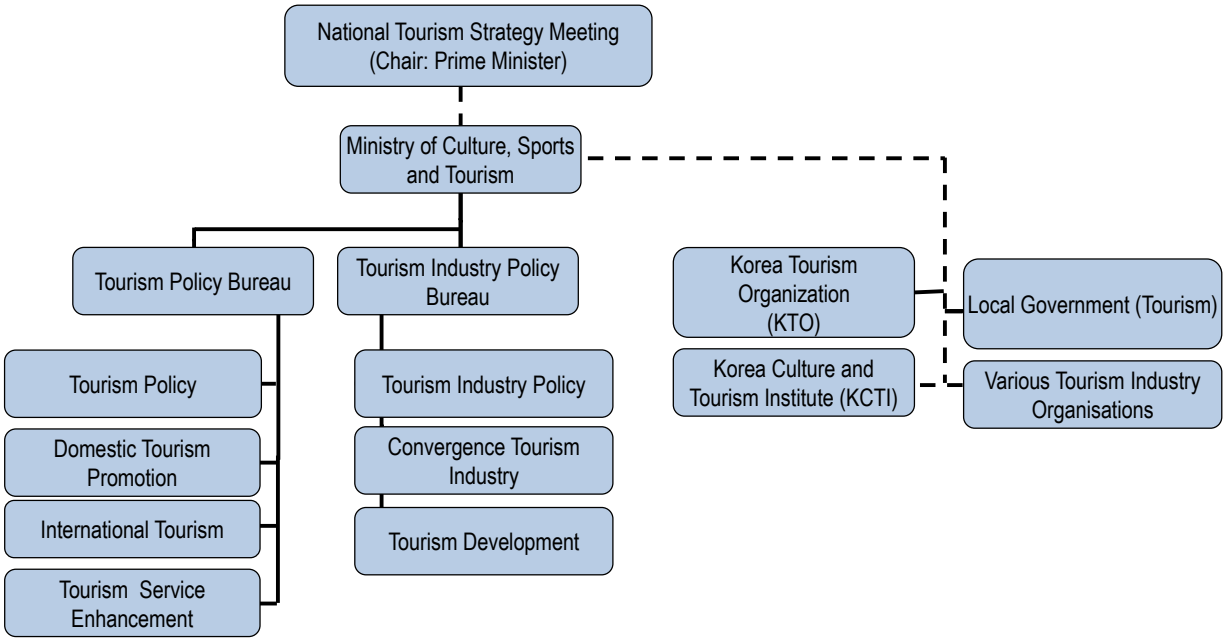
The Ministry of Culture, Sports and Tourism works closely with the Korea Tourism Organisation, which is the publicly funded and responsible for marketing and promotion of Korea domestically and abroad. The organisation has recently reformed its structure by further strengthening key departments and aligning these closely to the Government's tourism policy priorities. These include tourism welfare, supporting the growth of tourism enterprises, safety management, international co-operation and the application of big data technologies to tourism.

As of August 2018, tourism became the responsibility of the Second Vice Minister within the Ministry of Culture, Sports and Tourism (MCST) with two main directorates:

- Tourism Policy Bureau, encompassing separate divisions for Policy, Domestic Tourism Promotion, International Tourism and Tourism Service Enhancement.
- Tourism Industry Policy Bureau, comprising divisions for Tourism Industry Policy, Convergence of the Tourism Industry and Tourism Development.

The Tourism Promotion and Development Fund supports tourism under the Framework Act of Tourism. In 2018, the total expenditure of the Fund was approximately KRW 811 billion, including KRW 97 billion for tourism industry promotion, as well as tourism infrastructure and other projects to attract foreign tourists.

Korea: Organisational chart of tourism bodies



Source: OECD, adapted from the Ministry of Culture, Sports and Tourism, 2020.

Tourism policies and programmes

Korea's Tourism Innovation Strategy announced in April 2019 was the result of the third national tourism strategy meeting. It has guided the tourism industry through a period of impressive growth in visits and expenditure. Nonetheless, the industry faces a range of challenges to ensure that the pace of growth can continue in a sustainable way. Key challenges include:

- Securing continued growth of inbound tourists and higher yielding tourists by enhancing visa facilitation.
- Strengthening the competitiveness of tourism SMEs in response to future tourism trends (Box 2.5).
- Increasing the dispersal of visitors to less visited regions.
- Enhancing the attractiveness and quality of tourism products and services.

Under the auspices of the Tourism 2020 Strategy, Korea is pursuing a range of policy responses to address these challenges. First, the government will ease visa rules to draw more visitors from China, Vietnam, the Philippines, Indonesia and India. Second, four local municipalities will be developed into regional tourism hubs, and tour programmes will embrace more cultural content, including K-pop, to attract foreign fans of Korean pop culture. The government will also increase subsidies for tourism to a level similar to that allocated to manufacturing industry. It will provide tourism ventures with up to KRW 198 billion.

To encourage foreign tourists to travel to other destinations within Korea, the government and the tourism industry have developed several measures. One specific policy is to extend multiple entry visas to Chinese nationals that reside in the country's more economically prosperous cities. Currently the visas – which

allow for unlimited entry and exit to and from Korea during a certain period of time – are only available to residents of Beijing, Shanghai, Guangzhou and Shenzhen.

In addition to more aggressive marketing of Korean pop culture, another proposal being advanced by the government is expanding tourism to include the Demilitarised Zone, a border area of tourist interest which is around 250 kilometres long and about 4 kilometres miles wide.

Other policy initiatives include:

- Life cycle tourism programmes tailored to all age groups from children to seniors. Plans are also dedicated to attract and support underprivileged groups.
- Customised tourism content, promotion, and marketing strategies for each major source market.
- A dedicated online platform and improved digital marketing strategies to enhance the experience for independent travellers. Recommended tour itineraries have been developed with an opportunity to purchase products.

Statistical Profile

Korea: Domestic, inbound and outbound tourism

	2014	2015	2016	2017	2018
TOURISM FLOWS, THOUSAND					
Domestic tourism					
Total domestic trips	227 100	238 297	241 750	284 966	311 153
Overnight visitors (tourists)	98 521	99 776	101 068	112 784	163 204
Same-day visitors (excursionists)	128 579	138 522	140 682	172 182	147 949
Nights in all types of accommodation	269 268	268 297	271 696	307 492	408 941
Hotels and similar establishments	..	..	..	..	..
Other collective establishments	..	..	..	..	..
Private accommodation	..	..	..	..	..
Inbound tourism					
Total international arrivals	14 202	13 232	17 242	13 336	15 347
Overnight visitors (tourists)	..	..	..	..	..
Same-day visitors (excursionists)	..	..	..	..	..
Top markets					
China	6 127	5 984	8 068	4 169	4 790
Japan	2 280	1 838	2 298	2 311	2 949
Chinese Taipei	644	518	833	926	1 115
United States	770	768	866	869	968
Hong-Kong, China	558	523	651	658	684
Nights in all types of accommodation	..	..	..	..	..
Hotels and similar establishments	..	..	..	..	..
Other collective establishments	..	..	..	..	..
Private accommodation	..	..	..	..	..
Outbound tourism					
Total international departures	16 081	19 310	22 383	26 496	28 696
Overnight visitors (tourists)	..	..	..	..	..
Same-day visitors (excursionists)	..	..	..	..	..
Top destinations					
..	..	..	..	..	..
..	..	..	..	..	..
..	..	..	..	..	..
..	..	..	..	..	..
..	..	..	..	..	..
TOURISM RECEIPTS AND EXPENDITURE, MILLION USD					
Inbound tourism					
Total international receipts	22 390	18 712	20 923	17 173	19 856
International travel receipts	17 460	14 798	16 886	13 368	15 319
International passenger transport receipts	4 930	3 913	4 038	3 805	4 537
Outbound tourism					
Total international expenditure	26 136	27 957	29 817	34 453	34 769
International travel expenditure	23 192	25 270	27 243	31 691	31 973
International passenger transport expenditure	2 944	2 687	2 574	2 762	2 796

.. Not available
Source: OECD Tourism Statistics (Database).

StatLink http://dx.doi.org/10.1787/888934077255

Korea: Enterprises and employment in tourism

	Number of establishments	Number of persons employed[1]				
	2017	2014	2015	2016	2017	2018
Total	**..**	**..**	**..**	**..**	**..**	**..**
Tourism industries	**33 089**	**230 334**	**235 604**	**261 978**	**280 270**	**..**
Accommodation services for visitors	1 843	67 465	70 305	73 631	71 769	..
Hotels and similar establishments	..	..	..	..	..	..
Food and beverage serving industry	3 884	39 506	27 902	27 110	28 998	..
Passenger transport	..	..	..	..	..	..
Air passenger transport	..	..	..	..	..	..
Railways passenger transport	..	..	..	..	..	..
Road passenger transport	..	..	..	..	..	..
Water passenger transport	..	..	..	..	..	..
Passenger transport supporting services	..	..	..	..	..	..
Transport equipment rental	..	..	..	..	..	..
Travel agencies and other reservation services industry	19 944	69 400	84 558	98 421	107 209	..
Cultural industry	..	..	..	..	..	..
Sports and recreation industry	6 528	36 633	37 707	50 219	60 129	..
Retail trade of country-specific tourism characteristic goods	..	..	..	..	..	..
Other country-specific tourism industries	890	17 330	15 131	12 596	12 166	..
Other industries	**..**	**..**	**..**	**..**	**..**	**..**

.. Not available
1. Data refer to number of employees.
Source: OECD Tourism Statistics (Database).

StatLink http://dx.doi.org/10.1787/888934077274

Latvia

Tourism in the economy

Tourism is an important source of export revenue and a key contributor to GDP in Latvia. According to the Tourism Satellite Account, in 2016, tourism directly contributed 4.5% of Latvia's GVA. Tourism exports were EUR 1.3 million in 2018, or 5% of total exports and 17% of service exports. Tourism and related industries provide 77 100 jobs, accounting for 8.5% of total employment. The number of hotels and other accommodation grew significantly between 2016-18 with a total of 831 establishments in 2018 rising 37% from 607 in 2016, with a high increase in numbers of guest houses and youth hostels.

Hotels and other accommodation recorded 2.8 million visitors in 2018, an increase of 8% over 2017. Of these, 1.9 million or 70%, were international tourists. In 2018, top source markets were Lithuania (14.1%), Germany (13.3%), and the Russian Federation (12.5%). The majority of inbound visitors (77%) stayed in the capital, Riga. The most strategically important tourism markets in Latvia are MICE, health tourism, nature tourism and cultural tourism.

There were 11 million domestic trips taken by Latvian residents in 2018 spending EUR 333 million, a significant 8.5% reduction in spending compared to 2017.

Tourism governance and funding

The Ministry of Economics is responsible for the development of tourism policy in Latvia. Its main responsibilities are determined by the 1998 Tourism Law, under which it is charged with the development, organisation and co-ordination of national tourism policy. The Ministry of Economics oversees the Investment and Development Agency of Latvia, which is responsible for the implementation of tourism policy as well as the promotion of Latvia as a tourism destination at both national and international levels.

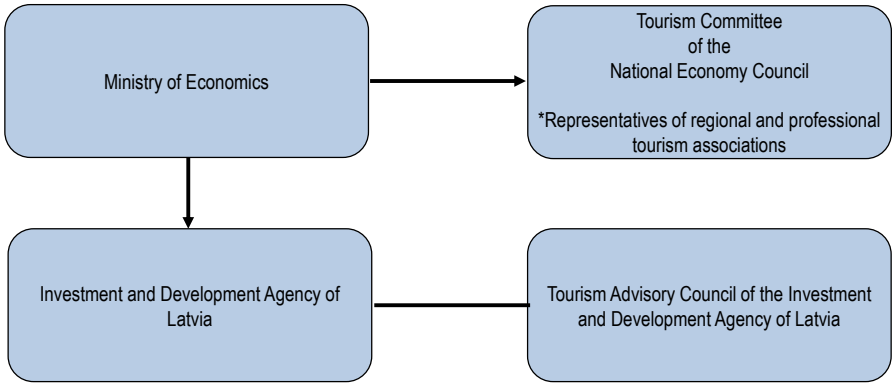
The Ministry, together with the Investment and Development Agency, co-operates actively with the regions of Latvia, via four regional tourism associations. Local issues are resolved via co-operation with municipalities. The Ministry also works closely with the private sector, particularly tourism related trade associations. This co-operation is either through the Tourism Committee of the National Economy Council, or, if more specific sector-based questions arise, through specially formed working groups.

In the case of nationally strategic issues, the Tourism Committee of the National Economy Council is the forum that represents both public and private sector tourism interests including regional associations and tourism associations. The Ministry co-operates with sector-specific industry associations and is duty bound under legislation to involve the private sector in the development of any new regulations or strategy. Currently the Ministry is working closely with the restaurant sector regarding a potential VAT reduction, with hotels and apartments regarding possible sharing economy regulations, and tour operators regarding the EU Package Travel Directive.

In 2018, the total budget for tourism was EUR 2.6 million, including state funding of EUR 752 800, additional funding from the European Regional Development Fund of EUR 1.8 million, and funds for the

implementation of EDEN (European Destinations of Excellence) projects amounting to EUR 66 200. During the period between 2014-20, Latvia has allocated a total of EUR 20 million of European funding (ERDF) to tourism marketing and other promotional activities.

Latvia: Organisational chart of tourism bodies



Source: OECD, adapted from the Ministry of Economics, 2020.

Tourism policies and programmes

Latvia is an emerging tourism destination, with many natural resources and a rich cultural heritage. Latvia prioritises investment in tourism marketing to raise awareness of its attractiveness as a tourism destination.

The Ministry of Economics developed the Tourism Development Guidelines for 2014-20 which is the principal policy document. The overall goal of Latvian tourism policy is to ensure the sustainable growth of the sector by facilitating competitiveness of tourism services in export markets. The Government's policy aims to increase the competitiveness of Latvian tourism businesses, meet the criteria of sustainable tourism development, encourage international competitiveness, reduce seasonal imbalances and extend the average length of stay.

Alongside the guidelines, the Investment and Development Agency of Latvia developed its Tourism Marketing Strategy 2018-23 which also addresses future tourism challenges, such as improving the image of Latvia, sustainable tourism development, and investing wisely. Overall the goals of marketing activity are to achieve a unified approach towards promoting Latvia as a tourism destination, as well as to strengthen its competitiveness. The strategy uses lifestyle segmentation to target potential visitors, including 'dreamers', 'adventurers' and 'open minded tourists'. Latvia has also introduced under the Investment and Development Agency a new 'Magnetic Latvia' brand created to promote awareness of Latvia. This positions the country as an appealing market for business, as a leisure tourism destination and as a cultural hotspot.

A range of issues are currently the subject of particular focus:

- Decreases in average spend per tourist per day: With the objective to increase tourists' average daily spending, a priority focus is to improve the quality of the tourism offer. Such a policy will increase value for money and lead to greater income as tourists' willingness to pay is increased. The Ministry of Economics is currently undertaking research to define the future actions needed to ensure this priority is met.
- Low competitiveness of Latvia as a tourism destination: To improve standards of service quality, a focus on improving the education and skills of service providers is another priority. A life-long

learning programme has been developed by the Ministry as one measure to increase the skills of entrepreneurs and employees. The programme is supporting a wide variety of activities during a six year period to 2020 including facilitating the implementation of business innovation, training in technology as well as training to attract investors.

- Acute seasonality negatively affecting business turnover: There is currently marked seasonality, which affects tourism business performance, especially in the accommodation sector. The average occupancy rate in the low season drops to as little as 30%, whilst in the high season it can average between 60 and 80%. Latvia has set MICE and wellness/health tourism markets as key priorities in order to build activity in shoulder and winter months and minimise the effects of seasonality.

The Ministry of Economics is currently collaborating with the Ministry of Environmental Protection and Regional Development to ensure that high quality natural resources are improved and maintained. Other examples of cross-government work include co-operation with the Ministry of Culture in relation to the development of cultural tourism; the Ministry of Transport to provide road infrastructure and transport improvements; and the Ministry of Health, in relation to medical tourism development.

Co-operation is currently ongoing regarding the development of the Government's next planning period covering 2021-27. Ministries are sharing draft future strategies and considering respective topics including tourism policy. Because of its cross-cutting nature and lack of separate tourism Ministry, the Ministry of Economics is co-ordinating this process for tourism. Previously this has provided positive results, for example, the Medical Tourism Development Co-ordination Council is the result of close co-operation between two ministries (see box below).

Medical Tourism Development Co-ordination Council in Latvia

In order to foster the development of medical tourism and increase the export of medical services, a Medical Tourism Development Co-ordination Council was established in May 2019. This has been formed jointly by the Ministry of Health and Ministry of Economics together with advice from the Health Tourism Cluster – which includes representatives from the medical sector and other relevant institutions. Medical tourism is a priority tourism sector in Latvia as there is a large potential for growth in medical services exports due to the availability of high quality medical services and comparatively low prices. The Council has developed an Action Plan which includes agreed tasks and objectives that members of the Council will carry out. The Plan includes three main goals: 1) actions to ensure sustainability; 2) defining the strategic medical tourism target markets/countries; 3) establishing the image of Latvia as the leading country for health services.

A foundation task is to gather comprehensive statistics on medical tourism, as until now there have been few statistics available. In 2018, the first comprehensive medical tourism statistics were gathered. This identified specific medical tourism markets that will be included in marketing activities to promote medical services in those markets. This is a large milestone that has been reached in the development of medical tourism in Latvia and the Council is looking forward to continuing its work to improve the value of medical services exports.

Statistical Profile

Latvia: Domestic, inbound and outbound tourism

	2014	2015	2016	2017	2018
TOURISM FLOWS, THOUSAND					
Domestic tourism					
Total domestic trips	11 413	10 691	12 197	12 532	10 948
Overnight visitors (tourists)	3 258	2 972	3 071	2 942	2 584
Same-day visitors (excursionists)	8 155	7 718	9 126	9 590	8 365
Nights in all types of accommodation	8 447	6 542	7 233	7 068	5 514
Hotels and similar establishments	671	592	400	562	478
Other collective establishments	747	757	773	906	508
Private accommodation	7 029	5 193	6 060	5 601	4 528
Inbound tourism					
Total international arrivals	6 246	6 842	6 797	7 726	7 775
Overnight visitors (tourists)	1 843	2 024	1 793	1 949	1 946
Same-day visitors (excursionists)	4 403	4 818	5 004	5 776	5 829
Top markets					
Lithuania	266	346	375	300	275
Germany	168	182	194	255	260
Russian Federation	348	279	222	243	244
Estonia	181	283	263	192	176
Sweden	162	116	73	79	91
Nights in all types of accommodation	7 822	8 145	8 766	8 865	7 864
Hotels and similar establishments	3 269	3 566	3 146	3 125	3 049
Other collective establishments	351	362	661	276	395
Private accommodation	4 202	4 217	4 959	5 464	4 419
Outbound tourism					
Total international departures	1 846	1 719	1 939	2 056	2 176
Overnight visitors (tourists)	1 362	1 242	1 250	1 265	1 368
Same-day visitors (excursionists)	484	478	689	790	807
Top destinations					
Estonia	95	168	210	173	206
Lithuania	134	171	213	154	157
Russian Federation	138	121	122	85	117
Sweden	86	75	65	80	100
Germany	95	71	84	148	80
TOURISM RECEIPTS AND EXPENDITURE, MILLION EUR					
Inbound tourism					
Total international receipts	977	1 156	1 186	1 248	1 376
International travel receipts	719	807	812	838	896
International passenger transport receipts	258	349	374	410	480
Outbound tourism					
Total international expenditure	670	724	798	815	859
International travel expenditure	540	557	631	642	660
International passenger transport expenditure	130	167	167	173	199

Source: OECD Tourism Statistics (Database).

StatLink http://dx.doi.org/10.1787/888934077293

Latvia: Enterprises and employment in tourism

	Number of establishments	Number of persons employed				
	2017	2014	2015	2016	2017	2018
Total	..	..	..	..	..	..
Tourism industries	**15 890**	**74 900**	**73 800**	**79 600**	**75 400**	**77 100**
Accommodation services for visitors	1 301	5 700	5 500	6 000	4 900	5 600
Hotels and similar establishments	490	4 600	5 000	4 700	3 700	4 500
Food and beverage serving industry	4 858	23 600	24 800	24 500	24 800	26 700
Passenger transport	1 267	20 200	18 400	22 100	17 800	16 800
Air passenger transport	22	..	..	..	2 100	2 200 e
Railways passenger transport	66	4 900	4 200	3 500	3 800	2 700
Road passenger transport	1 149	13 400	12 400	15 700	11 000	10 900
Water passenger transport	30	..	..	..	..	..
Passenger transport supporting services	..	..	..	..	..	..
Transport equipment rental	948	..	..	..	..	..
Travel agencies and other reservation services industry	1 042	2 800	2 400	1 500 e	2 800	2 500
Cultural industry	1 944	12 300	12 800	15 600	12 900	11 500
Sports and recreation industry	4 530	10 000	9 500	9 400	11 500	13 700
Retail trade of country-specific tourism characteristic goods	..	..	..	..	..	..
Other country-specific tourism industries	..	..	..	..	..	..
Other industries	**..**	**..**	**..**	**..**	**..**	**..**

.. Not available; e Estimated value
Source: OECD Tourism Statistics (Database).

StatLink http://dx.doi.org/10.1787/888934077312

Lithuania

Tourism in the economy

In 2018, the tourism sector was estimated to generate 4.9% of GDP, forecast to rise marginally to 5% by 2020. A total of 47 200 people were directly employed in the tourism industry in 2017, representing 4.9% of total employment in the country.

In 2018, 1.7 million international tourists visited Lithuania, staying 3.7 million nights and spending EUR 1.2 billion – amounting to 12.2% of service exports. Tourists from Germany were the largest market with 214 100 overnight visitors, an increase of 21.6% over 2017. This is a record high for the German market who spend an average of EUR 430 per trip. Russia, Poland, Belarus and Latvia are also volume markets. The United States is a high growth market with investment in overseas marketing resulting in further growth of 11.6%, China (+20.6%), Japan (+22.3%) and Israel (+27.3%). The Ukraine and the United Kingdom have also grown, with the latter due to a new direct route from London City airport.

The interest of Lithuanians in their country keeps growing. Incoming and local tourism divide the Lithuanian tourism market in half: Lithuanians who travelled within the country and stayed in tourist accommodation comprised 51.8% of the market (1.9 million tourists in total) up 12.4% against the same period last year.

Tourism governance and funding

In 2019, the national tourism administration structures were re-organised. The Ministry of Economy and Innovation has lead responsibility for tourism, and the Tourism Policy Division remains responsible for shaping national tourism policy, destination development and international relations.

A new public institution Lithuania Travel, is now responsible for raising the awareness of Lithuania as a tourism destination and for the development of inbound and local tourism. Lithuania Travel carries out marketing and tourism promotion, and reports to the Ministry of the Economy and Innovation.

The State Consumer Rights Protection Authority, under the Ministry of Justice, is responsible for the supervision of tour operators, travel agencies and accommodation providers. It represents consumer interests in the event of a tour operator insolvency.

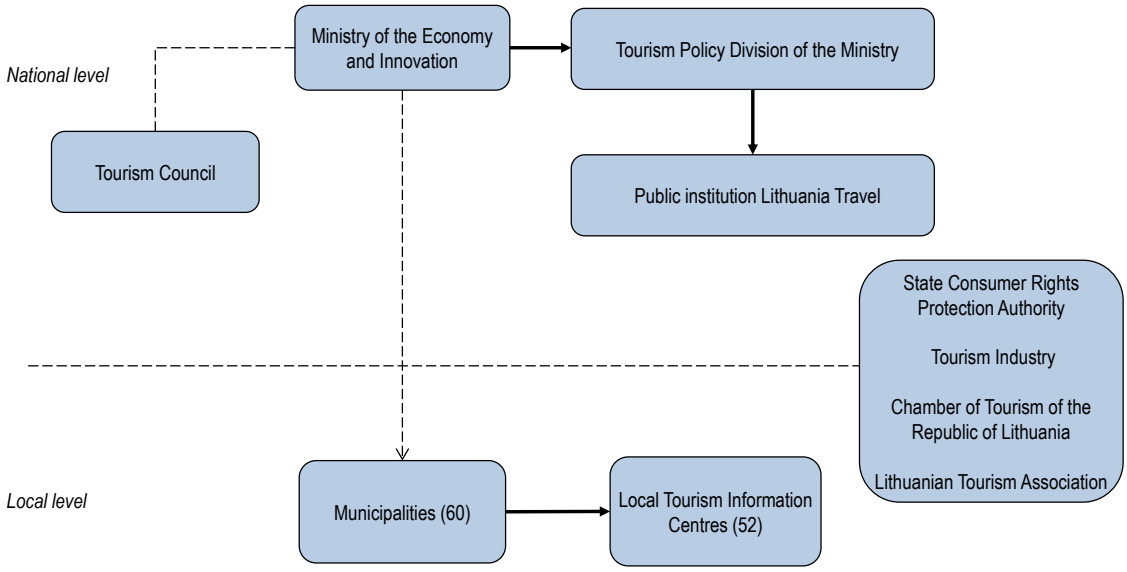
Co-ordination is assisted by the Tourism Council, whose role includes drafting policy proposals and advising on a wide range of tourism matters. This 22-member Advisory Body is chaired by the Ministry of Economy and Innovation, with membership drawn from related ministries including Agriculture, Communication, Foreign Affairs, and Culture, as well as tourism associations.

Municipalities are involved in tourism at the local level, including through the operation of Local Tourism Information Centres. The Chamber of Tourism of the Republic of Lithuania represents the country's ten principal tourism associations, and presents over 900 businesses.

The government budget for tourism is approximately EUR 1.2 million with a further EUR 3.1 million allocated from EU funding. In 2018, the City of Vilnius introduced a city tax of EUR 1 per person per night

which is levied on all visitors using accommodation services. The tax revenues will be used to fund international marketing activities and improve the city's infrastructure and quality of life for residents. A similar tax was previously applied in five other towns and resorts.

Lithuania: Organisational chart of tourism bodies



Source: OECD, adapted from the Ministry of the Economy and Innovation, 2020

Tourism policies and programmes

The main challenges for Lithuanian tourism include diversifying the offer, protecting important cultural and natural heritage, improving transport connectivity, and encouraging the uptake of digital technologies. Other priorities include improving tourism education and skills, extending the season, and improving the overall quality and sustainability of the offer.

The Lithuanian Tourism Development Programme 2014-20 set out national tourism development objectives, goals and development priorities, and is supported by the Strategy for Tourism Marketing 2016-20. The strategic objective is to increase the competitiveness of the tourism sector via new product development, and improvements to tourism infrastructure and quality of service. Under the Programme, four priority tourism products were identified for development: cultural, business, health and green (eco) tourism, in priority regions for tourism development. These priorities are aligned to EU Structural Fund support.

The Ministry of the Economy and Innovation is working closely with other relevant ministries to implement the Programme, including the ministries of Culture, Transport and Communications, Health, Foreign Affairs, Agriculture, and Environment as well as the Health Resort Science and Research Centre, municipalities and the private sector. Particular attention has been paid to cultural tourism, with significant investment made to support the renovation of museums, churches and other iconic places. Investment in business tourism has resulted in Vilnius becoming the host city of the Baltic Sea region's leading annual trade show for the meeting and event industry, CONVENE. The research of natural resources has also been progressed in close co-operation with the Council of Science, while educational hiking trails and observation towers have been built to support green tourism.

A new long term Strategy for Tourism to cover the period from 2021-2031 is now in development, and will aim to tackle and prioritise key forward-looking issues, namely:

- Developing public and private tourism infrastructure.
- Creating and developing attractive tourism routes.
- Improving Lithuania's accessibility.
- Increasing qualifications and improving entrepreneurial skills.
- Developing certification and accreditation schemes for services providers.
- Developing the information database holding details of Lithuania's tourism product.
- Co-operating with neighbouring countries to implement joint marketing activity.
- Creating tourism clusters to deliver joint public and private tourism marketing projects.
- Increasing the supply of shoulder and off-season cultural events and attractions.

Growing innovation, rapid modernisation and many emerging challenges for the development of tourism require highly qualified workforce. To this end, further investment is prioritised to develop the required skills, including improved language, sales and marketing skills, professionalism and intercultural competence.

Particular efforts are needed to increase the competitiveness of rural tourism, as the development of specialised rural tourism services represent a major challenge. Small scale rural tourism appears of little interest to most tour operators and travel agencies, but it has great potential for Lithuania. In order to promote exports of rural tourism and green ecotourism services, the Government is focused on supporting and improving the existing online rural tourism promotion channels in international markets and introducing operator sales training. As more niche tourism products arrive into the market, special attention will be given to supporting areas such as gastronomy, bird watching and tourism of nuclear energy sites.

As part of efforts to identify the most effective ways to increase the competitiveness of the tourism sector, and prepare sustainable tourism development guidelines, Lithuania is working with neighbouring countries in the Baltic Sea Region to achieve the UN Sustainable Development Goals as they apply to tourism (see box).

Towards sustainable tourism in the Baltic Sea Region

Together Estonia, Finland and Germany, Lithuania is leading a project to identify how the UN's Sustainable Development Goals for tourism can be achieved in practice in the Baltic Sea Region. The project has targeted a wide number of interest groups, including national and regional tourism authorities, local associations, destination management organisations, the private sector, and academic institutions. The main aim is to develop a tourism flagship process to make the Baltic Sea region more sustainable, particularly encouraging the commercial tourism sector to operate with reference to the SDGs. One of the biggest challenges in the Baltic Sea region is to accurately measure the impact of tourism, which cannot currently be fully evaluated due to a lack of appropriate measurement tools. In this context, the countries of the Baltic Sea region have created the Baltic Sea Tourism Centre and an Expert Group on Sustainable Tourism. Based on the outcomes of a workshops, best practice assessment around the Baltic Sea, and the development of an awards scheme, the initiative will provide valuable insight to strengthen the process of sustainable tourism development. The core partners have agreed to the continuation of the co-operation to support the further sustainable development of tourism in the Baltic Sea region. A Working Group of the Baltic Sea Tourism Centre will promote the implementation of the Sustainable Tourism Award, monitor related legislation and identify topics and challenges for future projects at a transnational level.

Statistical Profile

Lithuania: Domestic, inbound and outbound tourism

	2014	2015	2016	2017	2018
TOURISM FLOWS, THOUSAND					
Domestic tourism[1]					
Total domestic trips	13 894	14 148	14 224	14 247	14 678
Overnight visitors (tourists)	2 649	2 663	2 554	2 528	2 641
Same-day visitors (excursionists)	11 245	11 484	11 670	11 719	12 037
Nights in all types of accommodation	3 431	3 570	3 719	3 934	4 355
Hotels and similar establishments	1 292	1 367	1 406	1 554	1 715
Other collective establishments	2 139	2 204	2 313	2 380	2 640
Private accommodation	..	..	..	..	..
Inbound tourism[2]					
Total international arrivals	5 217	5 049	5 322	5 590	6 115
Overnight visitors (tourists)	2 063	2 071	2 296	2 523	2 825
Same-day visitors (excursionists)	3 155	2 977	3 026	3 067	3 291
Top markets					
Belarus	425	366	395	432	443
Latvia	229	254	274	308	362
Russian Federation	326	212	217	257	286
Poland	162	175	197	218	250
Germany	174	189	203	214	242
Nights in all types of accommodation	3 034	3 011	3 273	3 431	3 737
Hotels and similar establishments	2 251	2 247	2 429	2 527	2 725
Other collective establishments	783	764	844	904	1 012
Private accommodation	..	..	..	..	..
Outbound tourism					
Total international departures	4 291	3 981	4 143	4 294	4 703
Overnight visitors (tourists)	1 789	1 860	1 953	2 032	2 244
Same-day visitors (excursionists)	2 503	2 121	2 191	2 262	2 458
Top destinations					
Latvia	232	221	226	233	250
United Kingdom	205	213	211	213	215
Belarus	177	154	156	158	202
Poland	140	149	150	160	169
Germany	117	106	110	123	132
TOURISM RECEIPTS AND EXPENDITURE, MILLION EUR					
Inbound tourism					
Total international receipts	1 116	1 161	1 246	1 381	1 503
International travel receipts	1 042	1 041	1 090	1 169	1 274
International passenger transport receipts	74	120	157	212	229
Outbound tourism					
Total international expenditure	938	1 013	1 095	1 158	1 361
International travel expenditure	796	857	913	984	1 186
International passenger transport expenditure	142	156	182	174	175

.. Not available
1. Trips from demand side surveys; Nights from supply side surveys.
2. Arrivals from demand side surveys; Nights from supply side surveys.
Source: OECD Tourism Statistics (Database).

StatLink http://dx.doi.org/10.1787/888934077331

Lithuania: Enterprises and employment in tourism

	Number of establishments[2]	Number of persons employed				
	2017	2014	2015	2016	2017	2018
Total	..	..	..	..	..	..
Tourism industries	**18 301**	**45 891**	**46 181**	**46 884**	**47 168**	..
Accommodation services for visitors[1]	3 238	11 816	12 354	13 142	14 457	..
Hotels and similar establishments	411	11 816	12 354	13 142	14 457	..
Food and beverage serving industry	3 864	13 062	13 640	12 495	13 065	..
Passenger transport	6 798	8 973	9 346	9 643	9 124	..
Air passenger transport	28	516	609	768	824	..
Railways passenger transport	1	386	420	505	385	..
Road passenger transport	6 743	7 893	8 140	8 363	7 908	..
Water passenger transport	26	178	177	7	7	..
Passenger transport supporting services	..	544	597	670	730	..
Transport equipment rental	858	432	303	445	459	..
Travel agencies and other reservation services industry	1 245	3 117	3 286	3 308	3 377	..
Cultural industry	671	4 386	3 769	3 296	2 875	..
Sports and recreation industry	1 627	3 561	2 886	3 885	3 081	..
Retail trade of country-specific tourism characteristic goods	..	..	..	..	..	..
Other country-specific tourism industries	..	..	..	..	..	..
Other industries	..	..	..	..	..	..

.. Not available
1. Data for accommodation service for visitors refer to number of establishments.
2. Data refer to number of enterprises.
Source: OECD Tourism Statistics (Database).

StatLink http://dx.doi.org/10.1787/888934077350

Lithuania: Internal tourism consumption

Million EUR

	2017		
	Domestic tourism expenditure	Inbound tourism expenditure	Internal tourism consumption
Total	..	..	..
Consumption products	**859 p**	**1 306 p**	**2 165 p**
Tourism characteristic products	529 p	585 p	1 114 p
Accommodation services for visitors	104 p	174 p	278 p
Food and beverage serving services	47 p	203 p	250 p
Passenger transport services	190 p	69 p	259 p
Air passenger transport services	111 p	50 p	161 p
Railways passenger transport services	14 p	5 p	19 p
Road passenger transport services	63 p	12 p	75 p
Water passenger transport services	2 p	2 p	4 p
Passenger transport supporting services	46 p	29 p	75 p
Transport equipment rental services	38 p	21 p	59 p
Travel agencies and other reservation services industry	87 p	18 p	105 p
Cultural services	15 p	44 p	59 p
Sports and recreation services	4 p	26 p	30 p
Country-specific tourism characteristic goods	..	..	..
Country-specific tourism characteristic services	..	..	..
Other consumption products	330 p	721 p	1 051 p
Tourism connected products	..	..	..
Non-tourism related consumption products	..	..	..
Non-consumption products	..	..	..

.. Not available; p Provisional data
Source: OECD Tourism Statistics (Database).

StatLink http://dx.doi.org/10.1787/888934077369

Luxembourg

Tourism in the economy

Tourism contributed 8.7% of Luxembourg's GDP in 2018. Some 6 000 jobs are directly linked to the tourism industry and a further 9 000 depend indirectly on tourism. Travel exports represented 4.3% of total service exports in 2018.

In 2018, 2.9 million overnight stays (international and domestic) were recorded in all types of accommodation (1.7 million in hotels, 0.9 million on campsites, 170 000 in youth hostels and 90 000 in other collective accommodation). International tourists accounted for 88.2% of nights. Total overnight stays in Luxembourg have increased by 29.8% since 2009.

Luxembourg's main source markets are its neighbouring countries; Belgium (20.5%), the Netherlands (16.7% of overnight visitors), Germany (14.5%) and France (13.4%). Although other markets such as China, Japan and United States are growing. Domestic tourism accounted for 11.8% of total overnight stays.

Tourism governance and funding

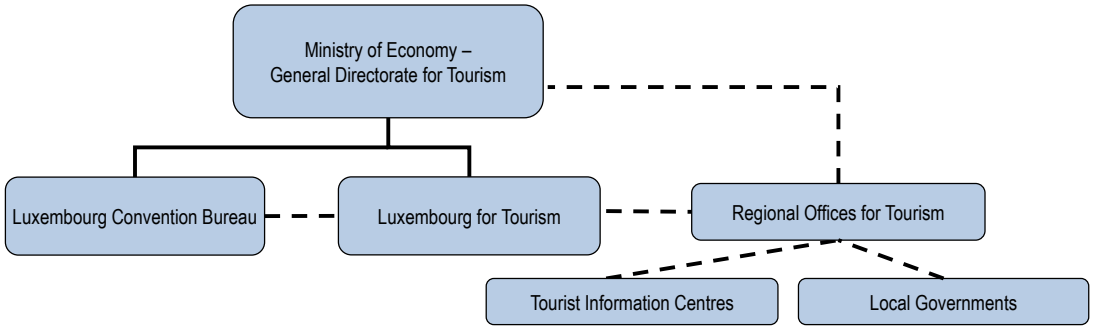
Tourism in Luxembourg is the responsibility of the Ministry of the Economy, through its General Directorate for Tourism and, since 2018, under a dedicated Minister for Tourism. As well as setting regulations for the tourism sector, the Directorate grades hotels and campsites, sets standards (e.g. ecolabel, 'eurowelcome' and 'bed+bike') and provides grants to raise the standards of operators working in tourism. The Directorate regularly collaborates with other governmental bodies, private operators and not-for-profit associations.

The Directorate co-ordinates the work of the national tourism development and promotion agency, Luxembourg for Tourism, and the newly created Luxembourg Convention Bureau, which was set up in 2018 to help develop the business events sector. Both organisations include public and private operators in their decision-making processes. Luxembourg for Tourism includes representatives of the City of Luxembourg, the Luxembourg City Tourist Office, the Regional Tourist Offices, the national hospitality federations and the Chamber of Commerce, as well as National Government representatives. Luxembourg Convention Bureau members include representatives of the City of Luxembourg and the Luxembourg Government.

The Directorate also co-ordinates the work of the five Regional Tourist Offices, which are responsible for developing tourism in the regions, working with public and private operators at national and regional level, developing tourism projects, providing training and professionalising the industry, advising and co-ordinating tour operators and events, raising the profile of destinations, and recruiting and training guides.

The budget for the Directorate in 2019 was EUR 22.1 million, an increase of 13% from 2018, and almost 30% more than the budget for 2017. The 2019 budget includes an allocation of 16.5% to Luxembourg for Tourism, 11.5% for the Regional Tourism Offices and 3.9% for Luxembourg Convention Bureau. This budget increase is in line with the Government's ambition to further strengthen the development of this economic sector.

Luxembourg: Organisational chart of tourism bodies



Source: OECD, adapted from Ministry of Economy, 2020.

Tourism policies and programmes

Under the Strategic Framework for the Development of the Tourism Sector 2018-22, eight pillars are identified to improve the experience of tourists in Luxembourg, and support the success of the Grand Duchy as a tourism destination. The new Strategy proposes, for example, better collaboration between different actors and different regions, as well as improvement to key infrastructure in order to enhance the visitor experiences. The visitor is placed at the centre of efforts, while the enhancement of the country's assets, such as authenticity, heritage, conviviality and unspoilt nature, is also a focal point of the strategy.

The main issues and challenges for tourism development in Luxembourg are:

- Developing quality, accessible and innovative tourism products and services.
- The professionalisation of tourism structures at the national, regional and local levels.
- Adapting to digitalisation, for promotion, information and tourism products.
- Supporting the sustainable development of tourism.
- Developing reliable statistics.
- Developing new lead markets and adjusting the product offer to fit.
- Promoting transparency, particularly in the accommodation sector to include implementation of the Hotelstars Union hotel classification system as well as the development of a new campsite classification system.
- Developing rural tourism accommodation, as well as product for walking, hiking and other activities.

To encourage and capitalise on innovation in the tourism sector, the Minister for Tourism launched the Tourism Innovation Award in 2018. The Awards seek to: promote the know-how and innovative spirit of tourism businesses and public institutions; stimulate creativity and the development of original projects; open the sector to new trends; and encourage sustainable development and social responsibility. The competition was open to small and medium-sized tourism businesses and rewarded stand-out projects exhibiting innovative character and exceptional added value.

The Ministry of the Economy provides various financial incentives to support investment in the tourism sector. These include subsidies for projects to improve tourism infrastructure and service quality, including certification programmes delivered by municipalities, tourist offices, non-profit associations and accommodation providers. Tourist accommodation is confronted with structural change, not only in Luxembourg but in many destinations. To ensure that there is a variety of quality tourist accommodation options in rural areas, a working party has been set up under the auspices of the Ministry of the Economy to draw up an action plan to boost tourist accommodation in the rural environment.

In order to professionalise the management and promotion of tourism and reduce the current reliance on volunteering, the Ministry provides opportunities for co-financing of operations and payroll costs. Investment aid is also available for small and medium-sized private operators.

The Ministry is currently working on the implementation of a Green Business Events Charter, which will encourage the business events sector to reduce its environmental impact. The project recognises that customers are increasingly mindful of environmental and social costs, and aims to strengthen Luxembourg's positioning as a high-quality, sustainable destination. The Ministry plans to use an internationally recognised sustainable destination index to implement the project.

The business events sectors has considerable potential for growth in Luxembourg. To realise the ambition to make Luxembourg a top destination for business events, Luxembourg Convention Bureau was set up to co-ordinate the development of this market. Bureau identifies and canvasses congresses of potential interest to Luxembourg, and co-ordinates the application process for organisers. It is specifically tasked to advise and support the development of business events in Luxembourg, with a budget of EUR 1.7 million in 2019. The establishment of the Luxembourg Convention Bureau is a major step forward in the process of restructuring and professionalising the industry. It also contributes to the country's economic development programme by attracting attention, knowledge, partnerships and investment in priority economic development sectors by means of business events. The ambition of becoming a leading meetings, incentives, conferences and events (MICE) destination is backed by members of the former MICE Cluster Luxembourg, now incorporated into the Luxembourg Convention Bureau structure. An Industry Partners Programme has been set up by the Bureau to establish a general framework for co-operation with its members.

Digitalisation is a major challenge for the tourism industry in Luxembourg; but it is also a huge opportunity. The Government is committed to supporting and promoting the digital transformation of the tourism sector, making use of new technology to enhance the promotion of the country (Box 2.8).

Statistical Profile

Luxembourg: Domestic, inbound and outbound tourism

	2014	2015	2016	2017	2018
TOURISM FLOWS, THOUSAND					
Domestic tourism					
Total domestic trips	..	..	..	..	..
Overnight visitors (tourists)	105	107	108	110	121
Same-day visitors (excursionists)	..	..	..	..	..
Nights in all types of accommodation	354	325	318	318	346
Hotels and similar establishments	160	152	160	167	189
Other collective establishments	194	174	158	151	157
Private accommodation	..	..	..	..	..
Inbound tourism					
Total international arrivals	..	..	..	..	..
Overnight visitors (tourists)	1 041	1 091	1 053	1 046	1 018
Same-day visitors (excursionists)	..	..	..	..	..
Top markets					
Belgium	203	211	210	211	208
Netherlands	176	180	178	182	170
Germany	147	152	152	147	148
France	141	141	139	139	136
United Kingdom	67	71	69	68	66
Nights in all types of accommodation	2 520	2 659	2 637	2 573	2 575
Hotels and similar establishments	1 539	1 589	1 594	1 526	1 525
Other collective establishments	982	1 069	1 044	1 047	1 050
Private accommodation	..	..	..	..	..
Outbound tourism					
Total international departures	3 543	..	..	..	..
Overnight visitors (tourists)	1 815	1 702	1 588 |	2 425	2 555
Same-day visitors (excursionists)	1 728	..	..	..	..
Top destinations					
France	322	306	255 |	466	490
Germany	272	272	253 |	326	330
Italy	108	94	107 |	175	232
Belgium	135	107	91 |	181	208
Spain	128	113	119 |	177	175
TOURISM RECEIPTS AND EXPENDITURE, MILLION EUR					
Inbound tourism					
Total international receipts	4 546	4 294	4 306	4 422	4 697
International travel receipts	4 041	3 770	3 839	4 034	4 230
International passenger transport receipts	505	524	467	388	467
Outbound tourism					
Total international expenditure	2 529	2 588	2 630	2 695	2 794
International travel expenditure	2 470	2 539	2 579	2 648	2 730
International passenger transport expenditure	59	49	51	47	64

.. Not available; | Break in series
Source: OECD Tourism Statistics (Database).

StatLink http://dx.doi.org/10.1787/888934077388

Luxembourg: Enterprises and employment in tourism

	Number of establishments	Number of persons employed				
	2018	2014	2015	2016	2017	2018
Total	**..**	**..**	**..**	**..**	**..**	**..**
Tourism industries	**493**	**..**	**..**	**..**	**..**	**..**
Accommodation services for visitors	421	..	..	..	..	..
Hotels and similar establishments	227	..	..	..	..	..
Food and beverage serving industry	..	..	..	..	..	..
Passenger transport	..	..	..	..	..	..
Air passenger transport	..	..	..	..	..	..
Railways passenger transport	..	..	..	..	..	..
Road passenger transport	..	..	..	..	..	..
Water passenger transport	..	..	..	..	..	..
Passenger transport supporting services	..	..	..	..	..	..
Transport equipment rental	..	..	..	..	..	..
Travel agencies and other reservation services industry	72	..	..	..	..	..
Cultural industry	..	..	..	..	..	..
Sports and recreation industry	..	..	..	..	..	..
Retail trade of country-specific tourism characteristic goods	..	..	..	..	..	..
Other country-specific tourism industries	..	..	..	..	..	..
Other industries	**..**	**..**	**..**	**..**	**..**	**..**

.. Not available
Source: OECD Tourism Statistics (Database).

StatLink http://dx.doi.org/10.1787/888934077407

Mexico

Tourism in the economy

In 2018, tourism contributed 8.7% of GDP, higher than the contribution from the construction, financial services and mining sectors. In 2018, tourism directly employed more than 2.3 million people (6.0% of total employment) its highest level since 2006. In 2018 tourism export earnings of MXN 215.5 billion were recorded. Travel exports represented 78.3% of total service exports in 2018. Most tourism consumption was inbound (82.5%) rather than outbound leading to a balance of payments surplus. In 2018, inbound tourism consumption grew by 2.8% compared with the previous year, a higher growth rate than the general economy.

In 2018, there were 41.3 million international visits, a 5.1% increase on 2017. During 2018, international tourism receipts amounted to MXN 433.0 billion and the largest source market was the United States, accounting for 10.5 million tourists. However, since 2016 overnight visitors from the United States have decreased by 56.7%. Other key markets are Canada (2.2 million) and United Kingdom (590 900), both of which experienced steady growth. In 2018, there were record levels of domestic tourism amounting to some 100.4 million nights, an increase of 5.1% on 2017.

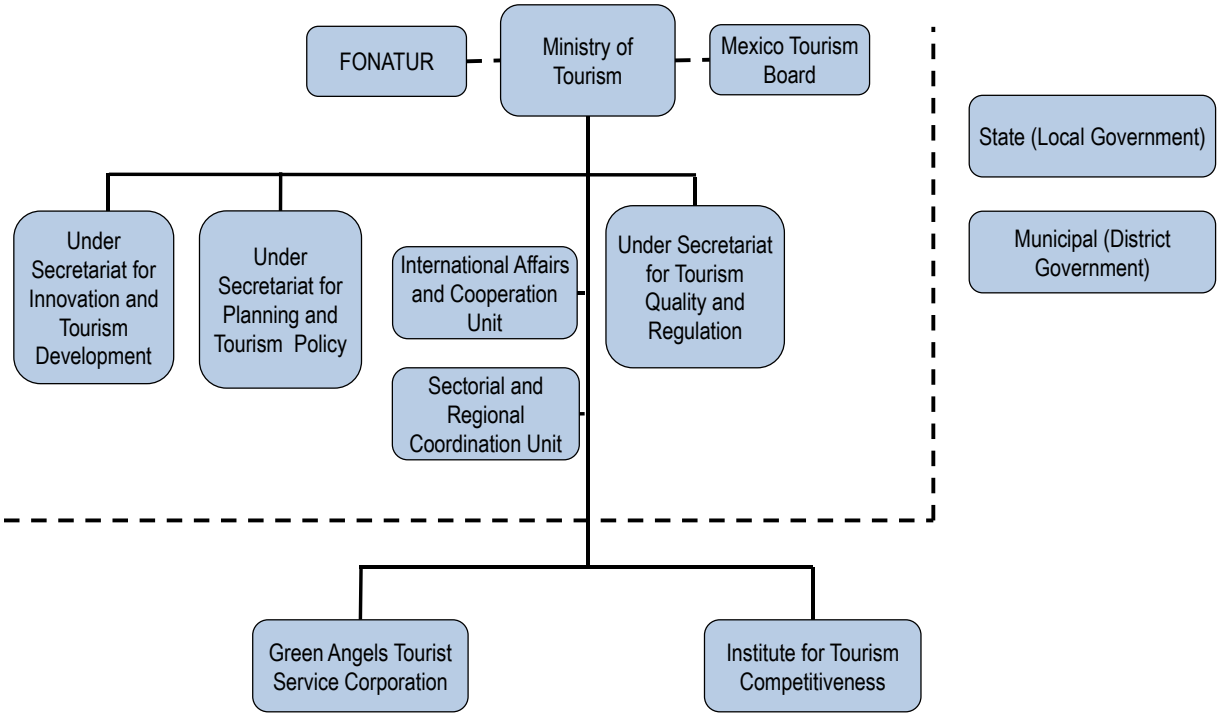
Tourism governance and funding

The Ministry of Tourism is the lead government body with responsibility for tourism policy, planning, development, quality and regulation. The development of tourism policy is subject to the Guiding Principles set out in the National Development Plan 2019-24, which seek policy measures to strengthen communities and ensure the welfare of all Mexicans. The development plan includes the establishment of a Tourism Diplomacy Council. Composed of representatives of the Ministry of Tourism, the Ministry of Foreign Affairs, private sector, academic and social sectors, its primary function is the promotion of Mexico's image abroad to strengthen both tourism flows and foreign direct investment. The tourism budget is linked to the National Development Plan. In 2019, the budget amounted to MXN 8.7 billion. This figure consisted of around MXN 885 million for the Ministry of Tourism, MXN 6.5 billion for FONATUR, the tourism investment and development agency, and MXN 577 million for the Mexico Tourist Board.

Tourism policies and programmes

The Government's overall priority is to consolidate Mexico as a globally important tourism destination, where the sustainable use of cultural and natural heritage enables equitable development amongst individuals, communities and regions. The 2019-24 tourism model will involve a new social approach, inclusive and diverse, that will promote constitutional rights to rest and recreation.

Mexico: Organisational chart of tourism bodies



Source: OECD, adapted from the Ministry of Tourism, 2020

The Tourism Sector Programme 2019-24 addresses four objectives:

- Use tourism to promote a social approach and respect for human rights.
- Promote the balanced development of tourist destinations, by developing new tourism development projects, formation of tourist attraction clusters, alongside the devolution of functions and powers to regions from the Ministry of Tourism.
- Strengthen the diversification of tourism markets nationally and internationally, by innovating its promotion and marketing mechanisms through the Visitmexico digital platform. In addition public policies between different agencies will be strengthened; for example joint efforts with the Ministry of Foreign Affairs relating to improving the image of Mexico abroad.
- Promote sustainable tourism, to move to consolidate as a green destination.

Priority programmes include:

- Enjoy Mexico. The programme will aim to strengthen the national market and guarantee the right of all Mexicans to appreciate and enjoy their heritage. It will establish agreements with tour operators and national strategic partners to offer low-cost tour packages. Tourism flows will be reoriented to emerging and developing destinations while also improving seasonality in low and shoulder seasons.
- Smiles for Mexico. This programme will ensure that tourism is accessible for all, with attention to the most vulnerable segments of the population.
- Mayan train. A high impact project and the largest investment in the sector in recent years (see box).
- Comprehensive Tourism Development Project of Huasteca Potosina. Within the framework of the presidential announcement for the construction of the new Huasteca Potosina airport, the

Comprehensive Tourism Development Project will be a model of nature tourism that will become a national and international benchmark.

- Anchor Tourist Products. In order to strengthen the regional approach, "anchor" products will be developed to improve and revitalise the current offer and promote the integration of specialised tourist routes, in co-ordination with state, municipal governments and the private sector.
- Operation Touch Doors. This Programme is focused on diversifying markets and positioning Mexico as a reference destination for international markets, especially in niches with high purchasing power such as the United States, United Kingdom and France.
- Reunion with my roots. A Programme to attract the Mexican diaspora in North America, to increase the number of trips and the spending of the Mexican - American population.
- Sustainable Mexico Reborn. The objective of this programme is to position Mexico as an international benchmark of good practice, through the creation of a new generation of sustainable tourist routes.

The *Tianguis Turístico* travel market has become an important business forum, where entrepreneurs, hoteliers, travel trade, meeting planners and specialised media from all over world meet Mexican companies, generating important annual and multi-year commercial relationships. The 44th Tianguis Turístico de México in 2019 hosted 851 tourism companies and 1 344 buyers.

Using a major tourism attraction as a means for regional development in Mexico

The Mayan Train project will develop a new leading tourism attraction for Mexico, facilitating the dispersal of tourists across new regions and local communities. The Mayan Train is based on a sustainable regional development model, which will boost economic growth without damaging the environment. The aims of the project are to develop the regional economy, improve inhabitants' quality of life and protect the environment that the line will pass through. The line will run for 1 525 kilometres through the Yucatan Peninsula. While the line will be used for freight and domestic travel, it will be positioned as one of the world's foremost tourism experiences and provide the means for regional development, stimulating new tourism experiences and involving local communities. The route will include tourist circuits highlighting beaches, archaeological sites, museums, towns and world heritage sites. The route will be designed to reflect a high degree of sustainability, environmental protection and biodiversity. In order to draw on the necessary scientific and technological advice, agreements were signed with academic institutions. A Contribution Agreement with the UN-Habitat Agency was signed, as well as a technical assistance agreement with the Office of the United Nations Project Services (UNOPS).

At the local level, policy is focused on efforts to promote regional development. The *Pueblos Mágicos* committees promote tourist activities and projects in the most attractive municipalities of the country. The 2019 *Tianguis de Pueblos Mágicos*, a travel market and business forum, attracted 151 000 visitors. To contribute to the development of the accessible tourism, the Ministry has developed guidelines for building design drawing on best practice and aimed at entrepreneurs in the sector. The sustainable development of tourism destinations is an increasingly important priority for the Ministry as the following examples show:

- Policy Perspectives to 2040 – In 2017, the Ministry, together with the Tourism Commission of the National Conference of Governors, carried out an extensive public consultation exercise with three national forums held on current challenges. Key themes, based on sustainable and competitive tourism, were identified and aided the development of public policy.
- Planning Policy – The Ministry has worked closely with local authorities in the design of urban planning instruments and guidelines that will encourage sustainability. This work has focussed on

projects that benefit the inhabitants of tourist destinations. The plans integrate national territorial planning and regional development policies.

Statistical Profile

Mexico: Domestic, inbound and outbound tourism

	2014	2015	2016	2017	2018
TOURISM FLOWS, THOUSAND					
Domestic tourism					
Total domestic trips	..	..	..	..	..
Overnight visitors (tourists)	80 746	85 939	89 874	95 557	100 445 p
Same-day visitors (excursionists)	..	..	..	..	..
Nights in all types of accommodation	..	..	..	..	..
Hotels and similar establishments	143 035	143 754	150 445	156 612	166 707 p
Other collective establishments	..	..	..	..	..
Private accommodation	..	..	..	..	..
Inbound tourism					
Total international arrivals	81 042	87 129	94 853	99 349	96 497
Overnight visitors (tourists)	29 346	32 093	35 079	39 291	41 313
Same-day visitors (excursionists)	51 696	55 035	59 774	60 058	55 184
Top markets					
United States	23 399	24 094	24 261	10 340	10 496
Canada	1 677	1 749	1 781	1 985	2 155
United Kingdom	459	506	545	563	591
Spain	310	333	361	377	386
France	214	222	234	261	287
Nights in all types of accommodation	..	..	..	..	..
Hotels and similar establishments	70 718	82 654	86 616	89 345	93 323 p
Other collective establishments	..	..	..	..	..
Private accommodation	..	..	..	..	..
Outbound tourism					
Total international departures	90 982	94 988	97 372	94 274	86 280
Overnight visitors (tourists)	18 261	19 603	20 223	19 067	19 748
Same-day visitors (excursionists)	72 721	75 385	77 149	75 208	66 531
Top destinations					
..	..	..	..	..	..
..	..	..	..	..	..
..	..	..	..	..	..
..	..	..	..	..	..
..	..	..	..	..	..
TOURISM RECEIPTS AND EXPENDITURE, MILLION USD					
Inbound tourism					
Total international receipts	16 607	18 728	20 619	22 467	23 803
International travel receipts	16 208	17 734	19 650	21 336	22 526
International passenger transport receipts	399	995	970	1 131	1 276
Outbound tourism					
Total international expenditure	12 556	12 668	12 823	13 647	14 072
International travel expenditure	9 606	10 098	10 303	10 840	11 230
International passenger transport expenditure	2 950	2 570	2 520	2 807	2 843

.. Not available; p Provisional data
Source: OECD Tourism Statistics (Database).

StatLink http://dx.doi.org/10.1787/888934077426

Mexico: Enterprises and employment in tourism

	Number of establishments	Number of persons employed				
	2018	2014	2015	2016	2017	2018
Total	**..**	**2 178 956**	**2 226 594**	**2 275 411**	**2 297 142 p**	**2 344 696 p**
Tourism industries	**109 287 p**	**1 539 568**	**1 581 635**	**1 613 887**	**1 628 253 p**	**1 656 908 p**
Accommodation services for visitors	..	189 058	198 140	203 674	205 074 p	209 187 p
Hotels and similar establishments	22 560 p	..	..	..	..	..
Food and beverage serving industry	79 151 p	619 663	639 360	658 096	662 757 p	681 580 p
Passenger transport	..	532 686	543 198	552 814	565 694 p	573 717 p
Air passenger transport	..	24 731	26 109	27 256	29 299 p	30 530 p
Railways passenger transport	..	914	907	942	943 p	917 p
Road passenger transport	..	505 685	514 733	523 111	533 732 p	540 436 p
Water passenger transport	..	1 356	1 449	1 505	1 720 p	1 834 p
Passenger transport supporting services	..	3 502	3 641	3 540	3 510 p	3 455 p
Transport equipment rental	..	4 169	4 386	4 531	4 468 p	5 185 p
Travel agencies and other reservation services industry	7 576 p	20 018	20 381	20 648	20 926 p	19 463 p
Cultural industry	..	36 269	37 177	37 460	37 371 p	37 659
Sports and recreation industry	..	56 512	55 646	56 110	56 931 p	56 354
Retail trade of country-specific tourism characteristic goods	..	77 691	79 706	77 014	71 522 p	70 308 p
Other country-specific tourism industries	..	..	..	..	..	..
Other industries	**..**	**639 388**	**644 959**	**661 524**	**668 889 p**	**687 788 p**

.. Not available; p Provisional data
Source: OECD Tourism Statistics (Database).

StatLink http://dx.doi.org/10.1787/888934077445

Mexico: Internal tourism consumption

Million MXN

	2018		
	Domestic tourism expenditure	Inbound tourism expenditure	Internal tourism consumption
Total	**..**	**..**	**..**
Consumption products	**2 666 482 p**	**555 951 p**	**3 222 433 p**
Tourism characteristic products	2 436 336 p	554 501 p	2 990 836 p
Accommodation services for visitors	533 420 p	156 744 p	690 164 p
Food and beverage serving services	487 037 p	136 049 p	623 085 p
Passenger transport services	694 943 p	93 081 p	788 024 p
Air passenger transport services	195 379 p	55 098 p	250 477 p
Railways passenger transport services	5 376 p	.. p	5 376 p
Road passenger transport services	490 320 p	37 983 p	528 303 p
Water passenger transport services	3 869 p	.. p	3 869 p
Passenger transport supporting services	26 651 p	111 p	26 762 p
Transport equipment rental services	11 520 p	.. p	11 520 p
Travel agencies and other reservation services industry	30 550 p	893 p	31 443 p
Cultural services	5 707 p	19 047 p	24 754 p
Sports and recreation services	12 744 p	36 877 p	49 620 p
Country-specific tourism characteristic goods	633 764 p	111 699 p	745 463 p
Country-specific tourism characteristic services	..	..	..
Other consumption products	230 146 p	1 450 p	231 596 p
Tourism connected products	..	..	..
Non-tourism related consumption products	..	..	..
Non-consumption products	**..**	**..**	**..**

.. Not available; p Provisional data
Source: OECD Tourism Statistics (Database).

StatLink http://dx.doi.org/10.1787/888934077464

Netherlands

Tourism in the economy

The importance of domestic and inbound tourism for the Netherlands remains high, with both providing a substantial impetus to the Dutch economy. In 2018, expenditure in the hospitality sector accounted for EUR 87.5 billion. In 2018, the sector employed 679 000 people, which accounted for 7.2% of total employment. The sector directly contributes to 4.4% of total GDP. Travel exports accounted for 7.6% of total service exports in 2018.

According to the latest figures, in 2018 the Netherlands was visited by 18.8 million international overnight visitors, with the largest proportion originating from neighbouring countries. As in previous years, Germany was the largest source market (30.3%), growing 8.5% in 2018 when compared with 2017. Other leading foreign markets were Belgium (12.8%) and the United Kingdom (11.8%). Also many tourists came from Asia (7.2 %) and the America's (11.0%). Inbound tourism generated receipts of EUR 32.5 billion.

In addition the number of domestic overnight visitors in the Netherlands in 2018 was 25.1 million, up 3.4% over 2017. Domestic tourism generated receipts of EUR 51.9 billion.

Tourism governance and funding

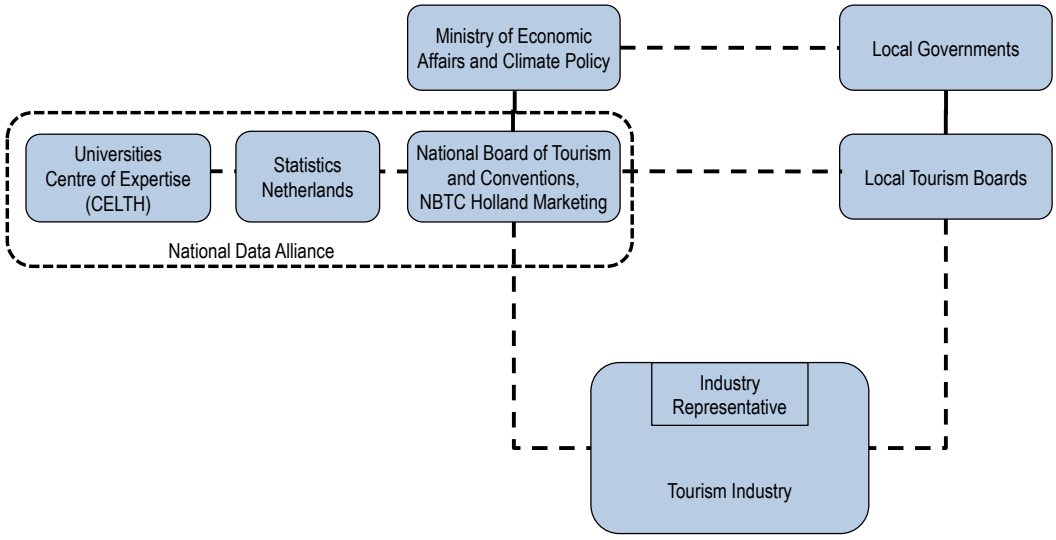
The Ministry of Economic Affairs and Climate Policy is responsible for tourism at the national level. This includes stimulating innovation, entrepreneurship and sustainability, acting as a first point of contact within government for tourism industry associations and stakeholders, and partial funding of the Netherlands Board of Tourism and Conventions (NBTC) Holland Marketing (up to a maximum of 50% of total funding).

NBTC Holland Marketing uses a private-public partnership model to create the co-operation necessary to organise marketing programmes, enabling a variety of different partners to contribute budget and other investments around a shared goal. These can be public partners (national, provincial and municipal authorities or regional tourist boards), public-private partners (marketing and promotional organisations) and private partners (businesses in tourism and related sectors), in the Netherlands and other countries.

Regional and local authorities are responsible for tourism policy at their respective levels, and deal with tourism matters such as funding regional and local destination marketing organisations, which are responsible for both domestic and international marketing, as well as product development.

In 2019, the Ministry of Economic Affairs and Climate Policy provided the NBTC Holland Marketing with a subsidy of EUR 8.9 million.

Netherlands: Organisational chart of tourism bodies



Source: OECD, adapted from the Ministry of Economic Affairs and Climate Policy, 2020

Tourism policies and programmes

In 2018, the Ministry of Economic Affairs and Climate Policy together with NBTC Holland Marketing and the provinces, organised the Netherland's first National Tourism Summit. The goal of the Summit was to enhancing co-operation between public and private stakeholders involved with tourism and developing an Action Programme fit for the future. The objective was to work on a joint approach to enable as many cities, towns and regions as possible to benefit from growing tourism and learn from each other.

During the Summit, NBTC Holland Marketing presented Perspective 2030, a new vision for destination Netherlands. The objective of Perspective 2030 is that by 2030 everyone in the Netherlands must, on balance, benefit from tourism (Box 3.4).

Until 2015, NBTC Holland Marketing targeted growth in numbers of visitors, since tourism offered clear opportunities for the economy. Significant and continuing growth, however, has shown a downside to the country's popularity. In response, the Netherlands introduced the HollandCity Strategy, which seeks to spreading visitors in time and space. The aim is to entice visitors to go to less well known places throughout the country. Despite the HollandCity Strategy's contribution, the continued and forecast growth makes it necessary to change policy. Therefore Government aims to:

- Facilitate co-operation between regions.
- Improve data and build knowledge of the sector.
- Encourage the development of destination management.

To achieve these goals, NBTC Holland Marketing's objectives and activities will be adjusted during the next subsidy period, taking into account an independent policy evaluation targeting NBTC Holland Marketing's performance for the period 2016-2019, which will be completed in 2019. Promotion and marketing activities will be replaced by destination management activities.

Data is essential for effective policy making. The National Data Alliance (LDA) was created in 2018 by NBTC Holland Marketing, Statistics Netherlands and the Centre of Expertise for Leisure, Tourism and Hospitality (CELTH), by bundling data and expertise, the focus is on developing insights which benefit decision-making. The LDA is intended as an open network, in which everybody can participate, who is

interested in sharing data, analysis and insights in the field of tourism. The focus is on four major subjects: number and profiles of visitors, customer journey, impact of tourism and the supply-side of tourism. The intention is to start in 2019 with a small number of projects and gradually expand the field of research.

Furthermore, in September 2019 the central government will receive advice on 'Tourism in relation to the human environment', by the Council for the Environment and Infrastructure, which is an independent advisory board. This advice could influence future policy development regarding tourism.

Together, the Perspective 2030 sectoral view on Destination Netherlands, NBTC Holland Marketing's policy evaluation, and the report on Tourism in relation to the Human Environment, will all combine to help the Netherlands adjust its policy objectives for the future.

Future policy responses by the Netherlands Government target three main trends and goals, each of which has specific targets:

- **Growing tourism:** the target is to spread tourism in time and space, and shift objectives from promotion and marketing towards destination management.
- **Increasing co-operation between different layers of government:** this will be enhanced by promoting provincial and regional synergies, and by formulating an action programme based on the strategic pillars of Perspective 2030.
- **Increasing co-operation within the tourism sector:** other core targets include positioning different attractive destinations, accessibility, sustainable tourism, and improving visitor experiences.

The Provinces, NBTC Holland Marketing and the Ministry of Economic Affairs & Climate Policy have taken the initiative to formulate an Action Programme in which these strategic pillars are further developed. The Action Programme aims for stronger collaboration among national and regional authorities and private parties and was presented during the second National Tourism Summit in late 2019.

Statistical Profile

Netherlands: Domestic, inbound and outbound tourism

	2014	2015	2016	2017	2018
TOURISM FLOWS, THOUSAND					
Domestic tourism					
Total domestic trips	..	..	..	..	..
Overnight visitors (tourists)	21 931	22 311	23 054	24 311	25 132
Same-day visitors (excursionists)	..	..	..	..	..
Nights in all types of accommodation	65 328	66 237	66 589	67 529	69 080
Hotels and similar establishments	47 939	49 516	50 201	52 628	53 614
Other collective establishments	17 389	16 720	16 388	14 901	15 466
Private accommodation	..	..	..	..	..
Inbound tourism					
Total international arrivals	..	..	..	..	..
Overnight visitors (tourists)	13 925	15 007	15 829	17 924	18 780
Same-day visitors (excursionists)	..	..	..	..	..
Top markets					
Germany	3 894	4 283	4 615	5 243	5 689
Belgium	1 828	1 965	2 132	2 224	2 398
United Kingdom	1 857	1 967	2 045	2 229	2 212
America	1 431	1 508	1 646	2 013	2 072
Asia	..	..	..	..	..
Nights in all types of accommodation	34 424	37 298	39 624	44 169	47 002
Hotels and similar establishments	30 325	33 025	35 100	39 272	41 721
Other collective establishments	4 098	4 272	4 523	4 897	5 282
Private accommodation	..	..	..	..	..
Outbound tourism					
Total international departures	..	..	..	..	..
Overnight visitors (tourists)	17 933	18 070	17 938	22 003	22 166
Same-day visitors (excursionists)	..	..	..	..	..
Top destinations					
Germany	3 377	3 375	3 519	3 782	3 713
France	2 606	2 617	2 550	2 802	2 873
Spain	1 856	1 969	2 177	2 696	2 630
Belgium	1 425	1 430	1 341	1 638	1 566
Italy	..	..	1 175	1 464	1 425
TOURISM RECEIPTS AND EXPENDITURE, MILLION EUR					
Inbound tourism					
Total international receipts	16 726	18 309	19 109	21 141	22 064
International travel receipts	11 089	12 493	13 492	15 167	15 986
International passenger transport receipts	5 636	5 815	5 617	5 974	6 078
Outbound tourism					
Total international expenditure	19 448	20 002	20 363	22 319	22 203
International travel expenditure	17 385	17 862	17 984	19 454	19 334
International passenger transport expenditure	2 063	2 139	2 378	2 865	2 869

.. Not available
Source: OECD Tourism Statistics (Database).

StatLink http://dx.doi.org/10.1787/888934077483

Netherlands: Enterprises and employment in tourism

	Number of establishments	Number of persons employed				
	2018	2014	2015	2016	2017	2018
Total	**..**	**413 000**	**423 000**	**438 000**	**456 000**	**474 000**
Tourism industries	**180 860**	**..**	**..**	**..**	**..**	**..**
Accommodation services for visitors	8 660	..	..	..	..	..
Hotels and similar establishments	4 365	..	..	..	..	..
Food and beverage serving industry	47 095	..	..	..	..	..
Passenger transport	11 540	..	..	..	..	..
Air passenger transport	310	..	..	..	..	..
Railways passenger transport	30	..	..	..	..	..
Road passenger transport	10 150	..	..	..	..	..
Water passenger transport	1 050	..	..	..	..	..
Passenger transport supporting services	4 280	..	..	..	..	..
Transport equipment rental	1 060	..	..	..	..	..
Travel agencies and other reservation services industry	5 370	..	..	..	..	..
Cultural industry	80 920	..	..	..	..	..
Sports and recreation industry	21 935	..	..	..	..	..
Retail trade of country-specific tourism characteristic goods	..	..	..	..	..	..
Other country-specific tourism industries	..	..	..	..	..	..
Other industries	**..**	**..**	**..**	**..**	**..**	**..**

.. Not available
Source: OECD Tourism Statistics (Database).

StatLink http://dx.doi.org/10.1787/888934077502

Netherlands: Internal tourism consumption

Million EUR

	2018		
	Domestic tourism expenditure	Inbound tourism expenditure	Internal tourism consumption
Total	**51 873**	**32 490**	**87 451**
Consumption products	**..**	**..**	**..**
Tourism characteristic products	..	..	..
Accommodation services for visitors	..	..	..
Food and beverage serving services	..	..	..
Passenger transport services	..	..	..
Air passenger transport services	..	..	..
Railways passenger transport services	..	..	..
Road passenger transport services	..	..	..
Water passenger transport services	..	..	..
Passenger transport supporting services	..	..	..
Transport equipment rental services	..	..	..
Travel agencies and other reservation services industry	..	..	..
Cultural services	..	..	..
Sports and recreation services	..	..	..
Country-specific tourism characteristic goods	..	..	..
Country-specific tourism characteristic services	..	..	..
Other consumption products	..	..	..
Tourism connected products	..	..	..
Non-tourism related consumption products	..	..	..
Non-consumption products	**..**	**..**	**..**

.. Not available
Source: OECD Tourism Statistics (Database).

StatLink http://dx.doi.org/10.1787/888934077521

New Zealand

Tourism in the economy

Tourism directly contributed NZD 16.2 billion or 5.8% to New Zealand's GVA in 2019. The indirect value added of industries supporting tourism generated an additional NZD 11.2 billion. International tourism is New Zealand's largest export earner (20.4% of exports), directly employing 230 000 people, representing 8.4% of total employment, and generating NZD 3.8 billion in goods and services tax revenue. Travel exports accounted for 63.8% of total service exports in 2018.

Latest official international tourism forecasts estimate that visitor arrivals to New Zealand will grow at 4% a year, reaching 5.1 million visitors by 2025, up from 3.9 million in 2018. Between 2017 and 2018 arrivals grew by 3.5%. Top visitor markets are Australia (38% of international tourists), China (12%), and the United States (9%). By 2025, Australian visitors are expected to increase by 19% and Chinese visitors by 55%. Australia is currently the largest market by spending although Chinese spending will be a close second by 2025. Total international visitor spending is expected to reach NZD 15 billion in 2025, up 34% from 2018. Domestic tourists accounted for 22.8 million nights in 2018, up 2.5% over 2017.

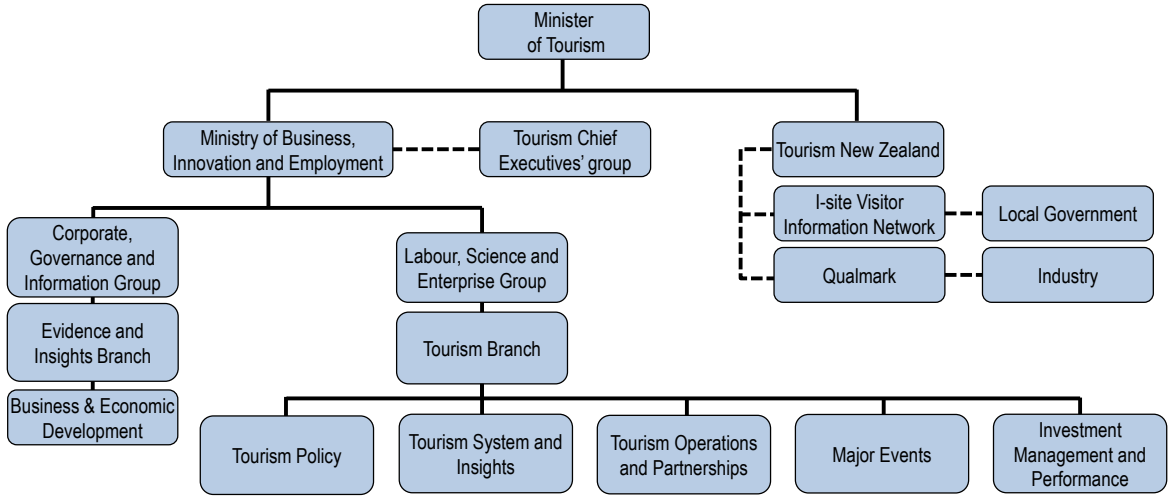
Tourism governance and funding

The Ministry of Business, Innovation and Employment (MBIE) provides advice to the Government on creating productive, sustainable and inclusive growth in the tourism sector. The New Zealand Tourism Board, Tourism New Zealand (TNZ), markets the country as a visitor destination internationally. Two subsidiary organisations of TNZ - Qualmark Limited and Visitor Information Network Incorporated - play an important role in efforts to improve visitor satisfaction and product quality. The Tourism Chief Executives' Group co-ordinates the Government's tourism-related activities and manages relationships across a range of ministers whose portfolios intersect with the tourism sector.

Local and regional authorities in New Zealand provide tourism-related infrastructure and local planning frameworks to help communities grow and manage local tourism challenges. Regional Tourism Organisations (RTOs) are responsible for promoting their regional destinations. Some are also starting to take an interest in destination management, and MBIE is working with these RTOs to develop destination management plans. The funding structures of RTOs vary – they are largely funded and governed by local or regional governments, but some RTOs also receive additional funding from other sources, including central government, and annual membership fees from local industry and industry partnership funding.

The government budget directly related to tourism for the 2019/20 financial year is NZD 227.1 million, with NZD 111.4 million allocated to TNZ for marketing of New Zealand as a visitor destination, NZD 41.8 million from the International Visitor Conservation and Tourism Levy for Tourism Strategic Infrastructure and System Capability, and NZD 33.3 million for the Tourism Infrastructure Fund. The total budget includes NZD 12.7 million for departmental expenses, NZD 19.5 million for cycleways, and NZD 8.4 million Tourism Facilities Development Grants.

New Zealand: Organisational chart of tourism bodies



Source: OECD, adapted from the Ministry of Business, Innovation and Employment, 2020

Tourism policies and programmes

Launched in May 2019, the New Zealand-Aotearoa Government Tourism Strategy aims to encourage a whole-of-government approach to productive, sustainable and inclusive tourism growth. The Strategy is a joint initiative of the MBIE and the Department of Conservation, and sets out five outcomes: i) tourism supports thriving and sustainable regions; ii) tourism sector productivity improves; iii) New Zealand-Aotearoa delivers exceptional visitor experiences; iv) tourism protects, restores and champions New Zealand-Aotearoa's natural environment, culture and historic heritage; and v) New Zealanders' lives are improved by tourism.

Key themes addressed by the Strategy include:

- Ensure that tourism's benefits are more equitably spread – both regionally and across the seasons – while ensuring quality outcomes for all involved, along with the protection of the local environment: Community support – or "social licence" – is critical for a successful and sustainable tourism sector. New Zealanders' perceptions of tourism are measured through the Mood of the Nation research, commissioned by TNZ and Tourism Industry Aotearoa. The March 2019 survey showed the vast majority of respondents (93%) think international tourism is good for New Zealand. However, there is a growing concern about the costs to communities of hosting visitors, and the ability of local government to meet these costs.
- Better data and information to provide insight for both Government and industry: Tourism data is often narrow, and existing sources fail to account for new developments, for example the sharing accommodation sector. A new Tourism Data Domain Plan prepared by MBIE in 2018 contains 29 initiatives designed to fill current and future gaps in tourism statistics, and ensure that the data being collected is relevant, useful and meets future needs, and is also assessed, analysed and understood to enable better decision making (see box). In October 2019, the Minister of Tourism held a Tourism Information and Data *Hui* (Assembly) to set the path towards a collaborative dynamic tourism data system that generates value, building on the work of Tourism Data Domain Plan. MBIE will continue to work with other government agencies and the wider tourism sector to implement the outcomes of the *Hui*.

Top action priorities for 2019/20 include: strong co-ordination across the tourism system using the principle of the whole-of-government approach, the implementation of the new International Visitor Conservation and Tourism Levy (Box 1.9) and actions relating to sustainable funding sources, destination management and planning using priority regions and best practice guidance, and producing better data and insight via the Tourism Data Domain Plan, and a focus on future trends.

Long term tourism data development in New Zealand

New Zealand's Tourism Data Domain Plan takes a strategic approach to tourism data. It aims to build a long term picture of tourism data needs and provides a framework for determining the highest priority tourism information needs in New Zealand. Revised in 2018, the Plan sets out the Government's tourism data priorities for the next 5 to 7 years and takes a broader approach than the previous plan, which focused on official statistics. The Plan contains a list of 29 initiatives to fill current and future tourism information gaps. These are grouped in five topic areas: value of tourism, sustainability of tourism, tourism businesses and workforce, tourism behaviours and characteristics, and data usability and capability. Opportunities for new sources of data including GPS-based location data, new types of data from phones, wearable devices, cars and new services such as peer-to-peer accommodation and transport are recognised. While such sources can make data collection more cost-effective, they can also be subject to issues around ownership, data protection and relevance.

The Plan was developed over an 8 month period, and adopted a transparent and participative approach for the strategic review of data needs to enhance credibility and accountability, and secured buy-in from public and private actors. A Project Advisory Group, comprising representatives from various industry stakeholders and key government agencies, provided feedback and comment on the draft domain plan, including input on questions and gaps. The Project Advisory Group voting determined the topic priorities, and the list and rankings of the initiatives. Extensive stakeholder engagement included central and local government agencies, the industry (including operators), representative organisations, consultants, researchers and academics. Data development is a key pillar of New Zealand's tourism strategy. Key stakeholders are kept up-to-date on progress on the data domain plan via regular communications.

Other important policy initiatives include:

- *Tiaki* Care for New Zealand aims to encourage visitors to act as *kaitiaki* (guardians) of New Zealand, with public and private sector tourism organisations proactively coming together to encourage positive visitor behaviour.
- To support more responsible camping, the 2011 Freedom Camping Act was introduced to help authorities better manage freedom camping and its impacts. In August 2018, the Government invested NZD 8.5 million to create infrastructure, technology, monitoring and education projects across 27 local councils with similar levels of funding agreed for 2019/20. Visitor management was improved by using real-time availability and AI to guide camper behaviour, helping to reduce the number of people camping in inappropriate places. The data also provided councils with better information about visitor volumes and behaviour, informing the locations of infrastructure, amenities and other support such as ambassador programmes.
- The Provincial Growth Fund invests in regional tourism opportunities, with NZD 264 million committed to tourism-related projects at 31 May 2019. Other initiatives include the annual NZD 25 million Tourism Infrastructure Fund to develop tourism-related infrastructure that supports regions facing pressure from tourism growth, and NZD 42 million new funding for the Department of Conservation sourced from the International Visitor and Conservation levy.

- MBIE is currently developing a sustainable tourism dashboard aligned with the UN's Sustainable Development Goals and the Government's climate change objectives.
- The Department of Conservation undertook a trial of differential pricing on the Great Walks of New Zealand where international visitors were charged more to stay in huts and campsites. This trial allowed more New Zealanders to experience the Great Walks, and increased the proportion of revenue contributed by international visitors. People wanting to use public conservation land to run a business or activity are also required to get a concession and pay a fee. For example, businesses who wish to run guided walks on conservation land must pay an initial fee of NZD 400 for up to 10 tracks, plus a further fee for additional tracks.
- The Milford Opportunities Project aims to develop innovative solutions to manage the Milford Sound *Piopiotahi* with core values and a sustainable future in mind. With visitor numbers forecast to reach 2 million by 2035, the current management and infrastructure are insufficient to protect conservation and deliver a safe and high-quality visitor experience. A vision and masterplan for the destination have been development, and next step to achieve this vision are currently being defined.

Statistical Profile

New Zealand: Domestic, inbound and outbound tourism

	2014	2015	2016	2017	2018
TOURISM FLOWS, THOUSAND					
Domestic tourism					
Total domestic trips	..	..	..	..	..
Overnight visitors (tourists)	..	..	..	..	..
Same-day visitors (excursionists)	..	..	..	..	..
Nights in all types of accommodation	20 757	21 536	22 050	22 225	22 778
Hotels and similar establishments	7 145	7 305	7 393	7 423	7 661
Other collective establishments	..	..	..	..	..
Private accommodation	..	..	..	..	..
Inbound tourism[1]					
Total international arrivals	2 854	3 129	3 494	3 723	3 858
Overnight visitors (tourists)	2 772	3 039	3 370	3 555	3 686
Same-day visitors (excursionists)	82	90	124	168	172
Top markets					
Australia	1 210	1 287	1 351	1 393	1 413
China	263	353	404	412	442
United States	213	235	280	315	338
United Kingdom	192	201	217	244	232
Japan	80	85	99	98	96
Nights in all types of accommodation	13 854	14 718	16 451	17 239	17 589
Hotels and similar establishments	5 063	5 527	6 214	6 510	6 796
Other collective establishments	..	..	..	..	..
Private accommodation	..	..	..	..	..
Outbound tourism					
Total international departures	2 276	2 412	2 611	2 853	3 020
Overnight visitors (tourists)	2 256	2 390	2 583	2 819	2 991
Same-day visitors (excursionists)	20	21	28	34	29
Top destinations					
Australia	1 091	1 137	1 176	1 222	1 205
United States	165	177	197	204	215
Fiji	130	146	160	178	192
China	77	86	101	121	132
United Kingdom	101	112	110	123	125
TOURISM RECEIPTS AND EXPENDITURE, MILLION NZD					
Inbound tourism					
Total international receipts	11 901	14 984	15 774	16 546	17 690
International travel receipts	10 369	13 421	14 107	14 910	15 903
International passenger transport receipts	1 532 e	1 563 e	1 667 e	1 636 e	1 787
Outbound tourism					
Total international expenditure	6 155	6 587	6 832	7 620	8 213
International travel expenditure	4 950	5 356	5 679	6 247	6 666
International passenger transport expenditure	1 205 e	1 231 e	1 153 e	1 373 e	1 547

.. Not available; e Estimated value
1. Arrivals from demand side surveys; Nights from supply side surveys.
Source: OECD Tourism Statistics (Database).

StatLink http://dx.doi.org/10.1787/888934077540

New Zealand: Enterprises and employment in tourism

	Number of establishments	Number of persons employed				
	2018	2014	2015	2016	2017	2018
Total	**..**	**174 972**	**191 763**	**210 093**	**208 251**	**221 046**
Tourism industries	**..**	**143 772**	**157 542**	**172 236**	**170 937**	**181 593**
Accommodation services for visitors	5 280	22 899	25 014	26 373	26 847	28 920
Hotels and similar establishments	..	..	..	..	..	..
Food and beverage serving industry	16 767	48 048	54 960	61 122	59 919	63 525
Passenger transport	..	8 178	8 781	9 423	10 155	10 224
Air passenger transport	..	8 178	8 781	9 423	10 155	10 224
Railways passenger transport	..	..	..	..	..	..
Road passenger transport	..	..	..	..	..	..
Water passenger transport	..	..	..	..	..	..
Passenger transport supporting services	..	13 026	13 854	15 246	15 333	16 731
Transport equipment rental	..	4 089	4 134	4 128	4 296	4 500
Travel agencies and other reservation services industry	..	..	..	..	..	..
Cultural industry	..	6 855	7 299	8 220	8 064	8 307
Sports and recreation industry	..	..	..	..	..	..
Retail trade of country-specific tourism characteristic goods	..	28 839	31 053	34 326	32 637	34 479
Other country-specific tourism industries	..	11 838	12 447	13 398	13 686	14 907
Other industries	**..**	**31 206**	**34 215**	**37 866**	**37 314**	**39 453**

.. Not available
Source: OECD Tourism Statistics (Database).

StatLink http://dx.doi.org/10.1787/888934077559

New Zealand: Internal tourism consumption

Million NZD

	2018		
	Domestic tourism expenditure	Inbound tourism expenditure	Internal tourism consumption
Total	**..**	**..**	**..**
Consumption products	**20 954**	**14 626**	**35 580**
Tourism characteristic products	10 136	8 069	18 206
Accommodation services for visitors	1 370	1 786	3 157
Food and beverage serving services	2 016	2 582	4 598
Passenger transport services	5 935	3 701	9 636
Air passenger transport services	2 844	2 478	5 322
Railways passenger transport services	..	..	..
Road passenger transport services	..	..	..
Water passenger transport services	..	..	..
Passenger transport supporting services	..	..	..
Transport equipment rental services	..	..	..
Travel agencies and other reservation services industry	..	..	..
Cultural services	..	..	..
Sports and recreation services	..	..	..
Country-specific tourism characteristic goods	815	0	815
Country-specific tourism characteristic services	..	..	..
Other consumption products	10 818	6 557	17 375
Tourism connected products	..	..	..
Non-tourism related consumption products	..	..	..
Non-consumption products	**..**	**..**	**..**

.. Not available
Source: OECD Tourism Statistics (Database).

StatLink http://dx.doi.org/10.1787/888934077578

Norway

Tourism in the economy

In the last decade, the economic contribution of tourism in Norway has increased considerably, reaching NOK 120.3 billion in 2017. This represents 3.6% of total GDP, a share that has remained stable in recent years. In 2017, the tourism sector employed 166 000 people, representing 6.1% of total employment. The sector has become a significant employer, particularly in rural areas. Travel exports represented 13.0% of total service exports in 2018.

Inbound tourism saw 5.7 million visits in 2018, following a considerable increase in the last couple of years. Inbound tourism expenditure amounted to NOK 55.3 billion in 2018, compared to NOK 53.8 billion in 2017. Recent annual fluctuations in visits have been substantial, ranging from a 12.4% increase in 2016 to a 2.7% decrease in 2017. Exchange rate conditions have been favourable for inbound tourism since 2013, with a weak Norwegian currency making a visit to Norway less expensive. Key inbound markets are the neighbouring countries of Sweden, Germany and Denmark. Long-haul markets such as the United States and China have seen a sharp increase in visits to Norway since 2013.

Domestic tourism, for both leisure and business purposes, dominates the tourism industry in Norway. In 2018, Norwegians accounted for 69.3% of all commercial overnight stays. A total of 19.0 million domestic overnight trips took place in the country in 2018, a sharp increase of 25.8% compared to 2017.

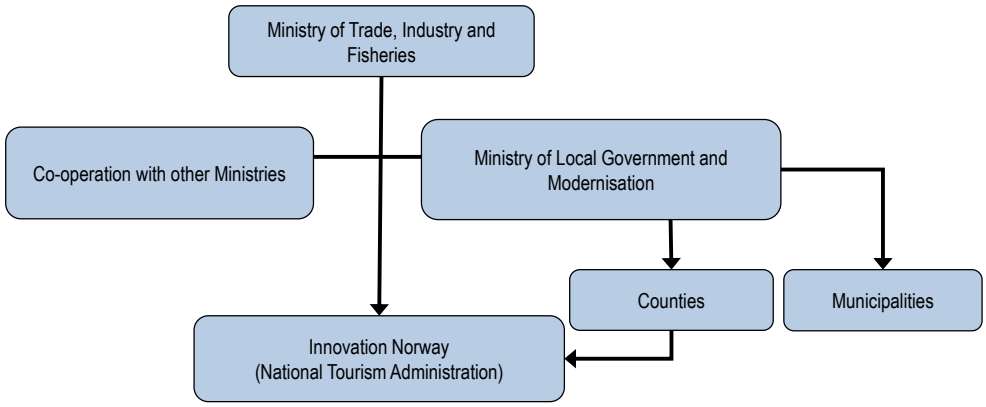
Tourism governance and funding

Responsibility for the development and regulation of tourism lies with the Ministry of Trade, Industry and Fisheries. The Ministry co-operates with other ministries in order to co-ordinate policies of importance to tourism. One example is the extended co-operation with the Ministry of Culture to showcase the potential for increased value creation between the cultural, creative and tourism sectors. The Ministry of Climate and Environment is another key partner given its role in developing policies to promote a more sustainable tourism sector.

Regional and local authorities also influence tourism development. They establish the conditions of key importance to tourism, with responsibility for planning and regulation in areas such as infrastructure, utilities, national parks and numerous local attractions linked to natural and cultural heritage. Some regions and municipalities have strategies for tourism and many give financial support to their local Destination Management Organisations.

In 2020, Norway will implement a regional reform process that will reduces the number of counties, with those that remain being enlarged, with renewed roles and wider responsibilities. The objective is to build stronger regions that can provide a more efficient framework to coordinate activities and solve cross-sectoral challenges. This reform is expected to benefit the tourism industry, which interacts with many sectors and stakeholders across current regional borders.

Norway: Organisational chart of tourism bodies



Source: OECD, adapted from the Ministry of Trade, Industry and Fisheries, 2020.

Innovation Norway is a state-owned company that functions as the National Tourism Organisation. Innovation Norway's main goal is to increase overall economic growth and value creation in the Norwegian economy, within sustainability goals. To reach this target in the tourism sector, Innovation Norway focuses on stimulating product development, as well as promoting Norway as a brand and tourist destination internationally. Innovation Norway is funded mainly by the Ministry of Trade, Industry and Fisheries, but also receives some funding from other ministries and counties. The latter is most often earmarked for specific sectors and projects. For its NTO role, Innovation Norway, which receives NOK 178 million in 2020 (representing a reduction of 22% compared to the annual funding in 2015-2019). In addition to these earmarked funds, Norwegian tourism companies received approximately NOK 315 million in 2018 from various funding sources in Innovation Norway, to develop their activity.

Tourism policies and programmes

One of the key challenges facing the Norwegian tourism sector is its relatively low level of value creation and profitability compared to that of other industries. This is due to factors such as a low share of high value-added tourism products, seasonality and lack of co-operation in and between destinations. Certain destinations also face the challenge of tourism developing in an unsustainable way, with overcrowding becoming a major issue at certain times of the year.

In 2017, the Norwegian Government and Parliament established the following national policy priorities for developing Norwegian tourism: i) establishing sound framework conditions for business activity, ii) developing a sustainable tourism industry, iii) increasing co-operation between stakeholders, iv) continuing to promote Norway as a tourism destination, v) increasing knowledge and expertise in the tourism industry, and vi) improving accessibility to boost competitiveness. The Government has also previously developed a tourism strategy based on agricultural resources (2017), which is now being implemented, focusing on Norway as a destination with unique food experiences.

The Government has recently increased public investments in infrastructure in Norway, focusing on developing safer, more efficient and greener transport systems. In order to improve co-ordination and effectiveness, the structure of Norway’s DMOs has been amended, with the private sector now taking a leading role following principles set out by the Government. Seven new larger entities have been established to secure more reliable and stable financial arrangements, as well as facilitating co-ordination between the local tourism industry and local public authorities.

In 2019, a key policy development was the launch of the cultural tourism strategy. The work was led jointly by the Ministry of Culture and the Ministry of Trade, Industry and Fisheries with input from many other interest groups. This strategy recognises the potential to further combine culture and tourism, and focuses on developing more cultural-based tourism products. With a budget of NOK 16.4 million the goal for the strategy is to strengthen Norway as an attractive cultural destination, resulting in higher added value, reductions in seasonality and more jobs across both sectors. The strategy has four priority policy areas: i) strengthening Co-operation among culture and tourism stakeholders, ii) addressing a need for more knowledge of cultural tourism, iii) developing and adapting cultural tourism products to make Norway more attractive as a destination throughout the year, iv) increasing promotion of the cultural offer to strengthen Norway as a destination.

The Government is also taking steps to mainstream sustainability. This includes the creation of a *Sustainable Destination certification scheme*, which enhances destination management and aims for long term progress. The sustainability standard is internationally recognised through the Global Sustainable Tourism Council with indicators regularly updated by certified destinations (Box 3.9).

Towards a greener cruise and maritime industry in Norway

Cruise tourism is one of the fastest growing segments in the tourism sector and can make a significant contribution to a destination's economy. Norway has a long coastline with spectacular scenery that attracts a growing number of cruise vessels and passengers. Cruise traffic represents an important customer base for local business in many Norwegian destinations. However, cruise traffic contributes to significant emissions into both the sea (as wastewater) and the air. The most popular cruise destinations (such as Geiranger, Flåm and Bergen) have received attention because of the negative impact of cruise traffic on the local environment and local communities. In order to respond to these challenges, the Norwegian Government has introduced the following measures:

- Stricter regulations on emissions from ships sailing in the Norwegian world heritage fjords from March 2019.
- A new Harbour and Fairways Act, effective from 2020, will grant local authorities wider powers to limit cruise ships and other vessels' stay ashore or in port, in order to reduce emissions and improve air quality.
- An increasing number of Norwegian ports are investing in new infrastructure to be able to offer visiting cruise vessels on-shore power supply (from hydropower). This will enable the vessels to turn off their diesel engines and so reduce emissions. The Norwegian Government's enterprise responsible for promoting environmentally friendly energy solutions (Enova) has granted financial support to investments in 20 ports.
- The Government also launched a new Action Plan for Green Shipping in 2019, outlining policies and measures to reduce national emissions of greenhouse gases, strengthen the Norwegian maritime industry and enable the development of the technology needed to reach global environmental goals.

Another action to increase sustainability includes the development of visitor management measures in fragile natural areas by providing information, signage and simple infrastructure. As part of this effort, the Government will market a selection of trails as *National Hiking Trails*. The objective is to make these trails more robust and accessible, and thus more attractive for travel and business activity. Beyond that, local stakeholders such as municipalities and business communities are encouraged to develop solutions that facilitate and contribute to sustainable value creation.

Fishing tourism is a growing source of income in many coastal communities in Norway. The development of fishing tourism is encouraged as a whole, but it brings some challenges linked to a limited understanding of its extent, and illegal exports of the catch. This leads to pressure on coastal fish stocks and also local conflicts between professional fishermen and the fishing tourism businesses. As a result, in 2018, the Government set up a regulatory framework for fishing tourism with the goal to ensure the sustainable management of fish resources through a better overview and control of fishing tourism. The regulations include a new registration system for fishing tourism companies, a new reporting scheme, and an increase in export quota for guests of registered companies. This framework will be revised by the Government in 2020, in order to improve its functionality. A three-year national research project on fishing tourism is about to be completed, will provide valuable insight into the environmental and the socio-economic impacts of fishing tourism.

Recently, the Government has taken the initiative to develop a national strategy for tourism in Norway. The strategy work will be led by Innovation Norway, in co-operation with a wide range of stakeholders, representing regional authorities, researchers, the tourism industry and others. The goal of the strategy is to ensure a more sustainable and profitable tourism sector in Norway. The final strategy report is due by the end of 2020.

Statistical Profile

Norway: Domestic, inbound and outbound tourism

	2014	2015	2016	2017	2018
TOURISM FLOWS, THOUSAND					
Domestic tourism					
Total domestic trips	..	..	..	..	..
Overnight visitors (tourists)	15 450	13 700	13 840	15 080	18 970
Same-day visitors (excursionists)	..	..	..	..	..
Nights in all types of accommodation	56 060	48 060	51 840	52 550	63 280
Hotels and similar establishments	11 320	10 720	10 210	10 880	11 480
Other collective establishments	12 990	10 560	17 100 |	15 490	15 220
Private accommodation	32 040	26 790	24 530 |	26 180	36 580
Inbound tourism					
Total international arrivals	..	..	..	..	..
Overnight visitors (tourists)	4 842 e	5 304 e	5 960 e	5 845	5 688
Same-day visitors (excursionists)	..	..	..	..	..
Top markets					
Germany	878 e	919 e	1 095 e	894 e	1 150
Sweden	611 e	612 e	679 e	678 e	623
United States	..	..	..	..	487
Netherlands	320 e	338 e	405 e	438 e	435
Denmark	374 e	376 e	402 e	406 e	371
Nights in all types of accommodation	8 154	8 829	9 727	9 949	10 138
Hotels and similar establishments	5 428	6 032	6 627	6 586	6 641
Other collective establishments	2 726	2 796	3 100	3 363	3 497
Private accommodation	..	..	..	..	..
Outbound tourism					
Total international departures	17 339	16 277	15 733	16 800	16 520
Overnight visitors (tourists)	9 190	8 750	8 030	8 170	8 110
Same-day visitors (excursionists)	8 149	7 527	7 703	8 630	8 410
Top destinations					
Sweden	1 478	1 535	1 222	1 363	1 356
Spain	1 234	1 242	1 290	1 359	1 169
Denmark	1 127	937	825	742	882
United Kingdom	676	674	654	571	638
Germany	620	498	452	414	563
TOURISM RECEIPTS AND EXPENDITURE, MILLION NOK					
Inbound tourism					
Total international receipts	35 131	39 297	43 715	45 974	47 515
International travel receipts	35 131	39 297	43 715	45 974	47 515
International passenger transport receipts	..	..	..	..	..
Outbound tourism					
Total international expenditure	116 168	123 315	126 313	134 099	141 022
International travel expenditure	116 168	123 315	126 313	134 099	141 022
International passenger transport expenditure	..	..	..	..	..

.. Not available; e Estimated value; | Break in series
Source: OECD Tourism Statistics (Database).

StatLink http://dx.doi.org/10.1787/888934077597

Norway: Enterprises and employment in tourism

	Number of establishments	Number of persons employed				
	2017	2014	2015	2016	2017	2018
Total	..	..	..	..	..	..
Tourism industries	**25 291**	**156 800**	**159 100**	**162 500**	**166 400 p**	..
Accommodation services for visitors	3 287	24 200	25 000	25 200	25 900 p	..
Hotels and similar establishments	1 432	..	..	..	..	..
Food and beverage serving industry	11 361	45 500	46 800	48 900	49 700 p	..
Passenger transport	7 525	50 300	50 500	51 100	52 400 p	..
Air passenger transport	127	7 000	6 800	6 700	6 500 p	..
Railways passenger transport	54	4 600	4 400	4 400	4 400 p	..
Road passenger transport	6 934	28 800	29 400	29 800	31 000 p	..
Water passenger transport	410	9 900	9 900	10 200	10 500 p	..
Passenger transport supporting services	..	..	..	..	..	..
Transport equipment rental	575	7 200	6 900	6 900	7 100 p	..
Travel agencies and other reservation services industry	2 543	5 200	5 500	5 400	5 600 p	..
Cultural industry	..	17 600	17 500	17 900	18 500 p	..
Sports and recreation industry	..	6 800	6 900	7 100	7 000 p	..
Retail trade of country-specific tourism characteristic goods	..	..	..	..	..	..
Other country-specific tourism industries	..	..	..	..	..	..
Other industries	..	..	..	..	..	..

.. Not available; p Provisional data
Source: OECD Tourism Statistics (Database).

StatLink http://dx.doi.org/10.1787/888934077616

Norway: Internal tourism consumption

Million NOK

	2017		
	Domestic tourism expenditure	Inbound tourism expenditure	Internal tourism consumption
Total	..	..	..
Consumption products	**123 986 p**	**52 632 p**	**176 618 p**
Tourism characteristic products	85 259 p	29 214 p	114 473 p
Accommodation services for visitors	10 006 p	8 350 p	18 357 p
Food and beverage serving services	14 622 p	8 220 p	22 842 p
Passenger transport services	37 279 p	10 465 p	47 743 p
Air passenger transport services	23 650 p	5 987 p	29 636 p
Railways passenger transport services	2 628 p	778 p	3 406 p
Road passenger transport services	4 271 p	717 p	4 988 p
Water passenger transport services	6 730 p	2 983 p	9 713 p
Passenger transport supporting services	..	..	..
Transport equipment rental services	385 p	308 p	693 p
Travel agencies and other reservation services industry	19 791 p	384 p	20 174 p
Cultural services	1 380 p	636 p	2 017 p
Sports and recreation services	1 796 p	851 p	2 647 p
Country-specific tourism characteristic goods	..	..	..
Country-specific tourism characteristic services	..	..	..
Other consumption products	38 727 p	23 418 p	62 145 p
Tourism connected products	..	..	..
Non-tourism related consumption products	..	..	..
Non-consumption products	..	..	..

.. Not available; p Provisional data
Source: OECD Tourism Statistics (Database).

StatLink http://dx.doi.org/10.1787/888934077635

Poland

Tourism in the economy

In 2018, the total value of the tourism economy in Poland was estimated at PLN 124.6 billion - a rise of 6.8% over 2017. This equates to an estimated contribution of 6.0% to Poland's GDP (direct and indirect impact). In 2018, 195 675 people were employed in the accommodation and catering sector, an increase of 1.0% compared to 2017. Travel exports represented 20.3% of total service exports in 2018.

International arrivals increased by 2.6% to 85.9 million visits although this figure includes a substantial number of day visitors. There were 19.6 million international tourist arrivals, showing an increase of 7.5% over 2017, and setting a new record for Poland. Germany remains the largest source market, accounting for 34.2% of international tourist arrivals. This is followed by Ukraine (10.4%), and then the United Kingdom and Lithuania (both respectively accounting for 4.7% of inbound tourists). Compared to 2017, international tourism receipts increased by 2.9% to reach PLN 61.1 billion in 2018, accounting for 5.2% of total export earnings.

The number of domestic tourists totalled 47.7 million in 2018, an increase of 3.9% compared to 2017. The majority of domestic trips (60.6%) were short visits of between two and four days. Compared to 2017, revenues from domestic tourism increased by 14.5%, reaching PLN 27.7 billion in 2018.

Tourism governance and funding

Since November 2019, tourism is within the scope of the Minister of Economic Development. The Ministry is responsible for all tourism-related matters, including the management and regulation of tourism. Legislation within the competence of the Ministry in the field of tourism administration includes the 2017 Act on package travel, the 2010 regulation relating to hotel classification, the 2004 regulation relating to hotel and other accommodation facilities, the 1999 Act establishing the Polish Tourism Organisation and its implementing regulations, and the 1997 Act on accommodation services and services of tour leaders and tourist guides.

The Ministry also supervises the Polish Tourism Organisation which is responsible for the marketing and promotion of Poland as a tourist destination, carrying out statistical and marketing analyses, and ensuring the development and operation of the Polish tourist information system. The organisation has 14 international offices located in established and emerging source markets and co-operates with regional and local tourist organisations as well as others involved in the promotion and development of tourism at the regional level.

At sub-national level, the primary role in tourism development is played by regional governments as well as local governments, at county and municipal level. Local or regional level tasks fall into two groups: the public sector tasks not allocated to other bodies under relevant legislation; and tasks commissioned by the National Government.

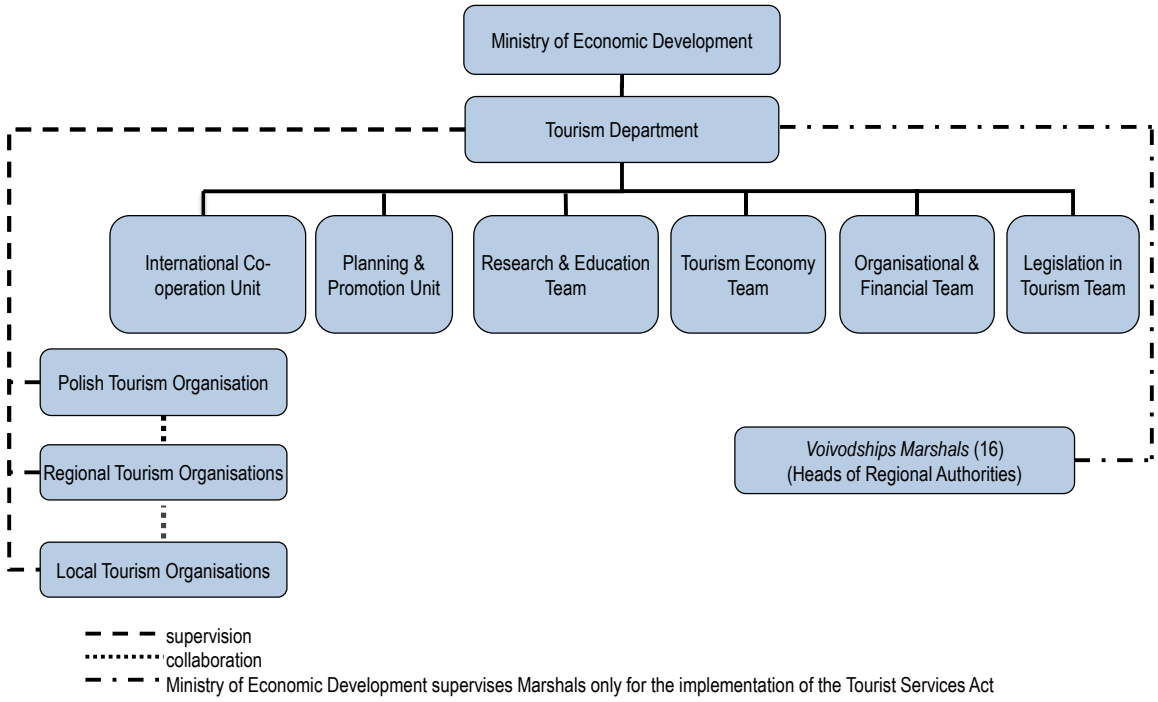
Regional Tourism Organisations (RTOs) are organisations within which co-operation is conducted between the local government (particularly at the *voivoship,* i.e. province level) and the tourism industry particularly

in the field of consumer marketing and promotion of the geographic area covered by the organisation's activities, both in the country and abroad. An RTO has the legal status of an association. As well as promotion, its roles typically include supporting the operation and development of tourist information systems, initiating, assessing and supporting tourism infrastructure development and modernisation plans, and co-operation with the Polish Tourism Organisation.

At the local level, there are about 120 local tourism organisations. Commissioned tasks include the classification of local hotel facilities, the supervision and registration of companies and entrepreneurs operating as travel agents or tour operators as well as the registration of other specific trades, such as mountain guides.

In 2018, the tourism budget amounted to PLN 60.9 million, including the budget for the Polish Tourism Organisation of PLN 49.5 million. In addition, in the years 2014-2020, specific tourism sector projects were supported by EU structural funds. The budget has increased year on year and has seen an overall increase of 26.9% since 2014. According to the draft 2020 budget, the allocation for Tourism is PLN 61 million together with PLN 181 000 from EU project funding.

Poland: Organisational chart of tourism bodies



Source: OECD, adapted from the Ministry of Economic Development, 2020.

Tourism policies and programmes

The main objective of Poland's national tourism policy is to strengthen the development of a competitive and innovative tourism sector by supporting organisations and initiatives in the tourism sector, while respecting the principles of sustainable development. The approach focuses on a competitive and innovative tourism, modern tourism management systems, and training in occupations related to the tourism industry.

Operational goals are defined in the Programme for Tourism Development until 2020. In 2018, the Ministry of Sport and Tourism initiated the *Polish Tourist Brands* project. The main objective is to identify, build and bring to market leading offers from outstanding Polish tourism brands. The approach aims to encourage more proactive marketing and management of tourist destinations. It also helps to increase the effectiveness of marketing messages and raises the profile of diverse regional tourism destinations, encouraging visitors to explore wider and extend their stay. The ultimate aim of the project is the development of coherent tourism regions and unified tourism routes with individually strong brands, each of which provides a specific marketing umbrella for tourism operators from any given area. Thanks to the implementation of the Polish Tourist Brand project the Polish Tourism Organisation now has a suite of new products to highlight a wide range of Polish tourist regions, attractive to different types of visitors.

An important project initiated by the Ministry of Sport and Tourism is the *Poland See More* domestic tourism campaign. Currently delivered by the Polish Tourism Organisation in co-operation with the Ministry, the campaign presents a nationwide offer and encourages residents to take advantage of attractions and tourist services throughout the country, particularly in the shoulder seasons. In 2018, nearly 300 000 destinations benefited from the spring and autumn campaigns. Participants can benefit from discounts of at least 50% from a variety of the offers registered at the campaign's website, and this has stimulated incremental domestic tourism growth of wide benefit to the tourism industry.

Statistical Profile

Poland: Domestic, inbound and outbound tourism

	2014	2015	2016	2017	2018
TOURISM FLOWS, THOUSAND					
Domestic tourism					
Total domestic trips	..	..	..	..	95 973
Overnight visitors (tourists)	38 387	39 870	43 600	45 952	47 736
Same-day visitors (excursionists)	..	..	..	..	48 237
Nights in all types of accommodation	177 667	186 759	203 038	214 207	224 767
Hotels and similar establishments	30 694	35 429	42 149	44 595	47 324
Other collective establishments	52 854	56 366	63 750	66 841	71 902
Private accommodation	94 118	94 963	97 140	102 772	105 541
Inbound tourism					
Total international arrivals	73 750	77 743	80 476	83 804	85 947
Overnight visitors (tourists)	16 000	16 728	17 471	18 258	19 623
Same-day visitors (excursionists)	57 750	61 015	63 005	65 546	66 324
Top markets					
Germany	5 743	6 012	6 288	6 504	6 704
Ukraine	1 072	1 198	1 265	1 360	2 038
Russian Federation	1 003	873	801	875	919
United Kingdom	664	753	797	851	919
Belarus	811	801	715	763	793
Nights in all types of accommodation	99 107	92 843	108 401	113 202	122 065
Hotels and similar establishments	28 439	24 495	36 904	41 390	47 195
Other collective establishments	13 653	11 050	9 388	8 569	13 781
Private accommodation	57 016	57 298	62 109	63 243	61 089
Outbound tourism					
Total international departures	35 353	44 017	44 494	46 681	48 615
Overnight visitors (tourists)	10 243	10 906	11 287	11 958	12 747
Same-day visitors (excursionists)	25 110	33 110	33 208	34 723	35 868
Top destinations					
Germany	2 061	2 199	2 310	2 357	2 438
Italy	827	879	936	1 000	1 055
United Kingdom	872	856	915	971	1 031
Czech Republic	495	585	655	725	762
Greece	..	..	..	..	752
TOURISM RECEIPTS AND EXPENDITURE, MILLION PLN					
Inbound tourism					
Total international receipts	40 685	42 770	47 444	52 908	56 969
International travel receipts	37 298	39 454	43 218	47 974	50 807
International passenger transport receipts	3 387	3 316	4 226	4 934	6 162
Outbound tourism					
Total international expenditure	30 056	32 117	33 900	35 864	38 411
International travel expenditure	27 934	29 913	31 412	33 264	35 200
International passenger transport expenditure	2 122	2 204	2 488	2 600	3 211

.. Not available
Source: OECD Tourism Statistics (Database).

StatLink http://dx.doi.org/10.1787/888934077654

Poland: Enterprises and employment in tourism

	Number of establishments	Number of persons employed[1]				
	2018	2014	2015	2016	2017	2018
Total	..	..	..	..	..	..
Tourism industries	**23 208**	..	..	..	..	..
Accommodation services for visitors	11 076	171 138	172 043	180 707	193 663	195 675
Hotels and similar establishments	4 179	..	..	..	..	..
Food and beverage serving industry	7 953	..	..	..	..	..
Passenger transport	..	..	..	..	..	..
Air passenger transport	..	..	..	..	..	..
Railways passenger transport	..	..	..	..	..	..
Road passenger transport	..	..	..	..	..	..
Water passenger transport	..	..	..	..	..	..
Passenger transport supporting services	..	..	..	..	..	..
Transport equipment rental	..	..	..	..	..	..
Travel agencies and other reservation services industry	4 449	..	..	..	..	..
Cultural industry	..	..	..	..	..	..
Sports and recreation industry	..	..	..	..	..	..
Retail trade of country-specific tourism characteristic goods	..	..	..	..	..	..
Other country-specific tourism industries	..	..	..	..	..	..
Other industries	..	..	..	..	..	..

.. Not available
1. Data refer to number of employees.
Source: OECD Tourism Statistics (Database).

StatLink http://dx.doi.org/10.1787/888934077673

Poland: Internal tourism consumption

Million PLN

	2015		
	Domestic tourism expenditure	Inbound tourism expenditure	Internal tourism consumption
Total	..	..	..
Consumption products	**21 420**	**36 750**	**65 099**
Tourism characteristic products	15 411	12 854	31 500
Accommodation services for visitors	4 853	3 320	10 244
Food and beverage serving services	4 874	4 328	9 202
Passenger transport services	3 066	2 825	6 599
Air passenger transport services	2 058	1 897	4 121
Railways passenger transport services	219	113	697
Road passenger transport services	783	724	1 685
Water passenger transport services	6	91	97
Passenger transport supporting services	..	..	..
Transport equipment rental services	167	0	547
Travel agencies and other reservation services industry	2 031	458	2 566
Cultural services	419	1 923	2 342
Sports and recreation services	..	..	..
Country-specific tourism characteristic goods	..	..	..
Country-specific tourism characteristic services	..	..	..
Other consumption products	6 009	23 896	33 600
Tourism connected products	..	..	..
Non-tourism related consumption products	..	..	..
Non-consumption products	..	..	..

.. Not available
Source: OECD Tourism Statistics (Database).

StatLink http://dx.doi.org/10.1787/888934077692

Portugal

Tourism in the economy

In 2018, the sector contributed 8.0% of GVA, and grew twice as fast as the overall economy (8.0% compared with 3.9%). According to the Tourism Satellite Account, tourism employed 9.0% of the working population in 2017, 413 000 people, growing by 8.7% over the previous year, again much higher than the broader economy (3.4%). Travel exports accounted for 51.1% of total service exports in 2018.

Portugal's tourism sector has exhibited significant recent growth, mainly led by the increase, in both volume and value, of intercontinental markets in the Americas and Asia. International tourism receipts totalled EUR 16.8 billion in 2018, an increase of 8.3% over 2017. This represents 18.7% of total Portuguese exports.

In 2018, overseas visitors totalled 22.8 million, an increase of 7.5% compared with 2017. The five leading international source markets in order of importance were United Kingdom, Germany, Spain, France and Brazil: together these top five countries accounted for 58.5% of demand. Growth however was led by intercontinental markets including the United States up 25%, Brazil up 14%, China (14%) and Australia (12%). In 2018, the number of nights in all types of accommodation totalled 76.1 million, an increase of 4.8% compared with 2017. Of these, 32.5% were domestic tourists and 67.5% were from overseas. The number of nights spent by overseas tourists totalled 51.4 million, up 4.1% over 2017, with an average length of stay of 3.1 nights.

Tourism governance and funding

At the national level, the Secretary of State for tourism sits within the Ministry of Economy. Turismo de Portugal, the public institution responsible for tourism, reports to the Secretary of State for Tourism. Its role covers quality and development of tourism related infrastructure, education and training, supporting investment, promotion, regulation of gambling, and co-ordination of regional arrangements.

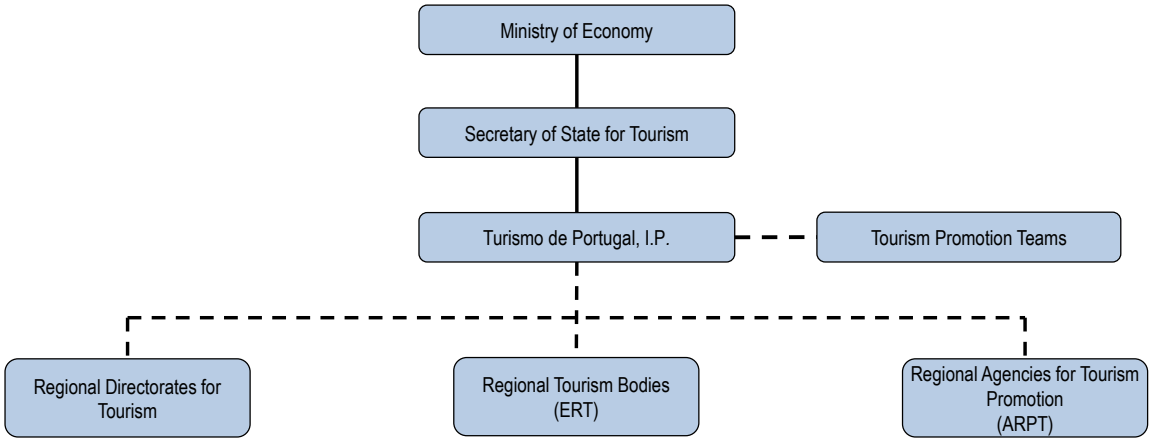
There are five Regional Tourism Bodies (ERTs), fully public corporate bodies established under statute with a specific geography. They are destination management organisations with financial and administrative autonomy, having responsibility for domestic promotion and product development. In addition there are two Regional Directorates for Tourism covering the autonomous regions of Madeira and the Azores.

International promotion is the responsibility of Turismo de Portugal, who work with seven *Regional Agencies for Tourism Promotion* (ARPTs), working as public-private partnerships ensuring marketing plans are aligned with the national tourism strategy ensuring marketing plans are aligned with national strategy. Turismo de Portugal engages directly with the private sector, often through private sector associations but also with major private stakeholders (Airports, Ports) and directly with large and small businesses often through funding support.

In 2018, the total budget of Turismo de Portugal was EUR 288 million, of which half came from the gambling tax and the rest from other public funding sources including EU funds, which is allocated to finance innovative projects and SMEs. The marketing budget is EUR 45 million and includes expenditure on

promotion at a national level, as well as the co-financing of regional promotion abroad, to which private companies and regional tourism bodies also contribute.

Portugal: Organisational chart of tourism bodies



Source: OECD, adapted from Turismo de Portugal, 2020

Tourism policies and programmes

In 2017, the Government launched *Tourism Strategy 2027*, to drive economic, social and environmental development throughout the country and position Portugal as one of the world's most competitive and sustainable tourism destinations. It contains five strategic pillars:

- Value resources: drawing on historical and cultural heritage, preserving its authenticity and improving the product to better match visitors' needs.
- Boost the economy: increasing the competitiveness of the tourism sector, promoting innovation and attracting foreign investment.
- Promote knowledge: putting an emphasis on skills, quality jobs and the dissemination of insight throughout the tourism sector.
- Generate connectivity: improving air access and promoting networks between stakeholders.
- Promote Portugal: improving Portugal's positioning as an attractive destination to visit, invest, live and study.

The UN Sustainable Development Goals can be considered as the DNA of *Tourism Strategy 2027*. Economic goals are measured by overnight stays and tourism receipts; social goals are measured by seasonality, skills and qualifications, and residents' satisfaction; while environmental goals are reflected in measures relating to energy, water and waste.

Current major programmes concern investment, innovation, developing high value heritage, measuring sustainable tourism, and education and training:

- The EUR 90 million *Valorizar* programme is designed to spread demand both geographically and seasonally. Initially it has focused on projects in five areas: to improve Wi-Fi in historic centres, make tourism more accessible, improve the quality of inland destinations, encourage sustainable tourism, and contribute to the recovery of municipalities affected by wildfires. To date, more than 650 projects have been supported financially.
- The Strategy places great importance on innovation as a way to improve the overall experience for tourists, increase efficiency of businesses and optimise the impact of the sector. Tourism 4.0 is the programme to promote the transition of the tourism sector to the digital economy and to foster

innovation and entrepreneurship. A network of 41 incubators across the country supports new ideas and business models. In 2018, 15 acceleration programmes were developed with more than 300 start-ups supported with investment of more than EUR 1 million.

- Also noteworthy is the creation of NEST-Tourism Innovation Centre. NEST was set up as a private association in early 2019 (see box below).
- The *Revive* programme is a whole-of-government approach aimed at attracting private investment to revitalise high-value heritage for tourism use (Box 1.12).

There has been additional investment in new data sources to address knowledge challenges, in particular sustainable tourism implementation. This requires the development of rigorous monitoring frameworks at destination level currently being informed by pilot projects that are assessing the relevance of indicators, monitoring systems and other methodologies. This has been assisted by the development of a specific platform Travel BI (travelbi.turismodeportugal.pt) which provides information on all available tourism data in Portugal, relevant trends, leading markets, including a specific area on tourism sustainability.

Turismo de Portugal has a network of 12 hotel and tourism schools with more than 8 000 students participating in both academic and vocational training courses. The Tourism Training Talent (TTT) project builds an entrepreneurial spirit and a culture of innovation amongst students that draws on and reflects the importance of Portugal's rich tradition of hospitality. The TTT project is aligned with Tourism Strategy 2027 and aims to transform tourism into one of Portugal's main contributors for economic, social and environmental advancement. Turismo de Portugal adapted the Tourism Schools Strategy developing a Premium Hospitality Service that supports the development of a winning travel Destination but keeps faithful to its authenticity and main values. Most tourism trainings are exhaustive and comprehensive. However, Portuguese tourism schools try to go further by providing a full 360º approach to training – from the first days of academia to a talented tourism professional, allowing students to connect to both the tourism industry but also other related sectors, and enterprises.

Promoting innovation through the Tourism Innovation Centre in Portugal - NEST

Tourism Innovation Centre Portugal (NEST) is the main project of Tourism 4.0 - to promote the transition of the Portuguese tourism sector to the digital economy and to foster innovation and entrepreneurship. The Centre was set up as a private association in 2019, with founding partners including Airports of Portugal, BPI Bank, Portugal Highways, Google, Microsoft Portugal, Millennium BCP, NOS (Telecom) and Turismo de Portugal. These provided a quota for the centre's financing and expertise. NEST aims to support the digital transformation of the tourism sector and become a global centre for innovation. The Centre's main objectives are to promote entrepreneurship, innovation and research in tourism; support companies that develop a creative and innovative approach; create innovation laboratories in partnership with universities, tourism schools, incubators and knowledge centres; and produce and transfer knowledge to companies.

Its main areas of activity are:

- Digital academy for tourism start-ups.
- Incubation and acceleration services in partnership with the ecosystem.
- Advising micro, small and medium sized tourism enterprises.
- Development of new products and technologies (Demo) and experimentation, creation and validation of prototypes (Living Lab).
- International promotion of start-ups and innovation.
- Monitoring international digital tourism trends.

Statistical Profile

Portugal: Domestic, inbound and outbound tourism

	2014	2015	2016	2017	2018
TOURISM FLOWS, THOUSAND					
Domestic tourism[1]					
Total domestic trips	..	..	..	..	..
Overnight visitors (tourists)	16 263	17 254	18 241	18 993	19 593
Same-day visitors (excursionists)	..	..	..	..	..
Nights in all types of accommodation	19 388	20 588	22 172	23 303	24 719
Hotels and similar establishments	12 669	13 390	14 230	15 000	16 048
Other collective establishments	4 893	5 115	5 616	5 595	5 741
Private accommodation	1 827	2 083	2 327	2 707	2 930
Inbound tourism					
Total international arrivals	..	..	..	..	..
Overnight visitors (tourists)	9 904	11 723	13 359	15 432	16 186
Same-day visitors (excursionists)	..	..	..	..	..
Top markets					
Spain	1 639	1 778	1 963	2 122	2 221
United Kingdom	1 656	1 798	2 070	2 177	2 124
France	1 270	1 273	1 506	1 818	1 835
Germany	1 140	1 320	1 485	1 704	1 744
Netherlands	519	516	686	703	690
Nights in all types of accommodation	35 669	38 964	44 251	49 355	51 393
Hotels and similar establishments	30 838	33 146	37 165	40 734	40 514
Other collective establishments	2 309	2 636	3 139	3 377	4 498
Private accommodation	2 521	3 183	3 948	5 244	6 380
Outbound tourism					
Total international departures	..	..	..	..	..
Overnight visitors (tourists)	1 628	1 893	1 941	2 195	2 486
Same-day visitors (excursionists)	..	..	..	..	..
Top destinations					
..	..	..	..	..	..
..	..	..	..	..	..
..	..	..	..	..	..
..	..	..	..	..	..
..	..	..	..	..	..
TOURISM RECEIPTS AND EXPENDITURE, MILLION EUR					
Inbound tourism					
Total international receipts	13 236	14 427	15 642	18 941	20 476
International travel receipts	10 284	11 605	12 811	15 550	16 840
International passenger transport receipts	2 952	2 822	2 831	3 391	3 636
Outbound tourism					
Total international expenditure	3 929	4 126	4 262	4 894	5 544
International travel expenditure	3 127	3 332	3 565	4 092	4 663
International passenger transport expenditure	802	794	697	802	881

.. Not available
1. Trips from demand side surveys; Nights from supply side surveys.
Source: OECD Tourism Statistics (Database).

StatLink http://dx.doi.org/10.1787/888934077711

Portugal: Enterprises and employment in tourism

	Number of establishments[1]	Number of persons employed				
	2017	2014	2015	2016	2017	2018
Total	..	..	..	..	..	..
Tourism industries	**120 620**	**327 128**	**348 644**	..	..	..
Accommodation services for visitors	28 831	58 703	69 706	80 260	92 963	..
Hotels and similar establishments	..	..	..	..	..	..
Food and beverage serving industry	75 995	214 635	223 772	237 548	253 523	..
Passenger transport	11 794	43 565	43 858	..	..	..
Air passenger transport	83	10 802	11 122	..	..	..
Railways passenger transport	1	..	..	..	..	..
Road passenger transport	11 519	32 763	32 736	33 403	34 596	..
Water passenger transport	191	..	..	..	..	..
Passenger transport supporting services	..	..	..	..	..	..
Transport equipment rental	..	..	..	..	..	..
Travel agencies and other reservation services industry	4 000	10 225	11 308	12 079	13 245	..
Cultural industry	..	..	..	..	..	..
Sports and recreation industry	..	..	..	..	..	..
Retail trade of country-specific tourism characteristic goods	..	..	..	..	..	..
Other country-specific tourism industries	..	..	..	..	..	..
Other industries	..	..	..	..	..	..

.. Not available
1. Data refer to number of enterprises.
Source: OECD Tourism Statistics (Database).

StatLink http://dx.doi.org/10.1787/888934077730

Portugal: Internal tourism consumption

Million EUR

	2017		
	Domestic tourism expenditure	Inbound tourism expenditure	Internal tourism consumption
Total	..	..	..
Consumption products	**8 027**	**18 140**	**27 696**
Tourism characteristic products	6 138	13 678	21 239
Accommodation services for visitors	1 603	4 520	7 198
Food and beverage serving services	1 839	4 897	6 736
Passenger transport services	809	3 073	4 011
Air passenger transport services	336	2 707	3 101
Railways passenger transport services	65	34	152
Road passenger transport services	323	320	650
Water passenger transport services	85	11	109
Passenger transport supporting services	..	..	..
Transport equipment rental services	188	733	922
Travel agencies and other reservation services industry	585	70	655
Cultural services	64	145	342
Sports and recreation services	547	215	772
Country-specific tourism characteristic goods	..	..	..
Country-specific tourism characteristic services	503	25	604
Other consumption products	1 889	4 462	6 457
Tourism connected products	405	1 350	1 797
Non-tourism related consumption products	1 485	3 112	4 660
Non-consumption products	..	..	..

.. Not available
Source: OECD Tourism Statistics (Database).

StatLink http://dx.doi.org/10.1787/888934077749

Slovak Republic

Tourism in the economy

In 2018, international travel receipts in the Slovak Republic reached EUR 2.7 billion, up 4.7 % from the previous year. This amounts to 3% of GDP and represents 27.6% of service related exports. There was a surplus in the travel balance of payments of EUR 485 million.

In 2018, Slovakia attracted more visitors than in any previous year. Based on accommodation statistics, the total number of inbound tourists increased by 4.3% to 2.3 million in 2018. The five leading international markets are Czech Republic (31.1% of international tourists), Poland (10.0%), Germany (7.9%), Hungary (5.0%) and Austria (4.4%), which together accounted for 58.4% of all international arrivals.

As regards to domestic tourism and according to the TSA, this accounted for 14.5 million trips in 2016, up 12.1% over 2015. Of these trips, 54.0% were overnight.

In total, 18 786 enterprises provided either accommodation or food services in 2018, 4.4% fewer than in 2017. As of the end of December 2018, there were 4 007 establishments providing accommodation services in Slovakia. These establishments offered 170 700 beds. The number of employees in accommodation and catering establishments was 110 700 in 2018, representing 4.3% of the total workforce.

Tourism governance and funding

Responsibility for tourism rests with the Ministry of Transport and Construction. The Tourism Section of the Ministry is divided into three departments covering International Relations and Marketing, State Tourism Policy, and Destination Management. Responsibilities include the preparation of legislation and regulations, strategy formulation, implementation of the Tourism Support Act, gathering statistical data, and the administration of the register of tourism organisations. The Tourism Section is also responsible for marketing and promotion, and has six overseas offices located in the key markets of Czech Republic, Germany, Poland, Austria, Hungary and the Russian Federation.

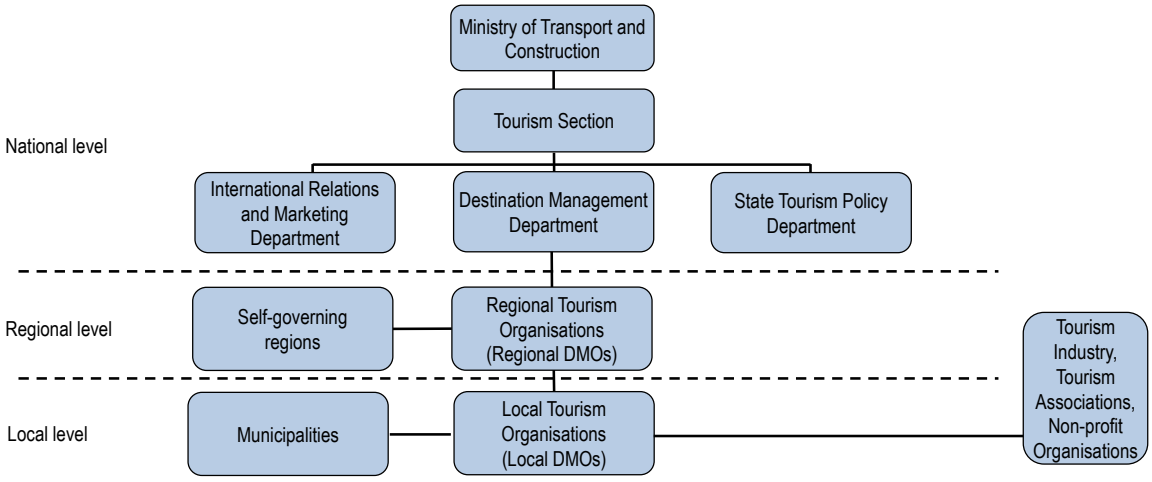
The Ministry co-operates with other ministries through participation in various committees dealing with issues affecting tourism, including the Working Group to Co-ordinate the Presentation of Slovakia Abroad, the Interdepartmental Commission of the Geo-parks Network, the Impact and Adaptation Steering group, and the Working Group of the Government Council for Vocational Education and Training.

Tourism responsibilities are delegated to self-governing bodies in eight regions, while municipalities also play an important role in the development of tourism. Local and regional destination management organisations (DMOs) are responsible for the development of tourism products and promotion. Local DMOs are created by municipalities, tourism business entities, non-profit organisations, foundations and associations with activities in the field of tourism. Regional DMOs are formed by the regional self-governing authorities and at least one local DMO. Currently there are 37 local and 7 regional DMOs operating in Slovakia, funded by subsidies provided by the Ministry, membership fees and other sources.

Representatives of the main nationwide tourism organisations are members of the Slovak Tourism Association, which promotes co-operation in the sector and advises on any legislative changes deemed necessary. Tourism associations contribute at local and regional levels, primarily in the field of quality improvement, professional training and the sharing of best practice.

The Ministerial budget for tourism was EUR 11.6 million in 2018, of which EUR 3.9 million was for marketing and promotional activities, with a further EUR 2.2 million for implementation of sectoral policies. Almost EUR 5.5 million was distributed in the form of subsidies to local and regional DMOs, mainly for product development, tourist infrastructure and marketing.

Slovak Republic: Organisational chart of tourism bodies



Source: OECD, adapted from the Ministry of Transport and Construction, 2020.

Tourism policies and programmes

The Government's main tourism policy aims, as set out in the Manifesto of the Government of the Slovak Republic for 2016-20, are to increase the competitiveness of the sector while creating new jobs across the country. To achieve these goals, it has recognised the need to:

- Consider more flexible forms of employment given the seasonal nature of tourism.
- Improve co-ordination between the rail and bus sectors, and the operators of tourism resorts.
- Present the country as an attractive and safe destination, to encourage visitors and longer stays.
- Encourage destination management through DMOs which in turn actively represent Slovakia.
- Strengthen the development of higher value added, cost-effective tourism products.
- Place more emphasis on support for the development of the spa industry.

In addition to the Manifesto, Slovakia's tourism priorities are set out in two other main policy documents:

- Tourism Development Strategy until 2020, which aims to increase the competitiveness of the tourism sector, balance regional disparities, and create jobs with a focus on two key areas - raising the quality of the tourism offer and promoting Slovakia as a tourism destination.
- Tourism Marketing Strategy 2019-20, which seeks to maximise the economic benefits of tourism by: increasing the volumes and length of stay of both domestic and inbound tourism, and aid efficient utilisation of accommodation capacity; strengthening Slovakia's brand positioning as an attractive tourist destination offering a competitive product; and using major events to raise the awareness of Slovakia's tourism offer.

The priorities and challenges identified in the strategic documents have been addressed by various policy initiatives, including:

- Implementing a destination management approach for tourism development through the Tourism Support Act, which regulates tourism support, including local and regional tourism organisations that receive co-funding support from the state budget for various activities.
- Developing and approving legislation, including to provide subsidies to support the development of cycle tourism in Slovakia, and enact the EU Directive on Package Travel.
- Supporting the development of innovative products, including through funding support provided by the Ministry to local and regional tourism organisations. Recent examples include tourist navigation systems, digital tourist information panels, tourist cards, cyclo-applications, geo-location applications, e-bike products and digital geographic information systems.
- Supporting domestic tourism participation through the implementation of the recreation vouchers initiative (see box).
- Reducing the VAT on accommodation services to 10%, compared to a national rate of 20%.
- Signing a co-operation agreement between the Ministry and the Statistical Office to improve statistics relating to inbound tourism and establish a Tourism Satellite Account.
- Co-operating with the Visegrad Four Group under the common Discover Central Europe brand, which aims to increase joint marketing and promotional activities in overseas markets and to increase visitor numbers from long-haul markets to the 'V4' countries - the Czech Republic, Hungary, Poland and Slovakia.

Trade initiatives have also been undertaken to promote tourism growth. These include the promotion of vocational education and training in the tourism sector, the financing of a study using mobile operators' data to inform evidence-based tourism policy, and the development and implementation of the National Tourist System to ensure a professional presentation of Slovakia as an attractive tourist destination. Additionally, co-operation with the Slovak Ice Hockey Federation was undertaken to realise the potential of the Ice Hockey World Championship held in Slovakia in 2019.

A new Sustainable Tourism Strategy to guide the long-term development of tourism to 2030 is currently being prepared and will consider how to: co-ordinate tourism to support SMART solutions (such as support of data-oriented destination development, and digitalisation of tourism assets) and a whole of government approach; present Slovakia as a tourism destination, and develop products that can best support the development of sustainable tourism, and maximise the protection and conservation of the country's natural and cultural resources while encouraging their development as tourism assets; improve the accessibility of tourism facilities; reduce regional disparities and support the growth of less developed districts by improving connectivity and new products; and increase the skills of workforce in the tourism sector.

The Slovak Republic introduced recreation vouchers, which can be exchanged for domestic accommodation and experiences, thus boosting domestic tourism in Slovakia. Companies employing more than 49 people are required to provide these vouchers to employees who have worked for them for at least 24 months and who have applied for the contribution. The employer contribution equals 55% of eligible costs, to a maximum of EUR 275. The sum is exempt from income tax and deductions for both employees and employers. Recreational vouchers can be used for tourism services connected with accommodation for at least two night stays, or tourism packages comprising accommodation for at least two night stays and catering services or other services related to a recreational stay. Employees can also use the vouchers to pay for holiday camps for their children.

Statistical Profile

Slovak Republic: Domestic, inbound and outbound tourism

	2014	2015	2016	2017	2018
TOURISM FLOWS, THOUSAND					
Domestic tourism					
Total domestic trips	2 253	2 609	2 997	3 213	3 340
Overnight visitors (tourists)	2 253	2 609	2 997	3 213	3 340
Same-day visitors (excursionists)	..	..	..	..	..
Nights in all types of accommodation	6 996	7 894	8 993	9 507	9 819
Hotels and similar establishments	6 859	7 703	8 750	9 233	9 501
Other collective establishments	70	89	107	118	128
Private accommodation	67	102	137	156	189
Inbound tourism					
Total international arrivals	1 475	1 721	2 027	2 162	2 256
Overnight visitors (tourists)	1 475	1 721	2 027	2 162	2 256
Same-day visitors (excursionists)	..	..	..	..	..
Top markets					
Czech Republic	437	510	621	645	702
Poland	158	168	188	210	226
Germany	138	159	178	192	178
Hungary	58	70	91	101	112
Austria	67	82	88	97	100
Nights in all types of accommodation	3 904	4 456	5 145	5 429	5 696
Hotels and similar establishments	3 171	3 642	4 083	4 250	4 351
Other collective establishments	681	743	955	1 067	1 208
Private accommodation	52	72	107	112	138
Outbound tourism					
Total international departures	4 738	5 194	6 336	..	..
Overnight visitors (tourists)	2 760	3 227	3 491	..	..
Same-day visitors (excursionists)	1 978	1 968	2 844	..	..
Top destinations					
..	..	..	..	..	..
..	..	..	..	..	..
..	..	..	..	..	..
..	..	..	..	..	..
..	..	..	..	..	..
TOURISM RECEIPTS AND EXPENDITURE, MILLION EUR					
Inbound tourism					
Total international receipts	1 924	2 239	2 538	2 665	2 817
International travel receipts	1 890	2 192	2 483	2 588	2 710
International passenger transport receipts	34	47	55	77	107
Outbound tourism					
Total international expenditure	1 945	2 043	2 186	2 296	2 403
International travel expenditure	1 829	1 917	2 023	2 125	2 225
International passenger transport expenditure	116	126	163	171	178

.. Not available
Source: OECD Tourism Statistics (Database).

StatLink http://dx.doi.org/10.1787/888934077768

Slovak Republic: Enterprises and employment in tourism

	Number of establishments[1]	Number of persons employed				
	2016	2014	2015	2016	2017	2018
Total	..	..	..	..	..	..
Tourism industries	**28 578**	**144 129**	**147 968**	**147 677**	..	..
Accommodation services for visitors	3 257	15 974	16 642	17 357	..	..
Hotels and similar establishments	..	..	..	..	..	..
Food and beverage serving industry	13 823	71 412	73 407	70 997	..	..
Passenger transport	3 855	25 484	26 118	26 804	..	..
Air passenger transport	..	..	..	..	..	..
Railways passenger transport	..	..	..	..	..	..
Road passenger transport	..	..	..	..	..	..
Water passenger transport	..	..	..	..	..	..
Passenger transport supporting services	..	..	..	..	..	..
Transport equipment rental	579	1 412	1 302	1 208	..	..
Travel agencies and other reservation services industry	1 410	3 442	3 207	3 254	..	..
Cultural industry	1 589	9 256	9 482	9 777	..	..
Sports and recreation industry	4 065	17 149	17 810	18 280	..	..
Retail trade of country-specific tourism characteristic goods	..	..	..	..	..	..
Other country-specific tourism industries	..	..	..	..	..	..
Other industries	..	..	..	..	..	..

.. Not available
1. Data refer to number of enterprises.
Source: OECD Tourism Statistics (Database).

StatLink http://dx.doi.org/10.1787/888934077787

Slovak Republic: Internal tourism consumption

Million EUR

	2016		
	Domestic tourism expenditure	Inbound tourism expenditure	Internal tourism consumption
Total	..	..	..
Consumption products	..	..	..
Tourism characteristic products	1 869	2 466	5 290
Accommodation services for visitors	331	412	820
Food and beverage serving services	168	502	671
Passenger transport services	335	403	1 177
Air passenger transport services	..	..	..
Railways passenger transport services	..	..	..
Road passenger transport services	..	..	..
Water passenger transport services	..	..	..
Passenger transport supporting services	..	..	..
Transport equipment rental services	67	25	92
Travel agencies and other reservation services industry	135	9	144
Cultural services	42	13	330
Sports and recreation services	127	64	296
Country-specific tourism characteristic goods	555	997	1 552
Country-specific tourism characteristic services	110	42	209
Other consumption products	..	..	..
Tourism connected products	..	..	..
Non-tourism related consumption products	..	..	..
Non-consumption products	..	..	..

.. Not available
Source: OECD Tourism Statistics (Database).

StatLink http://dx.doi.org/10.1787/888934077806

Slovenia

Tourism in the economy

In 2017, the GDP related to tourism amounted to EUR 2.3 billion, or 5.3% of total GDP. Considering the direct and indirect impacts, tourism contribution to the GDP is estimated to be EUR 3.6 billion, that is approximately 8.4% of total GDP. In 2018, tourism exports amounted to EUR 2.7 billion, creating a tourism balance of payments surplus of EUR 1.7 billion. In 2018, tourism industries employed 68 150 people and directly accounted for 7.7% of total employment in the country. Travel exports accounted for 34.0% of total service exports in 2018.

Inbound tourists amounted to 4.4 million in 2018, up 10.9% from the previous year. Overnight stays for international tourists in all accommodation categories totalled 11.2 million in 2018, an increase of 15.4% over 2017. Core markets included Italy (13.5% of all inbound overnight visitors), Germany (11.4%), Austria (8.6%), Croatia (4.9%), the Netherlands (4.2%), the United Kingdom (3.7%), and Serbia (3.1%). The Netherlands and Germany, experienced year on year growth of 22.7% and 15.9% respectively. In 2018, domestic trips totalled 10.9 million, of which 2 million (18.3%) were overnight stays, and 8.9 million (81.7%) same-day visits. The total number of overnights in all accommodation was 5.4 million, an increase of 11.1% from 2017.

Tourism governance and funding

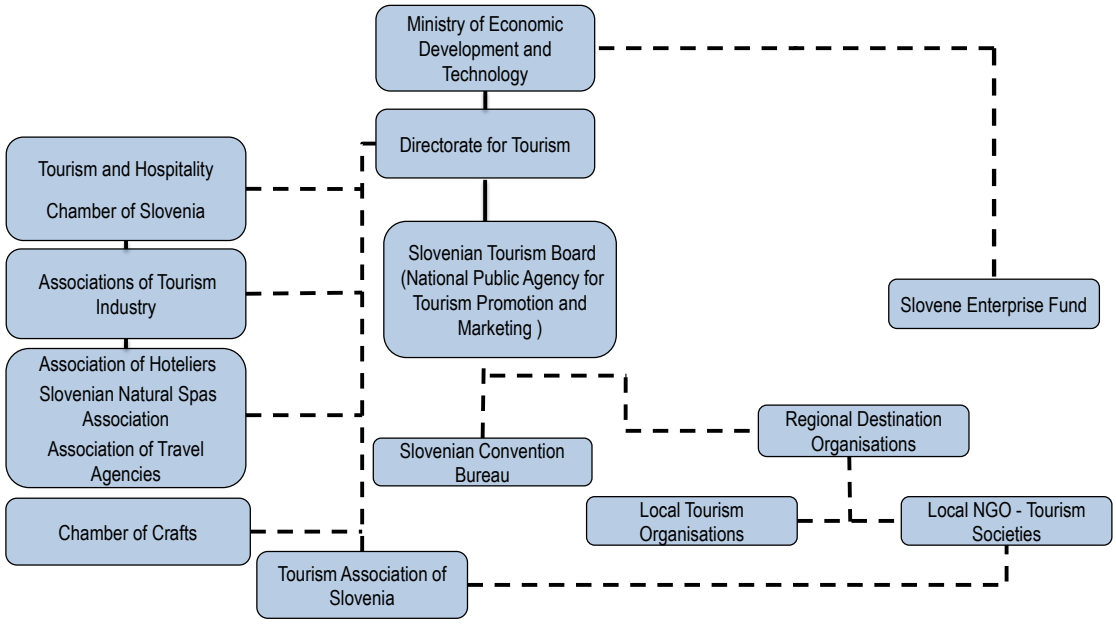
The Ministry of Economic Development and Technology is responsible for implementing national tourism policy. Marketing is the responsibility of the Slovenian Tourism Board, a public agency that is also responsible for tourism information, market data, coordinating product development, engaging stakeholders and undertaking market research. At the national level, the Statistical Office of the Republic of Slovenia is charged with collecting, analysing and disseminating tourism data while the Slovene Enterprise Fund encourages tourism SMEs investment via soft loans and grants. Tourism industry organisations include: i) the Chamber of Commerce and Industry of Slovenia – with the related Chamber of Tourism and Hospitality representing the interests of tourism entrepreneurs via optional membership, ii) the Chamber of Crafts and Small Business of Slovenia – representing the interests of tourism and catering entrepreneurs and craftsmen, iii) the Trade Union of Tourism and Catering workers, and iv) the Tourism Association of Slovenia – incorporating 655 local association members.

The strategic planning of tourism reflects a close partnership between the public and private sectors, as well as tourism NGOs. The Ministry co-operates and regularly consults with the industry organisations representing the accommodation and hospitality industry, travel trade, wellness tourism, MICE, etc. In terms of different sectoral policies and legislation co-ordination with an impact on tourism, a wide cross-governmental co-operation exists. Particular emphasis is currently placed on working with four ministries: Culture; Agriculture, Forestry and Food; Infrastructure; Spatial planning and Environment, Education and Sport.

The twelve Regional Development Organisations accountable to the Regional Councils undertake overall development at regional level including the tourism development programmes. The Government has

additionally established and funded twelve Regional Destination Organisations to support tourism development, promotion and marketing at the regional level. Regional tourism development priorities are governed by national legislation and reflect basic goals of the National Tourism Strategy but with specific regional development goals. At local level, each mayor and Community Council is responsible for tourism development. A locally collected accommodation tax provides EUR 17.5 million per year, and it is dedicated to local tourism development and marketing. This is the principal source of funding for local tourism development typically providing investment for information centres, walking and cycling trails and local marketing activities.

Slovenia: Organisational chart of tourism bodies



Source: OECD, adapted by the Ministry of Economic Development and Technology, 2020.

In 2018, the central tourism budget was EUR 13.5 million, with EUR 12.9 million of this being allocated to the Slovenian Tourism Board. The Promotion of Tourism Development law provides a further source of funding consisting of both the tourist tax and an additional promotional tax providing some EUR 4.5 million annually. Another source of revenue for tourism development budget comes from the State's gambling concessions, which is allocated to pre-defined areas of Slovenia and amounts to approximately EUR 18 million per year.

Tourism policies and programmes

In 2017, the Government of the Republic of Slovenia adopted a new Strategy for the sustainable growth of Slovene tourism 2017-21, with the strategic vision for Slovenia to be recognised as a global, green, boutique, five stars destination for demanding visitors. The strategic goal of Slovene tourism is to increase revenues from international visitors to EUR 3.7 billion by 2021 from the current EUR 2.7 billion. Supplementary targets include an additional 5- 5.5 million visits, 16-18 million overnight stays, and 18 000 to 22 000 new rooms. Six key policies are identified:

- Developing a new organisational structure for Slovene tourism - which has divided the country into four macro-destinations (Mediterranean Slovenia, Alpine Slovenia, Thermal Pannonian Slovenia

and Central Slovenia with Ljubljana) and 35 lead destinations. To support sustainable tourism development and management of destinations, the Master Plans for the four main destinations are in development. Master Plans will focus on tourism education and training, stimulating green and innovative tourism products of SMEs and high quality services development, enhancing digital promotion of the 35 lead destinations, and marketing clusters of similar destinations and geographically linked exceptional tourist experiences. The objective of the clusters is to strengthen the identity of particular destination and to achieve synergies both in development of the most representative destination products and services along with the more focused marketing communications and destination promotion.

- Streamlining institutional and legal frameworks to create a better environment for business to flourish. This will include a more effective distribution of the tourist tax at local level; expanding the definition of accommodation to include new forms and accommodation quality standards, such as glamping facilities; new regulations for mountain biking and hiking trails; training for outdoor sports; and improvements to safety and security legislation.
- Investing in new and existing accommodation and related tourism infrastructure to increase competitiveness and raise quality.
- Investing in training and education, including updating vocational education standards; developing upper- level courses; promoting tourism as a business and entrepreneurial potential for changing the image of employment opportunities in the sector; establishing a national centre for on-the-job education and training; assisting small and specialised hotels for improving their employees skills and trainings.
- Strengthening land use planning to enable better inclusion of cultural and natural resources and appropriate tourism infrastructure construction planning.
- Supporting small tourism businesses to encourage entrepreneurship and enhance the quality of the tourism offer. Support to small businesses is focused on digital transformation; transition to a low carbon economy; and assistance with grant procurement to improve product quality and services. Some EUR 13.4 million of small grants has been allocated to SMEs over the last two years. To support investment in sustainable tourism and increase the competitiveness of tourism SMEs, a special Incentive credit scheme at the SID Bank of Slovenia, a public development and export Bank, amounting to EUR 160 million, has been established.

Slovenia has introduced a national Strategy for Smart Specialization, which is the base for the creation of Strategic Innovation Development Partnerships, including the one for tourism. The Strategic Partnership for Tourism allows for the wide participation of interested stakeholders from commerce, the research and development sector, civil society and the public sector to co-operate in providing smart and digital solutions for more accessible and competitive Slovene tourism. Key areas of project co-operation include development of new digital channels to attract consumers, digitalising a wide range of tourism products and new ICT solutions to maximise the efficiencies of tourism businesses on the market. Aligned to the Digital Slovenia 2020 Strategy, the new digital solutions are envisage to support the sustainable use of natural and cultural resources for tourism and to upgrade the Green Scheme of Slovene tourism.

Statistical Profile

Slovenia: Domestic, inbound and outbound tourism

	2014	2015	2016	2017	2018
TOURISM FLOWS, THOUSAND					
Domestic tourism					
Total domestic trips	..	10 016	..	..	10 917
Overnight visitors (tourists)	1 888	1 535	1 720	1 813	2 003
Same-day visitors (excursionists)	..	8 481	..	..	8 914
Nights in all types of accommodation	4 883	4 515	5 024	4 871	5 412
Hotels and similar establishments	..	..	..	..	..
Other collective establishments	..	..	..	..	..
Private accommodation	..	..	..	..	..
Inbound tourism					
Total international arrivals	..	..	..	..	..
Overnight visitors (tourists)	2 675	3 022	3 397	3 991	4 425
Same-day visitors (excursionists)	..	..	..	..	..
Top markets					
Italy	480	527	573	608	599
Germany	277	314	342	437	506
Austria	285	304	336	373	382
Croatia	134	152	171	195	219
Netherlands	87	95	108	151	185
Nights in all types of accommodation	6 833	7 482	8 340	9 685	11 176
Hotels and similar establishments	6 041	6 610	7 410	8 452	9 826
Other collective establishments	792	871	930	1 233	1 350
Private accommodation	..	..	..	..	..
Outbound tourism					
Total international departures	4 672	4 909	5 408	5 410	5 409
Overnight visitors (tourists)	2 642	2 867	2 853	3 013	3 188
Same-day visitors (excursionists)	2 030	2 042	2 555	2 397	2 221
Top destinations					
Croatia	1 494	1 614	1 660	1 680	1 732
Italy	157	217	152	208	236
Austria	162	189	149	171	204
Germany	117	109	103	168	191
Bosnia and Herzegovina	129	132	117 e	142	142
TOURISM RECEIPTS AND EXPENDITURE, MILLION EUR					
Inbound tourism					
Total international receipts	2 298	2 338	2 451	2 688	2 870
International travel receipts	2 140	2 162	2 271	2 523	2 704
International passenger transport receipts	158	176	181	164	166
Outbound tourism					
Total international expenditure	1 238	1 235	1 337	1 443	1 492
International travel expenditure	1 119	1 109	1 176	1 322	1 390
International passenger transport expenditure	119	126	161	120	103

.. Not available; e Estimated value
Source: OECD Tourism Statistics (Database).

StatLink http://dx.doi.org/10.1787/888934077825

Slovenia: Enterprises and employment in tourism

	Number of establishments[1]	Number of persons employed				
	2018	2014	2015	2016	2017	2018
Total	..	..	..	..	..	..
Tourism industries	**28 092**	**57 084**	**58 437**	**63 661**	**65 848**	**68 150**
Accommodation services for visitors	7 399	13 457	13 561	16 248	16 987	17 570
Hotels and similar establishments	3 740	8 775	8 956	9 212	9 818	10 235
Food and beverage serving industry	7 643	21 651	22 368	23 995	24 495	25 322
Passenger transport	1 214	5 025	5 056	5 222	5 438	5 826
Air passenger transport	110	539	561	547	610	736
Railways passenger transport	1	.. c	.. c	.. c	.. c	.. c
Road passenger transport	1 028	3 798	3 849	4 003	4 133	4 430
Water passenger transport	75	.. c	.. c	.. c	.. c	.. c
Passenger transport supporting services	427	2 889	2 895	2 959	3 097	3 126
Transport equipment rental	269	303	332	322	435	469
Travel agencies and other reservation services industry	1 035	1 809	1 858	1 944	2 060	2 257
Cultural industry	6 128	7 307	7 526	7 803	8 073	8 197
Sports and recreation industry	3 977	4 643	4 841	5 168	5 263	5 383
Retail trade of country-specific tourism characteristic goods	..	..	..	..	..	..
Other country-specific tourism industries	..	..	..	..	..	..
Other industries	**..**	**..**	**..**	**..**	**..**	**..**

.. Not available; c Confidential data
1. Data refer to number of enterprises.
Source: OECD Tourism Statistics (Database).

StatLink http://dx.doi.org/10.1787/888934077844

Slovenia: Internal tourism consumption

Million EUR

	2017		
	Domestic tourism expenditure	Inbound tourism expenditure	Internal tourism consumption
Total	..	..	..
Consumption products	**1 241**	**2 947**	**4 269**
Tourism characteristic products	869	1 444	2 394
Accommodation services for visitors	151	548	746
Food and beverage serving services	214	394	608
Passenger transport services	284	191	474
Air passenger transport services	..	..	..
Railways passenger transport services	..	..	..
Road passenger transport services	..	..	..
Water passenger transport services	..	..	..
Passenger transport supporting services	..	..	..
Transport equipment rental services	..	..	..
Travel agencies and other reservation services industry	60	46	106
Cultural services	63	22	118
Sports and recreation services	98	244	342
Country-specific tourism characteristic goods	..	..	..
Country-specific tourism characteristic services	..	..	..
Other consumption products	372	1 502	1 875
Tourism connected products	..	..	..
Non-tourism related consumption products	..	..	..
Non-consumption products	**..**	**..**	**..**

.. Not available
Source: OECD Tourism Statistics (Database).

StatLink http://dx.doi.org/10.1787/888934077863

Spain

Tourism in the economy

Tourism is one of the cornerstones of the Spanish economy and an outstanding driver of economic and social development. In 2017 it accounted for 11.8% of GDP and in 2018 sustained 13.5% of employment (or 2.6 million direct jobs). Tourism continues to contribute substantially to offsetting the country's trade deficit with tourism receipts amounting to EUR 62.5 billion, in 2018 – a growth of 3.6% compared with 2017. In 2018, tourist arrivals reached 82.8 million (+1.1% compared to 2017), generating EUR 89.8 billion in international receipts (+3.3% compared to 2017). Travel exports represented 52.3% of total service exports in 2018.

The top three inbound markets for Spain are the United Kingdom (22.4% of tourist arrivals), Germany (13.8%), and France (13.6%). There has been an increase in long-haul inbound travel from markets such as the United States, China and South Korea, largely due to improvements in air connectivity and growth in the global economy.

Spanish domestic tourism is also very significant. In 2018, Spain recorded a total of 425.4 million domestic trips, of which 139.9 million were overnight (+1.1% compared to 2017) and 285.5 million were day visitors (+1.9% from 2017).

Tourism governance and funding

National responsibility for tourism lies within the Ministry of Industry, Trade and Tourism since 2018, having previously been under the umbrella of the Ministry of Energy, Tourism and Digital Agenda. The State Secretariat for Tourism continues to be responsible for defining, developing, co-ordinating and implementing tourism policy within the remit of central government's responsibility, as well as related institutional relations at national and international levels. The State Secretariat co-ordinates three organisations at national level:

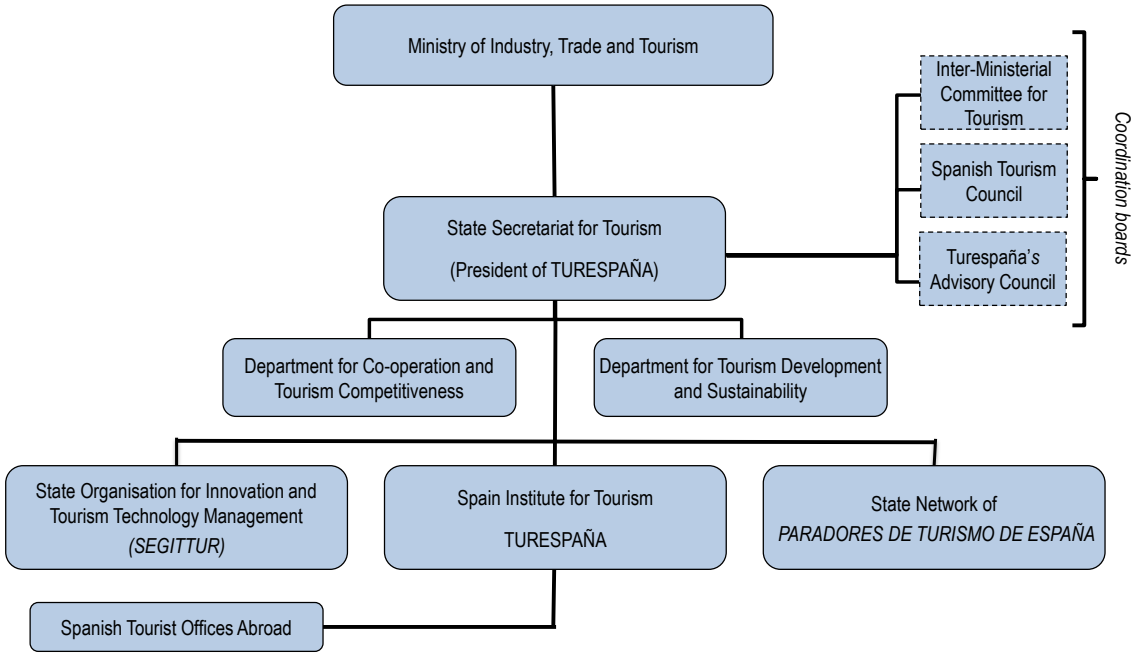
- Turespaña, which is an autonomous body attached to the Ministry, responsible for carrying out the international tourism marketing and promotion of Spain. It leverages an international network of 33 tourism offices that support the implementation of the agreed marketing plan.
- Paradores de Turismo, a public company that runs the state-owned hotel network with most of the establishments being located in historic sites, national parks or protected areas. There are now 97 establishments employing over 4 000 people.
- State Organisation for Innovation and Tourism Technology Management (SEGITTUR), a public sector body responsible for the development of new technologies in the Spanish tourism industry, in both public and private sectors. It researches and manages technology, knowledge and innovation to enhance the competitiveness, quality and sustainability of all aspects of tourism.

Co-ordinating mechanisms between the central and regional administrations are also important, given the size of the tourism economy. The 17 autonomous regions are responsible for the regulation and promotion of tourism within their territories. Local level entities, such as provinces and municipalities, manage their tourism interests mainly in terms of promotion and dissemination of visitor information.

A recent law relating to the legal obligations of the public sector highlights a range of fora established for effective co-ordination between tourism and related ministries, and key stakeholders – see box below.

The State Secretariat for Tourism had an overall budget of EUR 336 million for 2018. In addition, the 17 autonomous regions and other bodies also contribute significantly to the overall expenditure on tourism.

Spain: Organisational chart of tourism bodies



Source: OECD, adapted from Ministry of Industry, Trade and Tourism, 2020.

Tourism policies and programmes

Tourism policy in Spain is moving the Spanish tourism model towards the principles of sustainability, innovation and knowledge. The broad aim is to develop a smart and specialised high quality product, fit for the digital age. Sustainability means greater revenues and profits, improvement in the quality of experience, reduced seasonality and more efficient resource utilisation. Sustainable and inclusive tourism development demands a greater degree of innovation in the use of big data, digitalisation and smart tourism destinations.

Recently, Spain has begun to prepare a new Strategy of Sustainable Tourism for 2030. The aim is to transform Spanish tourism towards a model of both sustained and sustainable growth to maintain the country's leading position in tourism, while protecting the assets on which the sector depends. The Strategy will contribute to the achievement of UN Sustainable Development Goals and meet both medium and long-term challenges of sustainable tourism in terms of socio-economic, environmental and territorial impacts.

The Strategy proposes that tourism growth should be based on the following five principles:

- Socio-economic growth - including both a focus on improving business profitability and the equitable distribution of wealth, while at the same time guaranteeing greater sustainability by encouraging both the commercial sector and destinations to change and adapt.
- Protection of natural and cultural resources - providing the foundation for the conservation of valuable heritage, addressing the need for ecological improvement, and promotion of the underlying environmental values as part of the tourism experience.
- Social benefit - contributing directly to the great challenges of Spanish society, such as growing rural depopulation and inequality, tourism will be managed as an engine of economic and social development with the benefits and burdens distributed more equitably.
- Wide participation and involvement - as tourism is a cross-cutting sector that involves many stakeholders mechanisms will be designed to ensure strong governance between administrations at all levels together with the tourism industry.
- Permanent adaptation - the Strategy is not only concerned with growth and improvement but is also focused on supporting the sector to have the capacity to respond to a highly dynamic environment, illustrated by new and emerging business models, changing customer motivations and increasing competition.

Digitalisation and modernisation of all the various elements of the sector is a high priority with work to develop smart tourism destinations overseen by SEGITTUR, which is leading the Smart Tourist Destinations project. This aims to improve the position of Spain as a leading global tourism destination, seeking new mechanisms to boost destination innovation through the deployment of information and communication technologies in order to create different and highly competitive services.

Tourism governance co-ordination measures in Spain

A recent law relating to the legal obligations of the public sector reinforces the importance of co-ordination measures which now include:

- Sectoral Tourism Conference is a collegiate, advisory and executive co-ordination body which brings together high level public sector tourism representatives from central government and the autonomous regions. Chaired by the Minister for Tourism, it analyses, debates and is informed about any important policy issue or regulation affecting tourism.
- Spanish Tourism Council (CONESTUR) is an advisory body, which brings national, regional and provincial/city tourism administrations together with the private sector including chambers of trade, the National Employers' Association (CEOE), professional associations, trade unions and a wide spectrum of tourism professionals.
- Inter-Ministerial Committee for Tourism, whose members represent those national ministries that have responsibility for tourism related matters.
- Advisory Council of Turespaña, which comprises 11 members, five of which come from the private sector, and assists in defining and implementing the most appropriate strategies to market Spain abroad.

These co-ordination entities have neither specific budget nor staff. They are all chaired by the Minister or the State Secretary for Tourism and all secretariat services are implemented by the State Secretariat for Tourism. Recent issues that have been covered include Brexit, the new Strategic Tourism Plan for Spain, short rental accommodation regulation, Thomas Cook insolvency, new Marketing Plan for Turespaña, tourism statistics and connectivity. Considering tourism's cross-cutting nature, these co-ordination bodies will play a relevant and important role in Spanish tourism policy.

Statistical Profile

Spain: Domestic, inbound and outbound tourism

	2014	2015	2016	2017	2018
TOURISM FLOWS, THOUSAND					
Domestic tourism					
Total domestic trips	462 761 |	345 599	370 397	418 689	425 452
Overnight visitors (tourists)	139 615 |	123 923	132 201	138 357	139 931
Same-day visitors (excursionists)	323 146 |	221 676	238 196	280 332	285 521
Nights in all types of accommodation	621 835 |	476 459	508 758	517 502	507 739
Hotels and similar establishments	94 351 |	84 074	91 254	90 650	90 648
Other collective establishments	40 635 |	27 574	32 702	38 664	35 713
Private accommodation	486 850 |	364 810	384 802	388 187	381 378
Inbound tourism					
Total international arrivals	107 614	109 834 |	115 561	121 717	124 456
Overnight visitors (tourists)	64 995	68 175 |	75 315	81 869	82 808
Same-day visitors (excursionists)	42 619	41 659 |	40 246	39 849	41 647
Top markets					
United Kingdom	15 007	15 764 |	17 675	18 807	18 524
Germany	10 422	10 260 |	11 209	11 897	11 415
France	10 616	11 504 |	11 259	11 267	11 293
Nordic Countries	5 045	5 009 |	5 129	5 827	5 804
Italy	3 698	3 907 |	3 969	4 223	4 389
Nights in all types of accommodation	575 795	597 319 |	593 417	633 697	616 715
Hotels and similar establishments	279 623	288 472 |	280 646	291 692	287 884
Other collective establishments	34 830	41 004 |	26 547	32 412	35 599
Private accommodation	261 342	266 654 |	286 224	309 593	293 233
Outbound tourism					
Total international departures	13 952 |	15 706	16 144	17 594	19 750
Overnight visitors (tourists)	11 783 |	12 488	13 272	14 351	16 424
Same-day visitors (excursionists)	2 169 |	3 218	2 872	3 243	3 326
Top destinations					
France	2 124 |	1 836	2 147	2 462	2 410
Portugal	1 503 |	1 670	1 650	2 086	2 282
Italy	1 207 |	1 263	1 451	1 292	1 860
United Kingdom	993 |	1 188	1 299	1 388	1 465
Germany	688 |	891	804	803	948
TOURISM RECEIPTS AND EXPENDITURE, MILLION EUR					
Inbound tourism					
Total international receipts	53 883	56 309	60 351	66 682	69 023
International travel receipts	53 883	56 309	60 351	66 682	69 023
International passenger transport receipts	..	..	..	..	..
Outbound tourism					
Total international expenditure	13 572	15 724	16 998	19 611	22 692
International travel expenditure	13 572	15 724	16 998	19 611	22 692
International passenger transport expenditure	..	..	..	..	..

.. Not available; | Break in series
Source: OECD Tourism Statistics (Database).

StatLink http://dx.doi.org/10.1787/888934077882

Spain: Enterprises and employment in tourism

	Number of establishments	Number of persons employed				
	2018	2014	2015	2016	2017	2018
Total	..	..	..	..	..	..
Tourism industries	**707 689**	**2 203 044**	**2 322 381**	**2 447 758**	**2 510 795**	**2 604 899**
Accommodation services for visitors	229 760	321 742	344 323	395 968	402 530	409 208
Hotels and similar establishments	16 714	281 373	303 249	354 717	354 740	361 444
Food and beverage serving industry	269 405	1 082 036	1 160 832	1 208 180	1 234 568	1 298 528
Passenger transport	64 265	267 550	264 877	269 001	278 882	281 328
Air passenger transport	231	41 501	39 757	36 373	41 068	43 196
Railways passenger transport	71	24 614	22 562	25 981	28 705	26 791
Road passenger transport	63 307	191 924	193 646	197 406	200 806	199 190
Water passenger transport	656	9 512	8 912	9 241	8 303	12 151
Passenger transport supporting services	24 115	..	..	..	..	..
Transport equipment rental	7 850	178 068	182 726	204 261	212 381	215 580
Travel agencies and other reservation services industry	17 915	62 144	74 724	65 108	65 512	78 698
Cultural industry	40 812	96 630	99 411	97 179	110 266	112 674
Sports and recreation industry	53 567	194 874	195 490	208 060	206 656	208 884
Retail trade of country-specific tourism characteristic goods	..	..	..	..	..	..
Other country-specific tourism industries	..	..	..	..	..	..
Other industries	**..**	**..**	**..**	**..**	**..**	**..**

.. Not available
Source: OECD Tourism Statistics (Database).

StatLink http://dx.doi.org/10.1787/888934077901

Spain: Internal tourism consumption

Million EUR

	2015		
	Domestic tourism expenditure	Inbound tourism expenditure	Internal tourism consumption
Total	..	..	..
Consumption products	**66 663**	**59 213**	**125 876**
Tourism characteristic products	57 170	41 468	98 638
Accommodation services for visitors	..	..	..
Food and beverage serving services	..	..	..
Passenger transport services	..	..	..
Air passenger transport services	..	..	..
Railways passenger transport services	..	..	..
Road passenger transport services	..	..	..
Water passenger transport services	..	..	..
Passenger transport supporting services	..	..	..
Transport equipment rental services	..	..	..
Travel agencies and other reservation services industry	..	..	..
Cultural services	..	..	..
Sports and recreation services	..	..	..
Country-specific tourism characteristic goods	..	..	..
Country-specific tourism characteristic services	..	..	..
Other consumption products	9 494	17 745	27 239
Tourism connected products	..	..	..
Non-tourism related consumption products	..	..	..
Non-consumption products	**..**	**..**	**..**

.. Not available
Source: OECD Tourism Statistics (Database).

StatLink http://dx.doi.org/10.1787/888934077920

Sweden

Tourism in the economy

Tourism-related expenditure was SEK 337 billion in 2018, up 6% on 2017. The value added generated by this expenditure contributed 2.6% to Sweden's GDP. Overseas tourists spent SEK 144 billion making a 6.4% contribution to total exports. The industry employed 172 000 people an increase of 1.7% over 2017 but slightly below national employment growth at 1.9%. In 2018, tourism directly contributed to 3.4% of total employment. Over the last decade, however, tourism related employment has generally grown much faster than the wider economy. Travel exports represented 20.1% of total service exports in 2018.

In 2018, there were 65.2 million nights, an increase of 3.1% when compared with 2017. The total number of nights by international tourists was up 7.0% to 17.3 million. The main markets are Norway, Germany and Denmark with the United States also showing strong growth of 10% against 2017. Overall, trends include a strong increase in foreign visitors, higher concentrations visiting the major cities and an increase in the number of independent leisure visitors. Almost half of visitor nights were spent in the major cities of Stockholm, Gothenburg and Malmö but tourism also remains an important catalyst for regional growth and employment. Over the past four years, there has been a 22% increase in the volume of tourism during the winter, which has shown strong growth relative to the more traditional summer holiday period.

In 2018, there were 35.7 million domestic tourists, a decrease of 4.4% over 2017. For domestic tourism, the number of nights in accommodation increased by 1.8%, from 47.0 million to 47.9 million in 2018.

Tourism governance and funding

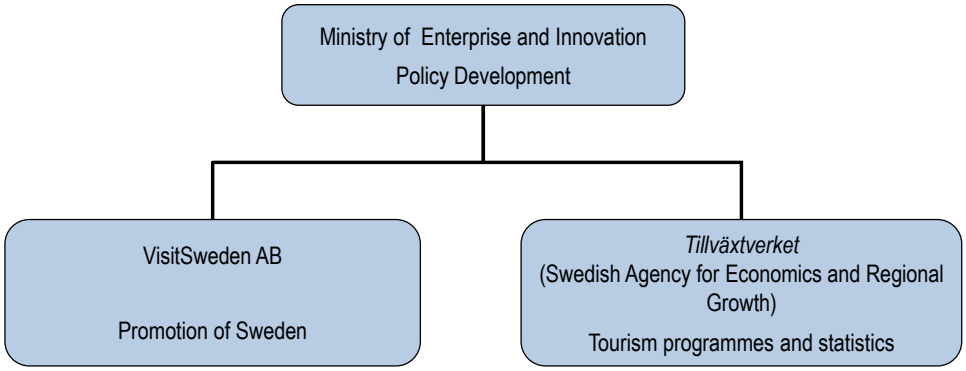
The Swedish Agency for Economic and Regional Growth, *Tillväxtverket*, is responsible for developing tourism at national level, while *Visit Sweden* markets Sweden as a tourism destination internationally. Both organisations report to the Ministry of Enterprise and Innovation. *Tillväxtverket* develops, implements and supports knowledge-based initiatives to promote tourism development, entrepreneurship, and SMEs competitiveness. The Agency is responsible for official tourism statistics, the production and dissemination of economic knowledge on tourism as well as collaboration with other government agencies. *Tillväxtverket* also supports the regions in their work to develop and implement action plans for sustainable regional development as tourism is a priority for many. It has a regional structure and a role in disbursing EU funds. *Visit Sweden* is a company owned by the government which promotes Sweden as a tourist destination abroad. In previous years, *Visit Sweden* has focused on emerging markets, such as India and China, promoted sustainable nature and ecotourism in rural areas and worked to extend the length of stay of international visitors.

Collaboration between national agencies has recently been strengthened. In autumn 2018 and spring 2019, two high level meetings between 16 national agencies with interests in tourism were held to agree strategic priorities and joint work opportunities (See Box). The Minister for Enterprise and Innovation also holds a national tourism forum twice a year to identify common challenges. The Forum promotes dialogue with public and private actors in the tourism industry, including unions and regional representatives.

As regards regional and local arrangements, the *Swedish Association of Local Authorities and Regions* has recently increased its tourism partnership work providing a helpful network to share knowledge and connect various interests.

The central allocation for *Visit Sweden* is SEK 105 million per year. Related programmes, such as the marketing of Swedish design and fashion, can also contribute further funds, in this instance SEK 28 million in the 3 year period to 2019. The budget at Tillväxtverket for tourism statistics and development totals around SEK 25 million.

Sweden: Organisational chart of tourism bodies



Source: OECD, adapted from the Ministry of Enterprise and Innovation, 2020.

Tourism policies and programmes

Generally, UN Sustainable Development Goals guide Swedish policy. One related objective of the current government is that Sweden will be the first fossil-free state by 2045. The major challenges for Swedish tourism are connectivity and transportation, small enterprise profitability, destination and product development, digitalisation, seasonality and sustainability.

Transportation is crucial and at the same time challenging because of Sweden's geography and location, combined with a relatively small population and sparsely populated areas. These circumstances also make rural tourism development and the installation of high speed internet access challenging. Seasonality has always been an issue but a positive trend has seen recent growth in winter tourism, which is helping spread demand. Sustainability and how to integrate its principles at all levels will remain a major challenge from the perspectives of both public and private sectors.

These challenges are now being considered in the context of a new national tourism strategy for completion in 2020. The policy priority is to develop a long-term strategy to run until 2030 that promotes sustainable tourism development and provides a platform to implement actions that meets both national and global challenges. A major input for the strategy was the 2017 public inquiry. It received many contributions and ideas from a wide range of interests relating to tourism growth, entrepreneurship and employment, and encouraged actors to mobilise their combined efforts for the benefit of the tourism and hospitality sector.

A variety of other initiatives will also inform the strategy. Developed from an earlier Sustainable Destination Development initiative, the *HPU* programme *(Sustainable Product Programme)* seeks to stimulate product development in seven tourism destinations aiming to develop sustainable nature and/or culture based tourism offers. The programme targets support towards a selection of usually small and micro tourism businesses, encouraging innovation in sustainable tourism and developing ways that it can be practically implemented, both by individual companies and within destinations. Work undertaken by *Visita*, the

industry employer's organisation representing some 7 000 hotels and restaurants, has also provided a basis for best practice in the management of sustainable and inclusive tourism growth.

As well as promoting sustainability, the Government has been proactive in reducing the regulatory burden for tourism businesses which due to their size often find it difficult to understand or meet regulations, especially given differing requirements at a number of levels. In some cases, processes and demands can differ among Sweden's 290 municipalities. In line with the government's goals for simplified regulation and its *Digital by Default* principle, a cross-agency project entitled *Serverat* has taken on tourism companies' data delivery responsibilities and contacts with public authorities. Within the project, digital information services and guidance are developed based on a company's circumstances and needs. Simplification of permits and similar procedures that companies must complete in order to start or develop their business are the current focus of the programme. At present, 37 municipalities are fully linked to the project and more are working towards becoming integrated. The website *verksamt.se* provides additional support to businesses with information drawn from several government agencies relating to preparing, starting and developing a successful business.

During 2019 *Tillväxtverket* also has a government assignment to carry out case studies for collaboration between manufacturing industry and tourism sector. The purpose is to investigate the conditions for strengthening the tourism sector and the manufacturing industry. The goal is to promote stakeholder interaction between enterprises, business organisations, tourism organisations and civil society, within and between municipalities and regions. The method aims to strengthen regional and local attractiveness and the development of attractive tourist destinations.

With regard to future-proofing tourism policies, the *Visit the Future* project will inform the development of the new tourism strategy. This is a joint project between *Tillväxtverket* and the trade organisation *Svensk Turism* focusing on innovative and cross-sectoral business development in Swedish tourism destinations. The project has analysed how changes in society and consumer trends can affect tourism development, how other sectors can also be affected, and how as a result of these changes added value can be created for the tourism sector. Recently, two regional pilot projects have begun, one on the theme of robotics and the other on the theme of smart lodging and food.

A strengthened collaboration between national agencies

Collaboration between national agencies has been strengthened in Sweden in recent years. Through dialogue and a structured working process, led by The Swedish Agency for Economic and Regional Growth, Tillväxtverket, a common agenda and activity plan has been developed. Agreed projects include tourism transport planning, aviation impacts and importance, skills analysis and methodologies for world heritage destination development. Collaboration includes 16 agencies, relating to nine different ministries. The overall goals of the collaboration are set by the agencies, considering current Swedish tourism policy goals as well as Agenda 2030. The working process is built around high-level meetings held once or twice a year, gathering the agencies' general directors who give mandate to a working group and decide on prioritised activities. Every activity or project should include at least two active agencies, address a national challenge and contribute to increased knowledge and a long-term solution to a concrete problem. As an example, the Miranda project - Micro-based decision support for sustainable tourism travelling and infrastructure planning was developed in close co-operation with the Swedish Transport Administration, Tillväxtverket and Dalarna University. This has the aim to increase knowledge and improve methods and decision-making for infrastructure and traffic planning to better meet the specific needs of tourism. The approach is to increase the understanding of the scope of tourism at the local and regional level by analysing relevant transport flows and indicators, which in turn provides better opportunities to evaluate and plan for national infrastructure investments.

Statistical Profile

Sweden: Domestic, inbound and outbound tourism

	2014	2015	2016	2017	2018
TOURISM FLOWS, THOUSAND					
Domestic tourism[1]					
Total domestic trips	..	..	..	54 216	55 880
Overnight visitors (tourists)	..	..	..	37 316	35 686
Same-day visitors (excursionists)	..	..	..	16 900	20 194
Nights in all types of accommodation	42 654	44 854	46 203	47 017	47 852
Hotels and similar establishments	28 374	30 126	31 221	31 916	33 075
Other collective establishments	14 280	14 729	14 981	15 101	14 777
Private accommodation	..	..	..	..	..
Inbound tourism[2]					
Total international arrivals	19 945	..	..	..	..
Overnight visitors (tourists)	10 750	..	..	..	..
Same-day visitors (excursionists)	9 195	..	..	..	..
Top markets					
Denmark	1 967	..	..	..	..
Norway	1 754	..	..	..	..
Finland	1 550	..	..	..	..
Germany	1 285	..	..	..	..
United Kingdom	603	..	..	..	..
Nights in all types of accommodation	13 748	15 175	15 594	16 191	17 327
Hotels and similar establishments	8 860	9 926	10 375	11 000	11 720
Other collective establishments	4 888	5 249	5 219	5 191	5 608
Private accommodation	..	..	..	..	..
Outbound tourism					
Total international departures	..	..	..	..	..
Overnight visitors (tourists)	..	..	19 771	20 361	18 855
Same-day visitors (excursionists)	..	..	..	..	..
Top destinations					
..	..	..	..	..	..
..	..	..	..	..	..
..	..	..	..	..	..
..	..	..	..	..	..
..	..	..	..	..	..
TOURISM RECEIPTS AND EXPENDITURE, MILLION SEK					
Inbound tourism					
Total international receipts	96 905	111 723	127 159	139 226	150 104
International travel receipts	81 261	95 453	109 137	120 587	129 945
International passenger transport receipts	15 643	16 270	18 022	18 639	20 159
Outbound tourism					
Total international expenditure	125 986	139 097	147 454	165 911	176 818
International travel expenditure	108 443	121 593	127 460	145 184	156 965
International passenger transport expenditure	17 543	17 504	19 994	20 727	19 853

.. Not available
1. Trips from demand side surveys; Nights from supply side surveys.
2. Arrivals from demand side surveys; Nights from supply side surveys.
Source: OECD Tourism Statistics (Database).

StatLink http://dx.doi.org/10.1787/888934077939

Sweden: Enterprises and employment in tourism

	Number of establishments[1]	Number of persons employed				
	2017	2014	2015	2016	2017	2018
Total	**..**	**152 000**	**154 900**	**154 600**	**169 500 p**	**172 400 p**
Tourism industries	**27 487**	**147 400**	**149 700**	**150 900**	**165 200 p**	**168 200 p**
Accommodation services for visitors	..	70 500	72 600	72 000	80 600 p	82 200 p
Hotels and similar establishments	2 025	..	..	..	..	..
Food and beverage serving industry	25 462	..	..	..	..	..
Passenger transport	..	18 600	18 000	18 600	19 800 p	20 200 p
Air passenger transport	..	..	..	..	..	..
Railways passenger transport	..	..	..	..	..	..
Road passenger transport	..	..	..	..	..	..
Water passenger transport	..	..	..	..	..	..
Passenger transport supporting services	..	..	..	..	..	..
Transport equipment rental	..	..	..	..	..	..
Travel agencies and other reservation services industry	..	12 100	11 600	11 100	11 400 p	11 800 p
Cultural industry	..	16 000	16 100	16 900	18 000 p	18 500 p
Sports and recreation industry	..	..	..	..	..	..
Retail trade of country-specific tourism characteristic goods	..	30 200	31 400	32 300	35 400 p	35 500 p
Other country-specific tourism industries	..	..	..	..	..	..
Other industries	**..**	**4 600**	**5 200**	**3 700**	**4 300 p**	**4 200 p**

.. Not available; p Provisional data
1. Data refer to number of enterprises.
Source: OECD Tourism Statistics (Database).

StatLink http://dx.doi.org/10.1787/888934077958

Sweden: Internal tourism consumption

Million SEK

	2018		
	Domestic tourism expenditure	Inbound tourism expenditure	Internal tourism consumption
Total	**..**	**..**	**..**
Consumption products	**192 655 p**	**144 070 p**	**336 724 p**
Tourism characteristic products	137 897 p	62 197 p	200 095 p
Accommodation services for visitors	54 167 p	8 071 p	62 238 p
Food and beverage serving services	17 113 p	26 090 p	43 204 p
Passenger transport services	..	..	..
Air passenger transport services	14 829 p	14 186 p	29 015 p
Railways passenger transport services	3 979 p	47 p	4 026 p
Road passenger transport services	11 949 p	1 262 p	13 211 p
Water passenger transport services	1 754 p	1 784 p	3 538 p
Passenger transport supporting services	..	..	..
Transport equipment rental services	4 500 p	1 585 p	6 085 p
Travel agencies and other reservation services industry	19 121 p	0 p	19 121 p
Cultural services	10 485 p	9 172 p	19 657 p
Sports and recreation services	..	..	..
Country-specific tourism characteristic goods	0	0	0
Country-specific tourism characteristic services	0	0	0
Other consumption products	54 757 p	81 872 p	136 630 p
Tourism connected products	..	..	..
Non-tourism related consumption products	..	..	..
Non-consumption products	**..**	**..**	**..**

.. Not available; p Provisional data
Source: OECD Tourism Statistics (Database).

StatLink http://dx.doi.org/10.1787/888934077977

Switzerland

Tourism in the economy

In 2018, tourism contributed 2.9% to Swiss GDP and employed 181 700 people (full-time equivalents), corresponding to 4.4% of total employment. International travel receipts were CHF 16.6 billion, representing 4.1% of total exports. Travel exports accounted for 13.4% of total service exports in 2018.

In 2018, 11.7 million international tourists were recorded, registering 21.4 million overnight stays. This figure represents 55.1% of the national 38.8 million overnight stays registered in the hotel sector – a record high. Compared to the previous year, nights in hotel establishments by international tourists increased by 4.5%.

The most important foreign source market remains Germany, representing 18.9% of international overnight tourists. Between 2008 and 2017, the number of nights taken by German tourists dropped each year, driven in part by the strong Swiss franc. However, in 2018, the number of nights from Germany has increased (+6.9%). Another important trend is the number of overnight stays taken by tourists from the United States: from 2011 growth has been consistent, rising from 1.5 million to 2.3 million overnight stays in 2018, a 51% increase. Consequently, the United States now represents the second most important source market after Germany.

Domestic tourism has also shown growth each year since 2013, with a record high of 17.4 million nights in hotels and similar establishments 2018.

Tourism governance and funding

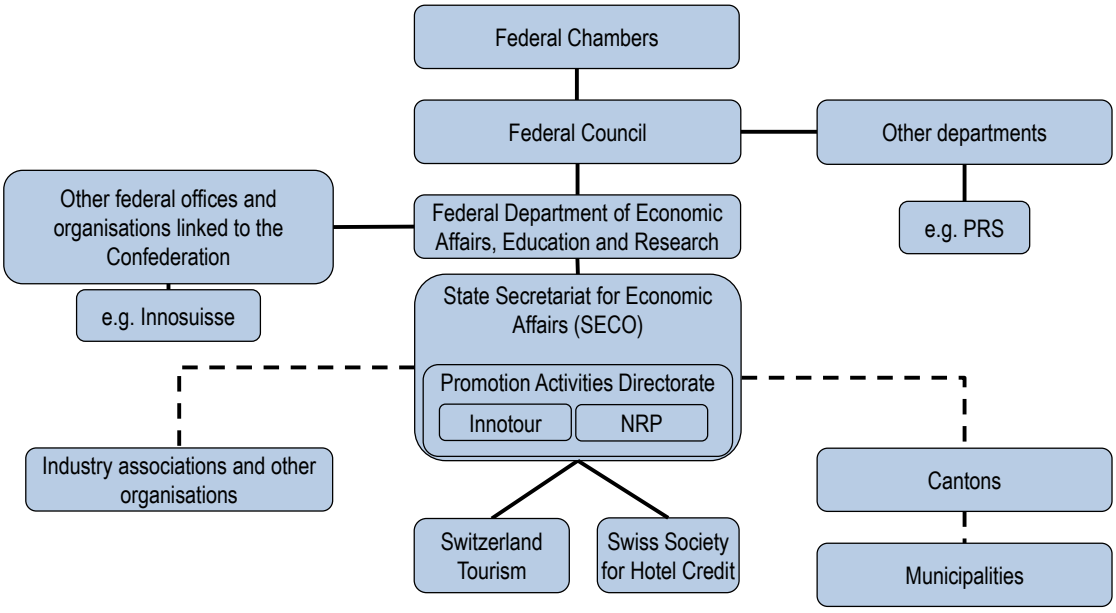
The State Secretariat for Economic Affairs (SECO) is responsible for the development and implementation of Switzerland's tourism policy. SECO enforces the Federal Act on the Promotion of Innovation, Co-operation and Knowledge Building in Tourism (Innotour) and supervises two associations tasked with implementing tourism measures: *Switzerland Tourism* carries out marketing activities relating to Swiss tourism and the *Swiss Society for Hotel Credit* supports investment in the accommodation sector.

Numerous political bodies at both national and regional levels influence the delivery of tourism policy, including various industry organisations. Federal tourism policy and its levers are subsidiary to the work of the cantons, local authorities and tourism-related industries. Maintaining dialogue within the Federal Administration, between the cantons and with tourist actors and associations is fundamental to the development of the industry. In that light, *Tourism Forum Switzerland (TFS)* was established to provide a platform for dialogue and co-ordination and allow co-operation across the sector. Broadly diversified, often temporary, working groups consisting of representatives of the private sector, cantons, communes and the Federal Administration, meet regularly to discuss current challenges and potential improvements. At the Forum's main event in November, the results of the working groups are gathered and presented, and the priorities for the following year are discussed.

In 2019, CHF 60.5 million were available for national tourism policies. Of this, CHF 52.8 million went to *Switzerland Tourism*. A further CHF 7.5 million was available for supporting Innotour. For the period 2020–

23, the Parliament has allocated about CHF 57.5 million annually for Switzerland Tourism and CHF 7.5 million for Innotour. The Swiss Society for Hotel Credit is supported by the Confederation with an existing interest-free long-term loan of some CHF 230 million.

Switzerland: Organisational chart of tourism bodies



Source: OECD, adapted from the State Secretariat for Economic Affairs, 2020.

Tourism policies and programmes

Swiss tourism is facing major challenges including rising costs, rapidly changing market trends, climate change, difficulties in recruitment and rising standards of digitalisation. To address these challenges, the Confederation published a new tourism strategy in 2017, with a vision for Switzerland to be an attractive and productive tourist destination with an internationally competitive tourism sector. For the years 2020 – 2023, the policy priority in Switzerland is the implementation of this tourism strategy. With a core focus on digital transformation, the strategy has four principal objectives:

- Improving the framework conditions for tourism. Prioritisation is geared towards improving the way in which the government's tourism policy is co-ordinated to maximise synergies. A second focus lies in providing a tourism-friendly regulatory environment. To do so, regulations will be streamlined where possible and processes and procedures at federal level simplified.
- Promoting entrepreneurship with a focus on increasing productivity, boosting workforce skills and competencies, supporting structural change and strengthening the tourism labour market.
- Exploiting the opportunities presented by the digital economy. A comprehensive study has analysed the challenges, opportunities and implications of digitalisation giving a robust basis for action. In 2019, Switzerland Tourism's new online platform MySwitzerland.com was launched. With its launch, an important goal set out in the tourism strategy has been achieved.
- Enhancing the attractiveness of the tourism offer and boosting market presence. The focus is on the development of large-scale sports and major MICE related events, such as world expos, as well as an assessment of the types of investment policies that can assist tourism.

Entrepreneurial thinking and action are decisive factors for successful tourism which is why promoting entrepreneurship is one of the main goals of the strategy. Collaboration with *Innosuisse*, the Swiss

Innovation Agency, has resulted in an analysis of how typical tourism businesses are formed and how they can best be supported. This identified the main challenges that companies in the tourism sector typically face in their start-up phase. Key messages from the analysis were that business creation stimulates competition and supports structural change, market failure justifies the State's support for entrepreneurship, and, in Switzerland, a comprehensive support system is already provided. Various recommendations were made for improvement: for example, to improve the clarity of and the accessibility to support instruments; to design support for business creation using a network approach; to anchor entrepreneurship into apprenticeships and other educational opportunities, and to improve statistical data related to business creation. On the basis of these recommendations, SECO developed various measures. One is strengthened co-operation between SECO and *Innosuisse*, to ensure that *Innosuisse's* support is known and used by more of the private sector. Another step to boost business creation is to use Tourism Forum Switzerland as a platform for the promotion of start-up activities.

A Tourism Policy Advisory Group was established in 2017 to aid the development and implementation of the tourism strategy. The group, led by SECO, meets twice a year and serves as a sounding board. It has a balanced membership of entrepreneurs, tourism organisations, policy-makers and academics. The Group is informed about the state of current work, consulted regarding key activities and gives concrete advice as regards the development of future policy. The dialogue ensures that emerging trends and issues are fully understood and necessary policy action is taken.

Analysing the impact of land-use regulations for tourism development in Switzerland

The increasing number and complexity of regulations covering numerous policy areas leads to administrative hurdles for tourism businesses. In order to counteract these hurdles and ensure that tourism can be successfully developed, one of the goals of the tourism strategy is to improve the framework conditions. Striving towards a tourism-friendly regulatory climate is therefore a key focus. Collaboration with the Tourism Policy Advisory Group, the SECO-led group that provides advice for the development of future policy, has revealed that regulations relating to land use planning play a particularly central role. In light of this, the State Secretariat for Economic Affairs commissioned a study to identify the most important issues for tourism projects in relation to the spatial planning regulations. This work aims to help both reduce the costs of regulation and the administrative burden currently faced by many tourism entrepreneurs and companies.

The study showed that, from the point of view of the tourism economy, there are four very important critical success factors namely: planning security, a short planning duration, business freedom and cost-effective processes. Collaboration with the relevant actors played a central role in reaching these conclusions: relevant authorities, cantonal representatives, experts and interested associations were fundamental to the success of the work. The aim now is to develop concrete policy measures that implement the findings and reduce the administrative burden on tourism businesses. These could include:

- Reducing the complexity of planning procedures to make it easier to take forward certain types of projects, such as the creation / refurbishment of mountain cable cars.
- Altering the weighting / importance of certain issues, to make the process more transparent and efficient and where appropriate giving greater weight to economic concerns (compared to, for example, concerns relating to the environment).

Statistical Profile

Switzerland: Domestic, inbound and outbound tourism

	2014	2015	2016	2017	2018
TOURISM FLOWS, THOUSAND					
Domestic tourism[1]					
Total domestic trips	76 000	78 050	76 374	76 309	80 020
Overnight visitors (tourists)	7 732	7 830	7 465	8 231	8 201
Same-day visitors (excursionists)	68 268	70 220	68 909	68 078	71 819
Nights in all types of accommodation	..	..	26 381	27 768	28 573
Hotels and similar establishments	16 026	16 052	16 245	16 920	17 413
Other collective establishments	..	..	10 136	10 848	11 160
Private accommodation	..	..	..	..	..
Inbound tourism					
Total international arrivals	..	..	..	..	..
Overnight visitors (tourists)	9 158	9 305	10 402 |	11 133	11 715
Same-day visitors (excursionists)	..	..	..	..	..
Top markets					
Germany	1 812	1 616	2 018 |	2 072	2 216
China	891	1 210	982 |	1 062	1 135
United States	752	803	899 |	1 009	1 118
France	699	655	773 |	788	826
United Kingdom	712	710	800 |	808	820
Nights in all types of accommodation	..	..	24 016	25 515	26 784
Hotels and similar establishments	19 907	19 576	19 288	20 473	21 394
Other collective establishments	..	..	4 728	5 042	5 390
Private accommodation	..	..	..	..	..
Outbound tourism					
Total international departures	..	..	..	24 594	26 397
Overnight visitors (tourists)	13 427	14 925	14 941	16 650	16 735
Same-day visitors (excursionists)	..	..	..	7 944	9 662
Top destinations					
Germany	2 639	2 939	2 980	2 766	3 135
Italy	2 557	2 808	2 730	2 868	2 964
France	2 003	2 244	1 913	3 213	2 441
Austria	1 019	1 091	960	1 062	1 078
TOURISM RECEIPTS AND EXPENDITURE, MILLION CHF					
Inbound tourism					
Total international receipts	16 308	15 753	15 756	16 228	16 596
International travel receipts	16 308	15 753	15 756	16 228	16 596
International passenger transport receipts	..	..	..	..	..
Outbound tourism					
Total international expenditure	15 444	15 675	16 225	17 570	17 949
International travel expenditure	15 444	15 675	16 225	17 570	17 949
International passenger transport expenditure	..	..	..	..	..

.. Not available; | Break in series
1. Trips from demand side surveys; Nights from supply side surveys.
Source: OECD Tourism Statistics (Database).

StatLink http://dx.doi.org/10.1787/888934077996

Switzerland: Enterprises and employment in tourism

	Number of establishments	Number of persons employed				
	2018	2014	2015	2016	2017	2018
Total	**..**	**171 784**	**173 534**	**175 436**	**177 034**	**181 699 p**
Tourism industries	**..**	**136 950**	**138 606**	**140 315**	**141 697**	**146 019 p**
Accommodation services for visitors	39 057	36 211	34 886	35 233	35 419	35 780 p
Hotels and similar establishments	4 765	32 797	31 521	31 929	32 136	32 464 p
Food and beverage serving industry	..	42 398	45 800	46 897	46 356	48 302 p
Passenger transport	..	26 519	26 643	27 225	27 925	28 976 p
Air passenger transport	..	7 891	8 015	8 727	8 619	9 443 p
Railways passenger transport	..	12 914	12 748	12 550	13 196	13 294 p
Road passenger transport	..	4 814	4 936	5 040	5 161	5 199 p
Water passenger transport	..	899	944	908	950	1 041 p
Passenger transport supporting services	..	5 143	5 170	5 373	5 420	5 548 p
Transport equipment rental	..	514	535	531	543	560 p
Travel agencies and other reservation services industry	..	14 211	13 726	13 160	13 648	14 087 p
Cultural industry	..	3 675	3 683	3 670	3 896	4 038 p
Sports and recreation industry	..	6 120	6 066	6 181	6 471	6 702 p
Retail trade of country-specific tourism characteristic goods	..	..	..	..	..	..
Other country-specific tourism industries	..	2 160	2 097	2 045	2 019	2 025 p
Other industries	**..**	**34 835**	**34 928**	**35 121**	**35 337**	**35 681 p**

.. Not available; p Provisional data
Source: OECD Tourism Statistics (Database).

StatLink http://dx.doi.org/10.1787/888934078015

Switzerland: Internal tourism consumption

Million CHF

	2014		
	Domestic tourism expenditure	Inbound tourism expenditure	Internal tourism consumption
Total	**..**	**..**	**..**
Consumption products	**13 983**	**16 692**	**33 582**
Tourism characteristic products	11 601	13 734	27 930
Accommodation services for visitors	2 846	2 590	7 411
Food and beverage serving services	2 715	2 871	5 587
Passenger transport services	4 519	5 063	9 873
Air passenger transport services	3 214	2 990	6 203
Railways passenger transport services	870	1 219	2 379
Road passenger transport services	405	772	1 177
Water passenger transport services	30	83	114
Passenger transport supporting services	331	434	765
Transport equipment rental services	110	143	253
Travel agencies and other reservation services industry	135	1 079	1 375
Cultural services	64	191	422
Sports and recreation services	752	844	1 596
Country-specific tourism characteristic goods	..	..	..
Country-specific tourism characteristic services	130	518	647
Other consumption products	5 902	9 473	15 687
Tourism connected products	2 382	2 959	5 652
Non-tourism related consumption products	3 521	6 514	10 035
Non-consumption products	**..**	**..**	**..**

.. Not available
Source: OECD Tourism Statistics (Database).

StatLink http://dx.doi.org/10.1787/888934078034

Turkey

Tourism in the economy

Tourism is one of Turkey's most dynamic and fastest growing economic sectors. In 2018, it directly accounted for 7.7% of total employment, directly employing 2.2 million people. Total tourism income represented 3.8% of GDP. Travel exports accounted for 51.9% of total service exports in 2018.

Turkey attracted 45.8 million international tourists in 2018, an increase of 21.7% compared with 2017 which generated TRY 142.4 billion in tourism revenues, a 12% increase compared to the previous year. According to 2018 border statistics, top inbound markets included Russia, accounting for 13.0% of total international arrivals and Germany with 9.8%. Other top markets include Bulgaria (5.2%), United Kingdom (4.9%) and Georgia (4.5%).

Domestic tourism is growing in Turkey with a total of 126.4 million trips recorded in 2018. This is an increase of 4.6% when compared to 2017. Of these trips, 78.5 million were overnight visitors (62.1%) and 47.9 million were same-day visitors (37.9%).

Tourism governance and funding

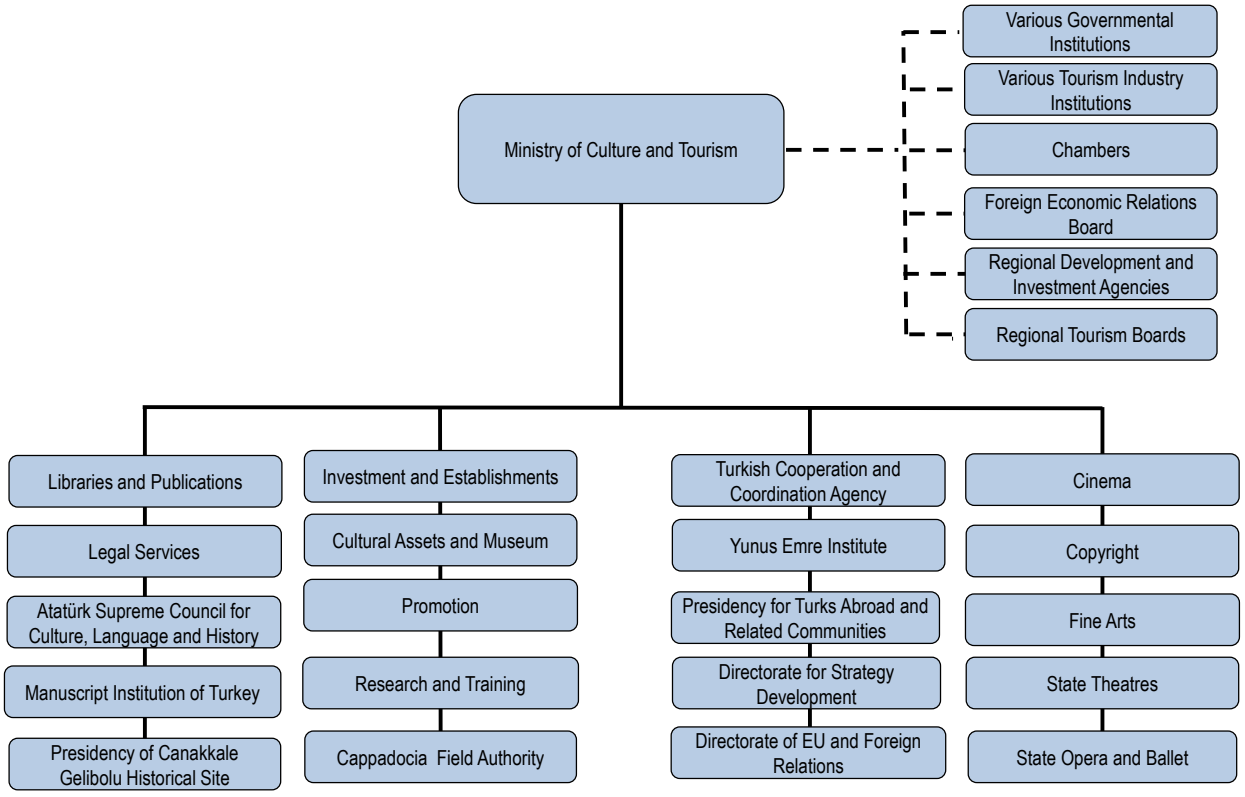
The Ministry of Culture and Tourism is responsible for tourism in Turkey. Its duties are to investigate, develop, protect, maintain, evaluate, disseminate and promote tourism in order to contribute to the strengthening of national unity and economic growth.

Overseas marketing and promotion is directed and co-ordinated by the Promotion Directorate within the Ministry of Culture and Tourism and delivered by a network of 46 overseas offices in 41 different countries. At regional level Turkey has 81 Provincial Culture and Tourism offices that conserve the historical, cultural and natural heritage, diversify tourism, and promote the region through cultural events, festivals and fairs in the regions.

Several professional institutions and private sector associations work closely with the Ministry, both to plan tourism and to address specific issues. These bodies include the Association of Turkish Travel Agencies, Touristic Hotels and Investors Association, Hoteliers Federation, Turkish Tourism Investors Association and the Union of Tourist Guides' Chambers. The investment Office of the Presidency of the Republic of Turkey also promotes Turkey's investment opportunities to the global business community and provides assistance to investors.

In August 2019, the Turkey Tourism, Promotion and Development Agency was established to promote the development of tourism capacity. The Agency has an executive board, with member representatives from both public and private sectors.

Turkey: Organisational chart of tourism bodies



Source: OECD, adapted from the Ministry of Culture and Tourism, 2020.

Tourism policies and programmes

The principal national policy documents relating to tourism are the Five-Year National Development Plans and the three-year rolling medium-term programmes known as the New Economy Programme. The current 11th development plan from 2019-2023, is considered to be the roadmap to increase the economic welfare of Turkey over the long-term. Tourism is defined in the Plan as one the primary sectors to be encouraged. As outlined in the New Economy Programme for the 2019-2021 period, Turkey has begun preparing a *Tourism Master Plan* to deliver the policy priorities. The Ministry of Culture and Tourism, taking account of the tourism perspectives in the above mentioned documents, prepares a Strategic Plan to 2023, which demonstrates the sectoral priorities and activities covering a four year period.

Diversification and innovation of tourism activities in accordance with changing consumer trends and technology, extending the tourism season, increasing the service quality, attracting high spending visitors and increasing length of stay are the essential aims of the Development Plan. Annual Programmes that define the short term priorities and the road map are also published and co-ordinated by the Strategy Budget Office of the Turkish Presidency.

The main issues and challenges facing tourism in Turkey include:

- Addressing seasonality - As a predominantly sun and sea destination, tourism flows and occupancy levels are highly concentrated in the summer season, limiting profitability and the contribution that tourism makes to the economy,
- Enabling the use of tourism as a tool for regional development - while there is great scope for increasing tourism it is currently concentrated in key coastal and city destinations,

- Improving environmental performance - of the tourism industry and by developing new products, ensuring that it is planned and developed sustainably and uses resources wisely,
- Improving the quality of service skills in tourism - with particular regard to education and training of the workforce, and,
- Responding to global unrest and economic crises in nearby countries.

The Government's aim is to ensure a competitive, sustainable and inclusive tourism industry. Current policy objectives include diversifying away from the mass tourism 'sun and sea' product by developing high quality niche tourism experiences that match consumer expectations. These niches include cultural tourism, sports tourism, MICE/business tourism and the health/wellness sector. Extending the season to benefit from a year-round product and spreading the benefits of tourism regionally are other important objectives. The Government is also committed to ensuring that tourism products and services are fully accessible for all visitors.

Developing Turkey's image and brand on the world stage, and as a result increasing Turkey's market share, is considered fundamental. Market research reflects the changing needs and demands of today's visitors and current marketing activity is focussed on both volume and emerging markets with a priority to increase the share of high income tourists and gain additional spend per tourist by increasing the length of stay. India, Republic of China, South Korea and Japan are being prioritised in order to increase tourist traffic and revenue.

Promotions cover a wide range of activity and channels including social and digital platforms, international tourism fairs, hosting influencers, special events, familiarisation trips for trade and media and extensive PR activity. This emphasises the breadth and range of product away from 'sun and sea' to include winter experiences, youth, golf, sailing, health and city tourism. Recently implemented marketing activity drew on the Country's unique values by emphasising the rich cultural and artistic heritage that has existed in Turkey for millennia. The Ministry of Culture and Tourism has focussed on both supply and demand – by prioritising the conservation of heritage assets and by increasing market share through enhancing the image and perception of the country and working to strengthen its brand values worldwide. This dual focus has been underpinned over the last two years by adopting a theme for each year with 2018 being declared as *Year of Troy* and 2019 as *Year of Göbeklitepe.* By promoting such cultural, artistic and touristic values and creating awareness about these values, the series of *Years* aims to enhance the image and perception of the country and strengthen its international brand.

Another future orientated programme has been the development of new social media and digital strategies to grow new markets. The Ministry of Culture and Tourism has introduced the Go Turkey platform, with 6.5 million followers, which draws on the country's natural, historical and cultural values. The platform contains destination and product information that focuses on different experiences in lesser-known destinations, and on other seasons and activities including winter season, health, convention, yacht, youth, city and cultural tourism. Extensive social media activity covers posts on Facebook, Twitter, Instagram, Pinterest, YouTube, LinkedIn, Snapchat and TripAdvisor.

Statistical Profile

Turkey: Domestic, inbound and outbound tourism

	2014	2015	2016	2017	2018
TOURISM FLOWS, THOUSAND					
Domestic tourism					
Total domestic trips	115 088	115 381	106 501	120 872	126 446
Overnight visitors (tourists)	70 894	71 251	68 450	77 179	78 523
Same-day visitors (excursionists)	44 194	44 130	38 051	43 693	47 923
Nights in all types of accommodation	575 871	588 786	605 608	665 194	633 721
Hotels and similar establishments	41 322	39 621	48 623	49 786	55 815
Other collective establishments	23 209	17 294	17 700	19 030	19 116
Private accommodation	511 340	531 871	539 285	596 378	558 790
Inbound tourism[1]					
Total international arrivals	41 627	41 114	30 907	37 970	46 113
Overnight visitors (tourists)	39 811	39 478	30 289	37 601	45 768
Same-day visitors (excursionists)	1 816	1 636	618	369	345
Top markets					
Russian Federation	4 460	3 633	857	4 702	5 954
Germany	5 026	5 356	3 827	3 518	4 464
Bulgaria	1 688	1 817	1 688	1 850	2 383
United Kingdom	2 352	2 266	1 588	1 604	2 220
Georgia	1 751	1 907	2 204	2 434	2 066
Nights in all types of accommodation	118 939	109 256	77 460	80 063	112 245
Hotels and similar establishments	118 546	109 014	77 177	79 960	112 118
Other collective establishments	393	242	283	103	127
Private accommodation	..	..	..	..	..
Outbound tourism					
Total international departures	7 982	8 751	7 892	8 887	8 383
Overnight visitors (tourists)	..	..	..	..	..
Same-day visitors (excursionists)	..	..	..	..	..
Top destinations					
Europe not specified	649	767	922	1 105	1 229
Iraq	1 214	1 401	57	581	1 014
Bulgaria	731	782	939	949	987
Greece	912	1 018	883	1 058	884
Georgia	1 256	1 164	1 187	1 016	778
TOURISM RECEIPTS AND EXPENDITURE, MILLION USD					
Inbound tourism					
Total international receipts	38 855	35 597	26 788	31 868	37 140
International travel receipts	29 552	26 616	18 743	22 478	25 220
International passenger transport receipts	9 303	8 981	8 045	9 391	11 920
Outbound tourism					
Total international expenditure	5 475	5 683	5 025	5 181	4 999
International travel expenditure	5 072	5 368	4 783	4 823	4 595
International passenger transport expenditure	403	315	242	358	404

.. Not available
1. Arrivals from demand side surveys; Nights from supply side surveys.
Source: OECD Tourism Statistics (Database).

StatLink http://dx.doi.org/10.1787/888934078053

Turkey: Enterprises and employment in tourism

	Number of establishments[1]	Number of persons employed				
	2017	2014	2015	2016	2017	2018
Total	..	..	..	..	..	..
Tourism industries	**492 960**	**1 801 084**	**1 926 751**	**1 969 776**	**2 062 808**	**2 222 378**
Accommodation services for visitors	21 116	260 777	300 182	267 589	294 958	343 928
Hotels and similar establishments	16 350	219 881	250 289	214 928	247 100	286 101
Food and beverage serving industry	267 094	1 071 945	1 128 515	1 164 473	1 189 288	1 253 134
Passenger transport	164 475	311 570	324 820	362 572	391 243	411 351
Air passenger transport	157	..	..	..	..	..
Railways passenger transport	.. c	..	..	..	..	..
Road passenger transport	161 359	..	..	..	..	..
Water passenger transport	2 959	..	..	..	..	..
Passenger transport supporting services	..	..	..	..	..	..
Transport equipment rental	8 809	15 506	13 311	15 727	24 250	27 593
Travel agencies and other reservation services industry	9 240	46 647	49 734	51 324	44 157	50 103
Cultural industry	5 476	32 400	38 565	50 000	56 491	55 111
Sports and recreation industry	16 750	62 240	71 624	58 092	62 422	81 158
Retail trade of country-specific tourism characteristic goods	..	..	..	..	..	..
Other country-specific tourism industries	..	..	..	..	..	..
Other industries	**..**	**..**	**..**	**..**	**..**	**..**

.. Not available; c Confidential data
1. Data refer to number of enterprises.
Source: OECD Tourism Statistics (Database).

StatLink http://dx.doi.org/10.1787/888934078072

United Kingdom

Tourism in the economy

Tourism is a major part of the United Kingdom economy. In 2017, the Tourism Satellite Account estimated a direct contribution of GBP 59.7 billion in GVA, 3.2% of total GVA. Tourism is growing at a faster rate than the overall UK economy and an additional 9 million visitors are forecast by 2025. In 2015, 1.6 million jobs were directly attributable to tourism. When considering jobs in tourism-related industries, this figure rises to approximately 3 million, or one in ten of all jobs. Travel exports represented 12.2% of total service exports in 2018.

In 2018, there were 37.9 million visits to the UK, a slight decrease on the record set in 2017, with related spending of GBP 22.9 billion. The top ten markets accounted for 63% of visits and 51% of spending. The top five markets by visitor volume were the United States, France, Germany, Ireland, and Spain.

London receives half of all inbound visits to the United Kingdom, 19.1 million visits in 2018, with 18.8 million overnight stays outside of London. Scotland welcomed 3.5 million and Wales 941 000 visits. Northern Ireland received 2.8 million overnight trips from external visitors, including those from elsewhere in the United Kingdom. The overall volume of overnight domestic trips taken in Great Britain in 2018 decreased by 1.7% to 118.6 million, but related expenditure rose marginally by 1.1% to GBP 23.9 billion.

Tourism governance and funding

The Department for Digital, Culture, Media and Sport (DCMS) is the sponsoring body for tourism in the United Kingdom. Tourism is a devolved competence in Scotland, Wales, Northern Ireland and London. The Department retains responsibility for tourism in England and overseas promotion of Great Britain, and works closely with other UK Government departments, such as the Home Office, Department for Transport, and the Foreign and Commonwealth Office.

VisitBritain is the National Tourist Board responsible for promoting Britain worldwide and developing its visitor economy, with an annual target to increase international visitor spending in England, Wales, Scotland and London by 1.5% above the level recorded by the International Passenger Survey. VisitBritain's five strategic priorities are to: grow the value of tourism for the economy; support the productivity of the tourism industry; drive the dispersal of tourism value to the nations and regions; deliver tourism growth for Britain; and be the expert advisor to the UK Government and the industry on growing tourism.

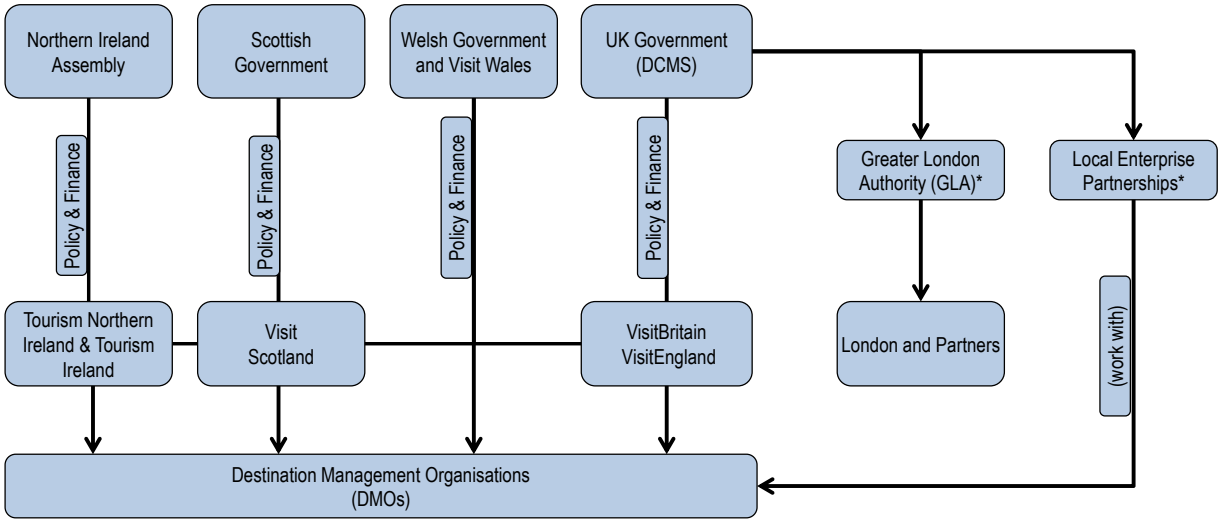
VisitEngland is an advisory body which works to grow the value and quality of tourism in England. Together, VisitBritain and VisitEngland compose the British Tourist Authority. VisitScotland is responsible to the Scottish Government and is charged with marketing Scotland in the United Kingdom and internationally, and other activities relating to quality standards and visitor information. Visit Wales is part of the Welsh Department for Culture Sport and Tourism, and is responsible for formulating tourism policy, encouraging investment, improving quality and marketing Wales in the United Kingdom and internationally.

In Northern Ireland, the Department for the Economy is responsible for tourism strategy and policy and has oversight of two tourism organisations: Tourism Northern Ireland, which is in charge of product development and marketing to visitors from the island of Ireland, and Tourism Ireland, which markets the island of Ireland in Great Britain and overseas. Invest NI administers accommodation grants and provides advice and supports for tourism businesses.

At a UK level, tourism policy development is informed by the Tourism Industry Council, which provides a two-way dialogue between the UK Government and industry. The principal functions of the Council are to act as a voice for the tourism sector to ministers, allow ministers to set challenges to the industry bodies represented, promote cross-industry collaboration within the tourism sector, and be the lead body for industry on the new Tourism Sector Deal. The Council is co-chaired by the Minister for Arts, Heritage and Tourism and a senior tourism industry representative, with members drawn from across the industry. It provides a forum for other UK Government departments to engage. VisitScotland, Visit Wales and Tourism Northern Ireland also attend.

For the spending period 2016-20, the British Tourist Authority received approximately GBP 26.5 million per annum, of which GBP 19.5 million is for VisitBritain and GBP 7 million for VisitEngland. In addition, the British Tourist Authority receives approximately GBP 23 million per annum from the GREAT Campaign to promote Britain abroad. Tourism funding in Scotland, Wales and Northern Ireland is determined by each of the devolved governments.

United Kingdom: Organisational chart of tourism bodies



Note: * Separate funding relationships apply.
Source: OECD, adapted from the Department for Culture, Media and Sport (DCMS), 2020.

Tourism policies and programmes

The UK Government's medium term tourism priorities are to:

- Work with the tourism sector to increase both domestic and international visitor numbers.
- Ensure that government and industry are working with common purpose to boost English and UK tourism.
- Ensure the tourism industry is productive and internationally competitive, and that the labour force is sufficient to meet need (Box 2.6).

- Make it easier for visitors to explore beyond London.

DCMS has been working to implement the 2016 Tourism Action Plan, which outlines the UK Government's five tourism priorities to: strengthen co-ordination and collaboration; increase the attractiveness of tourism as a career; deregulate where possible; improve connectivity; and improve welcome, particularly through refinements to visa arrangements.

A key focus of DCMS and VisitBritain's recent work has been the negotiation of a Tourism Sector Deal between the Government and industry (Box 1.18). Announced in 2019 the Tourism Sector Deal, which is largely focused on England, will take action on the following key challenges and priorities:

- Ensuring the United Kingdom will become the most accessible tourism destination in Europe by 2025 and increasing the number of international disabled visitors by 33%.
- Creating a new independent Tourism Data Hub with support from some of the biggest travel companies (see box). This will allow organisations, including SMEs, to make the most of the big data revolution, to understand activity and product preferences in their area and better tailor their services as a result.
- A commitment from industry to deliver 30 000 apprenticeships per year, in England, by 2025 as well as to lead a mentoring programme aimed at supporting 10 000 employees so that they are more likely to remain in the sector.
- Continuing to be Europe's leading hub for hotel investment for the next decade with over 130 000 additional bedrooms added to accommodation stock by 2025, with 75% of these outside of London.
- Introducing Tourism Zones, bringing businesses and local organisations together to establish a coordinated strategy for growth in their local visitor economy and reduce the impact of seasonality.

Independent Tourism Data Hub in the United Kingdom

Technology and digital connectivity are rapidly changing the way people travel and how audiences interact with the world around them. It is estimated that 85% of inbound visitors to the United Kingdom book their travel online and 56% use location technology to find attractions whilst on holiday. The UK Government sees this change in booking holidays as an opportunity to understand visitor's motivations and habits in new and innovative way. As part of the Artificial Intelligence and Data Grand Challenge the United Kingdom is exploring whether it can transform the way tourism analytics and data is used through the creation of a new independent Tourism Data Hub.

This would help the UK Government to understand visitors' preferences for location, activities and products in real time. For the first time, the sector would also be able to examine tourists who search for the United Kingdom as a holiday destination but ultimately choose a different location. This information would help the United Kingdom understand the gaps in its market and inform the development of the right tourism products to maximise visitor numbers. The information would also help optimise marketing activities and understand, in finer detail, the regional and seasonal spread of visitors. Such data could also prove hugely useful in informing overseas marketing campaigns, such as the GREAT Campaign, which unites the efforts of the public and private sector to generate jobs and growth for Britain. The Hub would serve as the intermediary between large organisations that hold useful data and SMEs that will be able to use this data to drive tourism growth across the regions and nations of the United Kingdom.

While the Sector Deal has a focus on sustainable tourism growth, other initiatives will help to ensure that tourism growth is sustainable and that the UK tourism industry contributes to achieving the UN Sustainable Development Goals.

The UK Government's wider policy priorities include the following:

- Investing in Coastal Communities has a further GBP 40 million for projects that lead to regeneration and economic growth whilst directly or indirectly safeguarding and creating sustainable jobs.
- A new Aviation Strategy to manage a projected 53% growth in passenger numbers over the next 30 years. A key focus of the strategy is ensuring sustainable growth, which meets rising passenger demand but is balanced with action to reduce environmental and community impacts, possibly by individual carbon offsetting.
- West of England Combined Authority has been granted GBP 5.0 million to develop and pilot Augmented Reality and Virtual Reality applications in Bath and Bristol, enabling a virtual Roman soldier to show tourists around the Roman Baths for example. Aligned to this type of project, the UK Government is also supporting the development of smart cities with funding to support innovative transport projects, and a Geospatial Commission to improve location data, which will have tourism applications.

A key focus for VisitEngland is the Discover England Fund. This GBP 40 million fund has developed new itineraries for international audiences, helping 76 destination management organisations develop 66 projects featuring over 3 000 businesses and 1 000 individual products. An example is the Great West Way, a 125-mile touring route from London to Bristol.

In Scotland, the popularity of outstanding scenic areas stimulated by marketing successes such as the North Coast 500 route has led to a rapid increase in visitor numbers. This has resulted in some areas experiencing pressure and negative impacts on a small number of communities. In 2017, the First Minister announced a GBP 6 million Rural Tourism Infrastructure Fund to address some of these concerns. This fund is supporting sustainable, well-planned, inspiring, and collaborative infrastructure projects that focus on improving the visitor experience whilst providing additional and focused investment, stimulating collaboration, and building capacity within Scotland's rural communities.

The Visit Wales 2013-20 Strategy is focused on three main international markets - Ireland, Germany and the United States/Canada. The Strategy is under review and Visit Wales is moving towards a new Action Plan for the Visitor Economy from 2020 onwards. The emphasis is likely to remain on ensuring a sustainable approach to tourism and improving the tourism offer through supporting high quality accommodation, delivering iconic all weather attractions and enhancing the visitor experience at heritage attractions, museums and cultural venues. It also aims to build on Wales's reputation as a major events destination by securing and building potential in international and local business and events.

Northern Ireland will see the production of an updated tourism strategy to 2030 following significant growth over the last decade that has seen visitor revenues grow by 99% to GBP 968 million. The new strategy will develop a stronger destination brand and support a strategic approach to tourism experience development across the country. Events continue to play an important role in tourism promotion with the 2019 Open Golf tournament at Royal Portrush demonstrating the impact of staging world class events with a record attendance of 237 750. The combined economic benefit to Northern Ireland from the event was over GBP 100 million.

Statistical Profile

United Kingdom: Domestic, inbound and outbound tourism

	2014	2015	2016	2017	2018
TOURISM FLOWS, THOUSAND					
Domestic tourism					
Total domestic trips	1 699 240 |	1 879 162	1 953 655	1 914 080	1 821 600
Overnight visitors (tourists)	114 240 |	125 162	119 455	120 680	118 600
Same-day visitors (excursionists)	1 585 000 |	1 754 000	1 834 200	1 793 400	1 703 000
Nights in all types of accommodation	349 550	377 100	359 600	369 400	371 700
Hotels and similar establishments	103 990	..	..	..	144 261
Other collective establishments	106 220	..	..	..	63 793
Private accommodation	..	..	..	..	..
Inbound tourism					
Total international arrivals	34 377	36 115	37 609	39 214	37 905
Overnight visitors (tourists)	32 613	34 436	35 814	37 651	36 316
Same-day visitors (excursionists)	1 764	1 679	1 796	1 563	1 588
Top markets					
United States	2 976	3 266	3 455	3 910	3 877
France	4 114	4 171	4 064	3 956	3 693
Germany	3 220	3 249	3 341	3 380	3 262
Ireland	2 486	2 632	2 897	3 029	2 782
Spain	1 986	2 197	2 397	2 413	2 530
Nights in all types of accommodation	264 367	272 941	278 057	284 781	266 122
Hotels and similar establishments	78 428	73 414	73 926	..	135 996
Other collective establishments	51 858	..	..	..	3 763
Private accommodation	..	..	..	..	..
Outbound tourism					
Total international departures	60 082	65 720	70 815	72 772	71 733
Overnight visitors (tourists)	58 364	64 165	69 375	71 356	70 386
Same-day visitors (excursionists)	1 718	1 555	1 439	1 417	1 347
Top destinations					
..	..	..	..	..	..
..	..	..	..	..	..
..	..	..	..	..	..
..	..	..	..	..	..
..	..	..	..	..	..
TOURISM RECEIPTS AND EXPENDITURE, MILLION GBP					
Inbound tourism					
Total international receipts	38 232	43 205	45 914	36 938	36 431
International travel receipts	30 631	33 259	35 467	36 938	36 431
International passenger transport receipts	7 601	9 946	10 447	..	..
Outbound tourism					
Total international expenditure	52 059	54 927	60 600	50 503	51 742
International travel expenditure	43 183	44 465	49 798	50 503	51 742
International passenger transport expenditure	8 876	10 462	10 802	..	..

.. Not available; | Break in series
Source: OECD Tourism Statistics (Database).

StatLink http://dx.doi.org/10.1787/888934078091

United Kingdom: Enterprises and employment in tourism

	Number of establishments[1]	Number of persons employed				
	2017	2014	2015	2016	2017	2018
Total	**..**	**1 432 019 |**	**1 605 888 |**	**1 514 139 |**	**1 560 621 |**	**..**
Tourism industries	**233 080**	**1 012 842 |**	**1 119 852 |**	**1 054 869 |**	**1 139 844 |**	**..**
Accommodation services for visitors	17 351	275 423 |	288 704 |	249 211 |	379 857 |	..
Hotels and similar establishments	..	..	..	..	..	..
Food and beverage serving industry	135 495	349 348 |	389 238 |	441 462 |	418 858 |	..
Passenger transport	14 217	125 901 |	146 964 |	89 760 |	101 374 |	..
Air passenger transport	487	41 186 |	39 431 |	26 784 |	27 170 |	..
Railways passenger transport	68	27 976 |	37 125 |	26 845 |	35 709 |	..
Road passenger transport	12 937	54 450 |	68 113 |	35 012 |	37 276 |	..
Water passenger transport	725	2 290 |	2 295 |	1 120 |	1 219 |	..
Passenger transport supporting services	..	..	..	..	..	..
Transport equipment rental	3 832	916 |	838 |	2 599 |	3 514 |	..
Travel agencies and other reservation services industry	8 086	86 713 |	102 093 |	107 500 |	51 059 |	..
Cultural industry	31 428	45 948 |	47 749 |	63 205 |	61 694 |	..
Sports and recreation industry	18 506	128 322 |	144 003 |	100 261 |	122 881 |	..
Retail trade of country-specific tourism characteristic goods	..	..	..	..	..	..
Other country-specific tourism industries	4 165	270 |	263 |	872 |	607 |	..
Other industries	**..**	**419 177 |**	**486 036 |**	**459 270 |**	**420 777 |**	**..**

.. Not available; | Break in series
1. Data refer to number of enterprises.
Source: OECD Tourism Statistics (Database).

StatLink http://dx.doi.org/10.1787/888934078110

United Kingdom: Internal tourism consumption

Million GBP

	2017		
	Domestic tourism expenditure	Inbound tourism expenditure	Internal tourism consumption
Total	**..**	**..**	**..**
Consumption products	**119 406**	**28 197**	**149 879**
Tourism characteristic products	..	..	..
Accommodation services for visitors	10 318	6 043	16 361
Food and beverage serving services	32 050	4 115	36 165
Passenger transport services	18 318	4 807	23 124
Air passenger transport services	10 539	3 485	14 024
Railways passenger transport services	4 959	422	5 381
Road passenger transport services	1 448	585	2 033
Water passenger transport services	1 371	315	1 686
Passenger transport supporting services	..	..	..
Transport equipment rental services	2 610	125	2 735
Travel agencies and other reservation services industry	3 822	122	3 944
Cultural services	5 422	240	5 662
Sports and recreation services	6 093	231	6 323
Country-specific tourism characteristic goods	..	..	..
Country-specific tourism characteristic services	240	145	385
Other consumption products	40 533	12 370	55 179
Tourism connected products	..	..	..
Non-tourism related consumption products	..	..	..
Non-consumption products	**..**	**..**	**..**

.. Not available
Source: OECD Tourism Statistics (Database).

StatLink http://dx.doi.org/10.1787/888934078129

United States

Tourism in the economy

Travel and tourism in the United States is a major contributor to the national economy, accounting for 2.9% of GVA. In 2018, inbound travel and tourism accounted for 10% of exports. According to the Travel and Tourism Satellite Account, the industry produced USD 1.6 trillion in total economic output in 2018 (USD 941 billion of direct tourism output and USD 682 billion of indirect tourism output by ancillary industries). The travel and tourism industry is one of the United States' largest employers, directly supporting 5.9 million jobs in 2018, of which 1.2 million were supported by travel and tourism-related exports. Travel exports represented 26.0% of total service exports in 2018.

The United States welcomed a record 79.7 million international visitors in 2018. The largest source markets were Canada (26.9% of international tourists) and Mexico (23.1%), followed by the United Kingdom (5.8%), Japan (4.4%) and China (3.8%). International visitors collectively spent USD 256 billion on travel to, and tourism-related activities within, the United States in 2018. In order of spending, the top international markets for U.S. tourism are China, Canada, Mexico, Japan and the United Kingdom.

Domestic tourists took 2.3 billion trips in 2018, up 1.9% over 2017, with 1.7 billion overnight tourists and 632.1 million day visitors

Tourism governance and funding

Travel and tourism in the United States is highly decentralised. In addition to the federal government, individual states and destinations manage travel and tourism for their jurisdictions, including marketing. These activities are undertaken by the federal government, state governments and destination marketing organisations.

The National Travel and Tourism Office (NTTO), within the International Trade Administration (ITA) of the United States Department of Commerce, serves as the central point of contact within the federal government. The NTTO is the source of official tourism statistics to inform public policy and private sector business decisions, and works to enhance the competitive position of the United States with respect to travel and tourism. The NTTO works closely with ITA's U.S. Commercial Service at U.S. embassies and consulates in more than 70 overseas markets to promote travel and tourism exports. The Corporation for Travel Promotion (CTP), formed in 2010 and operating as Brand USA, is a non-profit corporation established by federal statute that promotes travel to the United States and works with the government to provide useful information for international visitors. The NTTO is the official United States government liaison to Brand USA.

The federal government does not regulate travel and tourism as a distinct industry, although related sectors, such as transport, are regulated at the federal level. The Bureau of Consumer Protection at the Federal Trade Commission enforces federal laws against unfair, deceptive or fraudulent business practices, including in the travel and tourism industry. The Department of Commerce ensures that the views of the private sector are shared with other federal agencies and are considered in the development

of federal policy with respect to travel and tourism issues. States and local governments regulate the conduct of travel and tourism business within their jurisdictions.

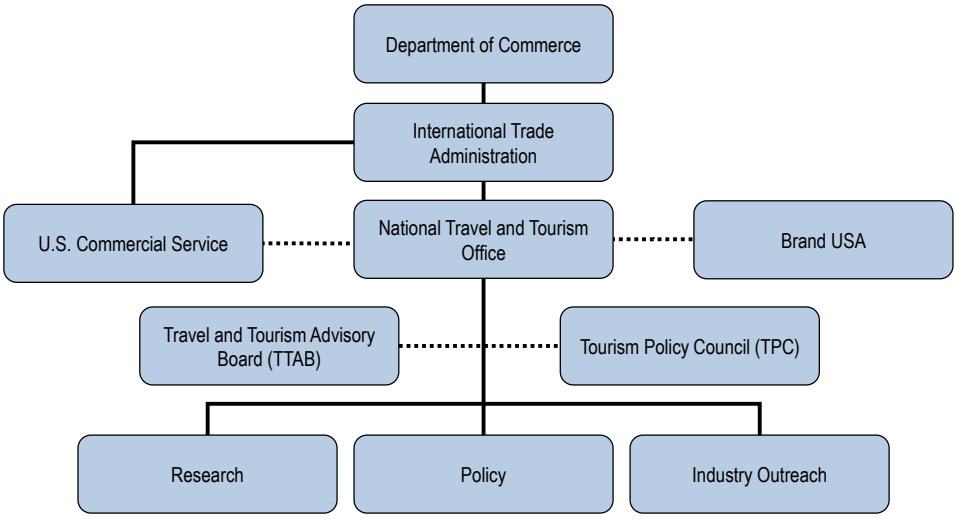
Key travel and tourism activities at the Department of Commerce include:

- The U.S. Travel and Tourism Advisory Board (TTAB) – consisting of up to 32 private sector representatives from companies and organisations in the travel and tourism industry, who are appointed by and provide policy advice to the Secretary of Commerce.
- The Tourism Policy Council (TPC) – an inter-agency council established by law for the purpose of ensuring that the nation's tourism interests are fully considered in federal decision-making. Its major function is to co-ordinate national policies and programmes of federal agencies that have a significant effect on international travel and tourism, recreation, and national heritage resources.

NTTO data also informs air services liberalisation deliberations, including the negotiation of Open Skies agreements. The NTTO sells research reports and data to generate additional operating revenues, while inter-agency agreements also generate funds.

The NTTO's operational budget for 2018 was approximately USD 5.1 million. In addition to its operational budget, the NTTO approves up to USD 100 million from the Travel Promotion Fund for use by Brand USA. Brand USA is supported by a portion of the fees charged for the Electronic System for Travel Authorisation paid by international travellers participating in the U.S. Visa Waiver Program.

United States: Organisational chart of tourism bodies



Source: OECD, adapted from the United States Department of Commerce, 2020.

Tourism policies and programmes

The United States is focused on better managing travel and tourism growth generated by increasing customer demand. The 2012 National Travel and Tourism Strategy set the goal to increase American jobs by attracting 100 million international visitors annually, estimated to spend USD 250 billion, by the end of 2021. As the spending goal was met in 2017, the United States looked to set a new target for visitation and spending. The TTAB recommended a target of USD 445 billion in spending and 116 million international visitors annually, by the end of 2028. To date, there has been general agreement of this new target across the TPC agencies. To meet this goal, and to ensure that the United States is creating

conditions for growth, the United States is focused on reviewing and revising the National Strategy to include current initiatives and to ensure the tactics are still relevant.

To meet growing demand, the United States is evolving the entry and exit processes using biometrics (see box). In addition to U.S. Customs and Border Protection's trusted traveller programmes, the United States is piloting a biometric entry and exit system. The system aims to provide a more seamless travel experience and enhance security for inbound and outbound travel, improve business processes and enable stronger collaboration between government and the private sector. The biometrics entry/exit system enhances and facilitates data-sharing while utilising existing airport and airline infrastructure; leverages existing stakeholder systems and processes; and uses existing traveller data and IT infrastructure.

With record-low unemployment in the United States, and the emergence of new technology, a priority for the United States is ensuring that all sectors, including travel and tourism, have the workforce they need now and in the future. To address employment issues, in 2018, the U.S. government created the National Council for the American Worker to develop and implement a strategy to prepare workers for today's jobs and for the jobs of the future. The Administration also created an outside board—the American Workforce Policy Advisory Board to guide the National Council by bringing the latest thinking and experience from business, education, states and cities, organised labour, and other institutions that have a role in educating and training American workers.

U.S. Biometric Entry/Exit System

To meet growing customer demand while creating a seamless and more secure travel experience, the United States is evolving entry and exit processes using biometrics. The system enhances and facilitates data-sharing while utilising existing airport and airline infrastructure, leveraging existing stakeholder systems and processes, and using existing traveller data and IT infrastructure. The system aims to provide a more seamless travel experience, enhance security for inbound and outbound travel, improve business processes, and enable stronger collaboration between government and the private sector, including airlines, airports and other stakeholders. U.S. Customs and Border Protection (CBP) is leading the transformation of the travel experience in partnership with industry stakeholders. Airline and technology partners are playing a critical role.

Just before entry or exit, each international traveller's photo is taken, either by CBP owned cameras or equipment provided by the airlines, airport authority or cruise line. CBP's biometric matching service, the Traveller Verification Service, compares the new photo with U.S. Department of Homeland Security data, which includes images from photographs taken by CBP during the entry inspection, photographs from U.S. passports, U.S. visas and other travel documents, as well as photographs from previous Department of Homeland Security encounters.

The Traveller Verification Service is hosted in a secure cloud-based environment and stores only the traveller's photo. For Citizens of the United States as well as all in-scope travellers, a photo is taken and submitted to the Traveller Verification Process, solely for the purpose of validating the identity of the traveller and ensuring that the passport being presented belongs to the bearer of the document. Only CBP has access to this biometric data. Industry partners only receive results of the "match/no match" determination and not any associated biographic information.

Statistical Profile

United States: Domestic, inbound and outbound tourism

	2014	2015	2016	2017	2018
TOURISM FLOWS, THOUSAND					
Domestic tourism					
Total domestic trips	2 109 300	2 178 700	2 206 600	2 247 900	2 291 100
Overnight visitors (tourists)	1 455 417	1 525 090	1 566 686	1 618 488	1 658 950
Same-day visitors (excursionists)	653 883	653 610	639 914	629 412	632 150
Nights in all types of accommodation	..	..	..	..	..
Hotels and similar establishments	875 112	899 505	933 749	973 743	998 087
Other collective establishments	..	..	..	..	..
Private accommodation	..	..	..	..	..
Inbound tourism					
Total international arrivals	177 953	176 864	175 262	174 292	169 325
Overnight visitors (tourists)	75 022	77 774	76 407	77 187	79 746
Same-day visitors (excursionists)	102 932	99 091	98 854	97 105	89 579
Top markets					
Canada	23 014	20 699	19 287	20 493	21 475
Mexico	17 070	18 374	18 991	17 788	18 387
United Kingdom	4 149	4 915	4 587	4 483	4 659
Japan	3 620	3 793	3 604	3 596	3 493
China	2 190	2 629	3 050	3 174	2 992
Nights in all types of accommodation	369 323	398 710	391 311	404 677	405 682
Hotels and similar establishments	188 939	204 281	210 147	208 138	212 207
Other collective establishments	16 327	21 707	15 177	17 050	18 546
Private accommodation	164 057	172 721	165 987	179 489	174 930
Outbound tourism					
Total international departures	121 709	130 907	141 526	148 056	157 873
Overnight visitors (tourists)	68 185	74 191	80 223	87 657	92 564
Same-day visitors (excursionists)	53 523	56 716	61 303	60 398	65 308
Top destinations					
Mexico	25 882	28 733	31 194	35 050	36 449
Canada	11 523	12 669	13 892	14 280	14 341
United Kingdom	2 832	2 885	3 197	3 756	3 927
France	2 124	2 361	2 178	2 645	3 008
Italy	1 908	2 033	2 214	2 338	2 924
TOURISM RECEIPTS AND EXPENDITURE, MILLION USD					
Inbound tourism					
Total international receipts	235 989	249 183	245 991	251 544	256 145
International travel receipts	191 918	206 936	206 650	210 655	214 680
International passenger transport receipts	44 071	42 247	39 341	40 889	41 465
Outbound tourism					
Total international expenditure	140 558	150 042	160 959	173 760	186 506
International travel expenditure	105 668	114 548	123 549	134 868	144 463
International passenger transport expenditure	34 890	35 494	37 410	38 892	42 043

.. Not available
Source: OECD Tourism Statistics (Database).

StatLink http://dx.doi.org/10.1787/888934078148

United States: Enterprises and employment in tourism

	Number of establishments	Number of persons employed				
	2018	2014	2015	2016	2017	2018
Total	**..**	**5 572 258**	**5 688 460**	**5 789 287**	**5 834 793**	**5 924 757**
Tourism industries	**903 717**	**4 806 198**	**4 891 641**	**4 989 468**	**5 041 636**	**5 118 502**
Accommodation services for visitors	61 505	1 430 315	1 460 092	1 480 957	1 512 714	1 537 916
Hotels and similar establishments	56 697	..	..	..	..	..
Food and beverage serving industry	642 027	14 668	13 927	13 390	13 151	12 854
Passenger transport	..	2 318 355	2 366 630	2 402 796	2 405 071	2 430 743
Air passenger transport	4 074	2 149 553	2 192 196	2 223 307	2 221 510	2 247 142
Railways passenger transport	..	9 367	9 996	9 691	9 426	9 025
Road passenger transport	16 427	120 907	126 968	131 105	134 645	132 470
Water passenger transport	562	38 528	37 470	38 692	39 490	42 106
Passenger transport supporting services	..	347 767	360 690	370 958	371 205	371 915
Transport equipment rental	9 753	163 859	170 613	176 128	177 834	180 172
Travel agencies and other reservation services industry	22 091	56 197	56 149	58 098	56 360	58 740
Cultural industry	63 494	39 162	39 633	41 529	42 223	45 657
Sports and recreation industry	83 784	435 875	423 908	445 612	463 077	480 505
Retail trade of country-specific tourism characteristic goods	..	..	..	..	..	..
Other country-specific tourism industries	..	..	..	..	..	..
Other industries	**..**	**766 060**	**796 819**	**799 818**	**793 157**	**806 254**

.. Not available
Source: OECD Tourism Statistics (Database).

StatLink http://dx.doi.org/10.1787/888934078167

United States: Internal tourism consumption

Million USD

	2018		
	Domestic tourism expenditure	Inbound tourism expenditure	Internal tourism consumption
Total	**1 089 672**	**198 264**	**39 377 330**
Consumption products	**956 196**	**198 264**	**39 243 853**
Tourism characteristic products	849 730	148 873	2 832 021
Accommodation services for visitors	170 707	45 101	215 808
Food and beverage serving services	108 993	32 166	1 010 048
Passenger transport services	250 078	46 414	356 226
Air passenger transport services	209 458	45 195	254 654
Railways passenger transport services	2 305	59	2 364
Road passenger transport services	19 163	560	78 456
Water passenger transport services	19 152	599	20 753
Passenger transport supporting services	141 325	1 289	728 315
Transport equipment rental services	34 965	201	48 705
Travel agencies and other reservation services industry	50 192	646	54 864
Cultural services	18 936	2 530	92 911
Sports and recreation services	74 533	20 526	325 145
Country-specific tourism characteristic goods	..	..	..
Country-specific tourism characteristic services	..	..	..
Other consumption products	106 466	49 391	36 411 832
Tourism connected products	106 466	49 391	4 706 569
Non-tourism related consumption products	0	0	31 705 263
Non-consumption products	**..**	**..**	**..**

.. Not available
Source: OECD Tourism Statistics (Database).

StatLink http://dx.doi.org/10.1787/888934078186

Part II Partner country profiles

Brazil

Tourism in the economy

Tourism in Brazil accounts directly for 3.1% of GDP, rising to 9.6% if indirect effects are also included. The sector supported 2.1 million jobs in 2018, which accounts for 2.5% of total employment.

In 2018, international tourist arrivals reached 6.6 million, a marginal increase of 0.5% from the previous year, and spent BRL 21.2 billion. Argentina, was the largest source market with 2.5 million tourists (37.7% of the total), followed by the United States (8.1%), Chile (5.9%), Paraguay (5.4%) and Uruguay (5.3%). The five primary source markets demonstrated varying levels of growth in 2018. Forecasts suggest consistent growth of over 2% per year during the period to 2023.

With over 206 million trips in 2015, the domestic market has high potential for growth. The majority of Brazilians choose domestic destinations for their holidays, including carnival and summer breaks. The main destinations are the Northeast, followed by the Southeast and South regions.

Tourism governance and funding

The Ministry of Tourism was established in 2003 with a wide role that includes the cross-governmental co-ordination of tourism, planning and research, marketing and promotional activity, regulation, training and education, as well as the development of new products and related infrastructure.

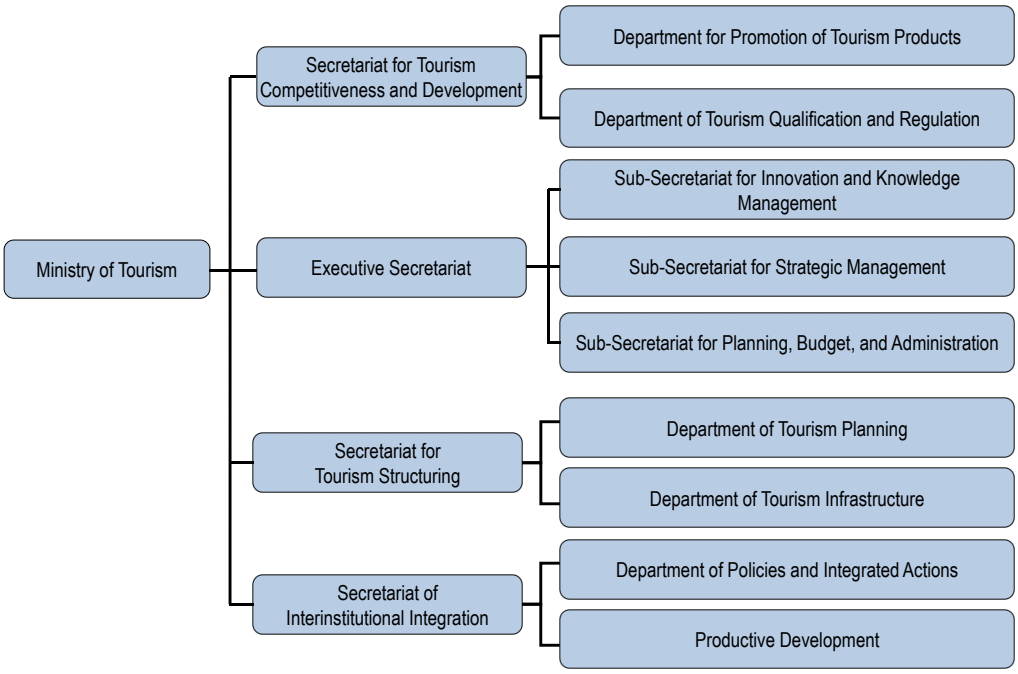
This Ministry overseas two national bodies, the National Council of Tourism, which is responsible for strategic direction and bringing together tourism interests, and the National Forum of State Secretaries and Directors of Tourism which is made up of a representative of state tourism boards. These legally independent regional bodies develop and market tourism in their regions.

Tourism policies and programmes

In 2017, the Government approved the *National Tourism Plan 2018-2022* with the ambitious aims to increase annual international visitor arrivals from 6.6 million to 12 million, create 2 million jobs and encourage 40 million residents to travel domestically. Current challenges faced by the Ministry are the costs and regulatory burden on tourism businesses and the need to encourage regional development.

The Plan sets out a programme to strengthen regional tourism development and recognises the importance of quality improvement, innovation and sustainability. These combine to facilitate a responsible tourism that draws on local attributes such as crafts, culture and cuisine and encourages community development to be sustainable and inclusive. An example is the *Investe Turismo Programme* (see box).

Brazil: Organisational chart of tourism bodies



Source: OECD, adapted from the Ministry of Tourism, 2020

The Plan has further developed the priorities set out in the *Brazil Plus Tourism Plan* launched in 2017 which aimed to improve product in key destinations and regions.

A range of measures to stimulate and deregulate the tourism sector is underway including:

- Improvements to accessing credit and the development of new finance mechanisms to assist all types of tourism development projects which has attracted 118 new proposals with a total value of BRL 4.3 billion,
- A visa waiver programme for tourists from Australia, Canada, Japan and the United States, as well as extensions to the length of visas for certain workers,
- A study amongst Mercosur partners to establish a mutual acceptance system, to permit entrance in all countries with a single visa,
- Improvements to air access with the approval of the Open Skies policy with the United States and authorisation for the entry of low-cost airlines into the domestic market,
- A new Argentina-Brazil airway policy consolidating around 200 flights per week connecting several destinations and increasing flight frequencies by up to 30%,
- Import tax exemptions for certain tourism products, such as theme parks, where specialist equipment cannot be sourced nationally. It is estimated this exemption will encourage tourism investment of BRL 1.9 billion and create 56 000 jobs over the next five years,
- A close partnership between the Ministry of Tourism and the Ministry of Education to drive up the volume of participants for vocational training to 193 000 people under the national programme,
- Action to raise awareness of the regulatory requirements of tourism service providers – this saw a 21% increase in the number of companies registered on the national system.

Marketing activity continues to be prioritised to ensure continued growth. A new focus is to attract international events. It is estimated this could have generated 12 000 new inbound visitors and have a

value of BRL 97 million during 2019. A major emphasis to attend international tourism fairs continues, an activity which is expected to underpin sales of USD 54.2 million over the next year.

A core priority of the Plan is the transformation of Embratur (the Brazilian Tourism Promotion Body – attached to the Ministry) into an Agency with a more flexible delivery structure. The related Federal Provisional Act was signed by Government in late November 2019 with Statutes published in December). This includes creating special tourism investment zones that can attract foreign investment, continue to improve regional connectivity, and stimulate more competition in the aviation sector.

Set out in recent law, Brazil has exempted visa requirements for residents of Australia, Canada, Japan and the United States, starting in June 2019. The four countries benefitting from the visa waiver were part of a previous pilot project that also enabled an electronic visa for anyone wishing to visit Brazil. The policy has resulted in a 35.2% increase in the number of visas issued to citizens of these markets, both e-visas and traditional, which represents significant potential foreign exchange income.

Developing a network of Brazil's touring routes

The *Investe Turismo Programme*, in partnership with Embratur and Sebrae Nacional, (the Government agency which supports small business growth) aims to accelerate regional development, increase quality, boost competitiveness and generate jobs in tourism by developing 30 strategic tourist routes covering 158 municipalities across all of Brazil's states. A Tourism Heritage Management policy, using the creation of Special Areas of Tourist Interest to attract investment, is also part of the new programme. Partnership agreements have been signed with Brazil's neighbours regarding integrated itineraries and concessions for tourism service providers in national parks. Initial investment will amount to BRL 200 million.

Each route will receive a package of support covering four themes that aim to:

- Strengthen governance along each route with robust public / private sector partnerships,
- Improve and innovate existing tourism services and attractions, with a focus to support new micro / small tourism enterprises,
- Attract investment and support access to financial services for both existing and new enterprises together with potential investors, and
- Provide tourism marketing support to effectively target national and international markets.

The scale of this Programme is designed to be transformative of the way Brazil's positions itself as a tourism destination – both to Brazilians and to the wider world. The programme is designed to provide the framework to enable national investment in visitor attractions, provide strong products that can help reposition Brazil's image, and inform the development of a number of *Smart Tourism* destinations that respond to the demands of new customers using new technologies. Research will support the project and a set of indicators will be agreed to ensure that each route is developed in the most sustainable way possible.

Statistical Profile

Brazil: Domestic, inbound and outbound tourism

	2014	2015	2016	2017	2018
TOURISM FLOWS, THOUSAND					
Domestic tourism					
Total domestic trips	..	..	..	..	..
Overnight visitors (tourists)	..	..	..	..	..
Same-day visitors (excursionists)	..	..	..	..	..
Nights in all types of accommodation	..	..	..	..	..
Hotels and similar establishments	..	..	..	..	..
Other collective establishments	..	..	..	..	..
Private accommodation	..	..	..	..	..
Inbound tourism					
Total international arrivals	..	..	..	..	..
Overnight visitors (tourists)	6 430	6 306	6 547	6 589	6 621
Same-day visitors (excursionists)	..	..	..	..	..
Top markets					
Argentina	1 744	2 080	2 295	2 622	2 498
United States	657	576	570	475	539
Chile	337	306	312	342	387
Paraguay	294	302	317	337	357
Uruguay	224	267	284	328	348
Nights in all types of accommodation	..	..	..	..	..
Hotels and similar establishments	..	..	..	..	..
Other collective establishments	..	..	..	..	..
Private accommodation	..	..	..	..	..
Outbound tourism					
Total international departures	..	..	..	..	..
Overnight visitors (tourists)	9 617	9 478	8 872	10 610	10 733
Same-day visitors (excursionists)	..	..	..	..	..
Top destinations					
United States	2 264	2 228	1 725	1 912	2 209
Portugal	562	605	690	981	1 117
Argentina	1 082	963	1 084	1 247	947
Chile	408	456	439	545	589
Spain	441	456	373	468	559
TOURISM RECEIPTS AND EXPENDITURE, MILLION USD					
Inbound tourism					
Total international receipts	7 404	6 254	6 613	6 175	6 320
International travel receipts	6 843	5 844	6 024	5 809	5 917
International passenger transport receipts	562	410	589	366	403
Outbound tourism					
Total international expenditure	29 998	20 356	17 068	22 991	22 227
International travel expenditure	25 567	17 357	14 497	19 002	18 263
International passenger transport expenditure	4 431	2 999	2 571	3 990	3 963

.. Not available
Source: OECD Tourism Statistics (Database).

StatLink http://dx.doi.org/10.1787/888934078205

Brazil: Enterprises and employment in tourism

	Number of establishments	Number of persons employed[1]				
	2018	2014	2015	2016	2017	2018
Total	..	..	..	..	..	..
Tourism industries	**252 616**	**2 046 469**	**2 079 450**	**2 129 506**	**2 128 041**	**2 133 822**
Accommodation services for visitors	29 569	341 700	346 472	318 523	312 628	315 481
Hotels and similar establishments	..	..	..	..	..	..
Food and beverage serving industry	184 089	1 083 971	1 124 364	1 201 038	1 216 988	1 233 881
Passenger transport	18 327	447 369	433 893	436 751	469 424	453 943
Air passenger transport	633	61 702	58 824	52 342	51 874	50 136
Railways passenger transport	..	..	..	..	..	..
Road passenger transport	12 238	378 875	368 876	377 477	363 720	355 246
Water passenger transport	578	6 792	6 193	6 932	7 514	7 935
Passenger transport supporting services	..	..	..	..	..	..
Transport equipment rental	4 878	40 734	44 515	44 181	46 316	40 626
Travel agencies and other reservation services industry	11 908	96 871	92 745	91 322	91 370	90 968
Cultural industry	8 723	35 824	37 461	37 691	37 631	39 549
Sports and recreation industry	..	..	..	..	..	..
Retail trade of country-specific tourism characteristic goods	..	..	..	..	..	..
Other country-specific tourism industries	..	..	..	..	..	..
Other industries	..	..	..	..	..	..

.. Not available
1. Data refer to number of jobs.
Source: OECD Tourism Statistics (Database).

StatLink http://dx.doi.org/10.1787/888934078224

Bulgaria

Tourism in the economy

Tourism is a priority sector in Bulgaria and in 2018 directly contributed 3.1% to GDP, generated 2.9% of employment, and directly supported approximately 93 000 jobs.

The total number of international arrivals was 12.4 million in 2018, an increase of 6.7%, compared to the previous year. International leisure visitors grew by 5.5% reaching 5.8 million while international business visits numbered 1.7 million, an increase of 10.6% over 2017. EU markets continued to be the most important for inbound tourism with a share of 61.4% and a total of 5.7 million arrivals. The top three inbound markets in Bulgaria were Romania (1.4 million arrivals), Greece (1.1 million) and Germany (850 000).

Domestic tourism in accommodation facilities with a bed capacity of 10 or more rose by 2.2% to 3.9 million in 2018, accounting for 9.1 million nights, up 1.6% from 2017.

Tourism governance and funding

The tourism policy in Bulgaria is founded on partnerships between government and local authorities, NGOs, business and civil society, promoting opportunities for investment, new skills, jobs and stimulating competitiveness within the tourism industry. The Council of Ministers is the national body responsible for formulating national tourism policy in Bulgaria. The Ministry of Tourism implements policy and coordinates the activities of other ministries and institutions. The Ministry of Tourism is also specifically responsible for regulation, product development, marketing, research and information, external project funding and supporting regional organisations.

The National Tourism Council is the consultative body, which operates under the authority of the Ministry of Tourism. Its members include representatives of tourism-related ministries as well as national, regional and local tourism associations, transport operators and consumer bodies.

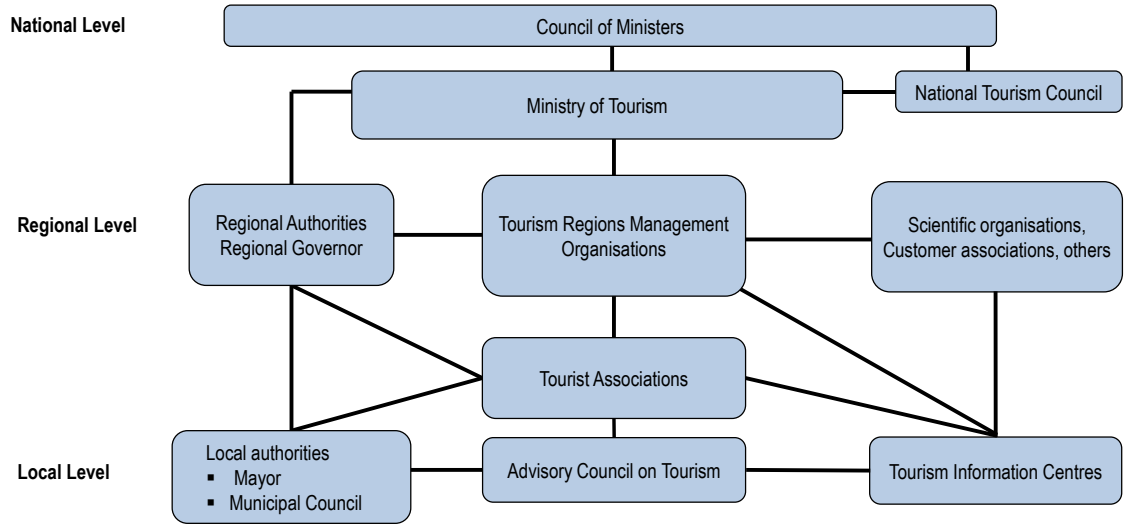
Recent legislative changes have led to the establishment of nine Regional Tourism Management Organisations. The members of these include tourism associations, regional and municipal administrations, institutes, museums, scientific bodies and tourism schools. The Regional Tourism Management Organisations are responsible for regional tourism product development and marketing of the nine identified tourist regions in Bulgaria.

The Ministry of Tourism works closely with the private sector and other stakeholders as well as collaborates with regional and local tourism bodies listed in the National Tourism Register. At the regional level, authorities develop and implement tourism strategies and programmes in line with national tourism and regional development strategies.

The Tourism Act regulates the co-ordination associated with the interaction of the State and municipalities in the implementation of activities related to tourism, as well as the participation of not-for-profit legal entities. The Tourism Act makes provisions for local authorities to adopt tourism development programmes

according to local resources and need, and establishes an Advisory Council on Tourism and a Municipal Commission to oversee the development of tourism related facilities.

Bulgaria: Organisational chart of tourism bodies



Source: OECD, adapted from the Ministry of Tourism, 2020

The budget of the Ministry of Tourism for 2019 was BGN 19.35 million, of which BGN 14.57 million was allocated to marketing activities. The Ministry is responsible for administering funds from both the national government and the European Union.

Tourism policies and programmes

In 2018, the Council of Ministers approved the updated National Strategy for Sustainable Development of Tourism in the Republic of Bulgaria to 2030 and the related Action Plan for the period 2017-2020. The implementation of the Strategy is the responsibility of the Minister of Tourism. The most important challenges addressed by the Strategy are overcoming the seasonal and geographic concentration of Bulgarian tourism, encouraging the industry to be more sustainable, improving the qualifications and skills of the workforce, and upgrading and investing in new accommodation and other facilities.

In 2018, 56% of all arrivals registered by accommodation establishments with 10 or more beds were in the period from June to September, and the remaining 44% dispersed throughout the rest of the year. Travel is concentrated in Varna, Burgas, and Dobrich - with the other 25 districts receiving slightly over half the arrivals. To encourage tourism to other regions, the government developed tourist routes highlighting cultural tourism, congress tourism, spa and wellness tourism, eco-tourism and rural tourism.

The Ministry is aligned with UN Sustainable Development Goals and has a clear implementation framework and funds for investment in technology, infrastructure and human resources.

The Strategy's long-term objectives are to:

- Establish a favourable business environment to develop sustainable tourism by updating the regulatory framework and reducing burdens on business.
- Develop a competitive tourism sector by stimulating improvement in all types of tourism businesses to ensure high quality products.

- Position and promote Bulgaria in international markets.
- Develop regional tourist areas by stimulating the growth of tourism SMEs and establishing destination management organisations in nine tourist regions across the country to ensure balanced growth.

The Strategy is delivered through an agreed annual Action Plan which includes:

- Ensuring effective coordination between institutions and integrating tourism into related sectoral policies.
- The creation of special visa application centres to facilitate travel in co-operation with the Ministry of Foreign Affairs of Bulgaria.
- Active co-operation between the Ministry and domestic and international travel trade companies to create joint tourism products and packages.
- New product development to diversify the tourism offer, make it more distinctive and tailored to different types of tourists. For instance, the recently elaborated cultural and historic destinations, SPA, wellness destinations and wine and culinary destinations within the country.
- Positioning and promotion of Bulgaria as a year-round tourist destination and building a positive image among key international target markets via marketing activity.
- Revisions to regulations in order to facilitate the establishment of regional DMOs and other local organisations.
- Providing business support and finance for SMEs, capacity building and support to access national and international markets
- Developing a unified system for tourist information at a national level, which acts as a networking platform for tourism business (see box).

Additional amendments to tourism legislation in 2019 aim to facilitate the involvement of industry stakeholders and to attract more investment in sustainable development. The amendments will facilitate tourism business also through eased regulations relating to the establishment of tour operators, the certification of spa and wellness centres, and the operation of restaurants, hotels and other accommodation.

Integrated Digital Tourist Information System in Bulgaria

The Ministry of Tourism is currently developing an Integrated Tourist Information System, established in 2019, in collaboration with tourism businesses. The Integrated Tourist Information System is an electronic database containing information on a wide range of public and private sector tourism related stakeholders including tour operators, accommodation providers, trade associations and others. The system also provides information on major events as well as relevant statistical data. Eventually intended to be fully online, the platform will gather large volumes of data from many areas, and from different institutions, enabling users to track growth in arrivals at daily and weekly levels, the development of a range of indicators, as well as supplementary data at regional level. The system is a gateway for communication between national, regional and local stakeholders, acting as a "one stop shop" with information submitted by any of the participants in the country's National Tourism Register. The platform will also ensure innovative and secure data transfer between institutions, leading to more accurate monitoring and benchmarking and better decision making at all levels. The budget allocated for the creation of the System amounts to BGN 1.2 million and will be overseen by a Council for Digitalisation in Tourism.

Statistical Profile

Bulgaria: Domestic, inbound and outbound tourism

	2014	2015	2016	2017	2018
TOURISM FLOWS, THOUSAND					
Domestic tourism					
Total domestic trips	..	..	..	..	..
Overnight visitors (tourists)	3 154	3 415	3 809	3 806	3 890
Same-day visitors (excursionists)	..	..	..	..	..
Nights in all types of accommodation	7 621	8 046	9 035	8 949	9 096
Hotels and similar establishments	..	..	..	..	..
Other collective establishments	..	..	..	..	..
Private accommodation	..	..	..	..	..
Inbound tourism[1]					
Total international arrivals	9 409	9 317	10 604	11 596	12 368
Overnight visitors (tourists)	..	..	..	..	..
Same-day visitors (excursionists)	..	..	..	..	..
Top markets					
Romania	947	987	1 097	1 139	1 377
Greece	1 032	973	1 067	1 158	1 116
Germany	714	623	827	870	850
Turkey	438	519	565	636	625
Republic of North Macedonia	408	474	528	545	560
Nights in all types of accommodation	14 078	13 352	16 151	17 106	17 749
Hotels and similar establishments	..	..	..	..	..
Other collective establishments	..	..	..	..	..
Private accommodation	..	..	..	..	..
Outbound tourism					
Total international departures	..	..	..	6 228	6 699
Overnight visitors (tourists)	4 158	4 632	5 392	..	..
Same-day visitors (excursionists)	..	..	..	..	..
Top destinations					
Turkey	1 107	1 242	1 219	1 311	1 516
Greece	867	1 043	1 201	1 341	1 403
Romania	322	333	423	481	523
Serbia	316	315	405	463	494
Germany	239	273	345	402	422
TOURISM RECEIPTS AND EXPENDITURE, MILLION USD					
Inbound tourism					
Total international receipts	4 494	3 574	4 141	4 598	4 999
International travel receipts	3 908	3 146	3 634	4 045	4 416 e
International passenger transport receipts	587	428	508	553	583
Outbound tourism					
Total international expenditure	1 454	1 345	1 631	2 035	2 236
International travel expenditure	1 199	1 116	1 357	1 684	1 857 e
International passenger transport expenditure	256	230	274	351	378

.. Not available; e Estimated value
1. Arrivals from demand side surveys; Nights from supply side surveys.
Source: OECD Tourism Statistics (Database).

StatLink http://dx.doi.org/10.1787/888934078243

Bulgaria: Enterprises and employment in tourism

	Number of establishments[1]	Number of persons employed				
	2018	2014	2015	2016	2017	2018
Total	..	..	..	..	..	..
Tourism industries	..	..	..	..	..	..
Accommodation services for visitors	3 458	..	..	..	..	..
Hotels and similar establishments	..	..	..	..	..	..
Food and beverage serving industry	..	..	..	..	..	..
Passenger transport	..	..	..	..	..	..
Air passenger transport	..	..	..	..	..	..
Railways passenger transport	..	..	..	..	..	..
Road passenger transport	..	..	..	..	..	..
Water passenger transport	..	..	..	..	..	..
Passenger transport supporting services	..	..	..	..	..	..
Transport equipment rental	..	..	..	..	..	..
Travel agencies and other reservation services industry	..	..	..	..	..	..
Cultural industry	..	..	..	..	..	..
Sports and recreation industry	..	..	..	..	..	..
Retail trade of country-specific tourism characteristic goods	..	..	..	..	..	..
Other country-specific tourism industries	..	..	..	..	..	..
Other industries	..	..	..	..	..	..

.. Not available
1. Data refer to number of enterprises.
Source: OECD Tourism Statistics (Database).

StatLink http://dx.doi.org/10.1787/888934078262

Bulgaria: Internal tourism consumption

Million BGN

	2016		
	Domestic tourism expenditure	Inbound tourism expenditure	Internal tourism consumption
Total	..	..	..
Consumption products	**1 438**	**7 322**	**8 760**
Tourism characteristic products	1 315	5 654	6 968
Accommodation services for visitors	385	1 537	1 922
Food and beverage serving services	370	2 432	2 802
Passenger transport services	340	818	1 158
Air passenger transport services	..	..	..
Railways passenger transport services	..	..	..
Road passenger transport services	..	..	..
Water passenger transport services	..	..	..
Passenger transport supporting services	..	..	..
Transport equipment rental services	..	..	..
Travel agencies and other reservation services industry	80	0	80
Cultural services	109	656	765
Sports and recreation services	30	211	241
Country-specific tourism characteristic goods	..	..	..
Country-specific tourism characteristic services	..	..	..
Other consumption products	123	1 668	1 791
Tourism connected products	..	..	..
Non-tourism related consumption products	..	..	..
Non-consumption products	..	..	..

.. Not available
Source: OECD Tourism Statistics (Database).

StatLink http://dx.doi.org/10.1787/888934078281

Colombia

Tourism in the economy

The tourism sector currently contributes 2% to Colombia's GDP. Tourism has become the primary services export in Colombia and the second overall export behind the oil industry, generating 52% of foreign exchange. According to the National Administrative Department of Statistics, the travel and tourism sector supported 2 million jobs in Colombia in 2018 including 19% of new jobs. It has established businesses in 281 municipalities across the country.

In 2018, Colombia received 4.3 million inbound visitors, a growth of 7.7% compared to 2017. The main countries of origin were the United States, Venezuela and Argentina. In the first four months of 2019, about 80% of tourism spending was derived by visitors from the American continent.

In 2018, 23.3 million domestic trips were recorded, up 4.0% compared to 2017. Between January and September 2019, more than 17 million domestic air passengers were recorded, representing an increase of 0.2% from the same period in 2018.

Tourism governance and funding

The Ministry of Commerce, Industry and Tourism aims to improve regional competitiveness and sustainability, as well as generate added value and consolidate the country's presence in both the domestic and international tourism markets. It is comprised of three Vice-Ministries covering Business Development, Foreign Trade and Tourism.

The mission of the Vice-Ministry of Tourism is to work with tourism destinations and providers to position Colombia as a sustainable tourist destination, known for its diverse and multicultural offer, represented by highly competitive products and services that empowers regional development.

The main functions of the Vice-Ministry of Tourism are as follows:

- To formulate, implement and evaluate tourism policy, and related plans and programmes in conjunction with the public and private sectors.
- To design and ensure the implementation of the 2018-22 Tourism Sector Plan.
- To co-ordinate the National Tourism Register, the Tourist Information System and the certification system related to the provision of hotel services.
- To regulate the industry, as well as addressing complaints by tourism service providers covered by existing legislation.

In 2013, legislation was put in place to ensure robust co-ordination of tourism programmes and projects. This created the Superior Tourism Council, representing 13 different ministries and other agencies to ensure a whole of government approach to tourism development.

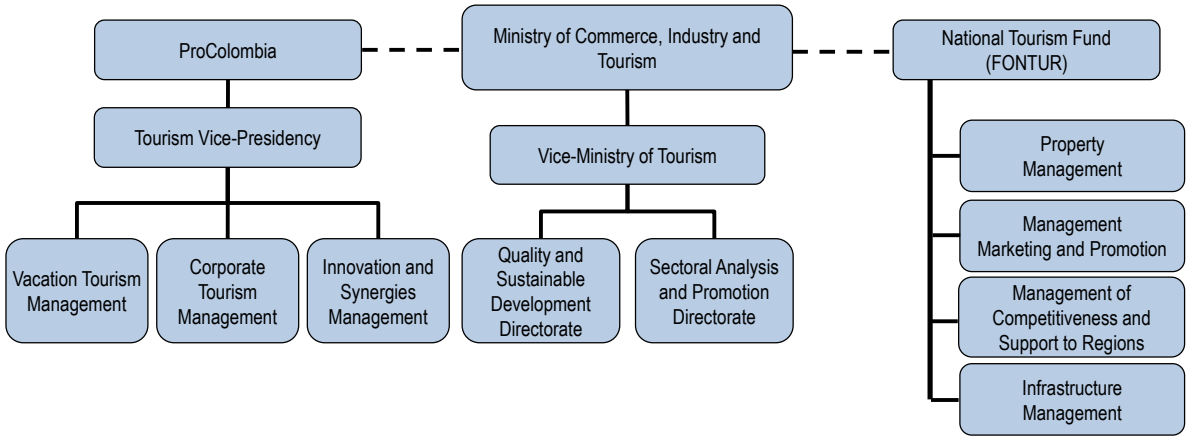
Regional and local authorities are responsible for developing tourism activities in their territories. The majority of departments have an office or authority in charge of tourism issues. The 32 departments are

obliged to carry out a tourism development plan, which serves to gather, systematise and process information from the communities involved in local tourism. Each department aligns to and applies the policy guidelines developed by the Vice-Ministry of Tourism for the improvement of competitiveness and sustainability in their territories. The Ministry co-ordinates a series of planning activities with regional and local authorities, and seeks to identify priorities for collaboration within the public sector over a three-year period.

In addition, the Ministry has created a Consultative Tourism Council as an advisory body to government. Membership is wide ranging and currently comprised of six representatives from the tourism industry, including delegates from travel agencies, food industry, theme parks, transportation companies, hotels, and universities. Additionally, the Council has representation from the public institutions ProColombia, The National Tourism Fund and the Ministry. The objectives of the Consultative Tourism Council are to advise the Ministry of Commerce, Industry and Tourism on the formulation of policies, programmes and projects, promote economic co-operation agreements, recommend actions that enable permanent co-ordination between the public and private sectors, analyse the national and international performance of the tourism sector, and recommend strategies for tourist safety and security.

Funding comes from various sources, including the general budget, obligatory contributions from tourism service providers, income from tourism properties and brands owned by the government, and a USD 15 tourism tax on international air arrivals, collected at the time of ticket booking. In 2019, the national budget was COP 298.6 million, representing a significant increase from the 2018 budget of COP 132.1 million.

Colombia: Organisational chart of tourism bodies



Source: OECD, adapted from the Ministry of Commerce, Industry and Tourism, 2020.

Tourism policies and programmes

The overall objective of the Tourism Sector Plan 2018-22 "Tourism: the purpose that unites us", is to improve Colombia's competitiveness as a tourist destination. The Plan establishes six major strategic lines that address the main bottlenecks in the tourism sector in the medium and long term.

These are:

- Generating the institutional conditions for the promotion of the tourism sector,
- Managing destinations and strengthening the country's tourism offer,
- Promoting more investment, better infrastructure and connectivity for tourism,

- Fostering innovation and business development in the tourism sector,
- Strengthening human capital for tourism competitiveness,
- Promoting transformative, inclusive and equitable tourism.

The Colombian government has established four tourism goals for 2022:

- Increase accommodation and food services contribution to GDP by 19% to COP 39.2 billion.
- Increase services exports in the passenger travel and transport account from USD 6.6 million to USD 8.2 million.
- Increase the number of non-resident overnight visitors from 4.3 million to 6 million.
- Increase the number of passengers arriving from international cruises to a total of 450 000.

The Vice-Ministry of Tourism is committed to moving sustainability from the side-lines to the core of decision making in tourism practices and policies. It also plans to adopt a measurement framework and set of comprehensive indicators to monitor the performance of the tourism sector with reliable, timely and sufficient data. The Vice-Ministry has developed a Quality standard Policy based on tourism legislation that seeks to improve the quality of the provision of tourism services. The goal of the Quality Policy is to create a culture of excellence in tourism operations and position Colombia as a distinct, competitive, and sustainable destination. The Policy is applied throughout 59 national quality and sustainability standards for the certification of all major tourism services. In 2019, there were 1 229 certified tourism service providers and 21 certified sustainable tourism destinations.

In partnership with the Ministry of Defence, the Vice-Ministry of Tourism co-ordinates the Tourism Police, a specialised body to ensure security and safety for the users and clients of tourism services, and the supervision of tourism activity in the public and private sectors. The Tourism Police is a branch of the National Police and reports directly to the Ministry of Defence, which finances the programme.

The Vice-Ministry of Tourism is also developing a digital transformation policy in response to challenges faced as a result of advancing technology. This includes a series of guidelines on: (i) the use of new channels for purchase and sale; (ii) the systematisation of information and predictive data in the business tourism sector; (iii) the regulation of new technology-based actors involved in tourism; and (iv) the digital promotion of content on attractions, products and experiences.

Ensuring tourism investment for peace and security in Colombia

Since its implementation in 2014, the Tourism and Peace Programme has contributed to the sustainable development of 132 towns and cities in 27 departments affected by Colombia's past armed conflict. It has also implemented nine Management and Governance Models and launched the Tourism Reincorporation Route. More than 2 800 people have benefited from this route, and it has resulted in the creation of 424 companies and investment of USD 10.2 million in infrastructure, competitiveness and promotion projects. Colombia changed its laws to attract domestic and foreign investors to develop large tourism projects. Changes include tax incentives for hotel construction and major projects, and the exclusion of VAT on certain air routes to promote domestic tourism, and on cultural, sports and other events. A rent incentive of 9% is offered for the construction of new hotels, and a special low tax of 9% is available for projects focusing on the development of theme parks, nautical docks, and ecotourism and agritourism programmes. By 2022, Colombia expects an increase of 51% in the value of investments being made by international companies.

Statistical Profile

Colombia: Domestic, inbound and outbound tourism

	2014	2015	2016	2017	2018
TOURISM FLOWS, THOUSAND					
Domestic tourism					
Total domestic trips	20 103	22 238	23 179	22 416	23 316
Overnight visitors (tourists)	..	..	..	..	..
Same-day visitors (excursionists)	..	..	..	..	..
Nights in all types of accommodation	..	..	..	..	..
Hotels and similar establishments	..	..	..	..	..
Other collective establishments	..	..	..	..	..
Private accommodation	..	..	..	..	..
Inbound tourism					
Total international arrivals	2 866	3 252	3 559	3 976	4 282
Overnight visitors (tourists)	..	..	..	..	..
Same-day visitors (excursionists)	..	..	..	..	..
Top markets					
United States	377	446	499	529	648
Venezuela	273	306	288	371	399
Argentina	118	126	135	186	198
Brazil	125	138	182	209	197
Ecuador	127	152	167	169	164
Nights in all types of accommodation	..	..	..	..	..
Hotels and similar establishments	..	..	..	..	..
Other collective establishments	..	..	..	..	..
Private accommodation	..	..	..	..	..
Outbound tourism					
Total international departures	3 911	3 862	3 795	4 017	4 368
Overnight visitors (tourists)	..	..	..	..	..
Same-day visitors (excursionists)	..	..	..	..	..
Top destinations					
United States	1 235	1 256	1 291	1 242	1 383
Spain	196	221	319	362	427
Panama	416	407	409	424	404
Ecuador	348	320	286	301	300
Venezuela	523	372	110	174	165
TOURISM RECEIPTS AND EXPENDITURE, MILLION USD					
Inbound tourism					
Total international receipts	4 887	5 236	5 585	5 881	6 618
International travel receipts	3 825	4 245	4 523	4 921	5 557
International passenger transport receipts	1 062	991	1 062	961	1 061
Outbound tourism					
Total international expenditure	5 175	4 820	4 824	5 134	5 626
International travel expenditure	4 683	4 318	4 254	4 475	4 824
International passenger transport expenditure	492	502	571	660	801

.. Not available
Source: OECD Tourism Statistics (Database).

StatLink http://dx.doi.org/10.1787/888934078300

Colombia: Enterprises and employment in tourism

	Number of establishments	Number of persons employed				
	2018	2014	2015	2016	2017	2018
Total	**..**	**..**	**..**	**..**	**..**	**..**
Tourism industries	**31 279**	**1 783 161**	**1 817 999**	**1 823 931**	**1 902 944**	**1 974 185**
Accommodation services for visitors	..	101 863	113 025	112 168	113 908	114 035
Hotels and similar establishments	19 901	..	..	..	..	..
Food and beverage serving industry	1 247	633 533	628 298	642 411	662 960	707 426
Passenger transport	..	..	..	..	..	..
Air passenger transport	..	..	..	..	..	..
Railways passenger transport	..	..	..	..	..	..
Road passenger transport	600	..	..	..	..	..
Water passenger transport	..	..	..	..	..	..
Passenger transport supporting services	..	657 991	676 283	667 868	734 263	764 695
Transport equipment rental	209	..	..	..	..	..
Travel agencies and other reservation services industry	6 925	24 094	26 296	30 325	33 823	28 584
Cultural industry	..	..	..	..	..	..
Sports and recreation industry	..	..	..	..	..	..
Retail trade of country-specific tourism characteristic goods	..	..	..	..	..	..
Other country-specific tourism industries	2 397	365 680	374 097	371 159	357 988	359 444
Other industries	**..**	**..**	**..**	**..**	**..**	**..**

.. Not available
Source: OECD Tourism Statistics (Database).

StatLink http://dx.doi.org/10.1787/888934078319

Colombia: Internal tourism consumption

Million COP

	2015		
	Domestic tourism expenditure	Inbound tourism expenditure	Internal tourism consumption
Total	**..**	**..**	**..**
Consumption products	**10 332**	**11 173**	**21 505**
Tourism characteristic products	8 894	10 750	19 644
Accommodation services for visitors	1 800	2 416	4 216
Food and beverage serving services	2 709	2 975	5 684
Passenger transport services	..	..	..
Air passenger transport services	1 455	2 041	3 496
Railways passenger transport services	..	..	..
Road passenger transport services	1 245	1 272	2 517
Water passenger transport services	..	..	..
Passenger transport supporting services	..	..	..
Transport equipment rental services	29	..	29
Travel agencies and other reservation services industry	116	87	203
Cultural services	404	438	842
Sports and recreation services	..	..	..
Country-specific tourism characteristic goods	1 136	1 521	2 657
Country-specific tourism characteristic services	..	..	..
Other consumption products	1 438	423	1 861
Tourism connected products	..	..	..
Non-tourism related consumption products	..	..	..
Non-consumption products	**..**	**..**	**..**

.. Not available
Source: OECD Tourism Statistics (Database).

StatLink http://dx.doi.org/10.1787/888934078338

Costa Rica

Tourism in the economy

Tourism makes a significant contribution to the economy of Costa Rica. In 2016, tourism directly contributed to 5.0% of GDP, and new Tourism Satellite Account estimate that contribution of tourism to GDP rises to 8.2% when indirect effects are considered. In 2018, tourism directly employed 157 000 people, corresponding to 6.6% of total employment. Tourism is the most important source of foreign exchange in the country, contributing CRC 2.2 trillion in 2018, a rise of 5.0% since 2016.

Year on year growth in international tourist arrivals has been on average 7.4% since 1990. Costa Rica is a year-round and long-stay destination. In 2018, there were 3.0 million inbound arrivals, up 1.9% over 2017, more than 2.3 million of which arrived by air. The average length of stay is 11.7 nights, a figure which has steadily risen over time. By far, the largest source market for overseas visitors in 2018 was the United States with 1.3 million tourists (41.9% of total share), followed by Central America at 691 000 (22.9%), Europe (15.9%), and South America (6.3%). There is a target to grow international arrivals by 7.5% per annum toward 2021.

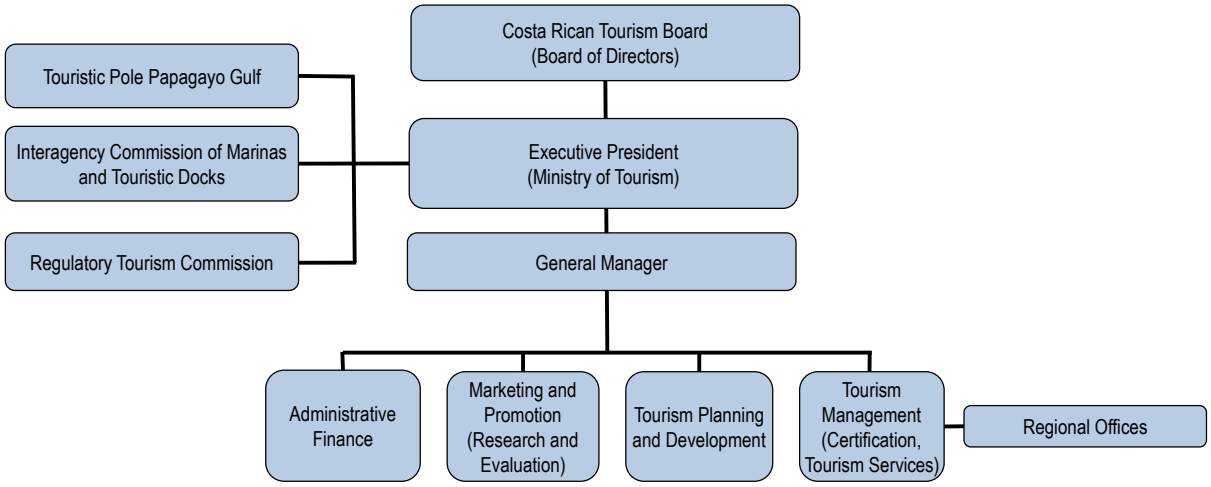
Tourism governance and funding

The Costa Rican Tourism Board (*Instituto Costarricense de Turismo)* is responsible for tourism policy with a mandate to promote Costa Rica as a destination, to plan and develop tourism related infrastructure and to monitor and support the related business sector. It also has a mandate to promote social tourism that benefits the residents of Costa Rica.

While there are no institutions at the regional or local level with direct responsibility for tourism, the Costa Rican Tourist Board maintains close co-operation with local government across the country. A wide variety of Ministries are involved in co-ordinating the sector and overseen by the Minister of Tourism. Along with the Tourist Board, the ministries include: the Ministry of Economy, Industry and Commerce, the Ministry of Health, the Ministry of Public Works and Transportation, the Ministry of the Environment and Energy, the Ministry of Culture and Youth, the Ministry of Public Safety, Governance and Policy, the Costa Rican Institute of Pacific Ports, the Port Administration and Economic Development Board of the Atlantic Coast, the National Institute of Learning, the National Institute of Households and Urban Planning, the Costa Rican Institute of Aqueducts and Sewers, the Costa Rican Institute of Electricity, the National Geographic Institute and the National Institute of Rural Development.

The budget for the tourist board for 2019 was CRC 42.4 billion. A flat rate USD 15 tourist tax on international arrivals provides 55.5% of the funding. A tax on domestic tourism contributes 17.1% of the budget while a 5% tax on all outbound trips provides a further 25% of revenues.

Costa Rica: Organisational chart of tourism bodies



Source: OECD, adapted from the Costa Rican Tourism Board

Tourism policies and programmes

The Ministry and Costa Rican Tourist Board are actively planning for the future by scanning market trends, new product opportunities and initiatives to further professionalise the tourism sector. The country's model of tourism development is one based on quality and not volume growth or a low-cost product. Tourism growth without limits can place intolerable burdens on both the physical environment and the social fabric of destinations. The Ministry and its tourist board have reviewed a range of structural trends in core volume markets, such as the ageing society and time-famine, alongside climate change impacts, all of which may affect demand for certain destinations and experiences. These trends could impact Costa Rica which has worked hard to develop activity based tourism and a long stay customer.

The foundational themes of the 2017-21 National Tourism Plan are sustainability, innovation and inclusion.

The sustainability theme following key principles are important:

- Guaranteeing the optimal use of environmental resources,
- Respecting the socio-cultural integrity of host communities and their traditional values,
- Ensuring a high level of tourist satisfaction by delivering authentic experiences, increasing visitors' awareness of sustainability and promoting sustainable tourism practices.

Innovation and modernisation of tourism businesses is a key priority:

- Ensuring tourism operations are economically viable over the long-term, providing economic benefits to all involved parties with a fair distribution of benefits,
- Supporting and strengthening small and medium sized tourism enterprises to build the capacity for positive local connections and benefits,
- Encouraging the distribution of businesses throughout the entire country, continuing to improve the quality of tourism products and the distribution of benefits.

The Plan's third theme relates to inclusion, namely:

- Spreading positive social and environmental impacts to host communities, contributing to the reduction of poverty and improving social progress at local level,

- Developing human talent and competence in the sector to create new business opportunities and to improve employment conditions,
- Promoting inclusion and equal opportunity as well as a culture of partnership and entrepreneurship at local level.

The developed policies closely relate to the achievement of the UN Sustainable Development Goals, specifically goals to reduce poverty, promote economic growth and sustainability, all of which have a direct relationship to tourism in Costa Rica.

By 2021, the vision for tourism in Costa Rica is to be a leading creator of foreign exchange, and have a positive impact on the wellbeing of a wide range of communities due to tourism businesses that compete on quality, innovation and high productivity. For this, a comprehensive programme for the management of tourist destinations was designed to support local management, by providing key information for decision-making, aimed to consolidate and to increase competitiveness in the sector.

Sustainability is the core principle in the development of tourism in the country. Measurement of progress is via the *Social Progress Index* which tracks the well-being of local communities and other tourism impacts and, via the use of roadmaps, identifies the steps needed to ensure tourism is a positive force for economic development. A system of indicators adapted to fit the specific circumstances of each destination, such as the type of location and the level of development, enables comparison across 32 Costa Rican destinations. With three categories covering basic human needs, social well-being and level of opportunity, a set of twelve indicators are used to assess current performance and track progress. Generally, tourism destinations have a higher index score than the wider municipalities in which they are located which shows the benefits of the industry at work.

High level targets for the National Tourism Plan seek to:

- Achieve 7% growth in foreign exchange revenues for the period of 2017-21,
- Maintain the average length of stay of between 11 and 13 nights,
- Grow international air arrivals by 8%,
- Position Costa Rica as a stand-out sustainable tourism destination,
- Develop niche markets with interests in natural history, photography and hiking,
- Maintain the level of the *Social Progress Index* between 70 and 80 out of 100 (in 2018 the average was 74).

Another tool to help ensure the sustainable development of tourism is the *Certificate for Tourism Sustainability*. This programme, run by the Costa Rican Tourist Board, is designed to categorise and differentiate tourism companies according to the degree of sustainability in operations and management, while considering natural, cultural and social issues. The core objective is to translate the concept of sustainability into something real and practical, while at the same time ensuring that businesses can boost their own productivity and help the overall competitiveness of Costa Rica.

The Programme requires businesses to improve their use of natural and social resources, promotes active participation of local communities and offers businesses support to achieve the necessary improvements. The Programme aims to avoid growth that is not in balance with natural and cultural resources and the aims of local communities. To measure and calculate these levels, the Certificate established a scale from one to five where each number indicates the relative position of the company in terms of sustainability.

Statistical Profile

Costa Rica: Domestic, inbound and outbound tourism

	2014	2015	2016	2017	2018
TOURISM FLOWS, THOUSAND					
Domestic tourism					
Total domestic trips	..	..	..	..	..
Overnight visitors (tourists)	..	..	..	..	..
Same-day visitors (excursionists)	..	..	..	..	..
Nights in all types of accommodation	..	..	..	..	..
Hotels and similar establishments	..	..	..	..	..
Other collective establishments	..	..	..	..	..
Private accommodation	..	..	..	..	..
Inbound tourism					
Total international arrivals	2 760	2 899	3 204	3 230	3 300
Overnight visitors (tourists)	2 527	2 660	2 925	2 960	3 017
Same-day visitors (excursionists)	233	239	279	271	283
Top markets					
United States	997	1 077	1 233	1 199	1 265
Central America	717	709	725	735	691
Europe	370	393	435	462	480
Canada	173	176	188	202	217
South America	138	156	181	181	190
Nights in all types of accommodation	31 333 e	30 061 e	35 394 e	35 222 e	35 295 e
Hotels and similar establishments	..	..	..	..	..
Other collective establishments	..	..	..	..	..
Private accommodation	..	..	..	..	..
Outbound tourism					
Total international departures	..	..	..	..	..
Overnight visitors (tourists)	798	919	1 036	1 150	1 079
Same-day visitors (excursionists)	..	..	..	..	..
Top destinations					
Central America	..	449	464	588	583
North America	..	308	382	371	376
Panama	..	195	193	241	301
United States	..	230	279	254	251
Nicaragua	..	188	189	220	141
TOURISM RECEIPTS AND EXPENDITURE, MILLION USD					
Inbound tourism					
Total international receipts	3 137	3 388	3 648	3 656	3 773
International travel receipts	2 996	3 267	3 648	3 656	3 773
International passenger transport receipts	141	122	..	..	..
Outbound tourism					
Total international expenditure	657	903	803	1 044	982
International travel expenditure	450	690	803	1 044	982
International passenger transport expenditure	207	213	..	..	..

.. Not available; e Estimated value
Source: OECD Tourism Statistics (Database).

StatLink http://dx.doi.org/10.1787/888934078357

Costa Rica: Enterprises and employment in tourism

	Number of establishments	Number of persons employed				
	2018	2014	2015	2016	2017	2018
Total	**..**	**..**	**..**	**..**	**..**	**..**
Tourism industries	**4 593**	**147 925**	**153 168**	**149 301**	**153 046**	**156 526**
Accommodation services for visitors	..	..	..	..	..	..
Hotels and similar establishments	3 748 e	26 397	30 113	30 055	28 677	27 622
Food and beverage serving industry	370	87 420	92 725	89 675	98 844	99 402
Passenger transport	..	14 985	12 950	14 621	11 512	16 666
Air passenger transport	..	..	..	..	..	..
Railways passenger transport	..	..	..	..	..	..
Road passenger transport	..	..	..	..	..	..
Water passenger transport	22	..	..	..	..	..
Passenger transport supporting services	14	..	..	..	..	..
Transport equipment rental	38	..	..	..	..	..
Travel agencies and other reservation services industry	347	..	..	..	..	..
Cultural industry	..	19 123	17 380	14 950	14 013	12 836
Sports and recreation industry	48	..	..	..	..	..
Retail trade of country-specific tourism characteristic goods	..	..	..	..	..	..
Other country-specific tourism industries	6	..	..	..	..	..
Other industries	**..**	**..**	**..**	**..**	**..**	**..**

.. Not available; e Estimated value
Source: OECD Tourism Statistics (Database).

StatLink http://dx.doi.org/10.1787/888934078376

Croatia

Tourism in the economy

In 2018, the total contribution of tourism to GDP was estimated at 19.6% with tourism revenues increasing by 6.4% to HRK 75.1 million. Tourism industries directly employed 86 600 people, representing 6.6% of total employment. According to the Tourism Satellite Account, in 2016, tourism directly contributed to 11.4% of GDP. A Tourism Satellite Account for 2016 identified total tourism consumption of HRK 78.6 billion with inbound tourism accounting for 86.3%. It is estimated that domestic tourism expenditure in 2016 amounted to HRK 10.5 billion.

Tourism in Croatia is seasonally skewed towards the summer months and is dependent on European markets, but improvement has been noticed since the 2020 Tourism Development Strategy has been implemented. International tourists number 16.6 million, 92.8% of total arrivals, staying 83.2 million nights with an average stay of five nights. The main source markets for Croatia are Germany (16.7% of international tourists), Austria (8.2%) and Slovenia (8.2%). Some growth is also evident in long-haul markets such as the United States, Canada and China.

Regarding domestic tourism, in 2018, the number of domestic tourist nights in all accommodation types increased by 8.3% to 6.5 million nights. Out of 90.0 million nights by international and domestic tourist, only 7.2% of the total were attributable to trips by domestic residents.

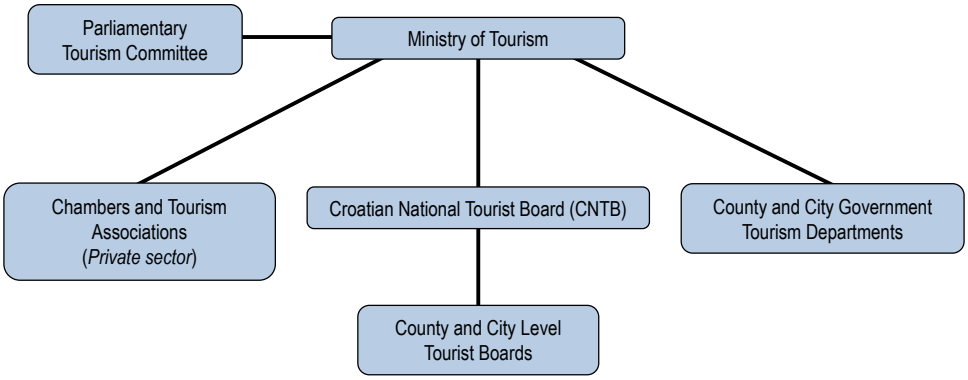
Tourism governance and funding

The Ministry of Tourism develops strategy and policy proposals to regulate tourism and related structures. Tourism promotion is the responsibility of the Croatian National Tourist Board, which reports to the Ministry. The Ministry regularly co-operates with the Chamber of Economy, Chamber of Trades and Crafts as well as with professional associations in the tourism and hospitality sectors. They do this through consultation and the preparation of legal acts and strategic documents. Grants, usually intended to improve skills and knowledge in the sector as well as shared scholarships in agreement with hotel companies, are approved through public invitations.

At regional level, the county administrative offices normally have a tourism department responsible for accommodation classification and permits associated with services in tourism and hospitality.

In 2018, the tourism budget was approximately HRK 230 million, representing 0.2% of the overall state budget. The total budget of the Croatian National Tourist Board from all sources was HRK 323.6 million, derived from tourism taxes (47.8%), state budgets, membership fees and other sources. It represents an increase of 20% from 2017.

Croatia: Organisational chart of tourism bodies



Source: OECD, adapted from the Ministry of Tourism, 2020.

Tourism policies and programmes

Over the last two years, many tourism and hospitality related legislation have been modified either to improve the management of tourism or, to align legislation to EU directives. The new laws establish two funds, for tourist boards in less developed areas and to create clusters of tourist boards. Another major change is the devolution of tourism taxation to regional level, giving County Assemblies the responsibility to set tax rates in their respective areas.

New structures relating to the management of the tourist board system will come into force in 2020, enabling financial incentives for clusters of tourist boards and changes in the roles of local and regional boards. Local bodies will have more operational control over product development, information and distribution, while regional boards will be responsible for strategic planning and development, research and marketing. The national Tourist Board will focus on international marketing.

Regarding cross-government policy development, the Ministry of Tourism has played an important role in the development of the new Croatian Development Strategy 2030, where tourism is an integral component. Empowerment of the Tourism Sector is one of the strategic goals of the 2030 Strategy. The aim is to achieve a multiplier effect on the Croatian economy via linkages throughout the tourism value chain.

The current Tourism Development Strategy 2020 has the following aims:

- To improve the tourism product and raise quality through investment, innovation, smart specialisation and sustainability.
- To position the Croatia brand strongly in international markets, increase shoulder and off-season turnover, increase average spend and support the private sector.

Preparations are underway for the development of a new tourism strategy. Action plans stemming from existing work have helped create a network of stakeholders focused on the development of new products and destinations. Besides three sessions of the Working Group on Tourism, the session of the Leadership group on Tourism has also been held. The Working group includes representatives from professional business associations, while the Leadership group directly includes representatives of the business sector. These groups provided inputs and constructive proposals to better prepare implementation mechanisms, strategic reforms and strategic projects, in order to achieve the defined strategic goal on tourism. The Ministry of Tourism is currently developing the overall strategic project to achieve this and expects the Strategy to be adopted by the Government at the beginning of 2020. The drafting process will start after

the adoption of the National Development Strategy 2030, as it will be in line with the 2030 Strategy's strategic tourism goals.

Croatian Tourism faces a number of challenges:

- Lack of workers - 64% of employers report difficulties in finding suitable staff.
- Building overdevelopment – Newly built accommodation in some areas along the coast is causing environmental degradation, with impacts on water consumption and traffic.
- Congestion and waste management - Cruise ships have created potential social concerns as tourism in Croatia is rooted in destinations where local populations share resources.
- Seasonality and unbalanced geographic spread – The season is concentrated between June and September, with coastal resorts accounting for 89% of all tourist arrivals and 95% of all overnight stays. Croatian tourism is directly connected to the sun and sea product and has insufficient innovative and high quality products elsewhere, despite a rich abundance of natural and cultural resources that could support diversification.

These issues are being addressed in a number of ways by the Ministry of Tourism:

- HRK 65 million is being allocated to 42 projects to encourage adult education institutions (and other) to attract vulnerable groups into the labour market. A network of regional centres of competence in tourism is also being established as hubs of learning involving industry, academia and other institutions. In addition to providing formal vocational education, the centres will train trainers, encourage flexible and continuous learning and target disadvantaged groups. The government has also exempted companies from VAT on food and accommodation costs for seasonal workers, enabling an increase in salaries for these workers and further incentive to work in the sector.
- To encourage diversification, the Tourism Development Fund facilitates the development of public infrastructure and public visitor attractions to improve the quality of tourism products. A range of projects have been funded over the last three years for the improvement of beaches and lakesides, cycling infrastructure, interpretation and visitor centres. Cycle tourism has been a national priority with a network of cycle routes for tourists being developed around the country, also contributing to the health of the local population. The Ministry is also revising regulations to enable mandatory classification to cover new trends for different types of accommodation to boost the quality and visibility of accommodation in less visited places.
- Impacts of intensive tourism development are being addressed with a multifaceted approach involving research and collaboration with partners from the Croatian Sustainable Tourism Observatory. The European Tourism Indicator System is being applied to monitor levels of sustainability at regional and local levels using 15 baseline indicators focused on social, economic, environmental and spatial sustainability. Additionally, the Ministry is collaborating with seven other Mediterranean countries on SMARTMED projects to address key challenges of seasonality and over-development.

Croatia has also taken a comprehensive approach to redefining its tourism administration system, and it is digitalising the national information infrastructure through the e-Tourism project (Box 1.15). This is focused on the development of eight linked public sector e-services in tourism, providing information for civil servants and linking the processing of several public bodies into an integrated system.

Statistical Profile

Croatia: Domestic, inbound and outbound tourism

	2014	2015	2016	2017	2018
TOURISM FLOWS, THOUSAND					
Domestic tourism					
Total domestic trips	16 515	12 195 |	8 803	6 614	8 166 p
Overnight visitors (tourists)	5 411	4 040 |	2 926	3 638	3 197 p
Same-day visitors (excursionists)	11 104	8 155 |	5 877	2 976	4 969 p
Nights in all types of accommodation	28 040	24 214 |	18 137	19 742	17 581 p
Hotels and similar establishments	3 624	2 605 |	1 888	1 510	1 524 p
Other collective establishments	818	1 030 |	442	532	583 p
Private accommodation	23 598	20 579 |	15 807	17 700	15 474 p
Inbound tourism					
Total international arrivals	..	..	..	..	..
Overnight visitors (tourists)	11 623	12 683	13 809	15 593	16 645
Same-day visitors (excursionists)	..	..	..	..	..
Top markets					
Germany	1 989	2 124	2 277	2 616	2 784
Austria	1 019	1 120	1 238	1 331	1 370
Slovenia	1 102	1 192	1 299	1 298	1 364
Italy	1 061	1 111	1 120	1 110	1 148
Czech Republic	661	696	689	742	755
Nights in all types of accommodation	61 324	65 863	72 193	80 222	83 175
Hotels and similar establishments	22 665	24 119	26 581	28 543	29 319
Other collective establishments	16 010	16 488	16 788	18 277	18 380
Private accommodation	22 649	25 256	28 825	33 402	35 477
Outbound tourism					
Total international departures	4 638	4 355	2 581	2 597	2 980 p
Overnight visitors (tourists)	2 763	2 578	1 614	1 923	2 058 p
Same-day visitors (excursionists)	1 875	1 777	967	674	922 p
Top destinations					
Bosnia and Herzegovina	523	404	283	325	390 p
Germany	308	261	278	211	326 p
Italy	257	452	203	210	213 p
Slovenia	314	183	144	165	171 p
Austria	304	258	169	213	166 p
TOURISM RECEIPTS AND EXPENDITURE, MILLION USD					
Inbound tourism					
Total international receipts	8 932	8 196	9 214	10 531	11 346
International travel receipts	8 716	8 012	9 028	10 320	11 127
International passenger transport receipts	216	184	186	211	218
Outbound tourism					
Total international expenditure	864	771	954	1 399	1 737
International travel expenditure	846	755	945	1 369	1 693
International passenger transport expenditure	19	15	9	30	44

.. Not available; p Provisional data; | Break in series
Source: OECD Tourism Statistics (Database).

StatLink http://dx.doi.org/10.1787/888934078395

Croatia: Enterprises and employment in tourism

	Number of establishments[1]	Number of persons employed[2]				
	2017	2014	2015	2016	2017	2018
Total	..	..	..	..	..	..
Tourism industries	**21 680**	**61 494**	**60 849 |**	**73 399**	**79 546**	**86 646**
Accommodation services for visitors	3 135	31 206	31 469 |	35 732	38 778	41 826
Hotels and similar establishments	1 056	..	..	..	..	..
Food and beverage serving industry	16 776	24 473	23 925 |	32 198	35 120	38 678
Passenger transport	2 134	..	..	..	..	..
Air passenger transport	19	..	..	..	..	..
Railways passenger transport	1	..	..	..	..	..
Road passenger transport	1 417	..	..	..	..	..
Water passenger transport	697	..	..	..	..	..
Passenger transport supporting services	..	..	..	..	..	..
Transport equipment rental	..	..	..	..	..	..
Travel agencies and other reservation services industry	1 769	5 815	5 455 |	5 469	5 648	6 142
Cultural industry	..	..	..	..	..	..
Sports and recreation industry	..	..	..	..	..	..
Retail trade of country-specific tourism characteristic goods	..	..	..	..	..	..
Other country-specific tourism industries	..	..	..	..	..	..
Other industries	..	..	..	..	..	..

.. Not available; | Break in series
1. Data refer to number of enterprises.
2. Data refer to number of employees.
Source: OECD Tourism Statistics (Database).

StatLink http://dx.doi.org/10.1787/888934078414

Croatia: Internal tourism consumption

Million EUR

	2016		
	Domestic tourism expenditure	Inbound tourism expenditure	Internal tourism consumption
Total	**1 398**	**8 823**	**10 441**
Consumption products	**1 398**	**8 823**	**10 441**
Tourism characteristic products	1 324	8 139	9 684
Accommodation services for visitors	174	2 630	3 025
Food and beverage serving services	251	1 795	2 046
Passenger transport services	403	351	754
Air passenger transport services	82	102	185
Railways passenger transport services	25	12	37
Road passenger transport services	269	70	338
Water passenger transport services	27	167	194
Passenger transport supporting services	..	..	..
Transport equipment rental services	..	..	..
Travel agencies and other reservation services industry	80	339	418
Cultural services	100	651	751
Sports and recreation services	..	..	..
Country-specific tourism characteristic goods	..	..	..
Country-specific tourism characteristic services	316	2 374	2 430
Other consumption products	73	684	758
Tourism connected products	..	..	..
Non-tourism related consumption products	..	..	..
Non-consumption products	..	..	..

.. Not available
Source: OECD Tourism Statistics (Database).

StatLink http://dx.doi.org/10.1787/888934078433

Egypt

Tourism in the economy

In 2018, total revenue from tourism reached EGP 174.1 billion, a 124% increase on the previous year, representing 15% of the country's GDP. The tourism sector is one of the largest employers in Egypt, providing 3.1 million jobs or 9.5% of the total workforce.

In 2018, Egypt recorded 9.8 million international arrivals, an increase of 48% compared to the previous year. The majority of international tourist arrivals were from European countries (59%), with most arrivals from Germany, Ukraine and the United Kingdom, the Middle East (22%), with most arrivals from Saudi Arabia and Jordan and African countries (7%), with Sudan being the key market. The average stay in 2018 was 10.8 nights, up from 7.9 nights the previous year.

Tourism governance and funding

The Ministry of Tourism is responsible for tourism policy and for establishing a coherent legal and regulatory framework for tourism development. Two tourism authorities fall under the jurisdiction of the Ministry:

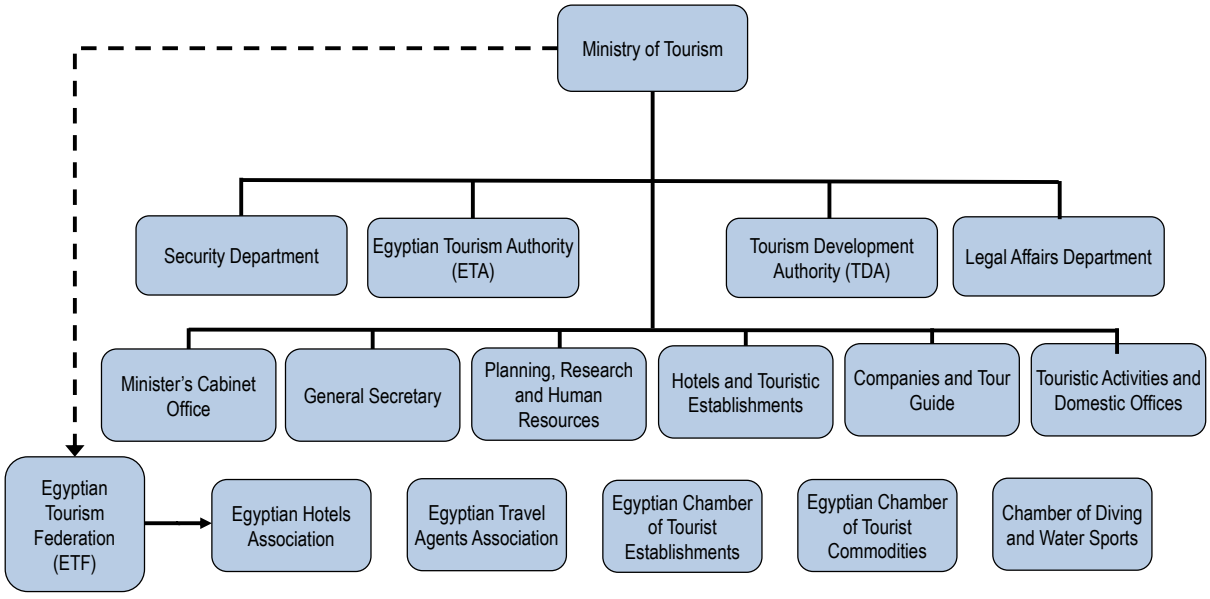
- The Tourism Development Authority - works primarily on setting and implementing regulations for tourism projects and investments, by assisting with the provision of land and facilitating access to loans for developing infrastructure projects.
- The Egyptian Tourism Authority (ETA) - responsible for promoting inbound and domestic tourism. It manages the development and diversification of the tourism product, both regionally and internationally.

Private sector involvement is aided by the Egyptian Tourism Federation (ETF) which is composed of five tourism industry business associations – the Hotels Association, the Travel Agents' Association, the Chamber of Tourist Establishments, the Chamber of Tourist Commodities and the Chamber of Diving and Water Sports. The Federation works closely with the Ministry of Tourism in areas related to tourism planning and in managing the Tourism Workforce Skills Development Project. By law, the views of the ETF are considered before any new legislative measures are taken.

The Ministry collaborates with national and international partners in order to deliver its objectives. This includes: partnerships with intergovernmental and international organisations to align work on UN Sustainable Development Goals; co-ordination with Saudi Arabian authorities and liaison with stakeholders for automated procedures for the Haj and Umrah pilgrimage seasons; collaboration with the Tourism Development Association on infrastructure, water and waste treatment; co-operation with the Ministry of Environment, UNDP and the Global Environment Facility on green tourism initiatives; and, work with UNDP and the National Council of Women to launch the Gender Equality Seal programme.

The tourism budget of Egypt for the 2018/19 fiscal year is EGP 1.8 billion, up from EGP 1.6 billion the previous year.

Egypt: Organisational chart of tourism bodies



Source: OECD, adapted from Ministry of Tourism, 2020.

Tourism policies and programmes

In November 2018, the Ministry of Tourism launched the Egypt Tourism Reform Programme (E-TRP), which aims to create a sustainable tourism sector through structural reforms to strengthen competitiveness and alignment with international standards. The overarching objective of E-TRP is to have at least one individual from each Egyptian household employed either directly or indirectly by the tourism sector. Designed as a policy framework, aligning its goals with the UN SDGs the E-TRP has had buy-in from both public and private sector stakeholders.

The five structural reform pillars are:

- Institutional Reforms - modernise the ministry's organisational structure, improve and elevate the skillset of the workforce to ensure that the quantity and quality of workforce meet labour market needs. Actions include administrative restructuring and modernisation of the organisational structure, capacity building of the workforce and incentive programmes to strengthen price competitiveness to increase inbound tourism. For instance, a grant was made available for a Tourism Vocational Education Training project in co-operation with the Egyptian Tourism Federation. To date, 8 000 people have been trained in various tourism areas. The hotel sector alone has a target of 9 600 trainees by the end of 2019 and 400 000 by 2030.
- Legislative Reforms - E-TRP has made changes to the legal framework governing tourism, which had remained unchanged for nearly five decades. The private sector is playing a role in drafting the new legislation.
- Marketing and Promotion – new campaigns to showcase Egypt's contemporary dimension, diversify revenue streams and increase the resilience of the sector through new source markets.
- Infrastructure and Tourism Development – including development of a private equity fund aimed at upgrading Egyptian hotels and resorts and helping restructure those struggling financially. Development projects have been completed in 67 tourist areas, with a focus on bringing hotel health, food safety and overall quality up to international standards across the industry.

- Global Tourism Trends - including branding Egypt as a responsible destination with recognised environmental and social sensitivities, promoting the economic empowerment of women, and encouraging innovation and digital transformation (e.g. Smart tourism).

The Ministry launched the first Egypt-Tourism Reform Programme *Progress Report 10* months after launching E-TRP to highlight what had been achieved in the tourism sector. The Report showed that the Ministry had succeeded in achieving most of the E-TRP goals in less than 10 months. This success is credited to effective co-operation between the government and the private sector.

During the past two years, the Ministry of Tourism in Egypt has been working with various stakeholders to upgrade the TSA system in order to be more inclusive and representative. The Ministry of Tourism signed a new protocol of co-operation with the Ministry of Planning, Monitoring and Administrative Reform to redefine the survey segments and set a comprehensive plan for the new results in 2020.

Prioritising sustainability and inclusiveness in Egypt's Tourism Reform Programme

The Ministry of Tourism has prioritised the environmental, social and economic impacts of tourism, and includes Global Tourism Trends as one of the five pillars of its Egypt Tourism Reform Programme. The Global Tourism Trends pillar comprises the following sub-pillars:

- Green Tourism - Branding Egypt as a responsible destination to meet future demand relating to green tourism products and services. The Green Star Hotel programme is a certification scheme introduced in 2014 and managed by the Egyptian Hotel Association in collaboration with the Ministry of Tourism. The programme encourages local hotels to adhere to international environmental and social standards in order to reduce their carbon footprint, support economic development and increase competitiveness. To date, 80 hotels (approximately 22 000 rooms) have been certified against the programme's global sustainable tourism criteria. Through close co-ordination and collaboration with the Ministry of Environment and international agencies, a project has also been implemented to preserve biodiversity, reduce the negative impacts of tourism infrastructure on natural resources and promote Egypt as an ecotourism destination.
- Economic Empowerment of Women and Closing the Gender Gap - In May 2019, the Ministry of Tourism launched the Gender Equality Seal programme with the UNDP and National Council of Women to promote the economic empowerment of women by increasing the female workforce within Egypt's tourism sector. In September 2019, the Ministry of Tourism, in collaboration with the World Economic Forum and the National Council of Women, launched a programme to close the gender gap in Egypt. The Closing the Gender Gap Accelerator in Egypt aims to increase the number of women in the labour market, promote more women into economic leadership positions, close wage gaps and ensure that women have the skills that will be demanded in the future.
- Innovation and Digitisation **–** Aims to encourage innovative and digital solutions for the tourism sector to enhance its competitiveness, including the 'Smart Tourism in Egypt' platform, which harnesses partnerships to create an enabling environment for smart tourism start-ups. Start-up competitions for the tourism sector with local and international partners are also in the pipeline.

The updated system incorporates collecting data of inbound, domestic and outbound tourism surveys in collaboration with the Central Agency for Pubic Mobilization and Statistics and includes enhancing the collection of data to enable in depth study of the expenditure of international tourists and Egyptians residing abroad through more inclusive and broader segmentation. In addition, tourism surveys will be conducted to assess domestic tourism expenditure for Egyptians and foreign residents.

Statistical Profile

Egypt: Domestic, inbound and outbound tourism

	2014	2015	2016	2017	2018
TOURISM FLOWS, THOUSAND					
Domestic tourism					
Total domestic trips	20 053	20 548	..	..	..
Overnight visitors (tourists)	8 928	9 148	..	..	..
Same-day visitors (excursionists)	11 125	11 400	..	..	..
Nights in all types of accommodation	..	..	..	..	..
Hotels and similar establishments	..	..	..	..	..
Other collective establishments	..	..	..	..	..
Private accommodation	..	..	..	..	..
Inbound tourism					
Total international arrivals	9 900	9 328	5 399	..	..
Overnight visitors (tourists)	9 650	8 984	5 168	..	..
Same-day visitors (excursionists)	250	189	141	..	..
Top markets					
Germany	877	1 011	654	..	..
United Kingdom	906	869	231	..	..
Italy	400	333	131	..	..
France	145	137	101	..	..
Russian Federation	3 139	2 390	54	..	..
Nights in all types of accommodation	97 256	84 128	32 712	..	..
Hotels and similar establishments	..	..	..	..	..
Other collective establishments	..	..	..	..	..
Private accommodation	..	..	..	..	..
Outbound tourism					
Total international departures	..	..	..	..	..
Overnight visitors (tourists)	2 181	2 134	..	..	..
Same-day visitors (excursionists)	..	..	..	..	..
Top destinations					
..	..	..	..	..	..
..	..	..	..	..	..
..	..	..	..	..	..
..	..	..	..	..	..
..	..	..	..	..	..
TOURISM RECEIPTS AND EXPENDITURE, MILLION USD					
Inbound tourism					
Total international receipts	7 978	6 897	3 254	8 636	11 615
International travel receipts	7 208	6 065	2 645	7 775	11 615 e
International passenger transport receipts	771	832	609	861	..
Outbound tourism					
Total international expenditure	3 485	3 636	4 351	2 419	2 667
International travel expenditure	3 140	3 442	4 110	2 160	2 667 e
International passenger transport expenditure	346	194	241	259	..

.. Not available; e Estimated value
Source: OECD Tourism Statistics (Database).

StatLink http://dx.doi.org/10.1787/888934078452

Egypt: Enterprises and employment in tourism

	Number of establishments	Number of persons employed				
	2017	2014	2015	2016	2017	2018
Total	**..**	**..**	**..**	**..**	**..**	**..**
Tourism industries	**..**	**1 752 000**	**1 992 665**	**..**	**..**	**..**
Accommodation services for visitors	..	156 100	188 740	..	..	..
Hotels and similar establishments	..	..	..	..	..	..
Food and beverage serving industry	..	408 600	488 240	..	..	..
Passenger transport	..	1 068 000	1 175 486	..	..	..
Air passenger transport	..	24 000	23 710	..	..	..
Railways passenger transport	..	66 000	55 970	..	..	..
Road passenger transport	..	968 000	1 078 428	..	..	..
Water passenger transport	..	10 000	17 378	..	..	..
Passenger transport supporting services	..	..	..	..	..	..
Transport equipment rental	..	1 000	4 151	..	..	..
Travel agencies and other reservation services industry	..	48 000	63 167	..	..	..
Cultural industry	..	12 700	18 251	..	..	..
Sports and recreation industry	..	26 000	31 290	..	..	..
Retail trade of country-specific tourism characteristic goods	..	13 000	22 897	..	..	..
Other country-specific tourism industries	..	18 600	481	..	..	..
Other industries	**..**	**..**	**..**	**..**	**..**	**..**

.. Not available
Source: OECD Tourism Statistics (Database).

StatLink http://dx.doi.org/10.1787/888934078471

Egypt: Internal tourism consumption

Million EGP

	2013		
	Domestic tourism expenditure	Inbound tourism expenditure	Internal tourism consumption
Total	**20 786**	**78 509**	**113 139**
Consumption products	**20 786**	**75 520**	**110 151**
Tourism characteristic products	13 270	65 023	92 137
Accommodation services for visitors	2 122	9 265	23 173
Food and beverage serving services	3 708	20 361	24 072
Passenger transport services	6 113	15 555	23 468
Air passenger transport services	3 965	9 525	13 490
Railways passenger transport services	288	79	371
Road passenger transport services	1 766	4 781	6 549
Water passenger transport services	94	1 170	3 058
Passenger transport supporting services	..	..	..
Transport equipment rental services	0	299	299
Travel agencies and other reservation services industry	611	5 119	5 730
Cultural services	100	3 243	3 601
Sports and recreation services	518	5 309	5 828
Country-specific tourism characteristic goods	93	4 856	4 950
Country-specific tourism characteristic services	0	1 014	1 014
Other consumption products	7 516	10 497	18 013
Tourism connected products	..	..	..
Non-tourism related consumption products	..	..	..
Non-consumption products	**0**	**2 988**	**2 988**

.. Not available
Source: OECD Tourism Statistics (Database).

StatLink http://dx.doi.org/10.1787/888934078490

Indonesia

Tourism in the economy

Tourism has boomed in Indonesia in recent years and is one of the main sources of foreign currency earnings. In 2017, contribution of tourism to GDP amounted to IDR 536.8 trillion, 4.1% of Indonesia's total GDP. In the same year, tourism provided 12.7 million jobs, representing 10.5% of total employment. Tourism receipts totalled IDR 200 billion and the sector out-performed the general growth of the Indonesian economy.

In 2018, international arrivals reached 15.8 million, an increase of 12.6% compared to the previous year. China was the country's main international source market (16% of tourists), followed by Singapore (13.2%), Malaysia (10.6%) and Australia (9.7%). The average length of stay was 8.6 days.

In 2017, domestic tourism reached 270.8 million trips growing 2.4% over the previous year. In 2018, these numbers increased to 303.4 million trips, growing a significant 12%.

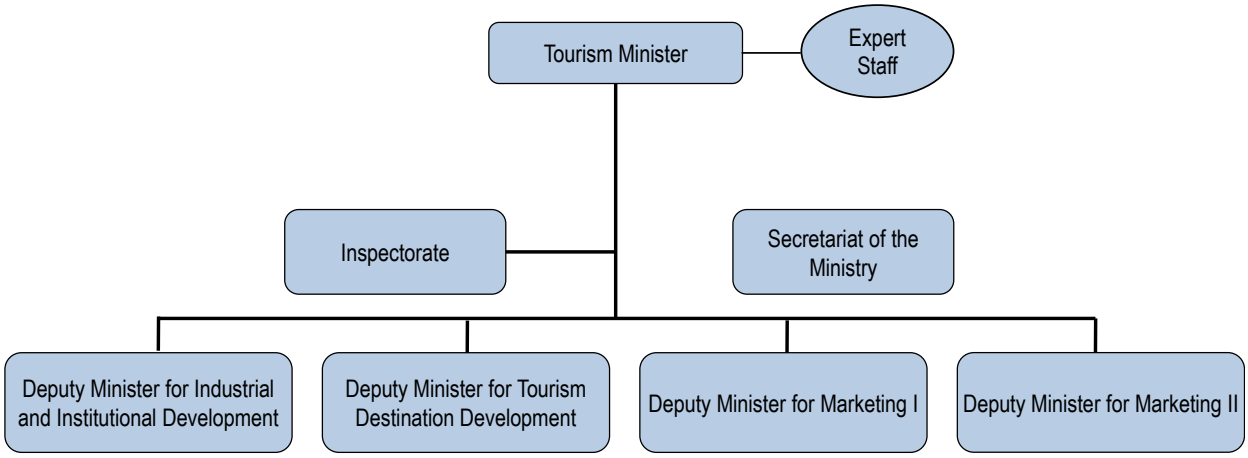
Tourism governance and funding

The Ministry of Tourism takes the lead working within the Medium-term National Development Plan (2015-19) and using a visitor journey approach, based on the tourism value chain, to guide the way the industry is developed. Tourism legislation from 2009 determines the overall aims of the National Development Plan, including consumer protection for visitors, facilitating the business environment, protecting resources and controlling industry impacts. A hierarchy identifying the responsibilities of government is also specified in the National Development Plan, including planning, co-ordination, development and marketing roles at the national, provincial and municipal levels. In 2017, a Tourism Co-ordination Team was legally established with the principal role of preparing the Integrated Tourism Master Plan under the responsibility of the Minister of Tourism. In addition, the regulations charge the Co-ordination Team with:

- Co-ordination of policies, programmes and activities in support of tourism,
- Co-operating to ensure the harmonisation and integration of tourism regulations, policies and the effective management of programmes,
- Overcoming obstacles in the implementation of tourism,
- Planning, implementation, monitoring and evaluation of tourism masterplans.

The budget allocation for tourism in 2018 was IDR 3.7 billion, an increase of 4.7% from 2017. The tourism budget has seen overall growth of 63% over the last four years, but the 2018 budget is still lower than the country's largest ever tourism budget of IDR 5.4 billion in 2016.

Indonesia: Organisational chart of tourism bodies



Source: OECD adapted from Ministry of Tourism and Creative Economy, 2020.

Tourism policies and programmes

The Government of Indonesia aims for tourism development to provide a range of economic, social and environmental benefits, specifically to reduce unemployment, eradicate poverty, protect the environment and improve the image of Indonesia.

Every year, the Ministry of Tourism runs a major National Co-ordination Conference involving a wide range of tourism stakeholders including academics, businesses, communities, government and media. While the conference theme changes annually, the Conference is underpinned by the policies and strategies set out in three Tourism Development Master Plans, which are agreed separately at national, provincial and municipal levels. The National Master Plan was agreed in 2010 and runs until 2025 and each year a strategic action plan is published that sets out the related activity to achieve the aims of the National Master Plan.

The vision of the National Master Plan is to ensure that Indonesia becomes a competitive and sustainable tourism destination, which stimulates widespread regional development and improves the welfare of all Indonesians.

The National Master Plan has four main aims:

- Develop safe, comfortable, attractive, accessible, environmentally-friendly destinations, that will grow the economy at national, regional and community levels,
- Co-ordinate high quality and trustworthy marketing to encourage visits from both domestic and overseas markets,
- Create a competitive and professional tourism business sector and stimulate partnerships that can play their part in addressing the environmental and social impacts of tourism,
- Encourage progress towards sustainable tourism development through the active involvement of public agencies, regional government, the private sector and communities, ensuring that both the regulatory environment and policy measures are effective and efficient.

These strategic aims were translated into a range of priorities, all of which are underway:

- Accelerate infrastructure development,
- Develop attractions to encourage cross-border tourism by neighbours,

- Improve the quality of facilities in destinations by ensuring the availability of tourist amenities such as ATMs, foreign exchange businesses and payment systems,
- Optimise promotional channels using digital techniques,
- Encourage investment and finance for destination development,
- Establish standard procedures relating to the handling of tourism related crises and establish a Regional Tourism Crisis Management forum.

Despite the aims and policies in place, a range of challenges remains. These relate to governance, destination development, marketing and the co-ordination of the tourism sector. Regarding governance: there is currently a lack of suitable higher education institutions to provide a well-trained workforce for the tourism sector; some regional and local organisations are in need of improvement; and, there is evidence of fragmented or unco-ordinated activity in some regions as well as the sector more broadly. Destination development is challenging because of the physical nature of the country, the effects of climate change, natural weather-related phenomena, difficulties with connectivity and basic infrastructure, and the need for greater investment. Marketing issues include a poor image of Indonesia in some international markets and the need for more effective co-ordination of promotional activity using marketing partnerships. The industry itself is relatively young and so the quality and competitiveness of tourism products can be variable, connection between business sectors needs to be strengthened and, in general, individual businesses need to take more responsibility for their environmental impact.

The National Master Plan sets out a number of programmes to deal with these challenges:

- The development of a network of new higher education colleges relating specifically to tourism and related industries, with curricula that draw on global standards and are international in outlook. The aim is for these colleges to become centres of excellence in different specialist areas.
- Destination development will be supported by drawing on the power of digital technologies to differentiate new and existing locations with creative products and packaging suitable for modern travellers. For example, the '10 new Bali's' initiative is intended to develop and realise 10 priority destinations across the country. The development of priority destinations is carried out through the design process of an Integration Tourism Master Plan (ITMP), investment, construction and capacity building through promotion and marketing, and structuring of destinations (accessibility, amenities, attractions).
- Significant investment in branding and marketing is also planned using a range of innovative techniques such as using demand pricing to manage tourism flows and combining machine learning and big data techniques to identify key target markets and ensure the precise targeting of promotional messages. A focus on neighbouring markets will unlock new growth particularly through the development of Low-Cost Terminals - regional hub airports that connect to a number of new short-haul routes to increase traffic.

The National Master Plan sets yearly targets based on a series of performance indicators at macro and micro levels. The targets relating to tourism receipts, domestic arrivals and the competitiveness index have all been consistently met or exceeded since 2015. Targets for other indicators - employment, and international arrivals - show a mixed picture, though they have grown in general. Percentage contribution to GDP has met some annual targets but overall has decreased over the period since 2015.

The ministry has a four-pillar programme to encourage sustainable tourism development and to create a competitive industry that drives economic development, creates social progress and protects the resources on which tourism depends. The four pillars are: i) tourism destination development by prioritisation of a number of tourism destinations; ii) tourism marketing to strengthen customer-orientated marketing; iii) increasing the number and competitiveness of tourism enterprises; and, iv) improving national tourism institutions and related requirements such as the higher education system.

Statistical Profile

Indonesia: Domestic, inbound and outbound tourism

	2014	2015	2016	2017	2018
TOURISM FLOWS, THOUSAND					
Domestic tourism					
Total domestic trips	..	..	..	..	..
Overnight visitors (tourists)	251 237	256 419	264 338	270 822	303 404
Same-day visitors (excursionists)	..	..	..	..	..
Nights in all types of accommodation	..	..	..	..	..
Hotels and similar establishments	..	..	..	..	..
Other collective establishments	..	..	..	..	..
Private accommodation	..	..	..	..	..
Inbound tourism					
Total international arrivals	9 435	10 231	11 519	14 040	15 810
Overnight visitors (tourists)	..	9 963	11 072	12 948	13 396
Same-day visitors (excursionists)	..	267	447	1 092	2 414
Top markets					
China	1 053	1 249	1 557	2 093	2 139
Singapore	1 559	1 594	1 516	1 554	1 769
Malaysia	1 418	1 432	1 443	1 393	1 421
Australia	1 146	1 090	1 300	1 257	1 301
India	267	307	422	537	595
Nights in all types of accommodation	..	..	..	..	..
Hotels and similar establishments	..	..	..	..	..
Other collective establishments	..	..	..	..	..
Private accommodation	..	..	..	..	..
Outbound tourism					
Total international departures	8 074	8 176	8 340	8 856	9 468
Overnight visitors (tourists)	..	..	..	..	..
Same-day visitors (excursionists)	..	..	..	..	..
Top destinations					
..	..	..	..	..	..
..	..	..	..	..	..
..	..	..	..	..	..
..	..	..	..	..	..
..	..	..	..	..	..
TOURISM RECEIPTS AND EXPENDITURE, MILLION USD					
Inbound tourism					
Total international receipts	11 567	12 054	12 565	14 691	15 596
International travel receipts	10 261	10 761	11 206	13 139	14 110
International passenger transport receipts	1 306	1 293	1 360	1 552	1 486
Outbound tourism					
Total international expenditure	10 263	9 800	9 932	10 945	11 629
International travel expenditure	7 682	7 292	7 566	8 289	8 772
International passenger transport expenditure	2 581	2 508	2 366	2 656	2 857

.. Not available
Source: OECD Tourism Statistics (Database).

StatLink http://dx.doi.org/10.1787/888934078509

Indonesia: Enterprises and employment in tourism

	Number of establishments	Number of persons employed[1]				
	2018	2014	2015	2016	2017	2018
Total	..	..	..	..	..	..
Tourism industries	..	..	..	..	..	..
Accommodation services for visitors	..	..	..	..	1 043 448	..
Hotels and similar establishments	28 230	326 126	333 069	340 392	..	408 565
Food and beverage serving industry	..	..	..	..	8 129 143	..
Passenger transport	..	..	..	..	..	..
Air passenger transport	..	..	..	..	..	..
Railways passenger transport	..	..	..	..	..	..
Road passenger transport	..	..	..	..	..	..
Water passenger transport	..	..	..	..	..	..
Passenger transport supporting services	..	..	..	..	..	..
Transport equipment rental	..	..	..	..	..	..
Travel agencies and other reservation services industry	..	..	..	..	..	..
Cultural industry	..	..	..	..	..	..
Sports and recreation industry	..	..	..	..	..	..
Retail trade of country-specific tourism characteristic goods	..	..	..	..	..	..
Other country-specific tourism industries	..	..	..	..	..	..
Other industries	..	..	..	..	..	..

.. Not available
1. Data refer to number of employees.
Source: OECD Tourism Statistics (Database).

StatLink http://dx.doi.org/10.1787/888934078528

Indonesia: Internal tourism consumption

Million IDR

	2017		
	Domestic tourism expenditure	Inbound tourism expenditure	Internal tourism consumption
Total	..	..	..
Consumption products	**261 494 383**	**198 891 647**	**460 386 030**
Tourism characteristic products	200 078 124	183 393 505	383 471 629
Accommodation services for visitors	16 392 824	79 827 390	96 220 214
Food and beverage serving services	77 684 226	36 084 962	113 769 188
Passenger transport services	63 216 135	35 485 099	98 701 234
Air passenger transport services	36 716 842	17 343 198	54 060 040
Railways passenger transport services	2 486 862	1 134 035	3 620 897
Road passenger transport services	17 539 470	14 578 888	32 118 358
Water passenger transport services	6 472 961	2 428 978	8 901 939
Passenger transport supporting services	..	..	..
Transport equipment rental services	11 393 277	323 975	11 717 252
Travel agencies and other reservation services industry	3 638 460	3 318 982	6 957 442
Cultural services	901 692	1 031 220	1 932 912
Sports and recreation services	6 331 489	9 280 984	15 612 473
Country-specific tourism characteristic goods	11 844 491	12 457 605	24 302 096
Country-specific tourism characteristic services	8 675 530	5 583 288	14 258 818
Other consumption products	61 416 259	15 498 142	76 914 401
Tourism connected products	..	..	..
Non-tourism related consumption products	..	..	..
Non-consumption products	..	..	..

.. Not available
Source: OECD Tourism Statistics (Database).

StatLink http://dx.doi.org/10.1787/888934078547

Kazakhstan

Tourism in the economy

In 2017, tourism in Kazakhstan contributed 1.4% of GVA. The industry is made up of 118 800 registered businesses employing 463 700 people across the country, and accounting for 5.3% of total employment in 2018. The number of people employed in the tourism industry has been increasing steadily over the last decade. Inbound tourism contributed 4.4% of total export income, representing 36% of all service exports. At the end of 2017, consumer spending on inbound tourism amounted to KZT 768.8 billion, and KZT 1424.3 billion for domestic tourism.

The number of inbound arrivals in 2018 reached 8.8 million, an increase of 14.1% from 2017, and 28.5% over five years. The main source of visitors is traditionally the ex-soviet countries, accounting for 91.7% of arrivals and 70.6% of spending. Visitors from other countries made up 8.3% of the total visitors but 29.4% of the spending. Domestic tourism is also on the rise, with 4.7 million trips in 2018, up 7.0% over 2017. Overnight trips accounted for 94.0% of domestic arrivals in 2018.

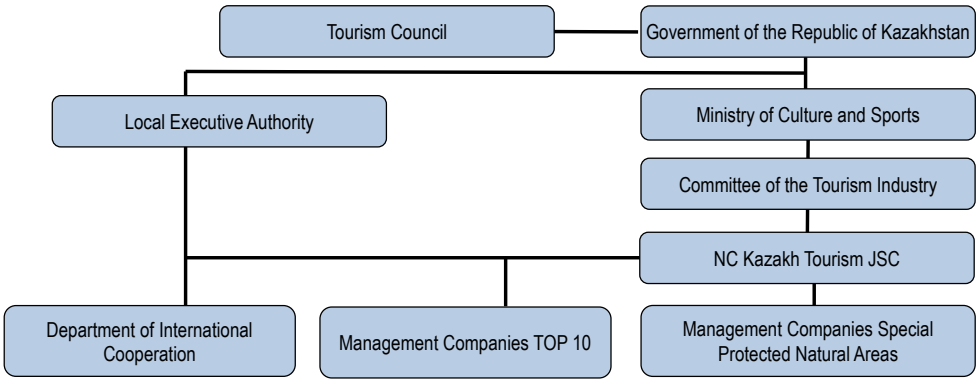
Tourism governance and funding

The Committee of the Tourism Industry is part of the Ministry of Culture and Sport. The main task of the Committee is making and implementing tourism policy. The Committee is supported by *Kazakh Tourism JSC*, the national tourist organisation responsible for the international promotion of tourism in Kazakhstan. Kazakh Tourism JCS is also responsible for identifying and conducting negotiations with potential investors in order to attract them to participate in investment projects, co-operating with international and foreign organisations and promoting the country's tourism brand and products in international and domestic markets. Additional responsibilities include skills enhancement of specialists in tourism activities, and participation in the management of priority tourist areas.

At a local level, executive bodies have a range of powers in relation to tourism, which include development planning, co-ordination, market research, business support, tourism information and licencing. Regional authorities and larger cities provide similar services but also have a more strategic role, including master planning and co-ordinating development of financing and protecting regional resources.

The total budget for tourism in 2017 was KZT 4.6 billion, rising to KZT 6.5 billion in 2018. The increased funding is intended to improve the infrastructure of tourist destinations, investment attractiveness, and holding international and domestic events to attract tourists.

Kazakhstan: Organisational chart of tourism bodies



Source: OECD, adapted from Ministry of Culture and Sports, 2020

Tourism policies and programmes

In May 2019, the Government approved The Programme for the Development of the Tourism Industry for 2019-25. The Programme is designed to improve the availability and quality of tourist services and products, as well as the quality of life of the population of the country by developing places of tourist interest and upskilling human resources for the sector. It also focuses on the growth of external and internal tourist flows, increasing investment in the tourism industry by creating a favourable tourist climate, and promotion of the tourist potential of Kazakhstan in both domestic and international markets. Kazakh Tourism JCS used the Programme to guide its marketing and promotion and to attract investment in tourism.

Although Kazakhstan has a favourable geopolitical position, with significant natural and recreational resources and world cultural and historical heritage sites, the country is an emerging tourism destination and is not yet competitive against popular countries for tourism and travel. The government recognises that the quality of tourist infrastructure, openness of bilateral service agreements, complexity of the visa regime, and low quality of roads are areas for further improvement.

The 2019-25 Programme is focusing on resolving these issues and aligning performance with international standards. This work is developed in the context of wider legislation designed to transform the economy of Kazakhstan and includes significant institutional and economic reforms as well as sector development and specialisation. To achieve these targets, the institutional framework has been strengthened, national and local executive bodies formed, working alongside the National Tourism Organisation, Kazakh Tourism JSC, and additional co-ordination measures developed to deal with the cross-cutting nature of tourism, which is estimated to link 30 different sectors in Kazakhstan.

Low levels of investment inhibit the industry's development and restrict potential growth. In 2017, the country attracted KZT 295.7 billion in fixed capital investment in tourism, 36.6% more than in 2016. In 2018, total investment increased by 65% compared to 2017 and amounted to KZT 447.3. However, many major investment projects are still not able to be implemented due to a lack of state support mechanisms and a lack of long-term and affordable finance for the industry.

In order to attract investors to the tourism industry, the government is carrying out the following work:

- Ensuring the necessary engineering and transport infrastructure are brought to investment projects.
- Creating a preferential regime for investors, including the provision of in-kind grants and exemptions from corporate income tax, land and property tax. The minimum threshold has been reduced from KZT 4.7 billion to KZT 4.7 million for tourism projects.

- A programme has been launched to provide SMEs with financial resources for investment projects in the tourism industry at a preferential rate of 6%.

The core priority of the Ministry of Culture and Sport and the government is to increase tourist flows and attract a larger share of the international market. The number of tourism related businesses has been increasing by 10% to 15% each year, but regional tourism development is unco-ordinated. For example, formal regional strategies are not in place to enable the development of the most promising destinations and products.

The Programme for the Development of the Tourism Industry for 2019-25, aims to position Kazakhstan as one of the 50 most attractive countries for travel in the world by 2025. This will be achieved by reference to the following indicators:

- Increase the contribution of tourism to the country's GDP from 5.7% to 8%,
- Increase the number of people employed in the tourism industry from 440 000 to 650 000,
- Increase the number of overseas tourists from the 830 000 to 3 million,
- Increase the number of domestic tourists from 5 million to 8 million,
- Increase the volume of tourism services rendered from EUR 256 million to EUR 630 million,
- Increase tourism investment from EUR 700 million to EUR 1.4 billion.

The implementation cost of the Programme is KZT 2.2 trillion, more than half of which is financed by the Government, while the remainder comes from the private sector.

Kazakhstan is an emerging tourist destination with limited tourism infrastructure, weak product and services offers, and does not have a high image in global tourism markets. Priority measures, such as visa reforms, air access and high quality accommodation, are a critical part of the current tourism plan. Research has indicated that Kazakhstan has over 100 potential ‘tourism magnets’ and ‘points of tourism growth’. Due to limited resources, and the need for significant investment in each, these have been prioritised at both national and regional levels. This has resulted in the development of a comprehensive map of potential sites and opportunities by the Committee of the Tourism Industry. Various selection criteria underpinned the selection process for these sites, including uniqueness, historical and cultural significance, and availability of accommodation.

The development of the accommodation and hospitality sector is a significant challenge given a lack of skills, the remoteness of many providers and the difficulty in tracking the quantity of stock at national or regional levels using official statistics. A framework for the operation of the sector is currently being developed including a National Hostels Standard, which is being implemented on a voluntary basis.

In 2019, the government created a specialised educational institution - The International University of Tourism and Hospitality – as a model of international and national best practice in the training of tourism personnel. The University aims to improve the training system and increase the competence of personnel in the tourism industry to meet international standards.

Statistical Profile

Kazakhstan: Domestic, inbound and outbound tourism

	2014	2015	2016	2017	2018
TOURISM FLOWS, THOUSAND					
Domestic tourism					
Total domestic trips	3 125	3 110	3 495	4 387	4 696
Overnight visitors (tourists)	2 978	2 685	3 245	4 195	4 415
Same-day visitors (excursionists)	147	425	250	193	281
Nights in all types of accommodation	6 033	5 821	6 390	8 081	8 245
Hotels and similar establishments	5 842	5 552	6 134	7 752	7 916
Other collective establishments	191	270	256	329	330
Private accommodation	..	..	..	..	..
Inbound tourism					
Total international arrivals	679	692	723	892	831
Overnight visitors (tourists)	660	606	677	872	812
Same-day visitors (excursionists)	19	86	45	20	19
Top markets					
..	..	..	..	..	..
..	..	..	..	..	..
..	..	..	..	..	..
..	..	..	..	..	..
..	..	..	..	..	..
Nights in all types of accommodation	..	..	..	..	..
Hotels and similar establishments	..	..	..	..	..
Other collective establishments	..	..	..	..	..
Private accommodation	..	..	..	..	..
Outbound tourism					
Total international departures	10	11	10	10	11
Overnight visitors (tourists)	..	..	..	..	..
Same-day visitors (excursionists)	..	..	..	..	..
Top destinations					
..	..	..	..	..	..
..	..	..	..	..	..
..	..	..	..	..	..
..	..	..	..	..	..
..	..	..	..	..	..
TOURISM RECEIPTS AND EXPENDITURE, MILLION USD					
Inbound tourism					
Total international receipts	2 240	1 833	2 038	2 356	2 651
International travel receipts	2 000	1 632	1 858	2 135	2 255
International passenger transport receipts	239	201	180	221	396
Outbound tourism					
Total international expenditure	3 771	3 046	2 580	2 695	2 843
International travel expenditure	3 515	2 867	2 446	2 560	2 687
International passenger transport expenditure	256	179	133	135	157

.. Not available
Source: OECD Tourism Statistics (Database).

StatLink http://dx.doi.org/10.1787/888934078566

Kazakhstan: Enterprises and employment in tourism

	Number of establishments[1]	Number of persons employed				
	2018	2014	2015	2016	2017	2018
Total	..	..	..	..	..	..
Tourism industries	**118 761**	**412 839**	**428 543**	**414 121**	**442 488**	**463 669**
Accommodation services for visitors	4 795	52 200	60 260	55 855	64 710	59 836
Hotels and similar establishments	2 660	2 380	2 433	2 457	2 642	2 660
Food and beverage serving industry	34 105	115 070	113 970	115 030	127 241	127 863
Passenger transport	46 343	105 945	116 855	100 331	106 448	116 752
Air passenger transport	182	7 191	13 797	13 416	14 909	11 372
Railways passenger transport	134	56 533	54 704	38 405	42 932	45 728
Road passenger transport	45 840	42 137	48 250	48 340	48 478	59 617
Water passenger transport	187	84	104	170	129	35
Passenger transport supporting services	..	..	..	..	..	..
Transport equipment rental	10 550	1 607	1 964	1 824	1 553	2 989
Travel agencies and other reservation services industry	5 654	5 713	8 204	8 473	8 756	10 651
Cultural industry	3 958	60 655	57 125	58 217	59 356	58 699
Sports and recreation industry	13 356	71 649	70 165	74 391	74 424	86 879
Retail trade of country-specific tourism characteristic goods	..	..	..	..	..	..
Other country-specific tourism industries	..	..	..	..	..	..
Other industries	**..**	**..**	**..**	**..**	**..**	**..**

.. Not available
1. Data refer to number of enterprises.
Source: OECD Tourism Statistics (Database).

StatLink http://dx.doi.org/10.1787/888934078585

Kazakhstan: Internal tourism consumption

Million KZT

	2017		
	Domestic tourism expenditure	Inbound tourism expenditure	Internal tourism consumption
Total	**384 972**	**768 827**	**1 424 333**
Consumption products	**379 315**	**748 617**	**1 397 640**
Tourism characteristic products	292 010	559 144	1 111 292
Accommodation services for visitors	46 373	163 218	277 493
Food and beverage serving services	55 377	217 299	281 148
Passenger transport services	41 690	71 927	294 939
Air passenger transport services	8 682	55 041	238 141
Railways passenger transport services	24 015	13 004	42 950
Road passenger transport services	8 993	3 882	13 848
Water passenger transport services	0	0	0
Passenger transport supporting services	..	..	..
Transport equipment rental services	29	9 744	9 807
Travel agencies and other reservation services industry	127 512	10 232	139 202
Cultural services	4 561	32 156	37 033
Sports and recreation services	16 469	54 568	71 669
Country-specific tourism characteristic goods	..	..	..
Country-specific tourism characteristic services	..	..	..
Other consumption products	87 305	189 473	286 348
Tourism connected products	..	..	..
Non-tourism related consumption products	87 305	189 473	286 348
Non-consumption products	**5 657**	**20 210**	**26 693**

.. Not available
Source: OECD Tourism Statistics (Database).

StatLink http://dx.doi.org/10.1787/888934078604

Malta

Tourism in the economy

Tourism is an important contributor to Malta's economy, directly supporting 33 180 jobs and 14.9% of total employment in 2018. The contribution of tourism to Malta's GDP in 2018 was 12.8%, making tourism one of the top five contributors to the economy. Total tourist expenditure was EUR 2.1 billion, an increase of 8% from 2017.

In 2018, there were 3.2 million international arrivals, an 11.0% increase on 2017. International tourist numbers have almost doubled since 2010. In 2018, Malta's top three inbound markets for overnight visitors were the United Kingdom, Italy and Germany with a market share of 24.6%, 15.0% and 8.7% respectively, accounting for almost half of all inbound tourism. The UK market has grown by 14.2% over 2017 to reach 640 600 tourist in 2018, while, the Italian market has also grown by 7.4% to 390 600 tourists. The German market has fluctuated, with a 17.6% growth between 2017 and 2018, peaking at 227 000 tourists in 2018.

Domestic tourism in Malta is relatively small. It consists primarily of flows between Malta and the second island of Gozo, although there is a small but growing trend for residents of the main island to stay overnight in hotels on Malta. In 2018, resident tourism in collective establishments are estimated at 185 000 arrivals, an increase of 10.5% over 2017. Domestic tourists to the Gozo and Comino islands, numbered 227 121 in 2018, a decrease of 4.1% from 2017. Gozo and Comino residents who travelled to Malta in 2018 as domestic tourists totalled 18 356, a decrease of 23.3% from 2017.

Tourism governance and funding

Tourism is directly represented in Cabinet through a dedicated Minister of Tourism who is also responsible for aviation policy. The Ministry has political responsibility for a number of agencies and companies connected with tourism, including the Malta Tourism Authority, Conventions Malta, Foundation for Tourism Zones, Grand Harbour Regeneration Corporation, the Institute of Tourism Studies, Air Malta, Malta Air Traffic Services, the Mediterranean Conference Centre and the Malta Film Commission.

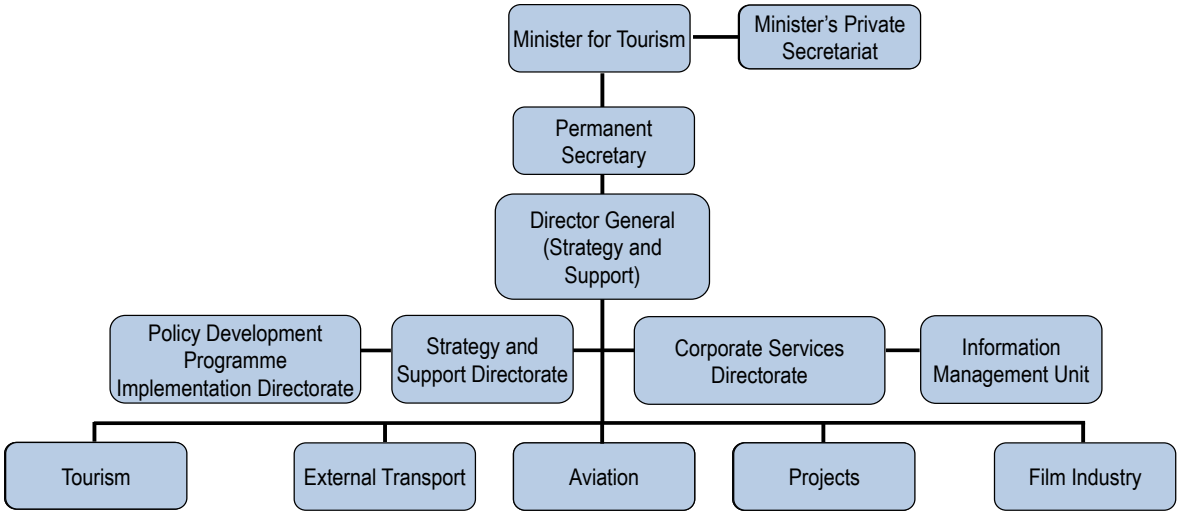
The Malta Tourism Authority is the Island's national tourism organisation. Established in 1999, its role is to promote and advance Malta as a tourism destination and to assist and advise government on any tourism-related issues. The Institute of Tourism Studies trains students in hospitality and tourism, providing personnel who can guarantee an excellent standard of product and service. Conventions Malta, operating as part of the National Tourism Organisation, promotes the islands as a MICE destination while the Mediterranean Conference Centre is a key historic site and one of Malta's landmarks. The Foundation for Tourism Zones works with various ministries to co-ordinate the upkeep and maintenance of key tourism zones in order to improve the visitor experience.

The Ministry collaborates with other ministries and bodies to develop and implement policy and undertakes regeneration projects to improve the quality and sustainability of the offer. The Ministry also has close ties with a variety of tourism associations, with the private sector represented on the Boards of the NTO and the Institute of Tourism. A key relationship is with the Ministry for Transport, Infrastructure and Capital

Projects to improve air connectivity by means of agreements with third countries. The country does not have regional bodies, due to its size, but is sub-divided into 60 local councils with whom there is regular co-ordination, particularly with respect to tourism zone management and product development.

In 2018, the total budget was EUR 101.8 million, an increase of 12% over 2017. Of this, 20.2% was allocated to the Ministry of Tourism and 61% to the Malta Tourism Authority. Other recipients included the Institute of Tourism Studies (5.6%), Grand Harbour Regeneration Corporation (6.8%) and the Foundation for Tourism Zone Development (6.5%). The increase in budget is due to additions to the Ministry for Tourism's portfolio and an increase in regeneration projects.

Malta: Organisational chart of tourism bodies



Source: OECD, adapted from the Ministry of Tourism, 2020

Tourism policies and programmes

Tourism in Malta is diversified, both in terms of geographical spread and type of visitor. This ensures lower than average seasonality when compared to many Mediterranean destinations. Despite this, several challenges remain including economic instability in source markets, the impact of Brexit in the United Kingdom as Malta's principal inbound market, political instability in North Africa, air routes and connectivity, and the small size of the domestic market. While the season is longer relative to many neighbours, the challenge remains to maintain high-season volumes whilst increasing shoulder and off-season activity.

The Ministry's National Tourism Policy for 2015-20, contains three main inter-related objectives, forming the basis of the sustainable development of tourism to Malta. The objectives are to:

- Manage visitor numbers,
- Raise the level of quality across the entire tourism value chain by upgrading products and services,
- Further reduce seasonality by attracting new geographic source markets and year-round segments.

A further priority remains the improvement of airline connectivity and efforts are being undertaken to optimise tourism flows throughout the year. The achievement of these objectives requires a national effort since, while some of the responsibilities such as connectivity and marketing, lie directly with the Ministry, other objectives fall within the remit of other ministries and stakeholders. The role of Air Malta as the national carrier remains pivotal and ongoing reform of that organisation is also important.

The following policy actions aim to address the challenges facing the tourism industry:

- Improve the skill base and promote tourism as a prospective career,
- Improve digitalisation skills and promote innovation,
- Offer additional tourism services and infrastructure,
- Strengthen efforts and governance structures to further improve management and upkeep of tourism zones, beaches, and areas visited by tourists,
- Work to ensure sustainability of the tourism product by encouraging resource efficiency and a circular economy,
- Optimise the relationship between volume growth and value growth particularly during the peak season when saturation levels are high,
- Target strategic markets whilst continuing to focus on product diversification and an improved service offering,
- Provide the necessary support frameworks to enable better performance, higher-value added and an improved economic model in order to generate increased multiplier effects, fair distribution of income and strengthened value-chain linkages.

In 2018, the MTA carried out a study on Local Resident Perceptions and Attitudes towards tourism development in Malta. Findings showed that residents' support for tourism in the Maltese Islands is very high; positive impacts are perceived to surpass the negative impacts of tourism; and empowerment through tourism is significantly positively perceived by residents.

Managing tourism change in Malta

In order to future-proof tourism policy in Malta, four main priority areas have been identified:

- **Modernising tourism regulations.** The Ministry of Tourism is in the process of updating the Malta Travel and Tourism Services Act to ensure the legislative framework acts as a stimulus for growth rather than a barrier to change and innovation. The review aims to simplify the legislation and streamline procedures in the development, licensing and enforcement of tourism operations.
- **Sharing intelligence**. Collaboration of a range of stakeholders from national and local government, DMOs and the private sector through the Malta Tourism Authority (MTA), has created an intelligence sharing system, providing a detailed understanding of developments, issues, threats and opportunities. The MTA carries out research to monitor the profile of incoming tourism and emerging trends in the market place.
- **Developing a classification system.** Malta has developed a tourism service provider classification system designed to integrate a variety of new offers within existing frameworks.
- **Investment in digital innovation.** Capabilities for managing future technologies and digital innovation uptake in the tourism sector will be strengthened locally through specific initiatives, such as the Digital Tourism Platform (DTP) being developed by the Ministry for Tourism and MTA. The DTP will provide information relevant to tourists, and it will gather information enabling personalised information to enhance the visitor experience and include Augmented and Virtual Reality to provide an innovative and engaging interface.

Statistical Profile

Malta: Domestic, inbound and outbound tourism

	2014	2015	2016	2017	2018
TOURISM FLOWS, THOUSAND					
Domestic tourism					
Total domestic trips	..	..	..	..	..
Overnight visitors (tourists)	200 p	204	236	261	245
Same-day visitors (excursionists)	..	..	..	..	..
Nights in all types of accommodation	510 p	563	623	708	650
Hotels and similar establishments	121 p	136	115	156	158
Other collective establishments	..	..	..	..	..
Private accommodation	389 p	426	508	552	492
Inbound tourism					
Total international arrivals	2 115	2 313	2 534	2 840	3 153
Overnight visitors (tourists)	1 690	1 783	1 966	2 274	2 599
Same-day visitors (excursionists)	425	530	568	566	554
Top markets					
United Kingdom	488	526	560	561	641
Italy	263	283	315	364	391
Germany	143	142	157	193	227
France	126	128	145	176	213
Spain	42	47	55	76	99
Nights in all types of accommodation	13 522	14 152	14 961	16 509	18 570
Hotels and similar establishments	8 867	8 801	8 886	9 418	10 082
Other collective establishments	..	..	..	..	..
Private accommodation	4 655	5 350	6 075	7 092	8 488
Outbound tourism					
Total international departures	430	474	549	632	728
Overnight visitors (tourists)	391	428	497	572	667
Same-day visitors (excursionists)	39	46	53	60	61
Top destinations					
Italy	123	137	166	181	212
United Kingdom	92	89	96	106	119
Germany	22	24	32	38	42
Spain	18	19	23	28	38
France	22	21	17	22	28
TOURISM RECEIPTS AND EXPENDITURE, MILLION USD					
Inbound tourism					
Total international receipts	1 783	1 677	2 039	2 407	1 819
International travel receipts	1 520	1 382	1 445	1 722	1 819 e
International passenger transport receipts	263	295	594	685	..
Outbound tourism					
Total international expenditure	398	368	408	467	512
International travel expenditure	398	368	408	467	512 e
International passenger transport expenditure	..	..	..	..	..

.. Not available; e Estimated value; p Provisional data
Source: OECD Tourism Statistics (Database).

StatLink http://dx.doi.org/10.1787/888934078623

Malta: Enterprises and employment in tourism

	Number of establishments[1]	Number of persons employed				
	2017	2014	2015	2016	2017	2018
Total	**6 828**	**..**	**..**	**..**	**..**	**..**
Tourism industries	**..**	**25 894**	**26 169**	**30 760**	**32 732**	**33 180**
Accommodation services for visitors	430	7 030	6 336	7 202	7 954	7 547
Hotels and similar establishments	..	..	..	..	..	..
Food and beverage serving industry	2 617	5 929	6 562	7 900	6 824	7 215
Passenger transport	933	3 905	3 767	3 972	4 054	3 776
Air passenger transport	20	1 289	1 453	1 399	1 461	1 563
Railways passenger transport	..	..	..	..	..	..
Road passenger transport	821	1 861	1 664	1 651	1 369	1 416
Water passenger transport	92	755 e	650 e	923 e	1 224 e	797 e
Passenger transport supporting services	283	2 405	2 025	3 124	4 494	4 023
Transport equipment rental	156	402 e	557 e	613 e	125 e	683 e
Travel agencies and other reservation services industry	620	1 165	1 254	1 050	1 029	1 228 e
Cultural industry	1 296	5 059	5 668	6 898	8 253	8 708
Sports and recreation industry	486	979	998	759	1 477	2 014
Retail trade of country-specific tourism characteristic goods	..	..	..	..	..	..
Other country-specific tourism industries	..	..	..	..	..	..
Other industries	**..**	**..**	**..**	**..**	**..**	**..**

.. Not available; e Estimated value
1. Data refer to number of enterprises.
Source: OECD Tourism Statistics (Database).

StatLink http://dx.doi.org/10.1787/888934078642

Malta: Internal tourism consumption

Million EUR

	2010		
	Domestic tourism expenditure	Inbound tourism expenditure	Internal tourism consumption
Total	**..**	**..**	**..**
Consumption products	**112**	**1 033**	**1 150**
Tourism characteristic products	99	859	963
Accommodation services for visitors	7	232	243
Food and beverage serving services	17	258	275
Passenger transport services	31	256	287
Air passenger transport services	29	231	260
Railways passenger transport services	..	..	..
Road passenger transport services	2	25	26
Water passenger transport services	..	..	..
Passenger transport supporting services	..	..	..
Transport equipment rental services	0	19	19
Travel agencies and other reservation services industry	44	36	80
Cultural services	0	13	13
Sports and recreation services	0	23	23
Country-specific tourism characteristic goods	..	..	..
Country-specific tourism characteristic services	..	..	..
Other consumption products	13	174	187
Tourism connected products	4	104	108
Non-tourism related consumption products	9	70	79
Non-consumption products	**..**	**..**	**..**

.. Not available
Source: OECD Tourism Statistics (Database).

StatLink http://dx.doi.org/10.1787/888934078661

Morocco

Tourism in the economy

In 2018, tourism-generated GDP grew by 6.2% amounting to MAD 76.9 billion, compared to MAD 72.4 billion in 2017. Its contribution to national GDP reached 6.9%, up from 6.8% the previous year. Tourism plays an important role in the Moroccan economy thanks to its ability to create new jobs, contribute to economic and social development and bring in foreign currency. Revenues generated by international visitors to Morocco in 2018 reached almost MAD 89 billion (including international transport). This accounted for almost 51% of service exports in 2018. The tourism sector is an excellent source of jobs in Morocco, with 550 000 direct jobs in 2018, equating to 5% of total employment.

In 2018, the country recorded 12.3 million international arrivals. France, Spain and Germany remain the top three source markets, comprising 57.5% of the market share. The main inbound markets all increased between 2017 and 2018, with residents from Germany up by 10.1%, France by 7.6%, Spain by 6.4%, and the United Kingdom by 3.8%. Newer markets also performed well, including the United States, China, Poland and Brazil.

In 2018, internal tourism spending was estimated at MAD 131 billion, a rise of 5.4% from 2017. Domestic tourism expenditure reached MAD 41 billion, an increase of 4.4%. Overnight stays in classified tourism accommodation establishments were up 8.7% in 2018 (after an increase of 14.8% from 2016 to 2017), driven by a 12.1% increase in overnight stays by non-residents. Of the total overnight stays in hotels and similar establishments recorded in 2018 amounting to 24 million nights, 30% were made by residents. In 2018, 3.2 million domestic tourists were recorded, up 4.1% over 2017.

Tourism governance and funding

The Ministry of Tourism of Morocco develops and implements the tourism policy for the government through the Department of Tourism. It has a General Secretariat, an Inspectorate General and other executive directorates covering strategy and co-operation, regulation development, quality, resources and training. The following central bodies operate under the Department of Tourism: The National Moroccan Tourist Office - promotes, commercialises and develops Morocco as a tourist destination and stimulates air travel; and the Moroccan Agency for Tourism Development, which promotes investment opportunities and offers guidance to investors and operators in the tourism industry.

The Department of Tourism is supported by a regional structure consisting of seven regional offices and 18 provincial units. Their main tasks are to supervise the quality of tourist activities and monitor the development of tourist products at regional and local levels. They work closely with a range of local authorities and tourism stakeholders to ensure that the sector grows evenly and consistently at the regional and local level.

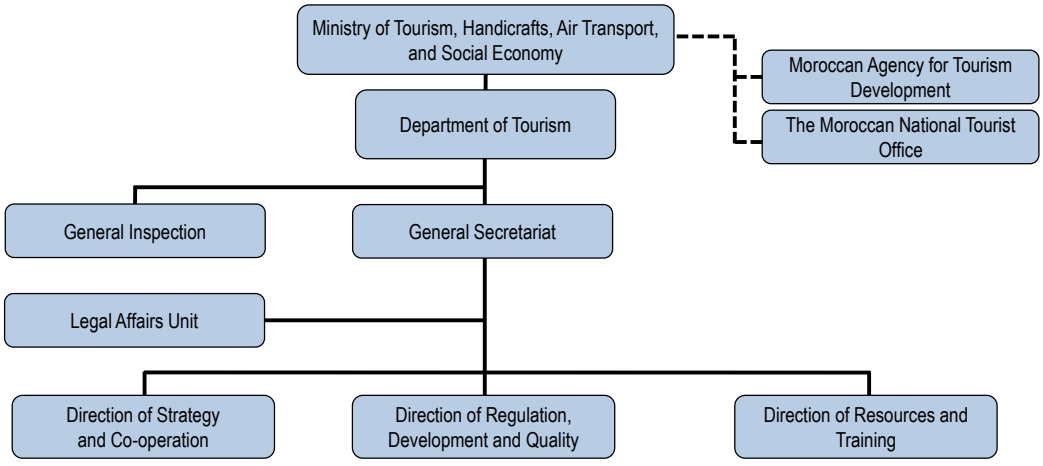
In 2017, the scope of the Ministry of Tourism expanded to include the aviation sector and accordingly, two new structures were placed under the jurisdiction of the Ministry: the National Office of Airports, overseeing

airport management; and the General Directorate of Civil Aviation, responsible for missions relating to civil aviation.

The National Confederation of Tourism acts as a point of contact between the private and public sectors. The Confederation's mission is to promote the private sector and link all tourism professions at the national level through the industry's national federations. The Confederation represents hotels, travel agencies, car rental companies, restaurants, tour and mountain guides, tour operators and investors. Regional tourism councils bring together professionals from the private and public sector, with the mission to support destinations through the improvement and promotion of Morocco's tourism offer nationally and internationally.

The budget for the Ministry of Tourism comes from the central budget and totalled MAD 860 million in 2019 and has been increased by about 41% compared to 2018. It is divided between the entities under the Ministry's responsibility: Central Administration, regional and provincial delegations (39%); Moroccan National Tourist Office (35%); the Moroccan Society for Tourism Engineering (19%); and, training schools (7%).

Morocco: Organisational chart of tourism bodies



Source: OECD, adapted from the Department of Tourism, 2020

Tourism policies and programmes

Since 2011, the Department of Tourism has been implementing *Vision 2020*. The Vision builds on the achievements of Vision 2010, and is based on a model which recognises both the importance of economic development and the preservation of tourism resources and environments. Vision 2020 is a strategy focused on regional tourism, quality and sustainable development. It is committed to making tourism a driver of economic, social and cultural development in Morocco.

The tourism industry is facing new macroeconomic and political challenges, which influence both the purchasing power of inbound markets to Morocco and the investment potential of industry players. The following trends have been identified as critical factors for Morocco's tourism:

- Continued acceleration of the digital revolution and new channels of promotion and distribution,
- Increasing individual and independent travel made possible by low-cost offers,
- New patterns of customer behaviour throughout the value chain,

- The emergence of new outbound markets - the tourism sector is doing well due to the sustained growth in the BRIC economies and has boosted its performance in the Chinese market since removing visa requirements for Chinese nationals.

In developing regional tourism, the Department of Tourism works with its partners to adapt and upgrade governance structures, giving decentralised services a greater role in the implementation and development of tourism in their respective territories. Initiatives aiming to support regional tourism development include:

- Enhancing the attractiveness of Morocco as a destination is a key priority. Efforts are being made by the Department of Tourism, through the Moroccan National Tourist Office, to ensure the visibility and accessibility of Morocco's offer from targeted markets. These activities include:
    - Establishing partnerships with leading online tour operators,
    - Developing communication campaigns through major websites and the major airline web platforms,
    - Event-based communication, increased communication via social networks; organisation of familiarisation trips for journalists, tour operators and influencers/bloggers; and, the acquisition of media space along with the dissemination of content on digital media and digital platforms.
- Enhancing the competitiveness of air transport to support growth in tourism, especially through strategic partnerships with main outbound countries and new markets with high potential,
- Stimulating tourist investment by adopting new measures to incentivise and support investors in both existing and new facilities,
- Restructuring of the tourism sector and supporting players in order to boost economic competitiveness, in particular by updating and reviewing laws governing tourism professionals and improving industry oversight,
- Increasing the quality of training to improve the response to industry needs, by diversifying the training offer, restructuring training establishments and signing international partnership agreements for training in tourism and hospitality,
- Strengthening quality standards throughout the tourism value chain in order to guarantee an offer that meets market needs and addresses the key challenges.

Regulatory Reform in Morocco

Regulatory overhaul is one of the strategic priorities of Department of Tourism in Morocco. Through this, it aims to improve the competitiveness of tourism businesses in order to meet the challenges of the sector. Regulatory reform of tourism legislation has been implemented with the ambition of establishing a culture of quality within tourist establishments, and to ensure better professionalism and structure of tourist activities. To date, legislation updates and revisions have been made in specific tourism sectors, including travel agents, tourist establishments and accommodation. In February 2018, in accordance with existing laws, the Department of Tourism launched a review of licensing relating to city guides, tour guides and nature guides. At its conclusion, the programme had led to the certification of 1 108 guides, including 905 in the category of city and tour guides and 203 in the category of natural area guides. This programme also encouraged the integration of guides mastering new languages such as Mandarin, Japanese, Russian, Swedish, Polish, Turkish, Dutch and Portuguese.

Statistical Profile

Morocco: Domestic, inbound and outbound tourism

	2014	2015	2016	2017	2018
TOURISM FLOWS, THOUSAND					
Domestic tourism					
Total domestic trips	..	..	..	..	..
Overnight visitors (tourists)	2 403	2 645	2 929	3 120	3 247
Same-day visitors (excursionists)	..	..	..	..	..
Nights in all types of accommodation	195 778	..	..	..	..
Hotels and similar establishments	5 307	5 899	6 551	7 055	7 166
Other collective establishments	52 222	..	..	..	..
Private accommodation	138 249	..	..	..	..
Inbound tourism					
Total international arrivals	..	..	..	..	..
Overnight visitors (tourists)	10 283	10 177	10 332	11 349	12 289
Same-day visitors (excursionists)	..	..	..	..	..
Top markets					
France	..	..	3 280 e	3 530 e	3 800 e
Spain	..	..	2 180 e	2 350 e	2 500 e
Germany	..	..	600 e	690 e	760 e
United Kingdom	..	..	620 e	655 e	680 e
Belgium	..	..	590 e	630 e	650 e
Nights in all types of accommodation	132 000	125 609	128 757	132 585	147 790
Hotels and similar establishments	14 326	12 525	12 703	15 046	16 866
Other collective establishments	22 601	24 165	25 224	26 861	30 953
Private accommodation	95 073	88 919	90 830	90 678	99 971
Outbound tourism					
Total international departures	..	..	..	..	..
Overnight visitors (tourists)	1 849	1 744	1 704	1 849	1 923
Same-day visitors (excursionists)	..	..	..	..	..
Top destinations					
..	..	..	..	..	..
..	..	..	..	..	..
..	..	..	..	..	..
..	..	..	..	..	..
..	..	..	..	..	..
TOURISM RECEIPTS AND EXPENDITURE, MILLION USD					
Inbound tourism					
Total international receipts	9 071	7 764	7 923	9 086	9 523
International travel receipts	7 384	6 260	6 557	7 494	7 775
International passenger transport receipts	1 686	1 505	1 365	1 592	1 748
Outbound tourism					
Total international expenditure	2 273	2 155	2 311	2 829	3 019
International travel expenditure	1 456	1 402	1 460	1 793	2 007
International passenger transport expenditure	817	753	852	1 036	1 011

.. Not available; e Estimated value
Source: OECD Tourism Statistics (Database).

StatLink http://dx.doi.org/10.1787/888934078680

Morocco: Enterprises and employment in tourism

	Number of establishments	Number of persons employed				
	2018	2014	2015	2016	2017	2018
Total	**..**	**505 000 e**	**507 000 e**	**515 000 e**	**532 000 e**	**550 000 e**
Tourism industries	**5 534**	**391 800 e**	**393 300 e**	**399 300 e**	**412 000 e**	**424 000 e**
Accommodation services for visitors	..	..	..	..	..	..
Hotels and similar establishments	4 055	128 000 e	128 500 e	130 500 e	135 000 e	140 000 e
Food and beverage serving industry	..	82 000 e	82 300 e	83 600 e	86 000 e	90 000 e
Passenger transport	..	34 000 e	34 100 e	34 600 e	36 000 e	37 000 e
Air passenger transport	..	..	..	..	..	..
Railways passenger transport	..	..	..	..	..	..
Road passenger transport	..	..	..	..	..	..
Water passenger transport	..	..	..	..	..	..
Passenger transport supporting services	..	..	..	..	..	..
Transport equipment rental	..	..	..	..	..	..
Travel agencies and other reservation services industry	1 479	22 300 e	22 400 e	22 700 e	23 000 e	24 000 e
Cultural industry	..	10 000 e	10 000 e	10 100 e	10 000 e	10 000 e
Sports and recreation industry	..	2 500 e	2 500 e	2 500 e	3 000 e	3 000 e
Retail trade of country-specific tourism characteristic goods	..	113 000 e	113 500 e	115 300 e	119 000 e	120 000 e
Other country-specific tourism industries	..	..	..	..	..	..
Other industries	**..**	**113 200 e**	**113 700 e**	**115 700 e**	**120 000 e**	**126 000 e**

.. Not available; e Estimated value
Source: OECD Tourism Statistics (Database).

StatLink http://dx.doi.org/10.1787/888934078699

Morocco: Internal tourism consumption

Million MAD

	2014		
	Domestic tourism expenditure	Inbound tourism expenditure	Internal tourism consumption
Total	**..**	**..**	**..**
Consumption products	**32 000**	**73 508**	**105 508**
Tourism characteristic products	21 648	53 666	75 315
Accommodation services for visitors	6 196	11 962	18 158
Food and beverage serving services	5 318	10 088	15 406
Passenger transport services	4 868	14 212	19 080
Air passenger transport services	..	..	..
Railways passenger transport services	..	..	..
Road passenger transport services	..	..	..
Water passenger transport services	..	..	..
Passenger transport supporting services	..	..	..
Transport equipment rental services	122	..	122
Travel agencies and other reservation services industry	43	1 100	1 143
Cultural services	106	1 017	1 123
Sports and recreation services	2 416	8 032	10 449
Country-specific tourism characteristic goods	2 580	7 256	9 836
Country-specific tourism characteristic services	..	..	..
Other consumption products	10 352	19 841	30 193
Tourism connected products	..	..	..
Non-tourism related consumption products	10 352	19 841	30 193
Non-consumption products	**..**	**..**	**..**

.. Not available
Source: OECD Tourism Statistics (Database).

StatLink http://dx.doi.org/10.1787/888934078718

Peru

Tourism in the economy

The tourism sector contributes 3.9% of Peru's GDP, and generates 1.4 million jobs (direct and indirect), representing 7.9% of the economically active population. Foreign currency revenue from tourism in 2018 totalled PEN 16.4 billion, an increase of 7% from 2017 and making tourism the third largest foreign currency generator in Peru.

In 2018, international tourist arrivals (overnight visitors) to Peru reached 4.4 million, a growth of 9.6% compared to 2017. The main international source market for Peru is Chile, representing 26.2% market share, with a 5.3% growth in the number of arrivals in 2018 compared with the previous year. The United States is the second largest market, with a 14.5% share and an increase of 7.1% from 2017. Ecuador, Argentina and Colombia combined make up a further 16.5% of the inbound market. On average, international tourists spend 10 nights in Peru.

In 2018, the total number of trips made by residents in the country was 45.5 million. In the domestic tourism market, Lima, Ica and Piura were the top three cities visited by residents in 2018, with shares of 27%, 12% and 8% respectively. Most domestic tourists (74%) visited destinations outside their region with average trip spending of PEN 484 per person on a four-night trip.

Tourism governance and funding

The Ministry of Foreign Trade and Tourism is the lead political and administrative authority for the tourism sector, its role being to define, direct, execute, co-ordinate and supervise the country's foreign trade and tourism policy in harmony with the general policy of the Peruvian State.

The Vice Ministry for Tourism sits under the Ministry of Foreign Trade and Tourism, and oversees the General Directorate of Tourism Development Policy, which is responsible for implementing, evaluating and supervising compliance within tourism sector policy. The Directorate also formulates, co-ordinates and implements actions aimed at improving the quality of tourism services, environmental management, tourism facilitation, tourist protection, and tourism culture promotion. The Vice Ministry for Tourism also oversees General Directorates of: Research and Studies on Tourism and Handicrafts; Tourism Strategy; Crafts; and Casino Games and Slot Machines.

In addition, The Ministry of Foreign Trade and Tourism has two Specialised Advisory Bodies, comprised of between 6 and 12 members: the Tourism Advisory Committee and the National Council for Handicraft Development. Two further bodies attached to the Ministry are the Tourism Training Centre, and the Exports and Tourism Promotion Board of Peru. As of 2019, Peru's Commercial Offices Abroad are operated under the Tourism Promotion Board, and no longer directly under the Ministry of Foreign Trade and Tourism.

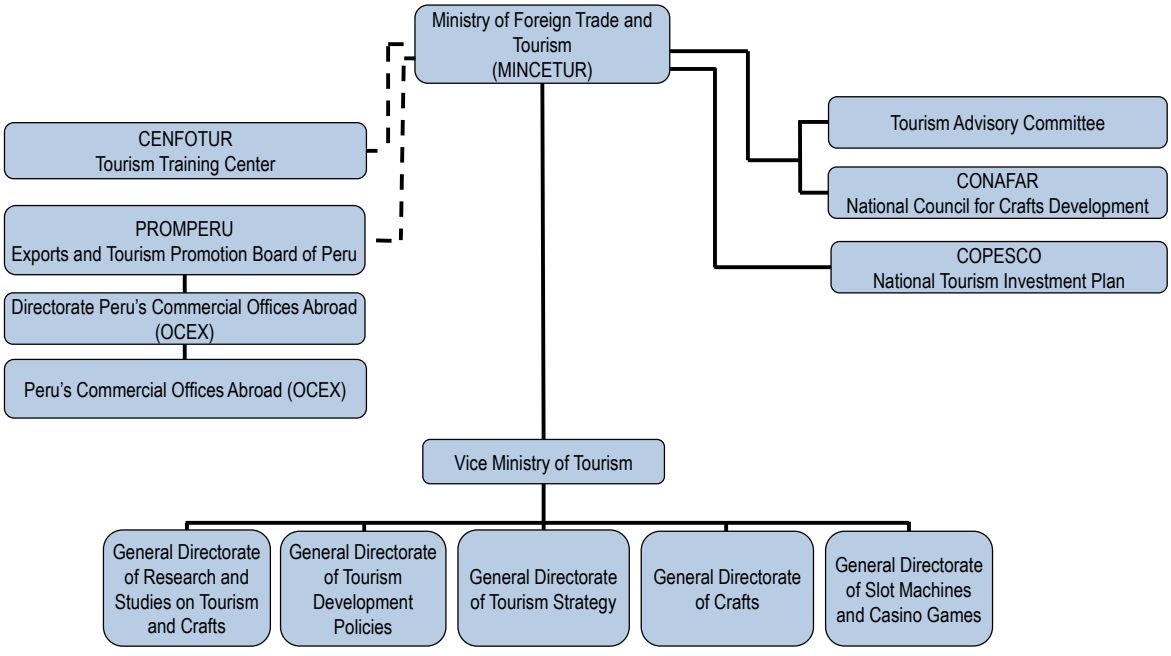
The General Government is responsible for the design and monitoring of national and sectoral policies (as is the case for all States of all levels in Peru). The Government establishes co-ordination mechanisms with regional governments, local government and other entities as required and appropriate to the nature of

each policy. Compliance with national and sectoral policies of the State is the responsibility of the authorities of the national, regional and local governments.

In terms of tourism, Regional Governments are responsible for: formulation, approval and execution of policies relating to the development of regional tourist activity; qualification of regional tourist service providers; co-ordination with local governments on tourism activities, and; maintaining and updating directories of tourism service providers, tourism resources, and regional events calendars.

The 2019 budget for tourism was PEN 600 million, of which 66% was allocated to the National Government, 17% to the Regional Government, and 17% to the Local Government. At the national level, the tourism sector has three entities: the Ministry of Foreign Trade and Tourism, responsible for managing the implementation of policies on tourism; the Tourism Promotion Board; and the Tourism Training Centre. Their budgets for 2019 are PEN 232 million, PEN 78.6 million and PEN 6.1 million, respectively. The Ministry also oversees an entity specialising in the implementation of investment projects in the tourism sector, the Special Commission to Co-ordinate and Supervise the Cultural Tourism Plan Peru - UNESCO (or, the COPESCO Plan), which receives a budget of PEN 13.1 million, representing 16% of the Ministry of Foreign Trade and Tourism's total budget.

Peru: Organisational chart of tourism bodies



Source: OECD, adapted from the Ministry of Foreign Trade and Tourism, 2020

Tourism policies and programmes

Current policy issues are tourist safety and the formalisation of tourist service providers. Other challenges for tourism in Peru include the rise of the middle class in many emerging markets and changing attitudes of people towards travel, as well as efficiency of travel and international mobility. Priority areas include the development and advancement of tourist infrastructure, travel facilitation and the safety of tourists.

The main framework for tourism development is the National Strategic Plan of Tourism of Peru to 2025, which has four pillars, including 19 components and 75 lines of action. The pillars are:

- Creation of a competitive and sustainable tourism offer, including tourism intelligence, development of strategies differentiated by market, development of new markets and specialised segments,
- Diversification of the tourist market, including development of competitive destinations and specialised tourism products, sustainable investment, human capital development, and improvement of the quality of tourist services and products,
- Tourism facilitation, including the optimisation of migration management, internal displacement and international relations, development of connectivity, and a uniform and reliable system of tourist information nationwide,
- Sector strengthening via vocational training, including the promotion of a tourism culture, strengthening management relating to tourism security and improving public-private linkages in tourism, as well as consolidating destination management.

The National Strategic Plan is the result of nine work sessions in which technical proposals for the vision, destination development models, strategic pillars, components and lines of action were validated. The Plan is the result of participatory work between the public and private sectors, including representatives of the national associations, and the Ministry of Foreign Trade and Tourism. Its implementation is linked to the formulation of Regional Tourism Plans and contain destination-specific actions.

Additional programmes include *Turismo Emprende,* which promotes the creation, development and consolidation of tourism enterprises, providing financing for programmes that relate to natural protected areas, cultural heritage or economic development. *Al Turista, Lo Nuestro,* promotes the direct incorporation of local products (agricultural, livestock, fishery, handicrafts, etc.) in the provision of tourism services.

The Ministry of Foreign Trade and Tourism has a new strategy to promote inclusive and sustainable economic growth, which is included in its Institutional Operational Plan 2019. The strategy has a budget of PEN 93 000 for technical assistance to improve artisan workshops located on tourist routes with high visitor flows. It is initially being implemented in three regions: Lambayeque, Ayacucho and Amazonas.

Mainstreaming safety in the Tourism Strategy in Peru

The most recent programme launched by the Ministry of Foreign Trade and Tourism (July 2019) is the Safe Tourism strategy, which promotes business formalisation and seeks to guarantee safe travel and experiences for tourists visiting Peru. Adopting a collaborative approach between all sectors of government, the strategy aims to formalise arrangements and improve security in the tourism sector, improve competitiveness in the provision of tourism services, and strengthen the management by regional and local government. In addition, it will include the promotion of formal tourist services and reduce the number of informal companies in operation. The aims of the programme are to ensure more satisfactory travel experiences for visitors, meet the minimum standards necessary to provide a quality service, and improve prevention, control, action and response to security problems that exist in the tourism sector.

The strategy is the result of a collaboration between several ministries, including the Ministry of Foreign Trade and Tourism; Ministry of Culture; Ministry of Environment; Ministry of Labour and Employment Promotion; Ministry of Transportation and Communications; Ministry of the Interior; Ministry of Defence; Ministry of Production; Ministry of Health; and the Public Ministry. Several private sector associations are also participating, representing restaurants, accommodation, tourist guides, and travel and tourism agencies.

Statistical Profile

Peru: Domestic, inbound and outbound tourism

	2014	2015	2016	2017	2018
TOURISM FLOWS, THOUSAND					
Domestic tourism					
Total domestic trips	104 950	108 100	..	..	..
Overnight visitors (tourists)	38 000	39 800	41 600	43 500	45 500
Same-day visitors (excursionists)	66 950	68 300	..	..	..
Nights in all types of accommodation	228 000	238 800	249 600	261 000	273 000
Hotels and similar establishments	50 751	51 808	54 706	55 812	59 490
Other collective establishments	..	..	..	..	..
Private accommodation	..	..	..	..	..
Inbound tourism[1]					
Total international arrivals	4 062	4 381	4 718	4 993	5 385
Overnight visitors (tourists)	3 215	3 456	3 744	4 032	4 419
Same-day visitors (excursionists)	847	925	974	960	965
Top markets					
Chile	904	985	1 056	1 101	1 159
United States	514	545	586	599	641
Ecuador	224	256	318	289	293
Colombia	152	165	190	201	219
Argentina	156	171	175	205	216
Nights in all types of accommodation	32 149	31 101	37 445	40 323	44 194
Hotels and similar establishments	13 483	13 513	14 842	14 676	14 302
Other collective establishments	..	..	..	..	..
Private accommodation	..	..	..	..	..
Outbound tourism					
Total international departures	2 733	2 914	3 094	3 227	3 435
Overnight visitors (tourists)	2 442	2 595	2 751	2 875	3 078
Same-day visitors (excursionists)	292	319	343	352	357
Top destinations					
Chile	1 091	1 181	1 288	1 359	1 373
United States	259	289	305	292	294
Bolivia	315	290	270	251	284
Spain	74	80	109	143	160
Ecuador	161	154	136	132	142
TOURISM RECEIPTS AND EXPENDITURE, MILLION USD					
Inbound tourism					
Total international receipts	3 908	4 140	4 303	4 573	3 947
International travel receipts	3 077	3 309	3 501	3 710	3 947 e
International passenger transport receipts	830	831	802	863	..
Outbound tourism					
Total international expenditure	2 119	2 527	2 687	2 916	2 669
International travel expenditure	1 590	1 867	2 029	2 214	2 669 e
International passenger transport expenditure	529	660	658	702	..

.. Not available; e Estimated value
1. Arrivals from demand side surveys; Nights from supply side surveys.
Source: OECD Tourism Statistics (Database).

StatLink http://dx.doi.org/10.1787/888934078737

Peru: Enterprises and employment in tourism

	Number of establishments	Number of persons employed				
	2018	2014	2015	2016	2017	2018
Total	**..**	**530 241**	**630 327**	**..**	**..**	**..**
Tourism industries	**..**	**486 935**	**561 671**	**..**	**..**	**..**
Accommodation services for visitors	..	..	..	..	..	..
Hotels and similar establishments	23 997	57 636	68 892	..	..	..
Food and beverage serving industry	218 100	190 119	230 588	..	..	..
Passenger transport	..	108 086	138 479	..	..	..
Air passenger transport	..	4 703	6 539	..	..	..
Railways passenger transport	..	474	957	..	..	..
Road passenger transport	..	102 449	130 303	..	..	..
Water passenger transport	..	460	680	..	..	..
Passenger transport supporting services	..	..	..	..	..	..
Transport equipment rental	..	535	591	..	..	..
Travel agencies and other reservation services industry	12 202	30 835	26 564	..	..	..
Cultural industry	..	26 253	20 726	..	..	..
Sports and recreation industry	..	20 773	14 741	..	..	..
Retail trade of country-specific tourism characteristic goods	..	9 141	9 925	..	..	..
Other country-specific tourism industries	..	43 557	51 165	..	..	..
Other industries	**..**	**43 306**	**68 656**	**..**	**..**	**..**

.. Not available
Source: OECD Tourism Statistics (Database).

StatLink http://dx.doi.org/10.1787/888934078756

Peru: Internal tourism consumption

Million PEN

	2015		
	Domestic tourism expenditure	Inbound tourism expenditure	Internal tourism consumption
Total	**..**	**..**	**..**
Consumption products	**26 925**	**13 178**	**43 204**
Tourism characteristic products	23 380	12 553	37 093
Accommodation services for visitors	2 390	2 870	6 199
Food and beverage serving services	7 108	2 189	9 297
Passenger transport services	9 648	4 520	14 168
Air passenger transport services	1 792	3 299	5 091
Railways passenger transport services	108	269	377
Road passenger transport services	7 666	930	8 596
Water passenger transport services	82	23	105
Passenger transport supporting services	..	..	..
Transport equipment rental services	165	1	166
Travel agencies and other reservation services industry	630	1 003	1 633
Cultural services	606	978	1 804
Sports and recreation services	1 540	139	1 679
Country-specific tourism characteristic goods	849	812	1 661
Country-specific tourism characteristic services	445	42	487
Other consumption products	3 545	624	6 112
Tourism connected products	682	0	1 403
Non-tourism related consumption products	2 863	624	4 708
Non-consumption products	**..**	**..**	**..**

.. Not available
Source: OECD Tourism Statistics (Database).

StatLink http://dx.doi.org/10.1787/888934078775

Romania

Tourism in the economy

According to the Tourism Satellite Account, the direct contribution of tourism to GDP in 2017 was RON 23.9 billion, 2.8% of the total GDP, and the tourism sector directly supported 373 074 jobs.

In 2018, Romania received 11.7 million international arrivals at the border, an increase of 7.3% over 2017. International tourists totalled 2.8 million in 2018, the leading source markets being Germany (11.7% market share), Israel (10.0%), and Italy (8.6%), followed by France (6.1%) and the United States (5.9%). The United States market has shown the largest growth from 2017 to 2018, with a 5.3% increase in tourists.

The number of overnight stays by international visitors increased by 0.7% in 2018 compared to 2017, reaching 5.3 million nights. While domestic overnight stays in accommodation units recorded an increase of 6.9% for the same period, to reach 23.1 million nights in 2018.

Tourism governance and funding

Tourism lies under the responsibility of The Ministry of Economy, Energy and Business Environment. The main tourism related fields of activity include:

- Developing and implementing the national tourism strategy,
- Promoting Romania as a tourist destination domestically and internationally,
- Developing destinations and tourist products,
- Developing tourist related infrastructure,
- Issuing accommodation and tourism licences as well as controlling the quality of tourism services,
- Representing Romania to international tourism organisations.

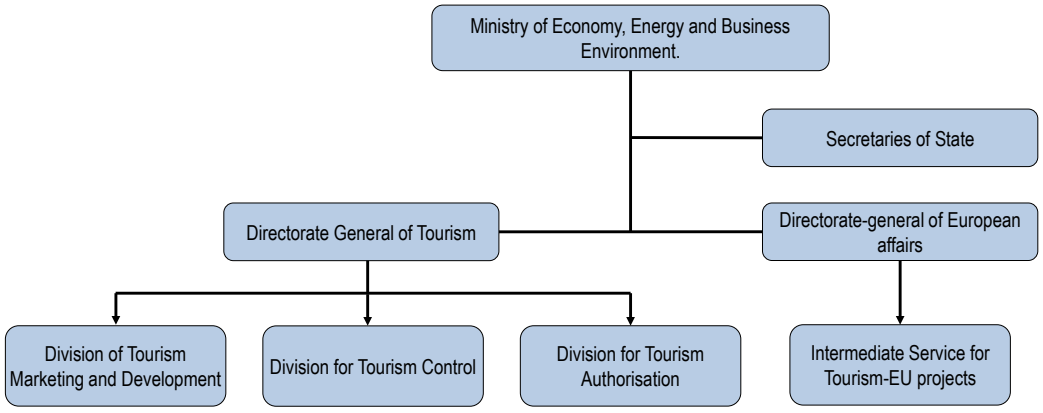
The Ministry collaborates with other ministries, central government bodies, local government and other public bodies. At national level, the Consultative Council for Tourism includes organisations from private sector and academic backgrounds as well as tourism associations representing different destinations in Romania.

The Inter-ministerial Committee for Tourism has an advisory role to facilitate the development of tourism. Its aims are to co-ordinate tourism policies and actions at the national level, monitor sector developments and set strategy. The Committee assembles 16 ministries and 3 institutions from a range of sectors including development, environment, business, education, economy, transport, labour, research, culture, and health.

At regional and local levels, tourist associations bring together interested parties to contribute to the development of tourism for their area. Additionally, 14 representatives from the ministry work with local partners to help implement the national tourism policy. Local administrations assist the ministry in implementing tourism policy. Their responsibilities also include maintaining inventories of tourism

resources, developing proposals for annual development programmes, participation in the certification of pedestrian routes and ski slopes, improving the quality of products, and surveillance of tourist activity.

Romania: Organisational chart of tourism bodies



Source: OECD, adapted from the Ministry of Economy, Energy and Business Environment, 2020

Tourism policies and programmes

The 2018 National Tourism Development Strategy was developed with the support of the World Bank, and is built upon previous related documents, such as the National Tourism Development Master Plan for Romania 2007-26, which was developed in collaboration with the UN World Tourism Organization.

The vision of the National Tourism Development Strategy is for Romania to be a well-known premier, year-round tourism destination by 2030, focussed on unique cultural and natural heritage, and world-class customer service. The Strategy is based on four operational objectives:

- Improve the connectivity and quality of tourist infrastructure,
- Support the private sector innovation,
- Enhance the quality of visitor experiences and services at destinations,
- Strengthen tourism policy-making capacity, increase digitalisation and better align marketing mechanisms and campaigns.

Two key priorities are identified in the National Tourism Development Strategy:

- Better capturing visitor spending at tourism sites which are insufficiently developed and difficult to access, and improve the consistency and quality of the visitor experience and service across destinations.
- Attract higher-value tourists to the country through stronger tourism policies, improved market segmentation and greater visibility of the country in international markets.

Another policy document, the Master Plan for Tourism Investments, takes account of the two sectoral strategies; the National Strategy for Ecotourism Development and the Master Plan for the Development of Balneary Tourism.

The National Strategy for Ecotourism Development is planned for the period 2019-29, and it has the general objective of creating the conditions for ecotourism development in natural protected areas, by developing a network of certified eco-tourist destinations and by creating competitive eco-tourist products for national and international markets. Key areas of focus include the development of institutional and

associative organisations, tourist infrastructure and land management, education and awareness raising, human resources development, and private sector and local development.

The Master Plan for the Development of Balneary Tourism, is based on the implementation of an innovative approach and of a public- private partnership, supporting the development of health tourism. It has the final aim of providing an innovative positioning regarding a new green balneary tourism product.

To stimulate business development, in 2018, the Government reduced the VAT rate for tourism services from 9% to 5%. The reduced rate applies to accommodation within the hotel sector, and sectors with a similar function, including land rentals for camping, restaurant and catering services, the use of sports facilities, and access to fairs, amusement parks and recreational parks.

In 2018, the Romanian government launched a travel voucher scheme as an incentive for employees, with the aim of encouraging domestic tourism and tackling seasonality. The travel vouchers, which come in the form of printed tickets or electronic cards, can be used in any Romanian destination for accommodation, transport, spas and wellness services, food and beverages, and entertainment.

Tourist packages purchased with travel vouchers must include at least one overnight stay in any affiliated accommodation unit certified by the ministry. The vouchers are valid for a period of one year from the date of issue, and can hold a maximum value of the equivalent of EUR 300 per employee. The travel voucher policy has been a success so far, contributing to increasing domestic tourism and the scheme is planned to continue into the future.

Statistical Profile

Romania: Domestic, inbound and outbound tourism

	2014	2015	2016	2017	2018
TOURISM FLOWS, THOUSAND					
Domestic tourism[1]					
Total domestic trips	50 084	52 762	46 986	51 253	52 085
Overnight visitors (tourists)	15 840	16 194	15 015	16 444	16 461
Same-day visitors (excursionists)	34 244	36 568	31 971	34 809	35 624
Nights in all types of accommodation	16 468	18 985	20 463	21 648	23 144
Hotels and similar establishments	13 813	15 649	16 833	17 442	18 481
Other collective establishments	2 655	3 336	3 629	4 206	4 663
Private accommodation	..	..	..	..	..
Inbound tourism					
Total international arrivals	..	..	..	..	..
Overnight visitors (tourists)	1 912	2 234	2 471	2 749	2 785
Same-day visitors (excursionists)	..	..	..	..	..
Top markets					
Germany	234	267	282	324	326
Israel	139	219	252	293	277
Italy	185	211	234	241	240
France	124	134	146	167	171
United States	113	130	138	157	166
Nights in all types of accommodation	3 762	4 460	4 812	5 268	5 305
Hotels and similar establishments	3 504	4 100	4 400	4 800	4 854
Other collective establishments	259	360	412	468	451
Private accommodation	..	..	..	..	..
Outbound tourism					
Total international departures	11 307	11 153	9 895	10 446	10 469
Overnight visitors (tourists)	11 021	10 988	9 782	10 354	10 361
Same-day visitors (excursionists)	286	165	113	92	108
Top destinations					
Turkey	105	99	103	140	197
Bulgaria	86	111	133	139	164
Greece	106	137	136	163	161
Spain	56	60	65	56	71
Italy	37	47	52	52	69
TOURISM RECEIPTS AND EXPENDITURE, MILLION USD					
Inbound tourism					
Total international receipts	2 225	2 097	2 170	2 945	3 184
International travel receipts	1 827	1 711	1 734	2 522	2 752 e
International passenger transport receipts	398	386	436	423	432
Outbound tourism					
Total international expenditure	2 641	2 330	2 463	4 038	5 048
International travel expenditure	2 417	2 058	2 135	3 468	4 282 e
International passenger transport expenditure	224	272	328	569	766

.. Not available; e Estimated value
1. Trips from demand side surveys; Nights from supply side surveys.
Source: OECD Tourism Statistics (Database).

StatLink http://dx.doi.org/10.1787/888934078794

Romania: Enterprises and employment in tourism

	Number of establishments[1]	Number of persons employed[2]				
	2017	2014	2015	2016	2017	2018
Total	**..**	**..**	**..**	**..**	**..**	**..**
Tourism industries	**46 112**	**349 375**	**342 755**	**371 696**	**373 074**	**..**
Accommodation services for visitors	7 719	50 035	39 767	45 282	44 584	..
Hotels and similar establishments	7 719	..	..	..	..	..
Food and beverage serving industry	17 213	111 812	126 420	144 122	142 207	..
Passenger transport	8 960	131 894	123 046	125 039	125 078	..
Air passenger transport	51	5 938	7 781	6 902	5 896	..
Railways passenger transport	34	37 228	36 203	40 810	32 708	..
Road passenger transport	8 812	86 824	76 091	75 153	82 378	..
Water passenger transport	63	1 904	2 971	2 174	4 096	..
Passenger transport supporting services	..	..	..	..	..	..
Transport equipment rental	522	1 013	607	100	710	..
Travel agencies and other reservation services industry	2 367	14 707	13 769	14 456	16 301	..
Cultural industry	1 401	15 427	13 981	15 470	18 027	..
Sports and recreation industry	4 439	24 487	25 165	27 227	26 157	..
Retail trade of country-specific tourism characteristic goods	3 491	..	..	..	..	..
Other country-specific tourism industries	..	..	..	..	..	..
Other industries	**..**	**..**	**..**	**..**	**..**	**..**

.. Not available
1. Data refer to number of enterprises.
2. Data refer to number of employees.
Source: OECD Tourism Statistics (Database).

StatLink http://dx.doi.org/10.1787/888934078813

Romania: Internal tourism consumption

Million RON

	2017		
	Domestic tourism expenditure	Inbound tourism expenditure	Internal tourism consumption
Total	**..**	**..**	**..**
Consumption products	**14 509**	**4 465**	**18 974**
Tourism characteristic products	13 392	3 775	17 167
Accommodation services for visitors	6 095	1 505	7 600
Food and beverage serving services	2 038	814	2 852
Passenger transport services	3 125	1 108	4 233
Air passenger transport services	1 385	855	2 240
Railways passenger transport services	948	49	996
Road passenger transport services	788	182	970
Water passenger transport services	5	22	27
Passenger transport supporting services	..	..	..
Transport equipment rental services	411	125	536
Travel agencies and other reservation services industry	1 167	15	1 182
Cultural services	123	72	195
Sports and recreation services	433	137	570
Country-specific tourism characteristic goods	..	..	..
Country-specific tourism characteristic services	..	..	..
Other consumption products	1 116	691	1 807
Tourism connected products	..	..	..
Non-tourism related consumption products	..	..	..
Non-consumption products	**..**	**..**	**..**

.. Not available
Source: OECD Tourism Statistics (Database).

StatLink http://dx.doi.org/10.1787/888934078832

Russian Federation

Tourism in the economy

In 2017, tourism contributed RUB 3.2 trillion to the economy, equivalent to 3.8% of Russian GVA, and an increase of 21.4% from 2016. The tourism industry in Russia employed 540 500 people in 2017.

The number of international visitor arrivals recorded in 2018 was 24.6 million, up 0.7% over 2017. The main source markets were Ukraine (with a 33.4% market share), followed by Kazakhstan (14.3%), and China (6.9%). Other key markets include Finland, Azerbaijan, Poland and Germany. Based on accommodation statistics, 11.5 million overnight visitors were recorded from international markets in 2018, representing a 43% increase compared with the previous year.

The number of domestic arrivals recorded in 2018 was 62.2 million, an increase of 16.2% from 2017. Inbound and domestic tourism are driven by a range of activities, the most popular including sports (particularly skiing), education, business, medical, cruises, fishing and hunting, events and gastronomy. In addition to traditional tourism in Russia, new forms of tourism are emerging, including more innovative, tailored and experience-based offers.

Tourism governance and funding

The main body responsible for Russian tourism policy is the Ministry of Economic Development, where a special Department of Tourism has been established. Until 2019, the Ministry of Culture fulfilled Russia's tourism functions (through the Federal Agency for Tourism), but these functions were moved to the Ministry of Economic Development due to the increasing importance of tourism for the overall development of the country.

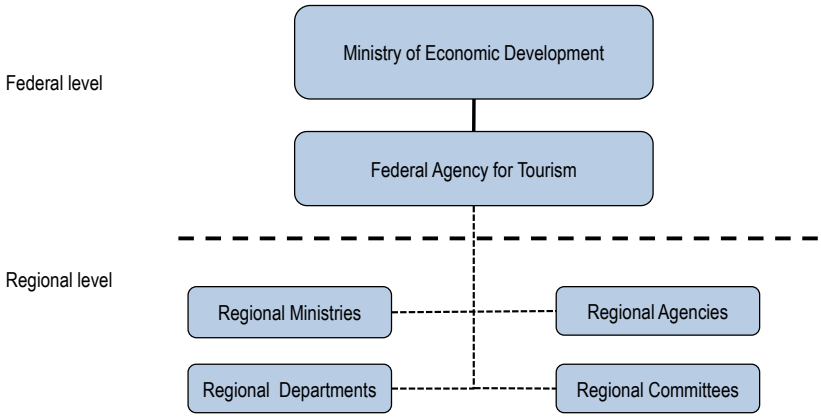
The Federal Agency for Tourism, now under the jurisdiction of the Ministry of Economic Development, oversees the regional tourism agencies, which are responsible for the following:

- the development of strategic planning documents,
- the creation and maintenance of favourable conditions for the development of the industry,
- access to tourist resources, communications and assistance,
- tourist information centres,
- navigation and orientation systems,
- organisation of research in the field of tourism, and
- events supporting tourism development priorities.

The Ministry of Economic Development collaborates with a wide range of other federal executive bodies in its activities, particularly in the areas of tourism policy development, training, tourist safety, infrastructure, and data collection. Other collaboration includes the ministries of selected regions for the development of tourism in specific areas, as well as interested ministries in the development of, for example, ecotourism, cultural, sports, rural and children's tourism.

The total state budget for tourism for the next three years is RUB 6.6 billion, allocated for 2020, increasing to RUB 13.1 billion in 2021 and RUB 12.4 billion in 2022. The majority of the national budget is allocated to three priority areas: infrastructure development and implementation of tourism investment projects (84% of the overall budget); support for tour operators whose activities are aimed at the development of inbound tourism (10%); and improving the quality of the tourist product (6%). The average budget allocated for the activities of the central office of the Federal Agency for Tourism (and regional tourism agencies) is RUB 134 million per year for the three-year period from 2020 to 2022.

Russian Federation: Organisational chart of tourism bodies



Source: OECD, adapted from the Ministry of Economic Development, 2020.

Tourism policies and programmes

The main task of the Ministry of Economic Development and the Federal Agency for Tourism is the comprehensive development of domestic and inbound tourism. Their aim is to achieve this by creating the necessary conditions for the development and promotion of high-quality tourist products that are competitive in both domestic and global markets. In addition, the Ministry and Federal Agency aim to strengthen the social role of tourism, increasing the availability of tourism and recreation services for residents of the Russian Federation. In the development of tourism, both authorities take into account the environmental and socio-cultural impacts as well as the need to ensure the safety of tourists.

The state priorities and objectives for tourism are set out in the Tourism Development Strategy and Action Plan for the period until 2020. The main national policy priorities are to:

- Create a competitive tourist product,
- Plan the development of tourist areas,
- Provide associated infrastructure and transport,
- Further develop tourist and support infrastructure,
- Foster training and education development,
- Develop new digital solutions,
- Remove existing barriers and increase investment attractiveness,
- Stimulate demand for tourist products,
- Facilitate visa regimes,
- Promote and raise the visibility of the tourist product,

- Develop sustainable demand and increase the availability of tourist products,
- Ensure greater tourism security.

The Action Plan includes a wide range of measures focused on various interconnected issues such as travel facilitation, industry and product development, marketing and promotion, skills and human capital development, and infrastructure investment. A new Tourism Development Strategy for the period to 2035 is currently being developed and is expected to be adopted at the end of 2019.

The main objectives of the new Tourism Development Strategy build on the previous framework and include:

- the creation of a competitive tourist product for the Russian Federation,
- stimulation of demand and increase of availability of the Russian tourist product in domestic and foreign markets,
- improvement of the regulatory framework, taking into account development trends of the tourism industry, and,
- improvement of the tourism management system in the Russian Federation, including the system of collecting, processing and analysing statistical data on the development of tourism.

Looking forward, Russia is focusing on increasing the social importance of tourism by strengthening the role of tourism in education, ensuring inter-cultural communication, inter-regional and international linkages and communication in the development of tourism; as well as the development of tourism products, which take into account the natural, cultural, and ethnic diversity of the regions of Russia.

Creating a competitive tourist product in Russia

Russia is focusing on improving the competitiveness of tourism products by developing stronger brand awareness and attractiveness, improving the quality of tourist services and increasing their accessibility for domestic and inbound tourists. The aim is to maximise the positive experience for tourists.

The improvement of quality of tourism services is planned through:

- The modernisation and development of tourism infrastructure, the urban environment and public spaces.
- Improving the quality of training for workers in the tourism industry.
- Close co-ordination with business representatives and regions to enable joint planning in the development of tourist areas.
- Monitoring the quality of tourism products, disseminating best practice and setting mandatory service standards.

Improving the accessibility and availability of tourist services is planned through:

- The development of transport infrastructure and passenger transportation systems to tourist areas.
- The development of digital platforms.

Statistical Profile

Russian Federation: Domestic, inbound and outbound tourism

	2014	2015	2016	2017	2018
TOURISM FLOWS, THOUSAND					
Domestic tourism					
Total domestic trips	..	..	..	..	..
Overnight visitors (tourists)	33 799 |	43 657	48 339	53 534	62 210
Same-day visitors (excursionists)	..	..	..	..	..
Nights in all types of accommodation	184 018 |	212 195	216 838	253 023	278 984
Hotels and similar establishments	84 119 |	100 156	115 175	135 905	155 963
Other collective establishments	99 899 |	112 039	101 663	117 117	123 020
Private accommodation	..	..	..	..	..
Inbound tourism					
Total international arrivals	25 438	26 852	24 571	24 390	24 551
Overnight visitors (tourists)	..	..	..	..	..
Same-day visitors (excursionists)	..	..	..	..	..
Top markets					
Ukraine	8 436	8 912	8 569	8 723	8 202
Kazakhstan	3 733	4 711	3 564	3 485	3 510
China	874	1 122	1 289	1 478	1 690
Finland	1 380	1 416	1 319	1 017	950
Azerbaijan	818	856	898	876	893
Nights in all types of accommodation	..	..	..	..	..
Hotels and similar establishments	..	..	..	..	..
Other collective establishments	..	..	..	..	..
Private accommodation	..	..	..	..	..
Outbound tourism					
Total international departures	..	..	..	..	..
Overnight visitors (tourists)	42 921	34 390	31 659	39 629	41 964
Same-day visitors (excursionists)	..	..	..	..	..
Top destinations					
Turkey	4 216	3 460	797	4 520	5 719
Finland	4 283	3 067	2 894	3 333	3 361
Kazakhstan	3 330	3 125	2 850	2 978	2 955
Ukraine	2 558	1 657	1 804	2 283	2 290
China	1 731	1 284	1 676	2 003	2 018
TOURISM RECEIPTS AND EXPENDITURE, MILLION USD					
Inbound tourism					
Total international receipts	19 451	13 186	12 822	14 982	18 670
International travel receipts	11 759	8 420	7 787	8 945	11 486
International passenger transport receipts	7 692	4 766	5 035	6 038	7 184
Outbound tourism					
Total international expenditure	55 382	38 432	27 654	35 584	38 791
International travel expenditure	50 428	34 932	23 952	31 058	34 271
International passenger transport expenditure	4 954	3 500	3 702	4 526	4 520

.. Not available; | Break in series
Source: OECD Tourism Statistics (Database).

StatLink http://dx.doi.org/10.1787/888934078851

Russian Federation: Enterprises and employment in tourism

	Number of establishments[1]	Number of persons employed[2]				
	2018	2014	2015	2016	2017	2018
Total	..	..	..	..	..	..
Tourism industries	..	**440 483**	**419 893 |**	**507 978**	**540 521**	..
Accommodation services for visitors	28 072	399 146	402 577 |	468 009	493 305	..
Hotels and similar establishments	21 300	151 076	153 975 |	221 232	217 909	..
Food and beverage serving industry	85 408	..	..	..	..	..
Passenger transport	..	..	..	..	..	..
Air passenger transport	..	..	..	..	..	..
Railways passenger transport	..	..	..	..	..	..
Road passenger transport	2 781	..	..	..	..	..
Water passenger transport	187	..	..	..	..	..
Passenger transport supporting services	..	..	..	..	..	..
Transport equipment rental	..	..	..	..	..	..
Travel agencies and other reservation services industry	13 674	41 337	17 316	39 969	47 216	..
Cultural industry	..	..	..	..	..	..
Sports and recreation industry	..	..	..	..	..	..
Retail trade of country-specific tourism characteristic goods	..	..	..	..	..	..
Other country-specific tourism industries	..	..	..	..	..	..
Other industries	..	..	..	..	..	..

.. Not available; | Break in series
1. Data refer to number of enterprises.
2. Data refer to number of employees.
Source: OECD Tourism Statistics (Database).

StatLink http://dx.doi.org/10.1787/888934078870

Serbia

Tourism in the economy

In 2017, tourism's direct contribution to GDP was 0.9%, and this was expected to increase by 2.3% in 2018 to a total of RSD 104.8 billion. The total contribution of the tourism industry to the Serbian economy, including the effects from investment, supply chain and induced income impacts, amounted to RSD 294.6 billion in 2017, or 6.7% of GDP, and was expected to have grown by 2.7% to RSD 302.5 billion in 2018.

The tourism industry directly generated 32 000 jobs in the Republic of Serbia in 2017, representing 1.8% of the country's total employment. The industry attracted capital investment of RSD 33.8 billion, 4.1% of total national investment. This is expected to rise by 2% over the next ten years to RSD 43.5 billion by 2028.

The total number of tourist arrivals in 2018 was 3.4 million, an increase of 11.2% from 2017. International arrivals accounted for 49.9% of total arrivals, and showed a 14.2% increase on 2017. Domestic arrivals increased by 8.3% in 2018 compared to 2017.

The key source markets for international arrivals in 2018 were Bosnia and Herzegovina (15.4% market share), Montenegro (12.3%), and China (10.5%), followed closely by Croatia and Turkey. All of the five top markets showed growth in volume of arrivals between 2017 and 2018, particularly China which showed an increase of 89%.

Tourism governance and funding

The Ministry of Trade, Tourism and Telecommunications is the national government authority overseeing tourism in Serbia. The Ministry has jurisdiction over the National Tourism Organisation of Serbia (NTOS), which is the national agency for promoting tourism in the country and abroad. The NTOS also undertakes tourism market research and collects relevant tourism information. Founded as a government organisation in 1994, the aim of the NTOS is to affirm the value and potential of the country's tourist industry. Its activities focus on positioning Serbian tourism in both domestic and international markets, and evaluating the comparative advantages of tourism in Serbia, such as geographical location and historical, cultural and natural identity.

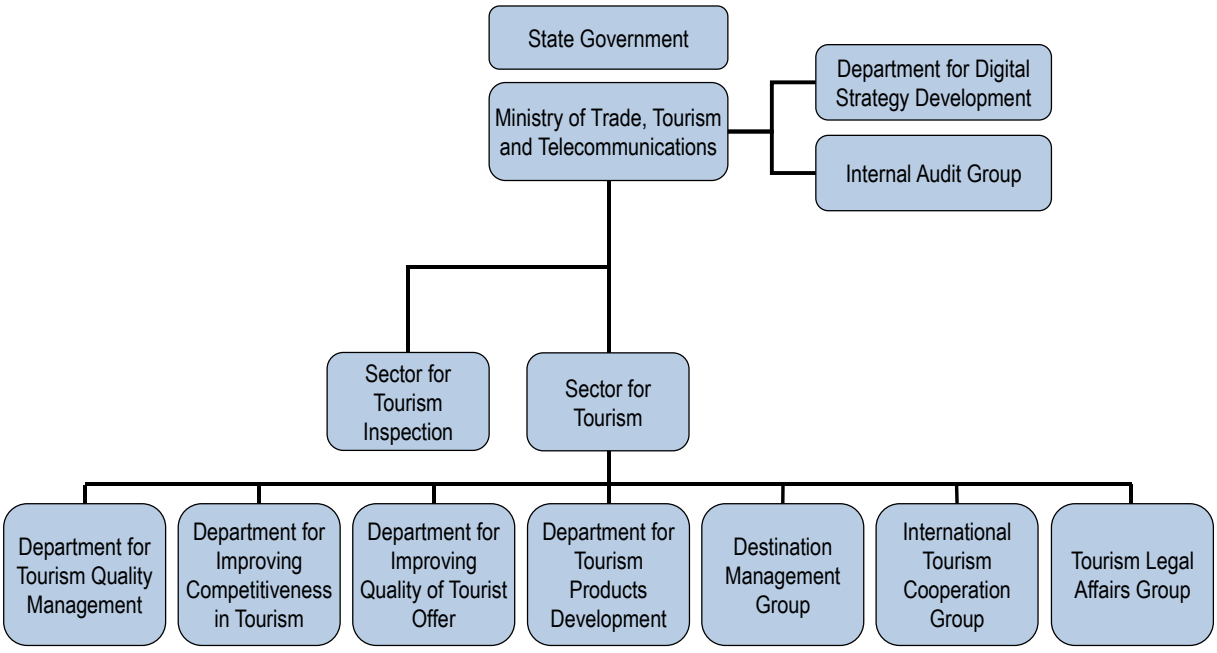
Three Regional Tourism Organisations have been established, as well as 116 Local Tourism Organisations, owned and operated by Serbia's local and regional governments and supported by the private sector. The regional and local tourism organisations act in accordance with the National Tourism Strategy and the plans and programmes of the NTOS. The Serbian Convention Bureau was established in 2007 as a part of the National Tourism Organisation of Serbia in order to develop MICE tourism.

Professional tourism associations have also been established including the:

- Serbian Spas and Resorts Association (consisting of municipalities, institutes, and special hospitals)

- Associations of Tourist Agencies
- Business Association of Hotels and Catering Operations
- International Centre for Tourism and Hospitality Development.

Serbia: Organisational chart of tourism bodies



Source: OECD, adapted from Ministry of Trade, Tourism and Telecommunications, 2020

Tourism policies and programmes

The Tourism Development Strategy of the Republic of Serbia runs from 2016 to 2025. The development goals of the Strategy include increasing the number of hotels and similar facilities by 50%, and increasing overall accommodation occupancy by 30%. The Strategy also aims to increase tourist arrivals, overnight stays, and expenditure, and to double the tourism industry's direct contribution to GDP. Furthermore, it aims to increase direct employment in tourism by at least 50%.

The Tourism Development Strategy sets the following goals:

- Increase tourist arrivals by at least by 50% by 2025,
- Increase expenditure of tourists (per night) by 50%,
- Increase the share of inbound tourists overnights to 45% by 2020, and to 55% by 2025,
- Increase the direct share of tourism to Serbia's GDP by 100%,
- Increase the amount of direct employment in the tourism industry by at least 50%, and triple employment in tourism and complementary activities,
- Grow direct investment.

The legislation provides the framework for a modern and efficient organisation and development of tourism and its related industries. However, the tourism sector has not yet been developed and there is a lack of capacity in tourism management and national marketing. Additionally, there has been some indecision in

relation to the necessary public investment, which has slowed down the development of products and their commercialisation.

The key challenges for sustainable tourism development in the Republic of Serbia include:

- Reducing seasonality,
- Improving the quality of tourism jobs,
- Maintaining and enhancing local community prosperity and quality of life – for example by encouraging the purchase of local goods and services, the promotion of local culinary heritage, history and culture, handicrafts and folk art, small museums and vineyards,
- Conserving and increasing the value of natural and cultural heritage,
- Enriching the tourist offer with products and services that will make tourism in Serbia more recognisable and attractive.

Measures to address the key challenges for sustainable tourism development include increasing levels of environmental consciousness, growing the interest in heritage and culture, strengthening local economic activity, as well as supporting the development of visitor activities that enable visitors to meet local residents and engage in cultural tourism activities and events.

The Ministry of Trade, Tourism and Telecommunications provides support for tourism development through a programme of incentives and loans. The Ministry finances projects focused on promotion, education, training and improving and developing the tourism supply chain, as well as projects which support the improvement of tourism infrastructure and facilities. Financing of up to 100% is available for infrastructure projects and up to 50% for other projects. The aim of the financing programme is to support and encourage the development of the domestic offer and to attract foreign demand. The incentives and loans are open to non-governmental organisations, local tourism organisations and small enterprises. Since 2015, two new policy instruments have been introduced – vouchers supporting domestic demand, and subsidies for inbound tour operators in Serbia.

With a growing number of tourist arrivals and overnights, Serbia recognises that in order to be competitive and maintain visitor satisfaction, a full understanding of the motivations of tourists is required. Future tourism policy is therefore oriented towards understanding the experiences of visitors, taking into account new trends in promotion and booking, new accommodation types, and travel motivations in the global tourism market. This will be facilitated by incentive measures, which include financial resources for:

- Tourism product development strategies and programmes,
- Promotional activities for tourist destinations,
- Educational programmes relating to the tourism workforce,
- Development of projects for the protection of nature, environment and cultural heritage,
- Improvement of ecological standards, energy efficiency, use of renewable energy sources,
- Digitalisation and other innovative solutions,
- Improvement of access and transport connections for inbound markets,
- Encouraging the construction of tourism infrastructure, including sports, recreational and other supporting facilities.

Statistical Profile

Serbia: Domestic, inbound and outbound tourism

	2014	2015	2016	2017	2018
TOURISM FLOWS, THOUSAND					
Domestic tourism					
Total domestic trips	..	..	..	..	..
Overnight visitors (tourists)	1 164	1 305	1 472	1 589	1 720
Same-day visitors (excursionists)	..	..	..	..	..
Nights in all types of accommodation	3 925	4 242	4 795	5 150	5 678
Hotels and similar establishments	..	..	..	..	..
Other collective establishments	..	..	..	..	..
Private accommodation	..	..	..	..	..
Inbound tourism					
Total international arrivals	..	..	..	..	..
Overnight visitors (tourists)	1 029	1 132	1 281	1 497	1 711
Same-day visitors (excursionists)	..	..	..	..	..
Top markets					
Bosnia and Herzegovina	164	192	223	235	263
Montenegro	137	171	196	198	210
China	31	33	43	95	179
Croatia	117	121	142	153	177
Turkey	82	115	142	163	175
Nights in all types of accommodation	2 161	2 410	2 739	3 175	3 658
Hotels and similar establishments	..	..	..	..	..
Other collective establishments	..	..	..	..	..
Private accommodation	..	..	..	..	..
Outbound tourism					
Total international departures	..	..	..	..	..
Overnight visitors (tourists)	..	..	..	..	..
Same-day visitors (excursionists)	..	..	..	..	..
Top destinations					
..	..	..	..	..	..
..	..	..	..	..	..
..	..	..	..	..	..
..	..	..	..	..	..
..	..	..	..	..	..
TOURISM RECEIPTS AND EXPENDITURE, MILLION USD					
Inbound tourism					
Total international receipts	1 352	1 321	1 461	1 705	1 921
International travel receipts	1 142	1 047	1 150	1 344	1 547
International passenger transport receipts	210	274	310	361	374
Outbound tourism					
Total international expenditure	1 359	1 253	1 351	1 548	1 837
International travel expenditure	1 178	1 102	1 202	1 380	1 643
International passenger transport expenditure	181	152	149	168	194

.. Not available
Source: OECD Tourism Statistics (Database).

StatLink http://dx.doi.org/10.1787/888934078889

Serbia: Enterprises and employment in tourism

	Number of establishments[1]	Number of persons employed				
	2017	2014	2015	2016	2017	2018
Total	**..**	**..**	**..**	**..**	**..**	**..**
Tourism industries	**4 155**	**26 577**	**28 449**	**30 642**	**32 044**	**..**
Accommodation services for visitors	813	8 647	8 670	8 900	9 048	..
Hotels and similar establishments	..	..	..	..	..	..
Food and beverage serving industry	2 471	14 274	15 802	17 408	18 599	..
Passenger transport	..	..	..	..	..	..
Air passenger transport	..	..	..	..	..	..
Railways passenger transport	..	..	..	..	..	..
Road passenger transport	..	..	..	..	..	..
Water passenger transport	..	..	..	..	..	..
Passenger transport supporting services	..	..	..	..	..	..
Transport equipment rental	..	..	..	..	..	..
Travel agencies and other reservation services industry	871	3 656	3 977	4 334	4 397	..
Cultural industry	..	..	..	..	..	..
Sports and recreation industry	..	..	..	..	..	..
Retail trade of country-specific tourism characteristic goods	..	..	..	..	..	..
Other country-specific tourism industries	..	..	..	..	..	..
Other industries	**..**	**..**	**..**	**..**	**..**	**..**

.. Not available
1. Data refer to number of enterprises.
Source: OECD Tourism Statistics (Database).

StatLink http://dx.doi.org/10.1787/888934078908

South Africa

Tourism in the economy

In 2017, the direct contribution of the tourism sector to GDP was ZAR 130.3 billion, constituting a 2.8% direct contribution to GDP. This level of contribution has been stable at around 3% over the past decade, with a peak of 3.2 % achieved in 2006. Direct employment in tourism was 722 013 in 2017, representing 4.5% of the total workforce. The World Travel and Tourism Council estimates that the direct contribution of tourism will be ZAR 136.1 billion in 2018 and direct employment will rise to 726 500.

In 2018, there were 10.5 million international tourist arrivals, up 1.8% over 2017. Key source markets are other African countries, which make up over 70% of all international arrivals. Zimbabwe is the top source market (21.1% of tourists), followed by Lesotho (16.6%), and Mozambique (13.0%). South Africa's major long-haul overseas markets are the United Kingdom, United States and Germany. Inbound tourism expenditure amounts to ZAR 120.9 billion.

Domestic tourism trips totalled 17.7 million in 2018, up 2.6% over 2017, but still substantially lower than 2016 (-27.3%), which recorded 24.3 million tourism trips. The number of domestic trips has been in decline since 2015, mainly due to unfavourable economic conditions. The visiting friends and relatives segment declined by a substantial 38% and was the main reason for the overall decrease in domestic trips during the period.

Tourism governance and funding

Tourism is a concurrent function in South Africa's Constitution, meaning that all three levels of government (National, Provincial and Local) have jurisdiction and direct responsibility. The Minister of Tourism oversees both South African Tourism, the NTO, and the Department of Tourism, which is responsible for promoting the inclusive growth of tourism through research, policy, destination development international relations and sector support services.

The Department of Tourism co-ordinates the activities of public and private sector stakeholders through the implementation of the 2017 National Tourism Sector Strategy. Horizontal co-ordination is undertaken through bilateral engagement and co-operation with key departments in targeted areas, such as visa policy, air connectivity and licensing. Vertical co-ordination is achieved by identifying and bringing together relevant public and private sector structures at local, provincial and national levels to enable effective co-operation, joint planning and reporting.

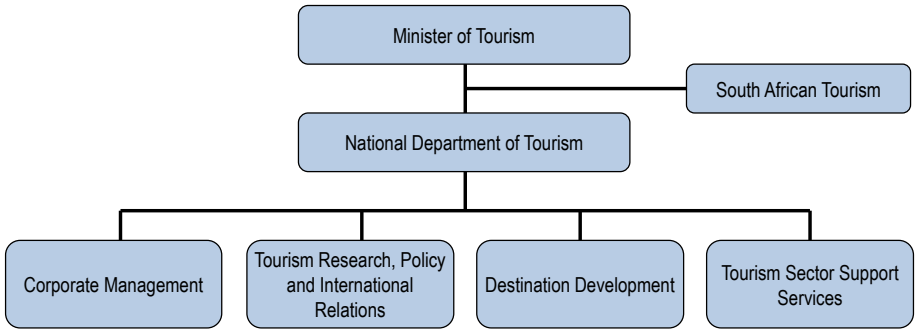
Additional initiatives include a comprehensive human resource and skills strategy, finalised in 2018 and involving the industry and the higher education sector. Travel facilitation is promoted in association with the Ministries of Home Affairs and Transport, while the Ministry of Environmental Affairs is a key partner in the development and implementation of programmes focusing on sustainable tourism.

The whole-of-government approach to tourism is based on collaborative efforts with key departments (ministries) that have mandates with an impact on tourism. Interaction with the private sector takes place

through organised associations representing the various sub-sectors and with the development of joint projects such as the National Tourism Visitor Information System. There is also a Tourism Leadership Dialogue structure, which is convened by the Tourism Minister with industry leaders.

The national budget for the 2018/19 financial year was ZAR 2.3 billion, of which ZAR 1.2 billion was allocated to South African Tourism for destination marketing. The rest of the budget was allocated to the Expanded Public Works Programme, the Tourism Incentive Programme, Visitor Support Services, Destination Development and the Research, Policy and International programme.

South Africa: Organisational chart of tourism bodies



Source: OECD, adapted from the Department of Tourism, 2020.

Tourism policies and programmes

The National Tourism Sector Strategy, updated in 2016 and approved in 2017, remains the overarching framework guiding tourism development, being a 10-year strategy until 2026. Its key pillars are: Effective Marketing, Destination Management, Facilitating Ease of Access, Visitor Experience, and Broad-based Benefits.

The implementation of the Strategy is facilitated through work streams aligned to each pillar, bringing together all actors to work on identified activities. The Effective Marketing pillar, for example, focuses on co-ordinating efforts to promote South Africa to become a top-of-mind destination and the achievement of an improved conversion rate. Prioritised markets and segments are targeted through this pillar and broader action includes improved brand management in partnership with the national brand organisation, Brand South Africa and the Ministry of International Relations and Co-operation.

The Destination Management pillar provides for the sustainable development and management of the tourism sector through practices that help organise the tourism system. These include planning, the development of standards and the development of structures and processes that organise information flows and relationships between the various stakeholders in order to optimise destination performance.

Seamless travel facilitation and access to participate in tourism is implemented through the Facilitating Ease of Access pillar, working to identify and remove barriers that limit the ability of potential international tourists to travel to South Africa and travel easily within the destination. This includes working with public sector partners to ease visa regulations and processes for tourism priority markets, and to promote air capacity and connectivity as appropriate.

The Visitor Experience pillar targets the provision of quality visitor experiences for both domestic and international tourists to increase customer satisfaction and inspire repeat visits. Enhancement of both tangible and intangible elements of the visitor experience underpin activities, including the development, maintenance and enhancement of tourist specific and related infrastructure. The development of skills and

service levels, increased capacity in telecommunications, and countering safety and security concerns that could have a major bearing on the visitor experience, are examples of issues addressed through this pillar.

The Broad-based Benefits pillar seeks to promote the empowerment of previously marginalised enterprises and rural communities to ensure inclusive growth of the sector. Focus areas include targeted support for sustainable enterprise development and the expansion of benefits of tourism to rural and other previously under-served areas.

The Strategy has been given further impetus by the selection of tourism as one of the sectors targeted to contribute to higher levels of growth for the country. Focused country-level masterplans are under development to facilitate improvements in the enabling environment, infrastructure prioritisation and the destination brand.

Digital transformation has emerged as one of the major factors affecting the tourism economy (Box 2.7). In particular, for the local tourism economy, there have been developments in the short-term rental arena, prompting the development of an amendment to the Tourism Act. The draft amendment includes definitions for short-term rentals, creating an instrument to determine thresholds, and seeking to differentiate between occasional and professional home rental providers.

The proposed amendments are in response to an increasing number of home-owners listing their properties on digital platforms, with this accommodation segment growing rapidly since the initial launch of the first platform in 2009. These developments have happened without an enabling legal framework. Short-term rental as practiced through digital platforms is not provided for in any national legislation. It is thus far also not in place in any of the local authority by-laws (sub-national legislation), and municipal (local authority) planning departments have had challenges responding to concerns raised by other property owners not participating and feeling unfairly impacted by the activities of fellow property owners. Some concerns have also emerged from guest house and Bed-and-Breakfast owners, on whom compliance requirements are imposed and who therefore perceive digital platform operators to be competing unfairly. At the same time, operators argue that the platforms facilitate access to a market that would otherwise not be possible, increasing the diversity of the offer for visitors and supporting small enterprises seeking to supplement incomes. The draft provides for the Minister of Tourism to determine thresholds in respect of short-term rentals, which is defined as the renting or leasing on a temporary basis, for reward, of a dwelling or part thereof, to a visitor. Consultation is a major principle in this draft legislation as it will allow stakeholders to comment prior to the finalisation of any of its provisions.

Statistical Profile

South Africa: Domestic, inbound and outbound tourism

	2014	2015	2016	2017	2018
TOURISM FLOWS, THOUSAND					
Domestic tourism					
Total domestic trips	273 884	248 903	149 486	152 200	133 650
Overnight visitors (tourists)	28 009	24 451	24 280	17 200	17 650
Same-day visitors (excursionists)	245 875	224 452	125 206	135 000	116 000
Nights in all types of accommodation	113 100	102 486	103 418	70 100	69 300
Hotels and similar establishments	..	..	..	..	..
Other collective establishments	..	..	..	..	..
Private accommodation	..	..	..	..	..
Inbound tourism					
Total international arrivals	14 529	13 952	15 121	14 976	15 004
Overnight visitors (tourists)	9 549	8 904	10 044	10 285	10 472
Same-day visitors (excursionists)	4 980	5 048	5 077	4 691	4 532
Top markets					
Zimbabwe	2 144	1 901	2 029	2 040	2 209
Lesotho	1 502	1 395	1 757	1 747	1 739
Mozambique	1 283	1 200	1 268	1 339	1 361
Swaziland	918	838	894	877	884
Botswana	556	594	680	681	689
Nights in all types of accommodation	..	..	..	..	..
Hotels and similar establishments	..	..	..	..	..
Other collective establishments	..	..	..	..	..
Private accommodation	..	..	..	..	..
Outbound tourism					
Total international departures	5 382	5 414	5 551	5 786	6 015
Overnight visitors (tourists)	..	..	..	..	..
Same-day visitors (excursionists)	..	..	..	..	..
Top destinations					
..	..	..	..	..	..
..	..	..	..	..	..
..	..	..	..	..	..
..	..	..	..	..	..
..	..	..	..	..	..
TOURISM RECEIPTS AND EXPENDITURE, MILLION USD					
Inbound tourism					
Total international receipts	10 484	9 139	8 808	9 699	9 784
International travel receipts	9 338	8 259	7 919	8 810	8 985
International passenger transport receipts	1 146	881	888	889	800
Outbound tourism					
Total international expenditure	6 313	5 735	5 354	6 064	6 344
International travel expenditure	3 169	2 998	2 858	3 255	3 400
International passenger transport expenditure	3 145	2 736	2 496	2 808	2 944

.. Not available
Source: OECD Tourism Statistics (Database).

StatLink http://dx.doi.org/10.1787/888934078927

South Africa: Enterprises and employment in tourism

	Number of establishments	Number of persons employed[1]				
	2018	2014	2015	2016	2017	2018
Total	..	..	..	..	..	..
Tourism industries	**46 461**	**681 916**	**669 652**	**690 262**	**722 012**	..
Accommodation services for visitors	10 489	115 364	136 120	130 256	135 720	..
Hotels and similar establishments	3 003	..	..	..	..	..
Food and beverage serving industry	18 217	137 789	141 709	146 534	143 873	..
Passenger transport	6 833	235 649	217 910	232 663	254 844	..
Air passenger transport	1 217	34 765	31 669	23 253	26 477	..
Railways passenger transport	40	6 135	5 205	5 168	5 146	..
Road passenger transport	5 290	193 870	179 047	203 481	220 157	..
Water passenger transport	286	879	1 989	761	3 064	..
Passenger transport supporting services	..	..	..	..	..	..
Transport equipment rental	368	7 770	10 282	8 068	9 743	..
Travel agencies and other reservation services industry	2 057	30 132	29 120	30 749	30 960	..
Cultural industry	4 383	15 817	15 392	17 268	16 645	..
Sports and recreation industry	4 114	16 845	20 539	16 560	19 510	..
Retail trade of country-specific tourism characteristic goods	..	122 550	98 580	108 164	110 717	..
Other country-specific tourism industries	..	..	..	..	..	..
Other industries	..	..	..	..	..	..

.. Not available
1. Data refer to number of jobs.
Source: OECD Tourism Statistics (Database).

StatLink http://dx.doi.org/10.1787/888934078946

South Africa: Internal tourism consumption

Million ZAR

	2017		
	Domestic tourism expenditure	Inbound tourism expenditure	Internal tourism consumption
Total	..	..	..
Consumption products	**156 437**	**120 979**	**277 416**
Tourism characteristic products	113 539	75 144	188 683
Accommodation services for visitors	22 370	19 757	42 127
Food and beverage serving services	1 979	11 223	19 142
Passenger transport services	66 157	30 187	96 343
Air passenger transport services	23 017	14 940	37 956
Railways passenger transport services	442	203	645
Road passenger transport services	42 685	15 035	57 720
Water passenger transport services	13	9	22
Passenger transport supporting services	..	..	..
Transport equipment rental services	3 656	1 867	5 523
Travel agencies and other reservation services industry	9 130	3 837	12 967
Cultural services	195	244	439
Sports and recreation services	4 113	8 029	12 142
Country-specific tourism characteristic goods	..	..	..
Country-specific tourism characteristic services	..	..	..
Other consumption products	42 898	45 835	88 733
Tourism connected products	15 818	17 637	33 455
Non-tourism related consumption products	27 080	28 198	55 278
Non-consumption products	..	..	..

.. Not available
Source: OECD Tourism Statistics (Database).

StatLink http://dx.doi.org/10.1787/888934078965

OECD Tourism Trends and Policies 2020

The 2020 edition analyses tourism performance and policy trends across 51 OECD countries and partner economies. It highlights the need for coherent and comprehensive approaches to tourism policy making, and the significance of the tourism economy, with data covering domestic, inbound and outbound tourism, enterprises and employment, and internal tourism consumption. Tourism policy priorities, reforms and developments are analysed and examples of country practices highlighted. Thematic chapters provide insights on preparing tourism businesses for the digital transformation, and rethinking tourism success to promote more sustainable and inclusive tourism development.

Consult this publication on line at ***https://doi.org/10.1787/6b47b985-en***.

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